



Florida Gas Transmission Company

An Energy Transfer/Kinder Morgan Affiliate

July 6, 2022

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

Re: Florida Gas Transmission Company, LLC
Docket Nos. RP21-441-005, et al.¹
Settlement Compliance Filing

Dear Ms. Bose:

In compliance with Florida Gas Transmission Company, LLC's ("FGT") Stipulation and Agreement of Settlement ("Settlement") in the above-captioned proceedings as approved by the Federal Energy Regulatory Commission's ("Commission") Order Approving Settlement issued June 3, 2022² ("Order"), FGT hereby submits for filing with the Commission the revised tariff records to its FERC NGA Gas Tariff, Fifth Revised Volume No. 1, which are listed on Appendix A hereto, to become effective August 1, 2022 in accordance with Article XII of the Settlement.

STATEMENT OF NATURE, REASONS AND BASIS

The purpose of this filing is to comply with the Order to file the approved Settlement Rates and pro forma tariff records in eTariff format to implement the Settlement. As required by the Settlement, the tariff records filed herein conform to the Settlement Rates and the Pro Forma Settlement tariff records included in the Settlement's Appendix B and Appendix D-2 respectively with one exception. The Settlement Rates, which are shown in Appendix B in dollars, have been converted to cents on the corresponding Currently Effective Rates tariff records by Rate Schedule.

IMPLEMENTATION AND WAIVERS REQUESTED

Pursuant to Section 154.7(a)(9) of the Commission's Regulations, FGT requests that the proposed tariff records submitted herewith be accepted effective August 1, 2022. FGT respectfully requests the Commission grant waiver of Section 154.207 of the Commission's Regulations and any other waivers of its Regulations that it deems necessary to accept this filing and allow the proposed tariff records in this filing to become effective on August 1, 2022.

¹ Docket Nos. RP21-441-000, RP21-441-001, RP21-441-002, RP21-441-003, RP21-441-005

² *Florida Gas Transmission Company, LLC*, 179 FERC ¶ 61,172 (2022).

CONTENTS OF THE FILING

This filing is made in electronic format in compliance with Section 154.4 of the Commission's Regulations. In addition to the proposed tariff records in RTF format with metadata attached, the XML filing package contains:

- . a transmittal letter with Appendix A in PDF format
- . a clean copy of the proposed tariff records in PDF format for publishing in eLibrary
- . a marked version of the proposed tariff changes in PDF format
- . a copy of the complete filing in PDF format for publishing in eLibrary

In accordance with Section 154.2(d) of the Commission's Regulations, a copy of this filing is available for public inspection during regular business hours at FGT's office at 1300 Main Street, Houston, Texas 77002. In addition, copies of this filing are being served on all parties to this proceeding. FGT has posted a copy of this filing on its Internet web site accessible via <http://fgttransfer.energytransfer.com> under "Informational Postings, Regulatory".

Pursuant to Section 385.2011(c)(5) of the Commission's Regulations, the undersigned has read this filing and knows its contents; the contents are true as stated, to the best of his knowledge and belief; and the undersigned possesses full power and authority to sign such filing.

Respectfully submitted,

FLORIDA GAS TRANSMISSION COMPANY, LLC

/s/ Lawrence J. Biediger

Lawrence J. Biediger
Sr. Director, Rates and Regulatory Affairs

FLORIDA GAS TRANSMISSION COMPANY, LLC
 FERC NGA Gas Tariff
 Fifth Revised Volume No. 1
 RP21-441-_____

Proposed to be Effective August 1, 2022

<u>Version</u>	<u>Description</u>	<u>Title</u>
33.0.0	Rate Schedule FTS-1	Currently Effective Rates
30.0.0	Rate Schedule FTS-3	Currently Effective Rates
33.0.0	Rate Schedule SFTS	Currently Effective Rates
6.0.0	Rate Schedule NNTS	Currently Effective Rates
31.0.0	Rate Schedule FTS-WD	Currently Effective Rates
11.0.0	Rate Schedule FTS-WD-2	Currently Effective Rates
33.0.0	Rate Schedule ITS-1	Currently Effective Rates
31.0.0	Rate Schedule ITS-WD	Currently Effective Rates
7.0.0	Rate Schedule PNR	Currently Effective Rates
4.0.0	GT&C Section 2.	Quality
6.0.0	GT&C Section 24.	Accounting for Cash-Out Mechanism and Operational Controls

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE FTS-1
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C Sect. 24 Adjustment	GT&C Sect. 27 Unit Fuel	Maximum Rate	Minimum Rate	Fuel Reimbursement Charge Percentage
FIRM TRANSPORTATION 6/						
Forwardhaul						
Reservation	51.50 ¢	-	-	51.50 ¢	0.00 ¢	-
Usage 5/						
Western Division to Market Area	2.09 ¢	-	3.44 ¢	5.53 ¢	5.53 ¢	2.13 % 1/
Market Area to Market Area	2.09	-	-	2.09	2.09	2/
Western Division to Western Division	2.09	-	1.92 3/	4.01	4.01	0.77 % 4/
Backhaul/Exchange						
Reservation	51.50 ¢	-	-	51.50 ¢	0.00 ¢	-
Usage 5/	2.09	-	(0.02) ¢ 8/	2.07	2.07	0.00 % 7/

- 1/ Base Fuel Reimbursement Charge Percentage 2.13 %
 Flex Adjustment 0.00 %
 Effective Fuel Reimbursement Charge Percentage 2.13 %
- 2/ The Fuel Reimbursement Charge Percentage shall be 0.25% per compressor station, subject to a minimum of 0.25%, up to a maximum of 2.13%.
- 3/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 4/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 5/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 6/ 100% Load Factor Rate shall equal the sum of the Reservation and Usage rates.
- 7/ For backhauls within the Market Area, the fuel charge including lost and unaccounted for shall be 0.25%. For all other backhauls, the fuel charge shall be the lost and unaccounted for rate of 0.00%.
- 8/ For backhauls within the Market Area, the Unit Fuel Charge shall be 0.00¢. For all other backhauls, the Unit Fuel Charge shall be the lost and unaccounted for rate of (0.02)¢.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE FTS-3
 Cents per MMBtu

<u>Description</u>	<u>Rate Per MMBtu</u>	<u>GT&C Sect. 24 Adjustment</u>	<u>GT&C Sect. 27 Unit Fuel</u>	<u>Maximum Rate</u>	<u>Minimum Rate</u>	<u>Fuel Reimbursement Charge Percentage</u>
FIRM TRANSPORTATION 6/						
Forwardhaul						
Reservation	89.00 ¢	-	-	89.00 ¢	0.00 ¢	-
Usage 5/						
Western Division to Market Area	0.04	-	3.44 ¢	3.48	3.48	2.13 % 1/
Market Area to Market Area	0.04	-	-	0.04	0.04	2/
Western Division to Western Division	0.04	-	1.92 3/	1.96	1.96	0.77 % 4/
Backhaul/Exchange						
Reservation	89.00 ¢	-	-	89.00 ¢	0.00 ¢	-
Usage 5/	0.04	-	(0.02) ¢ 8/	0.02	0.02	0.00 % 7/

- 1/ Base Fuel Reimbursement Charge Percentage 2.13 %
 Flex Adjustment 0.00 %
 Effective Fuel Reimbursement Charge Percentage 2.13 %
- 2/ The Fuel Reimbursement Charge Percentage shall be 0.25% per compressor station, subject to a minimum of 0.25%, up to a maximum of 2.13%.
- 3/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 4/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 5/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 6/ 100% Load Factor Rate shall equal the sum of the Reservation and Usage rates.
- 7/ For backhauls within the Market Area, the fuel charge including lost and unaccounted for shall be 0.25%. For all other backhauls, the fuel charge shall be the lost and unaccounted for rate of 0.00%.
- 8/ For backhauls within the Market Area, the Unit Fuel Charge shall be 0.00¢. For all other backhauls, the Unit Fuel Charge shall be the lost and unaccounted for rate of (0.02)¢.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE SFTS
 Cents per MMBtu

<u>Description</u>	<u>Rate</u> Per MMBtu	<u>GT&C</u>		<u>Maximum</u> <u>Rate</u>	<u>Minimum</u> <u>Rate</u>	<u>Fuel</u> <u>Reimbursement</u> <u>Charge</u> <u>Percentage</u>
		<u>Sect. 24</u> <u>Adjustment</u>	<u>Sect. 27</u> <u>Unit Fuel</u>			
SMALL FIRM TRANSPORTATION						
Usage 5/						
Western Division to Market Area	91.00 ¢	-	3.44 ¢	94.44 ¢	5.53 ¢	2.13 % 1/
Market Area to Market Area	91.00	-	-	91.00	2.09	2/
Western Division to Western Division	91.00	-	1.92 3/	92.92	4.01	0.77 % 4/

- 1/ Base Fuel Reimbursement Charge Percentage 2.13 %
 Flex Adjustment 0.00 %
 Effective Fuel Reimbursement Charge Percentage 2.13 %
- 2/ The Fuel Reimbursement Charge Percentage shall be 0.25% per compressor station, subject to a minimum of 0.25%, up to a maximum of 2.13%.
- 3/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 4/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 5/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE NNTS
 Cents per MMBtu

<u>Description</u>	<u>Rate</u> <u>Per MMBtu</u>	<u>GT&C</u> <u>Sect. 22</u> <u>ACA</u>	<u>GT&C</u> <u>Sect. 27</u> <u>Unit Fuel</u>	<u>Maximum</u> <u>Rate</u>	<u>Minimum</u> <u>Rate</u>
NO NOTICE TRANSPORTATION Reservation	5.07 ¢	-	-	5.07 ¢	-

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE FTS-WD
 Cents per MMBtu

<u>Description</u>	<u>Rate Per MMBtu</u>	<u>GT&C Sect. 24 Adjustment</u>	<u>GT&C Sect. 27 Unit Fuel</u>	<u>Maximum Rate</u>	<u>Minimum Rate</u>	<u>Fuel Reimbursement Charge Percentage</u>
FIRM TRANSPORTATION 3/						
Forwardhaul						
Reservation	5.95 ¢	-	-	5.95 ¢	0.00 ¢	-
Usage 4/	1/	-	1.92 ¢ 5/	6/	6/	0.77 % 2/
Backhaul/Exchange						
Reservation	5.95 ¢	-	-	5.95 ¢	0.00 ¢	-
Usage 4/	1/	-	(0.02) ¢	6/	6/	0.00 %

- 1/ Usage rate shall be 0.56¢/MMBtu plus 0.14¢/MMBtu per 25 miles or any portion thereof in excess of 100 miles; provided, however, transportation where the quantity is received at an In-Line Transfer Point from an IPS shipper shall include the longest path mileage within the zone of the In-Line Transfer Point.
- 2/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 3/ 100% Load Factor Rate shall equal the sum of the Reservation and Usage Charge.
- 4/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 5/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 6/ Shall be the sum of the usage rate in footnote 1/ plus the Unit Fuel Charge.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE FTS-WD-2
 Cents per MMBtu

<u>Description</u>	<u>Rate Per MMBtu</u>	<u>GT&C Sect. 24 Adjustment</u>	<u>GT&C Sect. 27 Unit Fuel</u>	<u>Maximum Rate</u>	<u>Minimum Rate</u>	<u>Fuel Reimbursement Charge Percentage</u>
FIRM TRANSPORTATION 2/						
Forwardhaul						
Reservation	11.52 ¢	-	-	11.52 ¢	0.00 ¢	-
Usage 3/	0.17	-	1.92 ¢ 4/	5/	5/	0.77 % 1/
Backhaul/Exchange						
Reservation	11.52 ¢	-	-	11.52 ¢	0.00 ¢	-
Usage 3/	0.17	-	(0.02) ¢	5/	5/	0.00 %

1/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD-2. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.

2/ 100% Load Factor Rate shall equal the sum of the Reservation and Usage Charge.

3/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.

4/ Exceptions to the stated Unit Fuel Surcharge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.

5/ Shall be the sum of the usage rate plus the Unit Fuel Charge.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE ITS-1
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C Sect. 24 Adjustment	GT&C Sect. 27 Unit Fuel	Maximum Rate	Minimum Rate	Fuel Reimbursement Charge Percentage
INTERRUPTIBLE TRANSPORTATION						
Forwardhaul						
Usage 5/						
Western Division to Market Area	71.32 ¢	-	3.44 ¢	74.76 ¢	4.51 ¢	2.13 % 1/
Market Area to Market Area	71.32	-	-	71.32	1.07	2/
Western Division to Western Division	71.32	-	1.92 3/	73.24	2.99	0.77 % 4/
Backhaul/Exchange						
Usage 5/	71.32 ¢	-	(0.02) ¢ 7/	71.30 ¢	1.05 ¢	0.00 % 6/

1/ Base Fuel Reimbursement Charge Percentage 2.13 %
 Flex Adjustment 0.00 %
 Effective Fuel Reimbursement Charge Percentage 2.13 %

2/ The Fuel Reimbursement Charge Percentage shall be 0.25% per compressor station, subject to a minimum of 0.25%, up to a maximum of 2.13%.

3/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.

4/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.

5/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.

6/ For backhauls within the Market Area, the fuel charge including lost and unaccounted for shall be 0.25%. For all other backhauls, the fuel charge shall be the lost and unaccounted for rate of 0.00%.

7/ For backhauls within the Market Area, the Unit Fuel Charge shall be 0.00¢. For all other backhauls, the Unit Fuel Charge shall be the lost and unaccounted for rate of (0.02)¢.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE ITS-WD
 Cents per MMBtu

<u>Description</u>	<u>Rate Per MMBtu</u>	<u>GT&C Sect. 24 Adjustment</u>	<u>GT&C Sect. 27 Unit Fuel</u>	<u>Maximum Rate</u>	<u>Minimum Rate</u>	<u>Fuel Reimbursement Charge Percentage</u>
INTERRUPTIBLE TRANSPORTATION						
Forwardhaul						
Usage 4/	1/	-	1.92 ¢ 5/	6/	2/	0.77 % 3/
Backhaul/Exchange						
Usage 4/	1/	-	(0.02) ¢	6/	2/	0.00 %

- 1/ Usage rate shall be 6.51¢/MMBtu plus 0.14¢/MMBtu per 25 miles or any portion thereof in excess of 100 miles; provided, however, transportation where the quantity is received at an In-Line Transfer Point from an IPS shipper shall include the longest path mileage within the zone of the In-Line Transfer Point.
- 2/ Usage rate shall be: 1) 0.56¢/MMBtu plus 0.14¢/MMBtu per 25 miles or any portion thereof in excess of 100 miles; provided, however, transportation where the quantity is received at an In-Line Transfer Point from an IPS shipper shall include the longest path mileage within the zone of the In-Line Transfer Point plus 2) the Unit Fuel Charge.
- 3/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule ITS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 4/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 5/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 6/ Shall be the sum of the usage rate in footnote 1/ plus the Unit Fuel Charge.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE PNR
Cents per MMBtu

<u>Description</u>	<u>Maximum Rate Per MMBtu</u>	<u>Minimum Rate Per MMBtu</u>
INTERRUPTIBLE PARK 'N RIDE SERVICE	71.32 ¢	-

GENERAL TERMS AND CONDITIONS

2. QUALITY

- A. Natural gas is a naturally occurring hydrocarbon gas mixture consisting primarily of methane, but commonly including varying amounts of other higher alkanes.

Gas delivered by Shipper or for its account into Transporter's pipeline system at receipt points shall conform to the following quality standards:

1. shall be free from objectionable odors, solid matter, dust, gums, and gum forming constituents, or any other substance which might interfere with the merchantability of the gas stream, or cause interference with proper operation of the lines, meters, regulators, or other appliances through which it may flow;
2. shall contain not more than seven (7) pounds of water vapor per one thousand (1,000) MCF;
3. shall contain not more than one quarter (1/4) grain of hydrogen sulphide per one hundred (100) cubic feet of gas;
4. shall contain not more than ten (10) grains of total sulphur per one hundred (100) cubic feet of gas, unless otherwise provided in Section 2.B.7;
5. shall contain not more than two percent (2%) by volume of carbon dioxide or a combined total three percent (3%) by volume of carbon dioxide and/or nitrogen;
6. shall contain not more than one quarter percent (1/4%) by volume of oxygen;
7. shall have a temperature of not more than one hundred twenty (120) degrees Fahrenheit;
8. shall have a Btu content of not less than one thousand (1000) Btu per cubic foot;
9. shall have no carbon dioxide, oxygen or nitrogen injected as a dilutant;
10. shall not contain any toxic or hazardous substance in concentrations which, in the normal use of gas, may be hazardous to health, injurious to pipeline facilities, or be a limit to merchantability or be contrary to applicable government standards; and,
11. shall not contain any microbiological organism, active bacteria or bacterial agent capable of causing or contributing to: (i) injury to Transporter's pipelines, meters, regulators, or other facilities and appliances through which gas flows or (ii) interference with the proper operation of Transporter's facilities. Microbiological

organisms include, but are not limited to, sulfate reducing bacteria (SRB), iron oxidizing bacteria (IOB) and acid producing bacteria (APB). When bacteria or microbiological organisms are considered to be possibly present in gas, upon Transporter's request, Shippers desiring to nominate such gas shall test, or request the point operator or applicable upstream party to test, such gas for bacteria or bacterial agents utilizing the American Petroleum Institute test method API-RP38, Environmental Protection Agency Method 5 or other acceptable test method as determined by Transporter and the applicable party. Transporter will not be obligated to receive gas from such points if such testing is not complete and/or the test results are not acceptable to Transporter.

- B. Gas delivered into Transporter's pipeline system at point(s) of receipt in Transporter's Market Area shall, in addition to the provisions contained in Section 2.A.1 through 2.A.11, conform to the following quality standards:
1. shall have a methane composition of not less than eighty-five (85) mole percent;
 2. shall have an ethane composition of not more than ten (10) mole percent;
 3. shall have a combined composition of not more than one and two tenths (1.2) mole percent of isobutane and normal butane and pentanes and heavier hydrocarbons; and a Hydrocarbon Dew point not to exceed 25 degrees Fahrenheit;
 4. shall have a minimum temperature, and a physical means to maintain such minimum temperature; such minimum temperature to be determined on a case-by-case basis, considering the pipeline operating conditions at, and downstream of, the receipt location, such as: (i) gas flow and the ability to blend gas streams, (ii) the magnitude of the pressure drop at the point of the interconnection, and (iii) any potentially adverse impact to, or unsafe condition on, Transporter's or customers' facilities downstream of the interconnection, such as those occurring from the receipt of excessively cold gas or liquid hydrocarbon fallout;
 5. shall have a Btu content of not more than eleven hundred and ten (1110) Btu per cubic foot;
 6. shall have a Wobbe Index absolute limit from 1320 to 1396 (calculated using Higher Heating Value (HHV), dry, under standard conditions at 14.73 psia at 60 degrees Fahrenheit) based on the following mathematical definition and in accordance with Section 4 of these GT&C;

HHV/SQRT SG_{gas}

Where:

HHV = Higher Heating Value (Btu/scf)

SG_{gas} = Specific Gravity

Sqrt = Square Root of

and shall be subject to a limitation on the rate of change of two percent (2%) of Wobbe per six-minute interval; and,

7. shall contain not more than two (2) grains of total sulphur per one hundred (100) cubic feet of gas.
- C. Transporter may refuse to accept any gas which fails to conform with the quality standards itemized in Sections 2.A and 2.B above. Transporter, in its reasonable discretion exercised on a not unduly discriminatory basis, may waive the quality standards for gas delivered into its pipeline system at receipt points, provided that such waiver will not affect Transporter's ability to maintain an acceptable gas quality in its pipeline and adequate service to its customers consistent with the applicable Rate Schedule and these General Terms, including (without limitation) Section 2.D below. Such waiver will not be effective unless in writing and signed by an authorized representative of Transporter.
- D. The gas delivered by Transporter to Shipper shall conform to the following standards:
1. The gas shall be natural gas, or its equivalent as provided for in Section 2.D.3 below, from the sources of supply attached or delivered to Transporter's pipeline system; provided however, that moisture, impurities, helium, natural gasoline, butane, propane, and other hydrocarbons or other substances, may be removed prior to delivery to Shipper. Nothing herein shall restrict Shipper's right to remove any merchantable products prior to delivery into Transporter's system by or for the account of Shipper. Further, nothing herein shall prevent Shipper from making arrangements for the processing of Shipper's gas on Transporter's system (nor, in the event such arrangements are made, from designating a processing plant as the Delivery Point for the MMBtu attributable to processed liquefiables). Transporter may subject or permit the subjection of the gas to compression, heating, cooling, cleaning or other processes, which are not substantially detrimental to the merchantability of the gas stream.
 2. To the extent Shippers conform with requirements hereof, the gas shall have a total heating value of not less than one thousand (1000) Btu per cubic foot of dry gas, and be reasonably free of moisture, objectionable liquids and solids so as to be merchantable upon delivery to Shipper, and shall contain not more than two hundred (200) grains of total sulphur, nor more than fifteen (15) grains of hydrogen sulphide, per MCF. The gas may contain an odorant at the point of delivery, but it is the responsibility of the customer to monitor and maintain any required odorant levels after the point of delivery.
 3. Transporter may utilize gas from any standby equipment to effectuate deliveries provided the gas shall be reasonably equivalent to the gas delivered to Transporter by or for the account of Shipper hereunder, and adopted for use by Shipper's

consumers without the necessity of making adjustments to fuel-burning equipment.

GENERAL TERMS AND CONDITIONS

24. ACCOUNTING FOR CASH-OUT MECHANISM AND OPERATIONAL CONTROLS

In order to maintain an operational system balance on its pipeline system, Transporter will incur certain costs, generate certain revenues, and maintain certain volumetric balances which are subject to in-kind resolution at a later date. The accounting for and disposition of these costs and revenues and the interrelationship of the various mechanisms in maintaining an operational system balance shall be as set forth below.

A Settlement Period shall mean the production months reflected in a twelve month accounting period ending each September 30. Transporter shall utilize the same production months in each Settlement Period for each mechanism, notwithstanding differences in the accounting cycles in which the various mechanisms are recorded.

A. Determination of Account Balances

1. Cash-Out Mechanism Account

Amounts invoiced and paid pursuant to the provisions of Section 14.B of these General Terms and Conditions ("GTC"), less the transportation component of such charges, will be recorded as cash-out mechanism revenues and costs with the associated volumes. Following each service year ending on September 30, Transporter will determine the volumetrically balanced net cash balance of the Cash-Out Mechanism Account for the Settlement Period attributable to the application of the Imbalance Level factors and posted price indices provided for in Section 14.B herein by:

- a. Totaling the volumetric imbalances due Imbalance Parties and the amounts paid by Transporter to such Imbalance Parties, and calculating the weighted average price paid for such imbalances; and
- b. Totaling the volumetric imbalances due Transporter and the amounts invoiced for such imbalances (net of transportation component), and calculating the weighted average price for such imbalances; and
- c. Calculating the Excess Volumetric Cash-Out Volume as the volumetric difference between (a) and (b) above and calculating the Excess Volumetric Cash-Out Costs or Revenues associated with such volume by applying the weighted average price for such imbalance as calculated pursuant to (a) and (b) above. Such Excess Volumetric Cash-Out Volumes and Costs or Revenues will be deducted from the cash-out account balances and transferred to settlement of the Balancing Tools Account.

2. Fuel Mechanism Account

The volumes and associated dollar amounts calculated pursuant to General Terms and Conditions Section 27.E., which represent the monthly differences between retained fuel and actual fuel (including lost and unaccounted for volumes), for each month of the Settlement Period shall also be accounted for in the Annual Report as defined in Section B.3 herein. The procedure shall be the same as the Cash-Out Mechanism Account described in Section 24.A.1 above.

3. Balancing Tools Account

Amounts invoiced or paid, and associated volumes if any, related to Operational Purchases and Sales (General Terms and Conditions Section (GTC Sec. 17.C.5), Alert Day Overages (GTC Sec. 13.D.4), Alert Day Underages (GTC Sec. 13.D.5), OBA's subject to cash resolution (GTC Sec. 12.A.), Unauthorized Gas (GTC Sec. 12.D.), Unscheduled Deliveries (GTC Sec. 13.1.C), Deferred Exchanges (GTC Sec. 17.C.6.), non-compliance with OFO's (GTC Sec. 17.C.3), and charges or credits related to non-compliance with any applicable delivery tolerance provisions of the above, as well as the MSS and Pack/Draft provisions, will be recorded in a Balancing Tools Account. Also, fifty percent (50%) of the revenues received by Transporter as compensation for the transportation aspect of MSS Service shall be recorded in the Balancing Tools Account. In addition, Excess Volumetric Cash-Out Volumes and Costs or Revenues and Excess Volumetric Fuel Volumes and Costs or Revenues, as determined in Sections 24.A.1.c. and 24.A.2, respectively, will be included in the settlement of the Balancing Tool Account. Following the end of each Settlement Period, Transporter will determine the volumetrically balanced net cash balance of the Balancing Tool Account by:

- a. Totaling the amounts paid by Transporter, and associated volumes, if any, related to the cost items identified in Section 24.A.3 above plus any Excess Volumetric Cash-Out Volumes and Costs from the Cash-Out Mechanism and any Excess Volumetric Fuel Volumes and Costs from the Fuel Mechanism, and calculating the weighted average unit price associated with such balancing cost transactions; and
- b. Totaling the amounts invoiced by Transporter, and associated volumes, if any, related to the revenue items identified in Section 24.A.3 above plus any Excess Volumetric Cash-Out Volumes and Revenues from the Cash-Out Mechanism and any Excess Volumetric Fuel Volumes and Revenues from the Fuel Mechanism, and calculating the weighted average unit price associated with such balancing revenue transactions; and
- c. Determining the Excess Volumetric Balancing Tool Volume reserved for in-kind resolution at the end of the prior Settlement Period, and making a

reduction to the offsetting account in the current Settlement Period at the current period weighted average unit price; and

- d. Subtracting from the remaining volumetric and cash balances the excess volumetric imbalance and related costs or revenues respectively, at the weighted average price associated with such imbalance (Excess Volumetric Balancing Tool Volumes and Costs or Revenues). Such Excess Volumetric Balancing Tool Costs or Revenues from the current Settlement Period will be used by Transporter to offset revenues or costs associated with any outstanding volumetric imbalances which will be resolved on an in-kind basis during the next Settlement Period. The Excess Volumetric Balancing Tool Volumes will be carried forward to the next Settlement Period as the volumetric basis of the adjustment provided for in c. above.
4. Transporter shall separately account for any balance carried forward from the prior Settlement Period and for any amounts refunded or collected due to the application of the Section 24 Adjustment set forth in Section 24.B below.
 5. Interest shall accrue on the cumulative monthly balance of the items listed in Sections 24.A.1 through 24.A.4 above in accordance with Section 154.501(d) of the Federal Energy Regulatory Commission's Regulations.
 6. By each December 31, Transporter will file a report (Annual Report) with the FERC, for the Settlement Period ending the preceding September 30, detailing the results of determinations in Sections 24.A.1 through 24.A.5 above that result in the reported Cumulative Net (Cost) Revenue Balance.

B. Section 24 Adjustment

1. Calculation of Section 24 Adjustment

Transporter shall calculate the Section 24 Adjustment by dividing the Cumulative Net (Cost) Revenue Balance as reported in the most recent Annual Report by the scheduled volumes for all Shippers under Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1, and ITS-WD during the production months reflected in the associated Settlement Period.

- a. When the Cumulative Net (Cost) Revenue Balance is a net revenue balance, such balance shall be refunded to all Shippers under Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1 and ITS-WD, based on a ratio of each Shipper's scheduled volumes for the production months reflected in the associated Settlement Period to the total volumes scheduled under such rate schedules for the associated Settlement Period. Shippers shall be refunded their allocated share in a lump-sum amount within sixty (60) days of filing the Annual Report provided for in Section 24.A.6 above if there are

no protests to such report. In the event of protests to the Annual Report provided for in Section 24.A.6 above, refunds shall be provided to Shippers within thirty (30) days following a final FERC order accepting such report.

- b. When the Cumulative Net (Cost) Revenue Balance is a net cost balance, such balance shall be billed to all Shippers under Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1 and ITS-WD, based on the ratio of each Shipper's scheduled volumes for the production months reflected in the associated Settlement Period to the total volumes scheduled under such rate schedules for the associated Settlement Period. If the total amount of the net cost balance is \$1,000,000 or less, each Shipper shall be billed their allocated share in a lump-sum amount within the first period of the Annual Billing Period, as stated in Section 24.B.2 below. If the total amount of the net cost balance is greater than \$1,000,000, each Shipper's share of the allocated cost will be billed in equal installments over the 12-month period of the Annual Billing Period, as stated in Section 24.B.2 below.

If the Cumulative Net (Cost) Revenue Balance as reported in the most recent Annual Report is less than \$100,000 or if the calculation of the Section 24 Adjustment results in a rate that cannot be rounded to at least 0.01¢, then the Cumulative Net (Cost) Balance will be carried over to the next year's calculation and no Section 24 Adjustment, either positive or negative, will be applied effective February 1 following this most recent Annual Report.

2. Annual Billing Period

For purposes of this Section 24, an Annual Billing Period shall be the 12-month period commencing each February 1 and ending the following January 31. During the Annual Billing Period, Transporter shall apply the Section 24 Adjustment to the usage charges being billed on the then current quantities for Shippers under Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1, and ITS-WD.

3. FERC Filing

Transporter shall make a tariff filing with the Commission at least 30 days in advance of February 1 to update the Section 24 Adjustment on the Currently Effective Rates tariff records for Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1, and ITS-WD to become effective February 1.

MARKED VERSION

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE FTS-1
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C Sect. 24 Adjustment	GT&C Sect. 27 Unit Fuel	Maximum Rate	Minimum Rate	Fuel Reimbursement Charge Percentage
FIRM TRANSPORTATION 6/						
Forwardhaul						
Reservation	63.3251.50 ¢	-	-	63.3251.50 ¢	0.00 ¢	-
Usage 5/						
Western Division to Market Area	2.072.09 ¢	-	3.44 ¢	5.515.53 ¢	5.515.53 ¢	¢
2.13 % 1/						
Market Area to Market Area	2.072.09	-	-	2.072.09	2.072.09	
2/						
Western Division to Western Division	2.072.09	-	1.92 3/	3.994.01	3.994.01	
0.77 % 4/						
Backhaul/Exchange						
Reservation	63.3251.50 ¢	-	-	63.3251.50 ¢	0.00 ¢	-
Usage 5/	2.072.09	-	(0.02) ¢ 8/	2.052.07	2.052.07	
0.00 % 7/						

- 1/ Base Fuel Reimbursement Charge Percentage 2.13 %
 Flex Adjustment 0.00 %
 Effective Fuel Reimbursement Charge Percentage 2.13 %
- 2/ The Fuel Reimbursement Charge Percentage shall be 0.25% per compressor station, subject to a minimum of 0.25%, up to a maximum of 2.13%.
- 3/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 4/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 5/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 6/ 100% Load Factor Rate shall equal the sum of the Reservation and Usage rates.
- 7/ For backhauls within the Market Area, the fuel charge including lost and unaccounted for shall be 0.25%. For all other backhauls, the fuel charge shall be the lost and unaccounted for rate of 0.00%.
- 8/ For backhauls within the Market Area, the Unit Fuel Charge shall be 0.00¢. For all other backhauls, the Unit Fuel Charge shall be the lost and unaccounted for rate of (0.02)¢.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE FTS-3
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C Sect. 24 Adjustment	GT&C Sect. 27 Unit Fuel	Maximum Rate	Minimum Rate	Fuel Reimbursement Charge Percentage
FIRM TRANSPORTATION 6/						
Forwardhaul						
Reservation	<u>100.7589.00</u> ¢	-	-	<u>100.7589.00</u> ¢		0.00 ¢
- Usage 5/						
Western Division to Market Area	<u>0.050.04</u>	-	3.44 ¢	<u>3.493.48</u>		<u>3.493.48</u>
2.13 % 1/						
Market Area to Market Area	<u>0.050.04</u>	-	-	<u>0.050.04</u>		<u>0.050.04</u>
2/						
Western Division to Western Division	<u>0.050.04</u>	-	1.92 3/	<u>1.971.96</u>		<u>1.971.96</u>
0.77 % 4/						
Backhaul/Exchange						
Reservation	<u>100.7589.00</u> ¢	-	-	<u>100.7589.00</u> ¢		0.00 ¢
- Usage 5/	<u>0.050.04</u>	-	(0.02) ¢ 8/	<u>0.030.02</u>		<u>0.030.02</u>
0.00 % 7/						

~~JACKSONVILLE LATERAL EXPANSION FIRM TRANSPORTATION 6/9/~~

Forwardhaul						
Reservation	103.60 ¢	-	-	103.60 ¢	0.00 ¢	-
Usage 5/						
Western Division to Market Area	0.17	-	3.44 ¢	3.61	3.61	2.13 % 1/
Market Area to Market Area	0.17	-	-	0.17	0.17	2/
Western Division to Western Division	0.17	-	1.92 3/	2.09	2.09	0.77 % 4/
Backhaul/Exchange						
Reservation	103.60 ¢	-	-	103.60 ¢	0.00 ¢	-
Usage 5/	0.17	-	(0.02) ¢ 8/	0.15	0.15	0.00 % 7/

- 1/ Base Fuel Reimbursement Charge Percentage 2.13 %
 Flex Adjustment 0.00 %
 Effective Fuel Reimbursement Charge Percentage 2.13 %
- 2/ The Fuel Reimbursement Charge Percentage shall be 0.25% per compressor station, subject to a minimum of 0.25%, up to a maximum of 2.13%.
- 3/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 4/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 5/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 6/ 100% Load Factor Rate shall equal the sum of the Reservation and Usage rates.
- 7/ For backhauls within the Market Area, the fuel charge including lost and unaccounted for shall be 0.25%. For all other backhauls, the fuel charge shall be the lost and unaccounted for rate of 0.00%.

8/ For backhauls within the Market Area, the Unit Fuel Charge shall be 0.00¢. For all other backhauls, the Unit Fuel Charge shall be the lost and unaccounted for rate of (0.02)¢.

~~9/ Applies only to service contracted for capacity under the Jacksonville Lateral Expansion Project as described and approved in Docket No. CP15-144-000 (154 FERC ¶61,256). These rates are in lieu of the rates stated under Firm Transportation above.~~

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE SFTS
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C Sect. 24 Adjustment	GT&C Sect. 27 Unit Fuel	Maximum Rate	Minimum Rate	Fuel
						Reimbursement Charge Percentage
SMALL FIRM TRANSPORTATION						
Usage 5/						
Western Division to Market Area 2.13 % 1/	128.71 91.00 ¢	-	3.44 ¢	132.15 94.44 ¢		5.51 5.53 ¢
Market Area to Market Area 2/	128.71 91.00	-	-	128.71 91.00		2.07 2.09
Western Division to Western Division 0.77 % 4/	128.71 91.00	-	1.92 3/	130.63 92.92		3.99 4.01

- 1/ Base Fuel Reimbursement Charge Percentage 2.13 %
 Flex Adjustment 0.00 %
 Effective Fuel Reimbursement Charge Percentage 2.13 %
- 2/ The Fuel Reimbursement Charge Percentage shall be 0.25% per compressor station, subject to a minimum of 0.25%, up to a maximum of 2.13%.
- 3/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 4/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 5/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE NNTS
 Cents per MMBtu

<u>Description</u>	<u>Rate</u> Per MMBtu	<u>GT&C</u> Sect. 22 ACA	<u>GT&C</u> Sect. 27 Unit Fuel	<u>Maximum</u> Rate	<u>Minimum</u> Rate
NO NOTICE TRANSPORTATION Reservation	5.465.07 ¢	-	-	5.465.07 ¢	-

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE FTS-WD
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C Sect. 24 Adjustment	GT&C Sect. 27 Unit Fuel	Maximum Rate	Minimum Rate	Fuel Reimbursement Charge Percentage
FIRM TRANSPORTATION 3/						
Forwardhaul						
Reservation	14.08 5.95 ¢	-	-	14.08 5.95 ¢		0.00 ¢ -
Usage 4/	1/	-	1.92 ¢ 5/	6/	6/	0.77 % 2/
Backhaul/Exchange						
Reservation	14.08 5.95 ¢	-	-	14.08 5.95 ¢		0.00 ¢ -
Usage 4/	1/	-	(0.02) ¢	6/	6/	0.00 %

- 1/ Usage rate shall be ~~0.48~~0.56¢/MMBtu plus ~~0.12~~0.14¢/MMBtu per 25 miles or any portion thereof in excess of 100 miles; provided, however, transportation where the quantity is received at an In-Line Transfer Point from an IPS shipper shall include the longest path mileage within the zone of the In-Line Transfer Point.
- 2/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 3/ 100% Load Factor Rate shall equal the sum of the Reservation and Usage Charge.
- 4/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 5/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 6/ Shall be the sum of the usage rate in footnote 1/ plus the Unit Fuel Charge.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE FTS-WD-2
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C		Maximum Rate	Minimum Rate	Fuel Reimbursement Charge Percentage	
		Sect. 24 Adjustment	Sect. 27 Unit Fuel				
FIRM TRANSPORTATION 2/							
Forwardhaul							
Reservation	16.1211.52 ¢	-	-	16.1211.52 ¢	5/	0.00 ¢	-
Usage 3/	0.240.17	-	1.92 ¢ 4/	5/	5/	0.77 %	1/
Backhaul/Exchange							
Reservation	16.1211.52 ¢	-	-	16.1211.52 ¢	5/	0.00 ¢	-
Usage 3/	0.240.17	-	(0.02) ¢	5/	5/	0.00 %	

- 1/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD-2. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 2/ 100% Load Factor Rate shall equal the sum of the Reservation and Usage Charge.
- 3/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 4/ Exceptions to the stated Unit Fuel Surcharge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 5/ Shall be the sum of the usage rate plus the Unit Fuel Charge.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE ITS-1
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C Sect. 24 Adjustment	GT&C Sect. 27 Unit Fuel	Maximum Rate	Minimum Rate	Fuel Reimbursement Charge Percentage
INTERRUPTIBLE TRANSPORTATION						
Forwardhaul						
Usage 5/						
Western Division to Market Area	03.1071.32 ¢	-	3.44 ¢	06.5474.76 ¢		4.504.51 ¢
2.13 % 1/						
Market Area to Market Area	03.1071.32	-	-	03.1071.32		1.061.07
2/						
Western Division to Western Division	03.1071.32	-	1.92	3/ 05.0273.24		2.902.99
0.77 % 4/						
Backhaul/Exchange						
Usage 5/	03.1071.32 ¢	-	(0.02) ¢	7/ 03.0071.30 ¢		1.041.05 ¢
0.00 % 6/						

1/ Base Fuel Reimbursement Charge Percentage 2.13 %
 Flex Adjustment 0.00 %
 Effective Fuel Reimbursement Charge Percentage 2.13 %

2/ The Fuel Reimbursement Charge Percentage shall be 0.25% per compressor station, subject to a minimum of 0.25%, up to a maximum of 2.13%.

3/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.

4/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule FTS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.

5/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.

6/ For backhauls within the Market Area, the fuel charge including lost and unaccounted for shall be 0.25%. For all other backhauls, the fuel charge shall be the lost and unaccounted for rate of 0.00%.

7/ For backhauls within the Market Area, the Unit Fuel Charge shall be 0.00¢. For all other backhauls, the Unit Fuel Charge shall be the lost and unaccounted for rate of (0.02)¢.

CURRENTLY EFFECTIVE RATES
 RATE SCHEDULE ITS-WD
 Cents per MMBtu

Description	Rate Per MMBtu	GT&C Sect. 24 Adjustment	GT&C Sect. 27 Unit Fuel	Maximum Rate	Minimum Rate	Fuel Reimbursement Charge Percentage
INTERRUPTIBLE TRANSPORTATION						
Forwardhaul						
Usage 4/	1/	-	1.92 ¢ 5/	6/	2/	0.77 % 3/
Backhaul/Exchange						
Usage 4/	1/	-	(0.02) ¢	6/	2/	0.00 %

- 1/ Usage rate shall be ~~14.566.51~~¢/MMBtu plus ~~0.120.14~~¢/MMBtu per 25 miles or any portion thereof in excess of 100 miles; provided, however, transportation where the quantity is received at an In-Line Transfer Point from an IPS shipper shall include the longest path mileage within the zone of the In-Line Transfer Point.
- 2/ Usage rate shall be: 1) ~~0.440.56~~¢/MMBtu plus ~~0.120.14~~¢/MMBtu per 25 miles or any portion thereof in excess of 100 miles; provided, however, transportation where the quantity is received at an In-Line Transfer Point from an IPS shipper shall include the longest path mileage within the zone of the In-Line Transfer Point plus 2) the Unit Fuel Charge.
- 3/ Excludes fuel charges by Transporting Pipelines, if any, that are applicable to Shipper in accordance with Section 5 of Rate Schedule ITS-WD. Exceptions to the stated Fuel Reimbursement Charge Percentage are: 1) volumes that do not move through a forwardhaul compressor station within the Western Division shall be charged a fuel and lost and unaccounted for gas percentage of 0.00% and 2) gas volumes received and delivered within the Western Division that move through only one forwardhaul compressor station shall be charged the lesser of a) a fuel percentage of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage of 0.00% or b) the stated Fuel Reimbursement Charge Percentage.
- 4/ Excludes the ACA unit charge applicable to Shippers pursuant to GT&C Section 22.
- 5/ Exceptions to the stated Unit Fuel Charge are: 1) quantities that do not move through any forwardhaul compressor station shall be charged 0.00¢ and 2) quantities that move through only one forwardhaul compressor station shall be charged the lost and unaccounted for rate of (0.02)¢.
- 6/ Shall be the sum of the usage rate in footnote 1/ plus the Unit Fuel Charge.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE PNR
Cents per MMBtu

<u>Description</u>	<u>Maximum Rate Per MMBtu</u>	<u>Minimum Rate Per MMBtu</u>
INTERRUPTIBLE PARK 'N RIDE SERVICE	83.10 <u>71.32</u> ¢	-

GENERAL TERMS AND CONDITIONS

2. QUALITY

- A. Natural gas is a naturally occurring hydrocarbon gas mixture consisting primarily of methane, but commonly including varying amounts of other higher alkanes.

Gas delivered by Shipper or for its account into Transporter's pipeline system at receipt points shall conform to the following quality standards:

1. shall be free from objectionable odors, solid matter, dust, gums, and gum forming constituents, or any other substance which might interfere with the merchantability of the gas stream, or cause interference with proper operation of the lines, meters, regulators, or other appliances through which it may flow;
2. shall contain not more than seven (7) pounds of water vapor per one thousand (1,000) MCF;
3. shall contain not more than one quarter (1/4) grain of hydrogen sulphide per one hundred (100) cubic feet of gas;
4. shall contain not more than ten (10) grains of total sulphur per one hundred (100) cubic feet of gas, unless otherwise provided in Section 2.B.7;
5. shall contain not more than two percent (2%) by volume of carbon dioxide or a combined total three percent (3%) by volume of carbon dioxide and/or nitrogen;
6. shall contain not more than one quarter percent (1/4%) by volume of oxygen;
7. shall have a temperature of not more than one hundred twenty (120) degrees Fahrenheit;
8. shall have a Btu content of not less than one thousand (1000) Btu per cubic foot;
~~and,~~
9. shall have no carbon dioxide, oxygen or nitrogen injected as a dilutant;:-
10. shall not contain any toxic or hazardous substance in concentrations which, in the normal use of gas, may be hazardous to health, injurious to pipeline facilities, or be a limit to merchantability or be contrary to applicable government standards; and,
11. shall not contain any microbiological organism, active bacteria or bacterial agent capable of causing or contributing to: (i) injury to Transporter's pipelines, meters, regulators, or other facilities and appliances through which gas flows or (ii)

interference with the proper operation of Transporter's facilities. Microbiological organisms include, but are not limited to, sulfate reducing bacteria (SRB), iron oxidizing bacteria (IOB) and acid producing bacteria (APB). When bacteria or microbiological organisms are considered to be possibly present in gas, upon Transporter's request, Shippers desiring to nominate such gas shall test, or request the point operator or applicable upstream party to test, such gas for bacteria or bacterial agents utilizing the American Petroleum Institute test method API-RP38, Environmental Protection Agency Method 5 or other acceptable test method as determined by Transporter and the applicable party. Transporter will not be obligated to receive gas from such points if such testing is not complete and/or the test results are not acceptable to Transporter.

- B. Gas delivered into Transporter's pipeline system at point(s) of receipt in Transporter's Market Area shall, in addition to the provisions contained in Section 2.A.1 through 2.A.8~~11~~, conform to the following quality standards:
1. shall have a methane composition of not less than eighty-five (85) mole percent;
 2. shall have an ethane composition of not more than ten (10) mole percent;
 3. shall have a combined composition of not more than one and two tenths (1.2) mole percent of isobutane and normal butane and pentanes and heavier hydrocarbons; and a Hydrocarbon Dew point not to exceed 25 degrees Fahrenheit;
 4. shall have a minimum temperature, and a physical means to maintain such minimum temperature; such minimum temperature to be determined on a case-by-case basis, considering the pipeline operating conditions at, and downstream of, the receipt location, such as: (i) gas flow and the ability to blend gas streams, (ii) the magnitude of the pressure drop at the point of the interconnection, and (iii) any potentially adverse impact to, or unsafe condition on, Transporter's or customers' facilities downstream of the interconnection, such as those occurring from the receipt of excessively cold gas or liquid hydrocarbon fallout;
 5. shall have a Btu content of not more than eleven hundred and ten (1110) Btu per cubic foot;
 6. shall have a Wobbe Index absolute limit from 1320 to 1396 (calculated using Higher Heating Value (HHV), dry, under standard conditions at 14.73 psia at 60 degrees Fahrenheit) based on the following mathematical definition and in accordance with Section 4 of these GT&C;

HHV/SQRT SGgas

Where:

HHV = Higher Heating Value (Btu/scf)

SG_{gas} = Specific Gravity
Sqrt = Square Root of

and shall be subject to a limitation on the rate of change of two percent (2%) of Wobbe per six-minute interval; and,

7. shall contain not more than two (2) grains of total sulphur per one hundred (100) cubic feet of gas.
- C. Transporter may refuse to accept any gas which fails to conform with the quality standards itemized in Sections 2.A and 2.B above. Transporter, in its reasonable discretion exercised on a not unduly discriminatory basis, may waive the quality standards for gas delivered into its pipeline system at receipt points, provided that such waiver will not affect Transporter's ability to maintain an acceptable gas quality in its pipeline and adequate service to its customers consistent with the applicable Rate Schedule and these General Terms, including (without limitation) Section 2.D below. Such waiver will not be effective unless in writing and signed by an authorized representative of Transporter.
- D. The gas delivered by Transporter to Shipper shall conform to the following standards:
1. The gas shall be natural gas, or its equivalent as provided for in Section 2.D.3 below, from the sources of supply attached or delivered to Transporter's pipeline system; provided however, that moisture, impurities, helium, natural gasoline, butane, propane, and other hydrocarbons or other substances, may be removed prior to delivery to Shipper. Nothing herein shall restrict Shipper's right to remove any merchantable products prior to delivery into Transporter's system by or for the account of Shipper. Further, nothing herein shall prevent Shipper from making arrangements for the processing of Shipper's gas on Transporter's system (nor, in the event such arrangements are made, from designating a processing plant as the Delivery Point for the MMBtu attributable to processed liquefiables). Transporter may subject or permit the subjection of the gas to compression, heating, cooling, cleaning or other processes, which are not substantially detrimental to the merchantability of the gas stream.
 2. To the extent Shippers conform with requirements hereof, the gas shall have a total heating value of not less than one thousand (1000) Btu per cubic foot of dry gas, and be reasonably free of moisture, objectionable liquids and solids so as to be merchantable upon delivery to Shipper, and shall contain not more than two hundred (200) grains of total sulphur, nor more than fifteen (15) grains of hydrogen sulphide, per MCF. The gas may contain an odorant at the point of delivery, but it is the responsibility of the customer to monitor and maintain any required odorant levels after the point of delivery.
 3. Transporter may utilize gas from any standby equipment to effectuate deliveries provided the gas shall be reasonably equivalent to the gas delivered to Transporter

by or for the account of Shipper hereunder, and adopted for use by Shipper's consumers without the necessity of making adjustments to fuel-burning equipment.

GENERAL TERMS AND CONDITIONS

24. ACCOUNTING FOR CASH-OUT MECHANISM AND OPERATIONAL CONTROLS

In order to maintain an operational system balance on its pipeline system, Transporter will incur certain costs, generate certain revenues, and maintain certain volumetric balances which are subject to in-kind resolution at a later date. The accounting for and disposition of these costs and revenues and the interrelationship of the various mechanisms in maintaining an operational system balance shall be as set forth below.

A Settlement Period shall mean the production months reflected in a twelve month accounting period ending each September 30. Transporter shall utilize the same production months in each Settlement Period for each mechanism, notwithstanding differences in the accounting cycles in which the various mechanisms are recorded.

A. Determination of Account Balances

1. Cash-Out Mechanism Account

Amounts invoiced and paid pursuant to the provisions of Section 14.B of these General Terms and Conditions ("GTC"), less the transportation component of such charges, will be recorded as cash-out mechanism revenues and costs with the associated volumes. Following each service year ending on September 30, Transporter will determine the volumetrically balanced net cash balance of the Cash-Out Mechanism Account for the Settlement Period attributable to the application of the Imbalance Level factors and posted price indices provided for in Section 14.B herein by:

- a. Totaling the volumetric imbalances due Imbalance Parties and the amounts paid by Transporter to such Imbalance Parties, and calculating the weighted average price paid for such imbalances; and
- b. Totaling the volumetric imbalances due Transporter and the amounts invoiced for such imbalances (net of transportation component), and calculating the weighted average price for such imbalances; and
- c. Calculating the Excess Volumetric Cash-Out Volume as the volumetric difference between (a) and (b) above and calculating the Excess Volumetric Cash-Out Costs or Revenues associated with such volume by applying the weighted average price for such imbalance as calculated pursuant to (a) and (b) above. Such Excess Volumetric Cash-Out Volumes and Costs or Revenues will be deducted from the cash-out account balances and transferred to settlement of the Balancing Tools Account.

2. Fuel Mechanism Account

The volumes and associated dollar amounts calculated pursuant to General Terms and Conditions Section 27.E., which represent the monthly differences between retained fuel and actual fuel (including lost and unaccounted for volumes), for each month of the Settlement Period shall also be accounted for in the Annual Report as defined in Section B.3 herein. The procedure shall be the same as the Cash-Out Mechanism Account described in Section 24.A.1 above.

3. Balancing Tools Account

Amounts invoiced or paid, and associated volumes if any, related to Operational Purchases and Sales (General Terms and Conditions Section (GTC Sec. 17.C.5), Alert Day Overages (GTC Sec. 13.D.4), Alert Day Underages (GTC Sec. 13.D.5), OBA's subject to cash resolution (GTC Sec. 12.A.), Unauthorized Gas (GTC Sec. 12.D.), Unscheduled Deliveries (GTC Sec. 13.1.C), Deferred Exchanges (GTC Sec. 17.C.6.), non-compliance with OFO's (GTC Sec. 17.C.3), and charges or credits related to non-compliance with any applicable delivery tolerance provisions of the above, as well as the MSS and Pack/Draft provisions, will be recorded in a Balancing Tools Account. Also, fifty percent (50%) of the revenues received by Transporter as compensation for the transportation aspect of MSS Service shall be recorded in the Balancing Tools Account. In addition, Excess Volumetric Cash-Out Volumes and Costs or Revenues and Excess Volumetric Fuel Volumes and Costs or Revenues, as determined in Sections 24.A.1.c. and 24.A.2, respectively, will be included in the settlement of the Balancing Tool Account. Following the end of each Settlement Period, Transporter will determine the volumetrically balanced net cash balance of the Balancing Tool Account by:

- a. Totaling the amounts paid by Transporter, and associated volumes, if any, related to the cost items identified in Section 24.A.3 above plus any Excess Volumetric Cash-Out Volumes and Costs from the Cash-Out Mechanism and any Excess Volumetric Fuel Volumes and Costs from the Fuel Mechanism, and calculating the weighted average unit price associated with such balancing cost transactions; and
- b. Totaling the amounts invoiced by Transporter, and associated volumes, if any, related to the revenue items identified in Section 24.A.3 above plus any Excess Volumetric Cash-Out Volumes and Revenues from the Cash-Out Mechanism and any Excess Volumetric Fuel Volumes and Revenues from the Fuel Mechanism, and calculating the weighted average unit price associated with such balancing revenue transactions; and
- c. Determining the Excess Volumetric Balancing Tool Volume reserved for in-kind resolution at the end of the prior Settlement Period, and making a

reduction to the offsetting account in the current Settlement Period at the current period weighted average unit price; and

- d. Subtracting from the remaining volumetric and cash balances the excess volumetric imbalance and related costs or revenues respectively, at the weighted average price associated with such imbalance (Excess Volumetric Balancing Tool Volumes and Costs or Revenues). Such Excess Volumetric Balancing Tool Costs or Revenues from the current Settlement Period will be used by Transporter to offset revenues or costs associated with any outstanding volumetric imbalances which will be resolved on an in-kind basis during the next Settlement Period. The Excess Volumetric Balancing Tool Volumes will be carried forward to the next Settlement Period as the volumetric basis of the adjustment provided for in c. above.
4. Transporter shall separately account for any balance carried forward from the prior Settlement Period and for any amounts refunded or collected due to the application of the Section 24 Adjustment set forth in Section 24.B below.
 5. Interest shall accrue on the cumulative monthly balance of the items listed in Sections 24.A.1 through 24.A.4 above in accordance with Section 154.501(d) of the Federal Energy Regulatory Commission's Regulations.
 6. By each December 31, Transporter will file a report (Annual Report) with the FERC, for the Settlement Period ending the preceding September 30, detailing the results of determinations in Sections 24.A.1 through 24.A.5 above that result in the reported Cumulative Net (Cost) Revenue Balance.

B. Section 24 Adjustment

1. Calculation of Section 24 Adjustment

Transporter shall calculate the Section 24 Adjustment by dividing the Cumulative Net (Cost) Revenue Balance as reported in the most recent Annual Report by the scheduled volumes for all Shippers under Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1, and ITS-WD during the production months reflected in the associated Settlement Period.

- a. When the Cumulative Net (Cost) Revenue Balance is a net revenue balance, such balance shall be refunded to all Shippers under Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1 and ITS-WD, based on a ratio of each Shipper's scheduled volumes for the production months reflected in the associated Settlement Period to the total volumes scheduled under such rate schedules for the associated Settlement Period. Shippers shall be refunded their allocated share in a lump-sum amount within sixty (60) days of filing the Annual Report provided for in Section 24.A.6 above if there are

no protests to such report. In the event of protests to the Annual Report provided for in Section 24.A.6 above, refunds shall be provided to Shippers within thirty (30) days following a final FERC order accepting such report. through a negative Section 24 Adjustment.

a-b. When the Cumulative Net (Cost) Revenue Balance is a net cost balance, such balance shall be billed to all Shippers under Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1 and ITS-WD, based on the ratio of each Shipper's scheduled volumes for the production months reflected in the associated Settlement Period to the total volumes scheduled under such rate schedules for the associated Settlement Period. If the total amount of the net cost balance is \$1,000,000 or less, each Shipper shall be billed their allocated share in a lump-sum amount within the first period of the Annual Billing Period, as stated in Section 24.B.2 below. the Section 24 Adjustment will be positive. If the total amount of the net cost balance is greater than \$1,000,000, each Shipper's share of the allocated cost will be billed in equal installments over the 12-month period of the Annual Billing Period, as stated in Section 24.B.2 below.

If the Cumulative Net (Cost) Revenue Balance as reported in the most recent Annual Report is less than \$100,000 or if the calculation of the Section 24 Adjustment results in a rate that cannot be rounded to at least 0.01¢, then the Cumulative Net (Cost) Balance will be carried over to the next year's calculation and no Section 24 Adjustment, either positive or negative, will be applied effective February 1 following this most recent Annual Report.

2. Annual Billing Period

For purposes of this Section 24, an Annual Billing Period shall be the 12-month period commencing each February 1 and ending the following January 31. During the Annual Billing Period, Transporter shall apply the Section 24 Adjustment to the usage charges being billed on the then current quantities for Shippers under Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1, and ITS-WD.

3. FERC Filing

Transporter shall make a tariff filing with the Commission at least 30 days in advance of February 1 to update the Section 24 Adjustment on the Currently Effective Rates tariff records for Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1, and ITS-WD to become effective February 1.