



## Florida Gas Transmission Company

An Energy Transfer/Kinder Morgan Affiliate

October 20, 2020

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

RE: Florida Gas Transmission Company, LLC  
Housekeeping  
Docket No. RP21-\_\_\_\_\_

Dear Ms. Bose:

Florida Gas Transmission Company, LLC (FGT) hereby electronically submits for filing with the Federal Energy Regulatory Commission (Commission) the revised tariff records listed on the attached Appendix A to its FERC NGA Gas Tariff, Fifth Revised Volume No. 1 (Tariff), proposed to be effective on November 19, 2020.

### STATEMENT OF NATURE, REASONS AND BASIS

The purpose of this filing, made in accordance with the provisions of Section 154.204 of the Commission's Regulations, is to propose several administrative housekeeping revisions to FGT's tariff. The changes proposed in this filing do not affect operations or a shipper's terms and conditions of service. FGT is proposing to replace "Web site", "Internet Web site" and "Informational Postings website" throughout the tariff with the appropriate term, Internet website, which is defined in Section 1 of the General Terms and Conditions (GT&C). In GT&C Section 9, FGT is proposing to replace "FGT's Internet website" with "Transporter's Internet website" to be consistent with other references in the tariff. FGT is also proposing to fix the spacing in the Form of Service Agreement for Rate Schedule FTS-2 Articles VII and XIII and in the Form of Service Agreement for Rate Schedule FTS-WD Article III.

### IMPLEMENTATION AND WAIVER REQUESTS

Pursuant to Section 154.7(a)(9) of the Commission's Regulations, FGT requests that the proposed tariff records submitted herewith be accepted effective November 19, 2020. 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 allow the proposed tariff records in this filing to become effective on November 19, 2020.

### CONTENTS OF THE FILING

This filing is made in electronic format in compliance with Section 154.4 of the Commission's Regulations. The proposed tariff records in RTF format with metadata attached are being submitted as part of an XML filing package containing the following:

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

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## COMMUNICATIONS, PLEADINGS AND ORDERS

FGT requests that all Commission orders and correspondence as well as pleadings and correspondence from other parties concerning this filing be served on each of the following:

**Michael T. Langston**<sup>1</sup>  
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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 electronically on jurisdictional customers and interested state regulatory agencies. FGT has posted this filing on its Internet web site accessible via <http://fgttransfer.energytransfer.com> under "Informational Postings, Regulatory."

Pursuant to Section 385.2005(a) of the Commission's Regulations, 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, and possesses full power and authority to sign such filing.

Respectfully submitted,

FLORIDA GAS TRANSMISSION COMPANY, LLC

**/s/ Deborah A. Bradbury**

Deborah A. Bradbury  
Sr. Director – Regulatory Tariffs & Reporting

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<sup>1</sup> Designated to receive service pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure. Florida respectfully requests that the Commission waive Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), in order to allow Florida to include additional representatives on the official service list.

<sup>2</sup> Designated as responsible Company official under Section 154.7(a)(2) of the Commission's Regulations.

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

Proposed to be Effective November 19, 2020

<u>Tariff Record Version</u>	<u>Description</u>	<u>Title</u>
6.0.0	System	Map
6.0.0	Western Division	Map
6.0.0	Market Area	Map
7.0.0	Rate Schedule FTS-1	Firm Transportation Service
7.0.0	Rate Schedule FTS-WD	Firm Transportation Service
1.0.0	Rate Schedule FTS-WD2	Firm Transportation Service
4.0.0	GT&C Section 9.	Electronic Communications
9.0.0	GT&C Section 18.	Capacity Relinquishment
6.0.0	GT&C Section 21.	Requesting Service on Existing Mainline Facilities
8.0.0	Rate Schedule FTS-2	Form of Service Agreement
5.0.0	Rate Schedule FTS-WD	Form of Service Agreement

### System Map

The System map may be displayed and downloaded at the Internet website below.

<http://fgttransfer.energytransfer.com/ipost/FGT/maps/system-map>

### Western Division Map

The Western Division map may be displayed and downloaded at the Internet website below.

<http://fgttransfer.energytransfer.com/ipost/FGT/maps/western-division>

### Market Area Map

The Market Area map may be displayed and downloaded at the Internet website below.

<http://fgttransfer.energytransfer.com/ipost/FGT/maps/market-area>

RATE SCHEDULE FTS-1  
Firm Transportation Service

1. AVAILABILITY

This Rate Schedule is a firm rate schedule and is available for firm transportation service provided by Florida Gas Transmission Company, LLC (Transporter) to any person (Shipper) where:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule with Primary Delivery Points in Transporter's Market Area, except for shippers acquiring firm capacity located entirely within Transporter's Western Division, which Primary Delivery Point rights will be treated in accordance with Section 18.H.3.; and
- (c) Shipper has complied with the requirements of Section 3 hereof; or
- (d) Shipper was a customer of Transporter under Rate Schedule G or SGS or a firm direct sales customer, as set forth in Transporter's Index of Entitlements in effect on November 2, 1992, and Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.
- (e) Shipper is the aggregated joint capacity holder for a Joint Action Agency as set forth in Section 11 below.
- (f) If the transportation service is to be provided under one Service Agreement for multiple entities (Principals) that have designated an agent to act on their behalf (hereinafter individually and collectively referred to as Shipper), Principals shall provide notice of such to Transporter and shall also provide sufficient information to verify:
  - (1) that Principals collectively meet the "Shipper must have title" requirement as set forth in Section 7 of the General Terms and Conditions;
  - (2) that each Principal agrees that it is jointly and severally liable for all of the obligations of Shipper under the Service Agreement; and
  - (3) that the Principals agree that they shall be treated collectively as one Shipper for purposes of establishing creditworthiness and for nomination, allocation and billing purposes.

2. APPLICABILITY AND CHARACTER OF SERVICE

Transportation from Primary Receipt Points to Primary Delivery Points under this Rate Schedule shall be performed on a firm basis.

Transporter shall receive for transportation hereunder the quantity of gas made available by or for the account of Shipper and transport and make available for delivery to or for the account of Shipper gas in accordance with this Rate Schedule; provided however, that such quantity made available by or for the account of Shipper shall not exceed on any day the applicable Maximum Daily Transportation Quantity (MDTQ) specified in the executed Service Agreement for service under this Rate Schedule and any quantities tendered for Fuel Reimbursement.

Service shall commence under this Rate Schedule on the earlier of: (i) the date Shipper first tenders gas to Transporter for transportation under an executed Service Agreement; or, (ii) the effective date stated in Article VI of the Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide firm transportation service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event prior to the in-service date of any facilities necessary to provide such service. Gas received for transportation hereunder will be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

3. REQUESTS FOR AND EXECUTION OF FIRM TRANSPORTATION SERVICE

A. Transportation Requests

The specific information required from a Shipper for a valid request for firm transportation service must be delivered to Transporter, Attention: FGT Contract Administration Department, at P.O. Box 4967, Houston, Texas 77210-4967, or submitted electronically per instructions on Transporter's Internet website at <http://fgttransfer.energytransfer.com>. Requests for transportation must be accompanied by the following:

1. Shipper's legal name.
2. Shipper's principal place of business.
3. Shipper's contact person and telephone number.
4. Shipper's business address (including e-mail addresses) for notices and billing.
5. Shipper's status (e.g. producer, end-user, local distribution company, interstate, intrastate or Hinshaw pipeline, or other [please specify]).



6. Maximum Daily Transportation Quantity (MDTQ) requested stated in MMBtu per day for the periods; (i) October; (ii) November-March; (iii) April; and (iv) May-September.
7. Requested date of commencement of service.
8. Requested term of service.
9. Requested Primary Receipt Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Receipt Point; provided however, that the aggregate maximum daily quantities at such Primary Receipt Points shall not exceed Shipper's MDTQ plus any fuel.
10. Requested Primary Delivery Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Delivery Point. Such requested Primary Delivery Point(s) shall be in Transporter's Market Area, except for shippers acquiring firm capacity located entirely within Transporter's Western Division, which Primary Delivery Point rights will be treated in accordance with Section 18.H.3.

A standardized service request form is available on Transporter's Internet website.

Requests for service, other than service provided under 1(d), which do not include all of the above-referenced information shall be deemed null and void; provided, however, that requests for changes provided under Section 8.A. or 9.A. need only contain the information relevant to the changes requested.

B. Execution of Service Agreement

Shipper shall execute the FTS-1 Service Agreement, in writing or electronically pursuant to the procedures in Section 9.B of the General Terms and Conditions, within fifteen (15) days after receipt, award pursuant to GT&C Section 21 or its availability on Transporter's Internet website, whichever comes first. In the event Shipper does not execute the Service Agreement within fifteen (15) days, Shipper's request for transportation under this Rate Schedule shall be null and void.

C. Additional Information Required:

In addition, Shipper must provide the following information:

1. At the time of Shipper's execution of the Service Agreement, the curtailment classification for the requested transportation in accordance with Section 17.A of the General Terms and Conditions.
2. By execution of the Service Agreement, Shipper certifies that Shipper has, or will have, title to the gas in accordance with the provisions of Section 7 of the

General Terms and Conditions, and certifies that Shipper or Shipper's designee, if applicable, has secured or will have secured, prior to commencement of service, all necessary arrangements for upstream and downstream transportation, if applicable.

3. To the extent that the transportation is performed pursuant to Section 311 of NGPA, then prior to commencement of service, if transportation is on behalf of an intrastate pipeline or local distribution company, Transporter must have certification from the intrastate pipeline or local distribution company that:
  - (a) the intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point, or
  - (b) the intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time the gas is being transported by Transporter, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company, or
  - (c) the gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that Transporter is providing transportation service.
4. Prior to execution and during the term of the Service Agreement, Shipper shall comply with the creditworthiness provisions of Section 16 of the General Terms and Conditions.

D. Extension of Term

Requests for extension of the term of a Service Agreement are subject to the provisions of Section 20 of the General Terms and Conditions.

4. RATES AND CHARGES

Unless otherwise mutually agreed to by Transporter and Shipper, the applicable rates for service under this Rate Schedule are set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff and are hereby incorporated herein.

For all natural gas service rendered hereunder, Shipper shall pay Transporter each month the sum of the charges listed below if applicable:

Reservation Charge - The Reservation Charge multiplied by the sum of the MDTQ for the billing month. For purposes of computation of the Reservation Charge, service shall

commence as of the date specified in Section 2 above. If, on any day, Transporter fails to make available for delivery the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Charge otherwise payable shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily Reservation Charge; provided however, that in the case of failure to make available for delivery by reason of Transporter's force majeure, only the return on equity and related income tax components of the daily Reservation Charge will be included in the above referenced calculation; provided further, however, that no Reservation Charge reduction shall be provided for force majeure events that do not occur on Transporter's system (e.g., an event on a Shipper's facilities or a Transporting Pipeline's facilities). In the case of failure to make available for delivery due to Transporter's negligence or willful misconduct, nothing herein shall be construed to limit Shipper's remedies to the Reservation Charge credit provided in this Section.

Usage Charge - The Usage Charge multiplied by the quantity of gas, delivered to or for the account of Shipper by Transporter during the billing month, as determined in Section 13 or 13.1 of the General Terms and Conditions of this tariff.

Fuel Reimbursement Charge - The Fuel Reimbursement Charge, as defined in Section 5 of this Rate Schedule.

Usage Surcharges - The usage surcharges as set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff multiplied by the quantity of gas delivered to or for the account of Shipper by Transporter during the billing month, as determined in Section 13 or 13.1 of the General Terms and Conditions of this tariff.

Reservation Surcharges - The reservation surcharges as set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff multiplied by the sum of the MDTQ for the billing month. If on any day, Transporter fails to make available for delivery by reason other than force majeure, the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Surcharge otherwise payable by Shipper shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily applicable Reservation Surcharge.

Incidental Charges - Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service, unless otherwise mutually agreed. Such charges may include only (i) reporting or filing fees relating to this service, (ii) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Shipper and Transporter, and (iii) such other applicable charges as may be authorized by the Commission.

Pursuant to the provisions of Sections 15.H and 15.I of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for transportation service under Rate Schedule FTS-1 a Reservation, Usage, and/or Fuel Reimbursement Charge which is lower than such charge based on the maximum rates set forth on the Currently Effective Rates for Rate Schedule FTS-1 or provided for in Section 5 herein; provided however, that Transporter's discretion shall not be exercised on an unduly discriminatory basis and that such charge may not be less than such charge based on the minimum rate set forth on the Currently Effective Rates for Rate Schedule FTS-1.

Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charge, the individual Shippers affected, the total volume transported and any other information as may be required.

5. FUEL REIMBURSEMENT CHARGES

Transporter shall retain a Fuel Reimbursement Charge Percentage, and Shipper shall pay an Effective Unit Fuel Surcharge, pursuant to Section 27 of the General Terms and Conditions. The Fuel Reimbursement Charges shall be set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff. For Forwardhaul service at Alternate Delivery Points in Transporter's Western Division, the Fuel Reimbursement Charge shall be the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Percentage listed on the Currently Effective Rates for Rate Schedule FTS-1.

A Shipper who nominates a Forwardhaul or a Backhaul in the Western Division must nominate the specific Receipt Point and the specific Delivery Point (i.e., path) for each nomination, so that the applicable fuel rate, if any, can be determined.

A Shipper who nominates a gas quantity for delivery to a Market Area Delivery Point and who sources the gas from a Market Area Receipt Point must nominate the specific Receipt Point and the specific Delivery Point (i.e., path) for each nomination, and pay the applicable Fuel Reimbursement Charge Percentage set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff.

6. MAXIMUM DAILY TRANSPORTATION QUANTITY

The MDTQ shall be expressed in each Service Agreement under this Rate Schedule; provided however, that if Shipper has a Multiple Division Contract as set forth in Section 11 of the General Terms and Conditions, the MDTQ shall be stated separately for each Division and in total. The MDTQ shall be the largest quantity of gas, expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under each such Service Agreement or at such division, as the case may be, under this Rate Schedule on any one day. The seasonal MDTQ for October, November through March, April and May through September shall be set forth in the executed Service Agreement for service under this Rate Schedule.

7. MAXIMUM DAILY QUANTITY

The MDQ for any single receipt or delivery point shall be the volume set forth in the executed Service Agreement for service under this Rate Schedule which shall represent the maximum volume that Transporter will make available for delivery at a delivery point or will accept receipt of at a receipt point on any one day; provided however, that in addition to the MDQ for each receipt point set forth on Exhibit A to Shipper's executed Service Agreement, Shipper shall tender additional volumes to be used as Transporter's fuel, based upon the Fuel Reimbursement Charge set forth on the Currently Effective Rates for Rate Schedule FTS-1.

8. RECEIPT POINTS

A. Primary Receipt Point(s)

The term Primary Receipt Point(s) shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS-1 Service Agreement which are assigned an MDQ. Shipper may release capacity from the closest In-Line Transfer Point east of the Primary Receipt Point. Subject to the availability of firm capacity, a Shipper may request changes in Primary Receipt Points under an executed Service Agreement at any time by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested.

B. Alternate Receipt Point(s)

The term Alternate Receipt Point(s) shall include Point(s) of Receipt on Transporter's system other than those listed in Exhibit A of Shipper's FTS-1 Service Agreement, including In-Line Transfer Points, except as provided in (A) above, and nominations in excess of the MDQ at a Primary Receipt Point. A listing of Receipt Points on Transporter's system is set forth on its Internet website.

Shipper may nominate gas at Alternate Receipt Point(s) subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for receipt at all Primary and Alternate Receipt Points does not exceed the total MDTQ under the FTS-1 Service Agreement and any quantities tendered for Fuel Reimbursement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions. All quantities scheduled up to the MDTQ under the FTS-1 Service Agreement, including those received at an Alternate Receipt Point and quantities under any Segmented Transactions, shall be billed at the rates for service under this Rate Schedule.

9. DELIVERY POINTS

A. Primary Delivery Point(s)

The term Primary Delivery Point(s) shall mean those delivery points listed on Exhibit B of Shipper's FTS-1 Service Agreement which are assigned an MDQ. Subject to the availability of firm capacity and, subject to written agreement by the Delivery Point Operator as set forth in Section 13 of the General Terms and Conditions of this tariff, a Shipper may request changes in Primary Delivery Points under an executed Service Agreement by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested. Such new requested Primary Delivery Point(s) must be located in Transporter's Market Area, except for shippers acquiring firm capacity located entirely within Transporter's Western Division, which Primary Delivery Point rights will be treated in accordance with Section 18.H.3. Subject to the availability of firm capacity to the affected Delivery Points and the written agreement of the Delivery Point Operator, Transporter shall accept changes to Primary Delivery Points if the requested new Delivery Point is a Primary Delivery Point under a Rate Schedule SFTS Service Agreement and the load to be served is not an Existing Behind-the-Gate Customer of a Rate Schedule SFTS Shipper as defined in Section 11 of Rate Schedule SFTS. Transporter is not obligated to accept changes to Primary Delivery Points if the requested new delivery point is a Primary Delivery Point under a Rate Schedule SFTS Service Agreement and the load to be served is an Existing Behind-the-Gate Customer of a Rate Schedule SFTS Shipper as defined in Section 11 of Rate Schedule SFTS.

B. Alternate Delivery Point(s)

The term Alternate Delivery Point(s) shall mean Point(s) of Delivery other than those listed on Exhibit B of Shipper's FTS-1 Service Agreement, including In-Line Transfer Points, which are not Primary Delivery Point(s) and nominations in excess of the MDQ at a Primary Delivery Point.

Shipper may nominate gas for delivery at an Alternate Delivery Point(s) subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for delivery at all Primary and Alternate Delivery Points does not exceed the MDTQ under the FTS-1 Service Agreement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions. However, a Shipper that has acquired a segment of capacity under this Rate Schedule, pursuant to the Capacity Relinquishment provisions of Sections 18 and/or 19 of the General Terms and Conditions of this Tariff, which is located entirely within Transporter's Western Division may nominate gas for delivery only at an Alternate Delivery Point(s) which is (are) located in Transporter's Western Division.

All quantities scheduled up to the MDTQ under the FTS-1 Service Agreement, including those delivered at an Alternate Delivery Point(s), and any quantities scheduled as segmented nominations or scheduled under a Segmented Transaction, shall be billed at the rates for service under this rate schedule; except, however, where quantities are delivered on an alternate basis to a Primary Delivery Point under an SFTS Service Agreement. In such case, the alternate deliveries up to the SFTS Shipper's MDTQ shall be billed at the Rate Schedule SFTS usage rate.

A Shipper whose Primary Delivery Point(s) are in Transporter's Market Area, but who nominates gas for delivery at Alternate Delivery Point(s) in Transporter's Western Division, must designate the specific Receipt Point(s) for the source of such deliveries. The Fuel Reimbursement Charge for such deliveries at Alternate Delivery Point(s) in Transporter's Western Division shall be the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Percentage listed on the Currently Effective Rates for Rate Schedules FTS-WD applied on a per compressor station basis; provided, however, that the maximum fuel charge shall be the Effective Fuel Reimbursement Charge Percentage. In the event Shipper fails to designate the specific Receipt Point(s) as the source for deliveries at Alternate Delivery Point(s) in Transporter's Western Division, such deliveries shall be subject to the Effective Fuel Reimbursement Charge Percentage set forth on the Currently Effective Rates for Rate Schedule FTS-1.

10. RIGHTS UNDER SECTION 4 OF THE NATURAL GAS ACT

Transporter shall have the unilateral right to seek, through a filing under Section 4 of the Natural Gas Act (NGA) with the appropriate regulatory authority, to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-1, and/or (b) Rate Schedule FTS-1 pursuant to which this service is rendered; provided, however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 filing by Transporter, and/or (c) any provisions of the General Terms and Conditions applicable to Rate Schedule FTS-1. Transporter agrees that Shipper may protest or contest filings of Transporter, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

11. AGGREGATION BY PUBLIC AGENCIES

A. Aggregation

1. Public Agencies may aggregate all or part of their firm capacity under individual FTS-1 or SFTS service agreements into a Joint Action Agency under a single Rate Schedule FTS-1 service agreement pursuant to this Section 11.
2. The aggregation of firm entitlements pursuant to this Section 11 shall not affect the aggregating Public Agency's right to receive, nor Transporter's obligation to

make available for delivery, quantities at each Public Agency's primary delivery points up to the stated MDQ within each Public Agency's MDTQ.

3. Any Public Agencies desiring to aggregate shall inform Transporter of the following:
  - i) The identity of, including e-mail addresses, mailing address, telephone and telecopier/facsimile numbers for the Joint Action Agency representative to be responsible for receiving billings and making payments under the aggregated service agreement.
  - ii) Maximum Daily Transportation Quantity (MDTQ) to be aggregated which shall be separately stated for each service agreement being aggregated, and further stated for the periods (1) October; (2) November-March; (3) April; and (4) May-September. MDTQs shall also be set forth by Division.
  - iii) The primary delivery point capacity (MDQ) by season for each service agreement in whole or part to be transferred to the aggregated service agreement; provided further, that the combined MDQ for the aggregated portion of the service agreement and any entitlement remaining on the individual Public Agency's service agreement shall not exceed the MDQ existing prior to aggregation.
  - iv) To the extent aggregating shippers have subscribed for NNTS service, the No-Notice Quantity ("NNQ") may also be aggregated and in such case will be combined into a single NNTS Addendum to the Joint Action Agency's FTS-1 service agreement, but the NNQ will be separately set forth for each Division.
  - v) The primary receipt point capacity by season for each service agreement in whole or part to be transferred to the aggregated service agreement; provided further, that the combined MDQ for the aggregated portion of the service agreement and any entitlement remaining on the individual Public Agency's service agreement shall not exceed the MDQ existing prior to aggregation.
  - vi) The term of the service agreement. Unless otherwise agreed, the term of the service agreement shall be the underlying term applicable to the MDTQ and MDQ being aggregated. If the aggregating Shippers have different underlying terms, then such terms shall continue to apply independently to the MDTQ and MDQ being aggregated. Each Public Agency shall also elect either of the following to be applicable to the MDTQ and MDQ it is aggregating: the 10-year rollover provision, or the right of first refusal contained in Section 20 of Transporter's tariff.



The Joint Action Agency must meet Transporter's creditworthiness standards set forth in Section 16 of the General Terms and Conditions.

4. Effective October 1, 1993 a Public Agency may aggregate all or part of its firm capacity with an existing Joint Action Agency sixty (60) days after a positive determination of creditworthiness has been made by Transporter; subject to the information set forth in 11.A.3.(i)-(vi) being provided for the additional aggregated entitlement.

B. Disaggregation

1. Provided a Public Agency meets the creditworthiness standards set forth in Section 16 of the General Terms and Conditions at the time of disaggregation, such Public Agency may disaggregate all or part of its firm capacity from the aggregated service agreement.
2. Within thirty (30) days after disaggregation, Public Agencies which aggregated their capacity prior to June 30, 1993 may elect the 10-year rollover option set forth in Section 20.C. of the General Terms and Conditions by giving written notice to Transporter consistent with Section 20.C.

C. Reversion to Service Under Rate Schedule SFTS

1. A Public Agency which was receiving service under this Rate Schedule at the time the currently effective rates were established which disaggregates shall be considered a Rate Schedule FTS-1 Shipper; provided however, a Public Agency which disaggregates by giving notice to Transporter within thirty (30) days following Transporter's notice of its intention to file a general Section 4 rate case may revert to Rate Schedule SFTS service if such Public Agency meets the requirements for service under Rate Schedule SFTS. The effective date of the commencement of service under Rate Schedule SFTS shall be the date that the new rates proposed by Transporter are placed in effect. Transporter shall post on its Internet website its intention to file a general Section 4 rate case at least thirty (30) days prior to filing same.

12. TERMS AND CONDITIONS

The General Terms and Conditions of Transporter's FERC Gas Tariff are hereby made a part of this Rate Schedule.

RATE SCHEDULE FTS-WD  
Firm Transportation Service

1. AVAILABILITY

This Rate Schedule is a firm rate schedule and is available for firm transportation service provided by Florida Gas Transmission Company, LLC (Transporter) to any person (Shipper) where:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule within Transporter's Western Division (i.e., Primary Receipt and Primary Delivery Points within Transporter's Western Division); and
- (c) Shipper has complied with the requirements of Section 3 hereof.
- (d) If the transportation service is to be provided under one Service Agreement for multiple entities (Principals) that have designated an agent to act on their behalf (hereinafter individually and collectively referred to as Shipper), Principals shall provide notice of such to Transporter and shall also provide sufficient information to verify:
  - (1) that Principals collectively meet the "Shipper must have title" requirement as set forth in Section 7 of the General Terms and Conditions;
  - (2) that each Principal agrees that it is jointly and severally liable for all of the obligations of Shipper under the Service Agreement; and
  - (3) that the Principals agree that they shall be treated collectively as one Shipper for purposes of establishing creditworthiness and for nomination, allocation and billing purposes.

2. APPLICABILITY AND CHARACTER OF SERVICE

Transportation from Primary Receipt Points to Primary Delivery Points under this Rate Schedule shall be performed on a firm basis.

Transporter shall receive for transportation hereunder the quantity of gas made available by or for the account of Shipper and transport and make available for delivery to or for the account of Shipper gas in accordance with this Rate Schedule; provided however, that such quantity made available by or for the account of Shipper shall not exceed on any day the applicable Maximum Daily Transportation Quantity (MDTQ) specified in the executed Service Agreement for service under this Rate Schedule and any quantities tendered for Fuel Reimbursement.

Service shall commence under this Rate Schedule on the earlier of: (i) the date Shipper first tenders gas to Transporter for transportation under an executed Service Agreement; or, (ii) the effective date stated in Article VI of the Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide firm transportation service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event prior to the in-service date of any facilities necessary to provide such service.

Gas received for transportation hereunder will be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

### 3. REQUESTS FOR AND EXECUTION OF FIRM TRANSPORTATION SERVICE

#### A. Transportation Requests

The specific information required from a Shipper for a valid request for firm transportation service must be delivered to Transporter, Attention: FGT Contract Administration Department, at P.O. Box 4967, Houston, Texas 77210-4967, or submitted electronically per instructions on Transporter's Internet website at <http://fgttransfer.energytransfer.com>. Requests for transportation must be accompanied by the following:

1. Shipper's legal name.
2. Shipper's principal place of business.
3. Shipper's contact person and telephone number.
4. Shipper's business address (including e-mail addresses) for notices and billing.
5. Shipper's status (e.g. producer, end-user, local distribution company, interstate, intrastate or Hinshaw pipeline, or other [please specify]).
6. Maximum Daily Transportation Quantity (MDTQ) requested stated in MMBtu per day for the periods: (i) October; (ii) November-March; (iii) April; and (iv) May-September.
7. Requested date of commencement of service.
8. Requested term of service.
9. Requested Primary Receipt Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary

Receipt Point; provided however, that the aggregate maximum daily quantities at such Primary Receipt Points shall not exceed Shipper's MDTQ plus any fuel.

10. Requested Primary Delivery Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Delivery Point. Such requested Primary Delivery Points shall be in Transporter's Western Division.

A standardized service request form is available on Transporter's Internet website.

Requests for service which do not include all of the above-referenced information shall be deemed null and void; provided, however, that requests for changes provided under Section 8.A or 9.A need only contain the information relevant to the changes requested.

B. Execution of Service Agreement

Shipper shall execute the FTS-WD Service Agreement, in writing or electronically pursuant to the procedures in Section 9.B of the General Terms and Conditions, within fifteen (15) days after receipt, award pursuant to GT&C Section 21 or its availability on Transporter's Internet website, whichever comes first. In the event Shipper does not execute the Service Agreement within fifteen (15) days, Shipper's request for transportation under this Rate Schedule shall be null and void.

C. Additional Information Required:

In addition, Shipper must provide the following information:

1. At the time of Shipper's execution of the Service Agreement, the curtailment classification for the requested transportation in accordance with Section 17.A of the General Terms and Conditions.
2. By execution of the Service Agreement, Shipper certifies that Shipper has, or will have, title to the gas in accordance with the provisions of Section 7 of the General Terms and Conditions, and certifies that Shipper or Shipper's designee, if applicable, has secured or will have secured, prior to commencement of service, all necessary arrangements for upstream and downstream transportation, if applicable.
3. To the extent that the transportation is performed pursuant to Section 311 of NGPA, then prior to commencement of service, if transportation is on behalf of an intrastate pipeline or local distribution company, Transporter must have certification from the intrastate pipeline or local distribution company that:
  - (a) the intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point, or

- (b) the intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time the gas is being transported by Transporter, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company, or
- (c) the gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that Transporter is providing transportation service.

- 4. Prior to execution and during the term of the Service Agreement, Shipper shall comply with the creditworthiness provisions of Section 16 of the General Terms and Conditions.

D. Extension of Term

Requests for extension of the term of a Service Agreement are subject to the provisions of Section 20 of the General Terms and Conditions.

4. RATES AND CHARGES

Unless otherwise mutually agreed to by Transporter and Shipper, the applicable rates for service under this Rate Schedule are set forth on the Currently Effective Rates for Rate Schedule FTS-WD of this Tariff and are hereby incorporated herein.

For all natural gas service rendered hereunder, Shipper shall pay Transporter each month the sum of the charges listed below if applicable:

Reservation Charge - The Reservation Charge multiplied by the sum of the MDTQ for the billing month. For purposes of computation of the Reservation Charge, service shall commence as of the date specified in Section 2 above. If, on any day, Transporter fails to make available for delivery the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Charge otherwise payable shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily Reservation Charge; provided however, that in the case of a failure to make available for delivery by reason of Transporter's force majeure, only the return on equity and related income tax components of the daily Reservation Charge will be included in the above referenced calculation; provided further, however, that no Reservation Charge reduction shall be provided for force majeure events that do not occur on Transporter's system (e.g., an event on a Shipper's facilities or a Transporting Pipeline's facilities). In the case of failure

to make available for delivery due to Transporter's negligence or willful misconduct, nothing herein shall be construed to limit Shipper's remedies to the Reservation Charge credit provided in this Section.

Usage Charge - The Usage Charge multiplied by the quantity of gas transported to or for the account of Shipper by Transporter during the billing month, as determined in Section 13.1 of the General Terms and Conditions of this tariff.

Fuel Reimbursement Charge - The Fuel Reimbursement Charge, as defined in Section 5 of this Rate Schedule.

Usage Surcharges - The usage surcharges as set forth on the Currently Effective Rates for Rate Schedule FTS-WD of this Tariff multiplied by the quantity of gas delivered to or for the account of Shipper by Transporter during the billing month as determined in Section 13.1 of the General Terms and Conditions of this tariff.

Reservation Surcharges - The reservation surcharges, as set forth on the Currently Effective Rates for Rate Schedule FTS-WD of this Tariff, multiplied by the sum of the MDTQ for the billing month. If on any day, Transporter fails to make available for delivery, by reason other than force majeure, the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Surcharge otherwise payable by Shipper shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily applicable Reservation Surcharge.

Incidental Charges - Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service, unless otherwise mutually agreed. Such charges may include only (i) reporting or filing fees relating to this service, (ii) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Transporter and Shipper, and (iii) such other applicable charges as may be authorized by the Commission.

Pursuant to the provisions of Sections 15.H and 15.I of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for transportation service under Rate Schedule FTS-WD a Reservation, Usage and/or Fuel Reimbursement Charge which is lower than such charge based on the maximum rates set forth on the Currently Effective Rates for Rate Schedule FTS-WD or provided for in Section 5 herein; provided however, that Transporter's discretion shall not be exercised on an unduly discriminatory basis and that such charge may not be less than such charge based on the Minimum Rate set forth on the Currently Effective Rates for Rate Schedule FTS-WD.

Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charge, the individual Shippers affected, the total volume transported and any other information as may be required.

5. FUEL REIMBURSEMENT CHARGES

Transporter shall retain a Fuel Reimbursement Charge Percentage pursuant to Section 27 of the General Terms and Conditions. The Fuel Reimbursement Charge Percentage shall be set forth on the Currently Effective Rates for Rate Schedule FTS-WD of this Tariff.

The Fuel Reimbursement Charge shall be the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Percentage listed on the Currently Effective Rates for Rate Schedule FTS-WD. Exceptions to the stated rate 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%; 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 rate of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage or b) the stated Fuel Reimbursement Charge Percentage; and 3) where Shipper nominates and Transporter confirms and schedules a Backhaul transaction, such Backhaul transaction shall not be assessed a Fuel Reimbursement Charge or an Effective Unit Fuel Surcharge but shall be assessed the lost and unaccounted for gas percentage.

A Shipper who nominates a Forwardhaul or a Backhaul must nominate the specific Receipt Point and the specific Delivery Point (i.e., path) for each nomination, so that the applicable fuel rate, if any, can be determined.

6. MAXIMUM DAILY TRANSPORTATION QUANTITY

The MDTQ shall be expressed in each Service Agreement under this Rate Schedule. The MDTQ shall be the largest quantity of gas, expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under each such Service Agreement under this Rate Schedule on any one day. The seasonal MDTQ for October, November through March, April and May through September shall be set forth in the executed Service Agreement for service under this Rate Schedule.

7. MAXIMUM DAILY QUANTITY

The MDQ for any single receipt or delivery point shall be the volume set forth in the executed Service Agreement for service under this Rate Schedule which shall represent the maximum volume that Transporter will make available for delivery at a delivery point or will accept receipt of at a receipt point on any one day; provided however, that in addition to the MDQ for each receipt point set forth on Exhibit A to Shipper's executed Service Agreement, Shipper shall tender additional volumes to be used as Transporter's fuel, based upon the Fuel Reimbursement Charge set forth on the Currently Effective Rates for Rate Schedule FTS-WD.

8. RECEIPT POINTS

A. Primary Receipt Point(s)

The term Primary Receipt Point(s) shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS-WD Service Agreement which are assigned an MDQ. Shipper may release capacity from the closest in-line transfer point east of the Primary Receipt Point. Subject to the availability of firm capacity, a Shipper may request changes in Primary Receipt Points under an executed Service Agreement at any time by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested.

B. Alternate Receipt Point(s)

The term Alternate Receipt Point(s) shall include Point(s) of Receipt on Transporter's system in the Western Division other than those listed in Exhibit A of Shipper's FTS-WD Service Agreement, including In-Line Transfer Points, except as provided in (A) above, and nominations in excess of the MDQ at a Primary Receipt Point. A listing of Receipt Points on Transporter's system is set forth on its Internet website.

Shipper may nominate gas at an Alternate Receipt Point(s) subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for receipt at all Primary and Alternate Receipt Points does not exceed the total MDTQ under the FTS-WD Service Agreement and any quantities tendered for Fuel Reimbursement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions; provided, however, that Shipper may not utilize points outside the Western Division for any purpose. All quantities scheduled up to the MDTQ under the FTS-WD Service Agreement, including those received at an Alternate Receipt Point, and quantities under any Segmented Transactions, shall be billed at the rates for service under this Rate Schedule.

9. DELIVERY POINTS

A. Primary Delivery Point(s)

The term Primary Delivery Point(s) shall mean those delivery points listed on Exhibit B of Shipper's FTS-WD Service Agreement which are assigned an MDQ. Subject to the availability of firm capacity a Shipper may request changes in Primary Delivery Points under an executed Service Agreement by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested. Such new requested Primary Delivery Points must be located in Transporter's Western Division.



B. Alternate Delivery Point(s)

The term Alternate Delivery Point(s) shall mean Point(s) of Delivery in Transporter's Western Division other than those listed on Exhibit B of Shipper's FTS-WD Service Agreement which are not Primary Delivery Point(s) and nominations in excess of the MDQ at a Primary Delivery Point.

Shipper may nominate gas for delivery at an Alternate Delivery Point(s) in Transporter's Western Division subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for delivery at all Primary and Alternate Delivery Points does not exceed the MDTQ under the FTS-WD Service Agreement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions; provided, however, that Shipper may not utilize points outside the Western Division for any purpose.

All quantities scheduled up to the MDTQ under the FTS-WD Service Agreement, including those delivered at an Alternate Delivery Point(s), and any quantities scheduled as segmented nominations or scheduled under a Segmented Transaction, shall be billed at the rates for service under this rate schedule.

10. RIGHTS UNDER SECTION 4 OF THE NATURAL GAS ACT

Transporter shall have the unilateral right to seek, through a filing under Section 4 of the Natural Gas Act (NGA) with the appropriate regulatory authority, to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-WD, and/or (b) Rate Schedule FTS-WD pursuant to which this service is rendered; provided, however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 filing by Transporter, and/or (c) any provisions of the General Terms and Conditions applicable to Rate Schedule FTS-WD. Transporter agrees that Shipper may protest or contest filings of Transporter, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

11. TERMS AND CONDITIONS

The General Terms and Conditions of Transporter's FERC Gas Tariff are hereby made a part of this Rate Schedule.

RATE SCHEDULE FTS-WD-2  
Firm Transportation Service

1. AVAILABILITY

This Rate Schedule is a firm rate schedule and is available for firm transportation service provided by Florida Gas Transmission Company, LLC (Transporter) to any person (Shipper) where:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule within Transporter's Western Division (i.e., Primary Receipt and Primary Delivery Points within Transporter's Western Division); and
- (c) Shipper has complied with the requirements of Section 3 hereof.
- (d) If the transportation service is to be provided under one Service Agreement for multiple entities (Principals) that have designated an agent to act on their behalf (hereinafter individually and collectively referred to as Shipper), Principals shall provide notice of such to Transporter and shall also provide sufficient information to verify:
  - (1) that Principals collectively meet the "Shipper must have title" requirement as set forth in Section 7 of the General Terms and Conditions;
  - (2) that each Principal agrees that it is jointly and severally liable for all of the obligations of Shipper under the Service Agreement; and
  - (3) that the Principals agree that they shall be treated collectively as one Shipper for purposes of establishing creditworthiness and for nomination, allocation and billing purposes.

2. APPLICABILITY AND CHARACTER OF SERVICE

Transportation from Primary Receipt Points to Primary Delivery Points under this Rate Schedule shall be performed on a firm basis. Primary Delivery Points must be west of the Primary Receipt Points under this Rate Schedule.

Transporter shall receive for transportation hereunder the quantity of gas made available by or for the account of Shipper and transport and make available for delivery to or for the account of Shipper gas in accordance with this Rate Schedule; provided however, that such quantity made available by or for the account of Shipper shall not exceed on any day the applicable Maximum

Daily Transportation Quantity (MDTQ) specified in the executed Service Agreement for service under this Rate Schedule and any quantities tendered for Fuel Reimbursement.

Service shall commence under this Rate Schedule on the earlier of: (i) the date Shipper first tenders gas to Transporter for transportation under an executed Service Agreement; or, (ii) the effective date stated in Article VI of the Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide firm transportation service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event prior to the in-service date of any facilities necessary to provide such service.

Gas received for transportation hereunder will be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

### 3. REQUESTS FOR AND EXECUTION OF FIRM TRANSPORTATION SERVICE

#### A. Transportation Requests

The specific information required from a Shipper for a valid request for firm transportation service must be delivered to Transporter, Attention: FGT Contract Administration Department, at P.O. Box 4967, Houston, Texas 77210-4967, or submitted electronically per instructions on Transporter's Internet website at <http://fgttransfer.energytransfer.com>. Requests for transportation must be accompanied by the following:

1. Shipper's legal name.
2. Shipper's principal place of business.
3. Shipper's contact person and telephone number.
4. Shipper's business address (including e-mail addresses) for notices and billing.
5. Shipper's status (e.g. producer, end-user, local distribution company, interstate, intrastate or Hinshaw pipeline, or other [please specify]).
6. Maximum Daily Transportation Quantity (MDTQ) requested stated in MMBtu per day for the periods: (i) October; (ii) November-March; (iii) April; and (iv) May-September.
7. Requested date of commencement of service.
8. Requested term of service.

9. Requested Primary Receipt Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Receipt Point; provided however, that the aggregate maximum daily quantities at such Primary Receipt Points shall not exceed Shipper's MDTQ plus any fuel. Such requested Primary Receipt Points shall be in Transporter's Western Division and shall be located east of the Primary Delivery Points in Shipper's FTS-WD-2 Service Agreement.
10. Requested Primary Delivery Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Delivery Point. Such requested Primary Delivery Points shall be in Transporter's Western Division and shall be located west of the Primary Receipt Points in Shipper's FTS-WD-2 Service Agreement.

A standardized service request form is available on Transporter's Internet website.

Requests for service which do not include all of the above-referenced information shall be deemed null and void; provided, however, that requests for changes provided under Section 8.A or 9.A need only contain the information relevant to the changes requested.

B. Execution of Service Agreement

Shipper shall execute the FTS-WD-2 Service Agreement, in writing or electronically pursuant to the procedures in Section 9.B of the General Terms and Conditions, within fifteen (15) days after receipt, award pursuant to GT&C Section 21 or its availability on Transporter's Internet website, whichever comes first. In the event Shipper does not execute the Service Agreement within fifteen (15) days, Shipper's request for transportation under this Rate Schedule shall be null and void.

C. Additional Information Required:

In addition, Shipper must provide the following information:

1. At the time of Shipper's execution of the Service Agreement, the curtailment classification for the requested transportation in accordance with Section 17.A of the General Terms and Conditions.
2. By execution of the Service Agreement, Shipper certifies that Shipper has, or will have, title to the gas in accordance with the provisions of Section 7 of the General Terms and Conditions, and certifies that Shipper or Shipper's designee, if applicable, has secured or will have secured, prior to commencement of service, all necessary arrangements for upstream and downstream transportation, if applicable.

3. To the extent that the transportation is performed pursuant to Section 311 of NGPA, then prior to commencement of service, if transportation is on behalf of an intrastate pipeline or local distribution company, Transporter must have certification from the intrastate pipeline or local distribution company that:
  - (a) the intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point, or
  - (b) the intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time the gas is being transported by Transporter, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company, or
  - (c) the gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that Transporter is providing transportation service.
4. Prior to execution and during the term of the Service Agreement, Shipper shall comply with the creditworthiness provisions of Section 16 of the General Terms and Conditions.

D. Extension of Term

Requests for extension of the term of a Service Agreement are subject to the provisions of Section 20 of the General Terms and Conditions.

4. RATES AND CHARGES

Unless otherwise mutually agreed to by Transporter and Shipper, the applicable rates for service under this Rate Schedule are set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 of this Tariff and are hereby incorporated herein.

For all natural gas service rendered hereunder, Shipper shall pay Transporter each month the sum of the charges listed below if applicable:

Reservation Charge - The Reservation Charge multiplied by the sum of the MDTQ for the billing month. For purposes of computation of the Reservation Charge, service shall commence as of the date specified in Section 2 above. If, on any day, Transporter fails to make available for delivery the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Charge otherwise payable shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to

make such quantity available for delivery times the daily Reservation Charge; provided however, that in the case of a failure to make available for delivery by reason of Transporter's force majeure, only the return on equity and related income tax components of the daily Reservation Charge will be included in the above referenced calculation; provided further, however, that no Reservation Charge reduction shall be provided for force majeure events that do not occur on Transporter's system (e.g., an event on a Shipper's facilities or a Transporting Pipeline's facilities). In the case of failure to make available for delivery due to Transporter's negligence or willful misconduct, nothing herein shall be construed to limit Shipper's remedies to the Reservation Charge credit provided in this Section.

Usage Charge - The Usage Charge multiplied by the quantity of gas transported to or for the account of Shipper by Transporter during the billing month, as determined in Section 13.1 of the General Terms and Conditions of this tariff.

Fuel Reimbursement Charge - The Fuel Reimbursement Charge, as defined in Section 5 of this Rate Schedule.

Usage Surcharges - The usage surcharges as set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 of this Tariff multiplied by the quantity of gas delivered to or for the account of Shipper by Transporter during the billing month as determined in Section 13.1 of the General Terms and Conditions of this tariff.

Reservation Surcharges - The reservation surcharges, as set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 of this Tariff, multiplied by the sum of the MDTQ for the billing month. If on any day, Transporter fails to make available for delivery, by reason other than force majeure, the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Surcharge otherwise payable by Shipper shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily applicable Reservation Surcharge.

Incidental Charges - Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service, unless otherwise mutually agreed. Such charges may include only (i) reporting or filing fees relating to this service, (ii) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Transporter and Shipper, and (iii) such other applicable charges as may be authorized by the Commission.

Pursuant to the provisions of Sections 15.H and 15.I of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for transportation service under Rate Schedule FTS-WD-2 a Reservation, Usage and/or Fuel Reimbursement Charge which is lower than such charge based on the maximum rates set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 or provided for in Section 5

herein; provided however, that Transporter's discretion shall not be exercised on an unduly discriminatory basis and that such charge may not be less than such charge based on the Minimum Rate set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2.

Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charge, the individual Shippers affected, the total volume transported and any other information as may be required.

5. FUEL REIMBURSEMENT CHARGES

Transporter shall retain a Fuel Reimbursement Charge Percentage pursuant to Section 27 of the General Terms and Conditions. The Fuel Reimbursement Charge Percentage shall be set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 of this Tariff.

The Fuel Reimbursement Charge shall be the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Percentage listed on the Currently Effective Rates for Rate Schedule FTS-WD-2. Exceptions to the stated rate 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%; 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 or b) the stated Fuel Reimbursement Charge Percentage; and 3) where Shipper nominates and Transporter confirms and schedules a Backhaul transaction, such Backhaul transaction shall not be assessed a Fuel Reimbursement Charge or an Effective Unit Fuel Surcharge but shall be assessed the lost and unaccounted for gas percentage.

A Shipper who nominates a Forwardhaul or a Backhaul must nominate the specific Receipt Point and the specific Delivery Point (i.e., path) for each nomination, so that the applicable fuel rate, if any, can be determined.

6. MAXIMUM DAILY TRANSPORTATION QUANTITY

The MDTQ shall be expressed in each Service Agreement under this Rate Schedule. The MDTQ shall be the largest quantity of gas, expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under each such Service Agreement under this Rate Schedule on any one day. The seasonal MDTQ for October, November through March, April and May through September shall be set forth in the executed Service Agreement for service under this Rate Schedule.

7. MAXIMUM DAILY QUANTITY

The MDQ for any single receipt or delivery point shall be the volume set forth in the executed Service Agreement for service under this Rate Schedule which shall represent the maximum volume that Transporter will make available for delivery at a delivery point or will accept receipt of at a receipt point on any one day; provided however, that in addition to the MDQ for each

receipt point set forth on Exhibit A to Shipper's executed Service Agreement, Shipper shall tender additional volumes to be used as Transporter's fuel, based upon the Fuel Reimbursement Charge set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2.

8. RECEIPT POINTS

A. Primary Receipt Point(s)

The term Primary Receipt Point(s) shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS-WD-2 Service Agreement which are assigned an MDQ. Subject to the availability of firm capacity, a Shipper may request changes in Primary Receipt Points under an executed Service Agreement at any time by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested. Such requested Primary Receipt Points must be in Transporter's Western Division and shall be located east of the Primary Delivery Points in Shipper's FTS-WD-2 Service Agreement.

B. Alternate Receipt Point(s)

The term Alternate Receipt Point(s) shall include Point(s) of Receipt on Transporter's system in the Western Division other than those listed in Exhibit A of Shipper's FTS-WD-2 Service Agreement, including In-Line Transfer Points, except as provided in (A) above, and nominations in excess of the MDQ at a Primary Receipt Point. A listing of Receipt Points on Transporter's system is set forth on its Internet website.

Shipper may nominate gas at an Alternate Receipt Point(s) subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for receipt at all Primary and Alternate Receipt Points does not exceed the total MDTQ under the FTS-WD-2 Service Agreement and any quantities tendered for Fuel Reimbursement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions; provided, however, that Shipper may not utilize points outside the Western Division for any purpose. All quantities scheduled up to the MDTQ under the FTS-WD-2 Service Agreement, including those received at an Alternate Receipt Point, and quantities under any Segmented Transactions, shall be billed at the rates for service under this Rate Schedule.

9. DELIVERY POINTS

A. Primary Delivery Point(s)

The term Primary Delivery Point(s) shall mean those delivery points listed on Exhibit B of Shipper's FTS-WD-2 Service Agreement which are assigned an MDQ. Subject to the availability of firm capacity a Shipper may request changes in Primary Delivery Points under an executed Service Agreement by submitting a request pursuant to Section 3 of



this Rate Schedule, but which contains only the information relevant to the changes requested. Such new requested Primary Delivery Points must be located in Transporter's Western Division and shall be located west of the Primary Receipt Points in Shipper's FTS-WD-2 Service Agreement.

B. Alternate Delivery Point(s)

The term Alternate Delivery Point(s) shall mean Point(s) of Delivery in Transporter's Western Division other than those listed on Exhibit B of Shipper's FTS-WD-2 Service Agreement which are not Primary Delivery Point(s) and nominations in excess of the MDQ at a Primary Delivery Point.

Shipper may nominate gas for delivery at an Alternate Delivery Point(s) in Transporter's Western Division subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for delivery at all Primary and Alternate Delivery Points does not exceed the MDTQ under the FTS-WD-2 Service Agreement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions; provided, however, that Shipper may not utilize points outside the Western Division for any purpose.

All quantities scheduled up to the MDTQ under the FTS-WD-2 Service Agreement, including those delivered at an Alternate Delivery Point(s), and any quantities scheduled as segmented nominations or scheduled under a Segmented Transaction, shall be billed at the rates for service under this rate schedule.

10. RIGHTS UNDER SECTION 4 OF THE NATURAL GAS ACT

Transporter shall have the unilateral right to seek, through a filing under Section 4 of the Natural Gas Act (NGA) with the appropriate regulatory authority, to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-WD-2, and/or (b) Rate Schedule FTS-WD-2 pursuant to which this service is rendered; provided, however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 filing by Transporter, and/or (c) any provisions of the General Terms and Conditions applicable to Rate Schedule FTS-WD-2. Transporter agrees that Shipper may protest or contest filings of Transporter, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

11. TERMS AND CONDITIONS

The General Terms and Conditions of Transporter's FERC Gas Tariff are hereby made a part of this Rate Schedule.

## GENERAL TERMS AND CONDITIONS

### 9. ELECTRONIC COMMUNICATIONS

#### A. Non-Transactional Data

1. Transporter will maintain an Electronic Communications Mechanism ("ECM") for non-transactional data for use by any interested person and accessible via Transporter's Internet website at <http://fgttransfer.energytransfer.com>. Transporter shall make information reasonably available on how to access and use the ECM.
2. The ECM will provide a search function that facilitates the location of information, and menus that permit access to system-wide notices of capacity constraints, capacity discounts, curtailment, Force Majeure, maintenance, operational flow orders, press releases, company news, phone lists, and other relevant information including affiliate information as described below. Transporter shall maintain and retain daily back-up records of the information displayed for three (3) years and permit review of those records, which will be archived and reasonably accessible. Information on the most recent entries will appear ahead of older information. Notwithstanding this Section 9.A.2, Transporter shall retain its affiliate waiver log for five years from the date of the waiver posting.
3. The above categories shall provide information including, but not limited to FERC Order Nos. 566, 599, 637 and 717 (relating to the Standards of Conduct information), operationally available and unsubscribed capacity, index of customers, the tariff, the availability of firm and interruptible capacity including: (a) a listing of any receipt or delivery point constraints, (b) the availability of capacity on the mainline(s), and (c) whether the capacity is available from Transporter directly, or through Transporter's Capacity Relinquishment mechanism as set forth in Section 18 of these General Terms and Conditions, and reports of firm and interruptible transactions in accordance with the requirements of Order 637.

#### B. Transactional Electronic Communications

1. Standards for Transactional Electronic Communication Mechanism.
  - a. Transporter will maintain a Transactional Electronic Communications Mechanism ("TECM") for use by any interested person ("TECM Party"). The TECM shall be accessible via <http://fgttransfer.energytransfer.com> and available on a not unduly discriminatory basis to any TECM Party, provided that such entity has executed a TECM Agreement in the form required by Transporter, has been assigned a user identification and password by Transporter, and has agreed to comply with the procedures for use of the

TECM. Transporter shall make information reasonably available on how to access and use the TECM.

- b. The TECM will allow the TECM Party to locate all information concerning a specific contract or capacity release transaction, and provide menus that permit a TECM Party to separately access Transporter's contracts and service agreements and notices of released gas. The TECM will permit a TECM Party to download electronically a file(s). Transporter shall maintain and retain daily back-up records of the information displayed on the TECM for three (3) years and permit a TECM Party to review those records, which will be archived and reasonably accessible.

Transporter will periodically archive transactions from the TECM files when transactions have been completed. Information on the most recent entries will appear ahead of older information. Service agreements, amendments to service agreements and other contracts shall be maintained in Transporter's files in accordance with all laws and regulations and Transporter's record retention policy.

- c. Transporter shall also post Relinquishment Notices, notice of Capacity Relinquishment Bidding Periods and all bids of Acquiring Shippers in accordance with the provisions of Section 18 of these General Terms and Conditions.
- d. Prior to issuance of the user identification and password, each TECM Party shall have executed the TECM Agreement. Transporter shall not assess costs related to the TECM, but may seek to include such costs in a Section 4 rate filing.

The foregoing provisions set forth the standards applicable to Transporter's TECM. Nothing herein shall prevent Transporter from making modifications to the TECM provided such changes are consistent with this Section.

## 2. Electronic Execution of Documents

- a. Execution. Pursuant to the provisions of this Section and the TECM Agreement, Transporter and Shippers may enter into transactions and create binding obligations by means of electronic execution of documents on the TECM. These documents include, but are not limited to, service agreements, amendments to service agreements, PNR purchase order confirmations, Delivery Point Operating Account, Operational Balancing Agreements, designee forms and any other agreements that Transporter shall make available on the TECM ("Documents"). Execution of these Documents by means of a "click" on the designated space, pursuant to the specified procedures set forth in the TECM, shall be considered, in

connection with any transaction, to be a "writing" or "in writing" and any such Document shall be deemed for all purposes (a) to have been "signed" ("Signed Document") and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business. All parties agree not to contest the validity or enforceability of such Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Further, Signed Documents, if introduced as evidence on paper in any judicial arbitration, mediation or administrative proceeding, 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 forms.

- b. Contracting. It is the Shipper's responsibility to check the TECM for any Document to be signed. Shipper shall utilize the procedures set forth in the TECM Agreement, as may be further specified on the TECM.
- c. Capacity Release Transactions. It is the Shipper's responsibility to go to the TECM either to offer or to bid upon transportation capacity. A Capacity Release transaction is initiated by the posting of capacity by any Shipper.
  - (i) Releasing Shipper. Any Shipper offering capacity for capacity release ("Releasing Shipper") will, by electronically posting capacity, automatically enter into an amendment to Shipper's underlying contract, as specified in the procedures set out in the TECM Agreement and on the TECM. Such amendment shall take effect only upon the confirmation of a prearranged transaction or upon the award of such capacity.
  - (ii) Acquiring Shipper. Any Shipper acquiring capacity through capacity release ("Acquiring Shipper") which confirms a prearranged transaction and any Acquiring Shipper which submits a bid for posted capacity will, by confirmation or entering a bid, respectively, automatically enter into a service agreement for the service set out in the posting of the prearranged transaction or in the bid, respectively, effective upon the respective confirmation or award of such capacity.

C. Execution By Means of Electronic Facsimile

- 1. Standards for Execution by Electronic Facsimile. Transporter will maintain an Execution by Electronic Facsimile Agreement ("EEFA") which shall be a prerequisite for use of execution by facsimile after the effective date of this Section 9.C. The EEFA shall ratify any and all previous documents which may have been executed using electronic facsimile.
- 2. Execution. Pursuant to the provisions of this Section and the EEFA, Transporter and Shippers may enter into transactions and create binding obligations by means of electronic facsimile execution of documents pursuant to the EEFA. These

documents include, but are not limited to, service agreements, amendments to service agreements, PNR purchase order confirmations, Operational Balancing Agreements, designee forms and any other agreements that Transporter shall make available on the TECM ("Documents"). Execution of these Documents by means of electronic facsimile pursuant to the specified procedures set forth in the EEFA, and all previously executed documents using electronic facsimile execution, shall be considered, in connection with any transaction, to be a "writing" or "in writing" and any such Document shall be deemed for all purposes (a) to have been "signed" ("Signed Document") and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business. All parties agree not to contest the validity or enforceability of such Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Further, Signed Documents, if introduced as evidence on paper in any judicial arbitration, mediation or administrative proceeding, 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 forms.

## GENERAL TERMS AND CONDITIONS

### 18. CAPACITY RELINQUISHMENT

#### A. General

This Section sets forth the sole means by which a firm Shipper ("Relinquishing Shipper") may, pursuant to Section 284.8 of the Commission's Regulations, relinquish its firm capacity rights under a service agreement with Transporter to a third party ("Acquiring Shipper").

Non-biddable relinquishments are prearranged relinquishments that are defined as follows:

1. A capacity relinquishment for any period of thirty-one (31) days or less. A firm Shipper shall not roll over, extend or in any way continue such capacity relinquishment to the same Acquiring Shipper until 28 days after the first release period has ended. This 28-day period does not apply to any release to the same Acquiring Shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding set forth in Sections A.2, A.3 or A.4 below.
2. A capacity relinquishment for more than one year at the maximum tariff rate.
3. A capacity relinquishment to an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations.
4. A capacity relinquishment to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

All other relinquishments shall be biddable.

#### B. Capacity Eligible For Release

A Shipper with a service agreement under Rate Schedule FTS-1, FTS-2, FTS-3, FTS-WD or FTS-WD-2 may relinquish all or a portion of its firm capacity ("eligible capacity") from an individual Service Agreement pursuant to this Section 18. A Shipper may also relinquish all or a portion of its NNQ under Rate Schedule NNTS; provided however, Shipper may only relinquish its Rate Schedule NNTS capacity at the Shipper's primary delivery points. Capacity held by a Shipper under any rate schedule other than as set forth above shall not be eligible for capacity relinquishment. Relinquishments under this section may not exceed the maximum rate applicable to the relinquished capacity; provided, however, that no rate limitation shall apply to a capacity relinquishment for a period of one year or less if the relinquishment is to take effect on or before one year from the date on which Transporter is notified of the relinquishment.

Re-release of capacity: Acquiring Shipper may re-release acquired capacity subject to the terms attached to the acquired capacity in all previous releases.

C. Relinquishment Types:

1. Permanent Relinquishment

This Section sets forth the terms and conditions applicable to the permanent relinquishment of eligible capacity ("Permanent Relinquishment"). Eligible capacity can be permanently relinquished solely on a reservation basis either pursuant to a transaction prearranged by Relinquishing Shipper or pursuant to the bidding procedures in Section 18.F. An Acquiring Shipper who obtains capacity relinquished hereunder shall be required to execute a separate firm service agreement with Transporter for the relinquished capacity for the primary and secondary terms set forth in the Relinquishing Shipper's service agreement.

Transporter is not required to but, may choose to accept a bid at less than the maximum rate provided that (i) Relinquishing Shipper remits as an exit fee, a lump sum payment for the difference between the maximum rate and the bid rate for the full term of the relinquishment, or agrees to remain liable for the difference between the maximum rate and the bid rate for the full term of the relinquishment, and (ii) Transporter and Acquiring Shipper reach agreement on a mechanism permitting the periodic adjustment to the bid rate to reflect subsequent rate adjustments filed for and approved by the FERC.

To the extent Transporter elects to accept bids at other than the maximum rate, Transporter shall award the capacity or portion thereof in accordance with Section 18.F.4. Transporter's decision to accept a permanent relinquishment at less than the maximum rate must be reached in a nondiscriminatory manner.

At the time the Acquiring Shipper and Transporter enter into a Service Agreement for the acquired capacity, Acquiring Shipper may, if the Relinquishing Shipper had not elected the ten-year rollover described in Section 20.C, elect such ten-year rollover in the manner set forth in Section 20.C.

2. Temporary Relinquishment:

This Section sets forth the terms and conditions applicable to temporary relinquishments of eligible capacity either pursuant to a transaction prearranged by Relinquishing Shipper or pursuant to the bidding procedures in Section 18.F. In addition to complying with these provisions, Relinquishing Shipper and Acquiring Shipper must comply with all other applicable provisions of this Section 18.

Biddability and rollover limitations: Prearranged relinquishments for 31 days or less are not subject to open season bidding, except as provided in Section 18.A.1 herein.

In the event the temporary relinquishment does not meet the non-biddable criteria set forth in Section 18.A herein, then the subject eligible capacity shall be subject to an open season bidding and the right to match pursuant to Section 18.F.

D. Capacity Release Timelines (All times are Central Clock Time)-

The capacity release timeline applies to all parties involved in the capacity release process provided that 1) all information provided by the parties to the transaction is valid and the Acquiring Shipper has been determined to be creditworthy before the capacity release bid is tendered, 2) for index-based capacity release transactions, the Relinquishing Shipper has provided Transporter with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (3) there are no special terms or conditions of the release. Further, Transporter may complete the capacity release process on a different timeline if the offer includes unfamiliar or unclear terms and conditions (e.g. designation of an index not supported by Transporter).

1. For biddable releases (1 year or less):
  - (a) Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
  - (b) Open season ends at 10:00 a.m. on the same or a subsequent Business Day.
  - (c) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken.
  - (d) If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
  - (e) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.
  - (f) The contract is issued within one hour of the award posting (with a new contract number, when applicable).
  - (g) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.
2. For biddable releases (more than 1 year):
  - (a) Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.



- (b) Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- (c) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken.
- (d) If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- (e) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.
- (f) The contract is issued within one hour of the award posting (with a new contract number, when applicable).
- (g) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

3. For non-biddable releases:

- a. The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:
  - Timely Cycle 12:00 Noon
  - Evening Cycle 5:00 p.m.
  - Intraday 1 Cycle 9:00 a.m.
  - Intraday 2 Cycle 1:30 p.m.
  - Intraday 3 Cycle 6:00 p.m.
- b. The contract is issued within one hour of the award posting (with a new contract number, when applicable).
- c. Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

4. Processing of Uploads

The Transportation Service Provider (TSP) which supports capacity release should accept and process capacity release offers from Relinquishing Shipper(s) (or its authorized third party service provider), provided the valid offer is received by the TSP prior to the respective deadline specified in NAESB WGQ Standard No. 5.3.2. Such offer should be posted as an offer and should be available for bidding by the posted-by deadline and start of bidding time specified (for the received Business

Day) in NAESB WGQ Standard No. 5.3.2 or the Relinquishing Shipper's specified Business Day (if later than the received Business Day).

The TSPs which supports capacity release should provide for the creation of capacity release bids from potential Acquiring Shipper(s) (or its authorized third party service provider), provided the valid bid is submitted no later than the respective deadline as specified in NAESB WGQ Standard No. 5.3.2. Such timely bid should be evaluated by the TSP for the purpose of identifying the winning bidder(s) associated with the offer.

E. Notice Required by Shipper

1. Notice by Relinquishing Shipper. A Shipper who desires to relinquish any or all of its eligible capacity must notify Transporter of said Shipper's desire to relinquish eligible capacity ("Relinquishing Shipper") and the terms and conditions of such proposed relinquishment. (Such notice is hereinafter referred to as the "Relinquishment Notice"). Such Relinquishment Notice shall be in writing or provided electronically pursuant to Section 9.B and in the form set out in the Tariff and shall be executed by an authorized representative of the Relinquishing Shipper. All terms and conditions a Relinquishing Shipper proposes shall be posted as set forth below. Such terms and conditions must be objectively stated, non-discriminatory and applicable to all potential bidders. Notwithstanding the above, the terms and conditions required in the Relinquishment Notice for a non-biddable capacity release to an asset manager pursuant to Section 18.A.3 need only include the information specified in Section 18.E.1.a through 18.E.1.q herein. The Relinquishment Notice shall constitute a binding offer on the part of Relinquishing Shipper to relinquish the eligible capacity pursuant to the terms of the Relinquishment Notice, until written or electronic notice of withdrawal is received by Transporter. Transporter shall reject any Relinquishment Notice that does not comply fully with the foregoing requirements. Such Relinquishment Notice shall provide the following information:
  - a. Name, address, contact person, telephone number, and facsimile number of the Relinquishing Shipper;
  - b. Whether the relinquishment is permanent or temporary;
  - c. Whether the relinquishment is recallable and, if recallable, whether on either a permanent or temporary basis, and the terms and conditions applicable to such right of recall and reput;
  - d. The specific quantity to be relinquished, stated in dekatherms per day of MDTQ by season;

- e. Identification of the Primary Receipt Point(s) capacity and Primary Delivery Point(s) capacity to be relinquished; provided further that both the sum of the Primary Receipt Point capacity relinquished by season and Primary Delivery Point capacity relinquished by season shall each equal the relinquished MDTQ set forth in (d) above; and provided further, that if the relinquishment is for a specific segment of capacity between any points on Transporter's system, such relinquishment must comply with the provisions of Section 19. At Relinquishing Shipper's request, and in-lieu of posting the relinquished Primary Receipt Point capacity from 18E.1(e), Transporter shall aggregate relinquished Primary Receipt Point capacity, and post such capacity at the closest in-line transfer point east of the receipt point capacity relinquished.
- f. The rate schedule under which the Relinquishing Shipper holds the capacity;
- g. The term of the proposed relinquishment, which in the case of a Permanent Relinquishment must equal the remaining term of the Relinquishing Shipper's existing service agreement;
- h. Identification of any Acquiring Shipper with whom Relinquishing Shipper has prearranged the relinquishment; address, contact person, telephone number; fax number, and contract number if applicable;
- i. Whether the Relinquishing Shipper will accept volumetric bids and volumetric commitments;
- j. Whether the release includes a right of first refusal where: (1) Shipper releases on a permanent basis, the remaining part of a long term contract, but where the remainder of the term is less than one year, (2) Shipper releases for the remainder of the contract term, but retains a right of recall, and/or (3) the prearranged Acquiring Shipper may match the best eligible bid(s);
- k. Whether the Relinquishing Shipper will accept contingent bids, and if so under what circumstances.
- l. The method to be used to evaluate bids. To the extent Relinquishing Shipper elects to accept volumetric bids, Shipper must also specify the method to rank competing volumetric and reservation charge bids. For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. Relinquishing Shipper must choose one of the following tariff methods:

- i. highest rate
  - ii. net revenue
  - iii. present value
- m. The method to be used to break ties if the applicable tariff method is not to be used;
- n. Whether the Relinquishing Shipper will permit the Acquiring Shipper, to request changes to Primary Receipt and/or Delivery Points;
- o. The minimum conditions, if any, the Relinquishing Shipper will accept, rates (which may be expressed in dollars and cents, percentage of the maximum rate or the index-based formula as detailed in the capacity release offer), including all reservation surcharges, volumes, and other terms and whether such minimum conditions are to be considered confidential at the time of posting;
- p. Whether the capacity to be relinquished was obtained pursuant to the provisions of this Section 18; and
- q. Whether the Acquiring Shipper is (a) an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations and, if so, include the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect or (b) a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

Acquiring Shipper will initiate confirmation of prearranged deals electronically.

## 2. Posting of Relinquishment Notice

All valid Relinquishment Notices shall be posted on Transporter's Internet website, including capacity released on a prearranged basis, upon receipt, unless Relinquishing Shipper requests otherwise. Capacity release facilitator should post offers and bids, including prearranged deals, upon receipt. A Relinquishing Shipper may request a later posting time for posting of such offer, and the capacity release service facilitator should support such request insofar as it comports with standard capacity release timeline specified in NAESB Standard 5.3.2. All Relinquishment Notices shall be binding until notice of withdrawal is received by Transporter on Transporter's Internet website. The notice posted shall contain the information set forth in 18E.1(a)-(q) above; provided however, that at Relinquishing Shipper's request, and in lieu of posting the relinquished Primary Receipt Point capacity from 18E.1(e) above, Transporter shall aggregate relinquished Primary Receipt Point capacity, and post such capacity at the closest In-Line Transfer Point east of the

Receipt Point capacity relinquished. The posting of the Relinquishment Notice shall also include:

- (1) except for releases for a period of one year or less, the maximum reservation rate (including any reservation type surcharges) applicable to the capacity;
- (2) the date and time by which bids must be submitted in accordance with the capacity release timeline; and
- (3) the date and time the Relinquishment Notice is posted.

Any minimum conditions set forth pursuant to 18E.1(o) shall be posted with the Relinquishment Notice unless the Relinquishing Shipper indicates in the Relinquishment Notice that such minimum conditions are confidential in which event Transporter shall indicate on the posted Relinquishment Notice that minimum conditions exist. After capacity has been awarded, Transporter shall post the terms of any previously undisclosed minimum conditions.

3. Withdrawal of Eligible Capacity From Capacity Relinquishment Program

The Relinquishing Shipper has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no valid minimum bid has been made.

F. Open Season Bidding:

1. During the open season and bid submittal periods, all valid bids (excluding bidders name) will be posted. Bids provided electronically must comply with the provisions of Section 9.B. All bids will be binding until notice of withdrawal is received by Transporter on Transporter's Internet website. Invalid bids will not be posted. At the close of the bidding period, any bid received by Transporter shall be deemed to be a binding offer by the prospective Acquiring Shipper to acquire capacity pursuant to the terms of the bid. A Relinquishing Shipper will not be able to specify an extension of the original bid period or the prearranged deal match period, without posting a new release. Any prospective Acquiring Shipper who has satisfied the creditworthiness pre-qualification requirements to Section 18I below, may submit a bid with the following bid information;
  - a. The identity of the bidder, including contact person, business address, phone number and facsimile number;
  - b. The relinquishment under which the capacity is available and the MDTQ separately stated by season;

- c. The requested Primary Receipt Point(s) and the Primary Delivery Point(s) and the quantity separately stated for each such point;
- d. The rate bid on a reservation charge basis between the minimum and maximum Reservation Charge (including any applicable reservation type surcharges) for the rate schedule under which the capacity is being offered for release (and/or the Reservation Charge rate for Rate Schedule NNTS service, if applicable). In the event the Relinquishing Shipper has allowed a volumetric release, the bids may be converted into a volumetric charge. The maximum rate for such volumetric releases is the maximum applicable reservation charge set forth on the Currently Effective Rates for Rate Schedule FTS-1, FTS-2, FTS-3, NNTS, FTS-WD or FTS-WD-2 plus all applicable reservation surcharges. Notwithstanding the above, no rate limitation shall apply to a capacity relinquishment for a period of one year or less if the relinquishment is to take effect on or before one year from the date Transporter is notified of the relinquishment.
- e. Any other conditions necessary to meet the terms of the Relinquishing Shipper's Relinquishment Notice; and
- f. The minimum amount of prorated capacity that the bidder will accept, if prorationing is necessary.

2. Withdrawal of Bids:

A bid may be withdrawn any time prior to the close of the bidding period; however, the same party may not submit a lower bid. Once a bidder has withdrawn its bid, the bidder may only submit a new bid for such released capacity at a higher rate. Bids cannot be withdrawn after the bid period ends.

3. Right to Match

In the event capacity is subject to the right to match, the prearranged Acquiring Shipper shall have the right to match consistent with the capacity release timeline.

4. Bid Evaluation Procedure

Transporter shall review the bids received and reject any bids that do not comply with all applicable provisions of this Section 18 and the Relinquishment Notice. Subject to the right to match, if applicable, capacity will be awarded to all Acquiring Shippers whose bids can be fulfilled without impairment of firm capacity rights held by any other Shipper or without reducing the total contractual entitlement on Transporter's system. Pursuant to Section 18.E.1.(I), Transporter will evaluate and rank all bids and will award bids, best bid first, until all offered capacity is awarded.

Tie Breakers:

In the event two or more bids contain the same bid rate, capacity will be awarded based on the first in time to submit an eligible bid; provided however, if a contingent bid and a non-contingent bid tie, capacity will be awarded to the non-contingent bidder.

5. Posting of Awards:

After the awarding of bids, Transporter shall post the winning bid(s), any minimum conditions, and the identity of the winning bidder(s). For biddable releases subject to recall, Transporter shall make available to the Relinquishing Shipper information to enable the Relinquishing Shipper to contact the Acquiring Shipper in the event of a capacity recall.

G. Return to Shipper of Relinquished Capacity Upon Expiration of Temporary Relinquishment.

Upon expiration of any relinquishment under Section 18C.2, Transporter shall return to Shipper all applicable relinquished capacity as such capacity exists upon expiration of the relinquishment. If the Relinquishing Shipper permitted the Acquiring Shipper to change Primary Receipt and Delivery Points, then the capacity returned to Shipper at the expiration of a relinquishment will reflect any such changes; provided however, if the term of the relinquishment was for a period of one month or less within a single calendar month, then the capacity rights returned to Shipper will be identical to Shipper's pre-relinquishment firm capacity rights. If the Relinquishing Shipper did not permit changes to Primary Receipt and Delivery Points, the capacity returned to Shipper at the expiration of a relinquishment shall be identical to Shipper's pre-relinquishment firm capacity rights.

H. Consummation and Effect of Relinquishment:

1. The posting process shall occur on Transporter's TECM located on Transporter's Internet website. The posting process will be utilized to execute both amendments to the service agreements with the Relinquishing Shipper and new service agreements with the Acquiring Shipper, all as more fully described in Section 9.B of these General Terms and Conditions. The amendment to the service agreement of the Relinquishing Shipper shall change the underlying service agreement to reflect the capacity rights released. The new service agreement with the Acquiring Shipper shall reflect the capacity rights acquired.
2. Status of Relinquishing Shipper. With respect to Permanent Relinquishments only, upon execution by Transporter and Acquiring Shipper of the new service agreement, and effective as of the effective date of said new service agreement, the Relinquishing Shipper shall, except as otherwise agreed to by Transporter and Relinquishing Shipper, be relieved of liability under its

existing service agreement, but only to the extent of the quantity of the executed new service agreement; provided, however, that in the event the Acquiring Shipper at the time of the relinquishment does not (i) satisfy the criteria set forth in Section 16(a) and (b) of these General Terms and Conditions; (ii) furnish and maintain for the term of the Service Agreement a written guarantee in a form satisfactory to Transporter from a third party which is creditworthy as determined in Section 16(a) and (b); or (iii) furnish other security reasonably acceptable to Transporter and its lenders, then the Relinquishing Shipper shall remain responsible for all Reservation Charges (including all applicable demand or reservation type surcharges) under the existing contract, subject to the billing adjustment and revenue sharing and crediting mechanism set forth below. With respect to all other relinquishments, Relinquishing Shipper shall remain responsible for all Reservation Charges under the existing contract, subject to the billing adjustment and revenue sharing and crediting mechanisms set forth below.

3. Status of Acquiring Shipper. An Acquiring Shipper who executes a new service agreement pursuant to the terms and conditions of this Section 18 shall, upon execution of such new service agreement, be considered a firm Shipper for all purposes under Transporter's FERC Gas Tariff, and shall be entitled to the rights (and subject to the obligations) of a Shipper under Rate Schedule FTS-1, FTS-2, FTS-3, FTS-WD or FTS-WD-2 as applicable, including, without limitation, the right to participate in Transporter's capacity relinquishment program pursuant to this Section 18, and the right to use alternate receipt and delivery points as provided for in such Rate Schedules; provided, however, that a Shipper who acquires a segment of capacity under Rate Schedule FTS-1, FTS-2 or FTS-3 which is located entirely within Transporter's Western Division acquires the Primary and Alternate Delivery Point rights of a Western Division Shipper.

I. Creditworthiness:

Pre-Qualified Bidder Requirement. All parties desiring to acquire firm capacity must be determined to be creditworthy under Transporter's FERC Gas tariff, Section 16, prior to bidding on and being awarded relinquished capacity hereunder. A bidder's creditworthiness shall be assessed on the same basis as a Shipper's creditworthiness under the terms of Transporter's Rate Schedule FTS-1, FTS-2, FTS-3, FTS-WD or FTS-WD-2 as applicable.

J. Recall/Reput Rights:

A Relinquishing Shipper has the right to utilize the standard tariff method as defined below or a Relinquishing Shipper has the right to define the condition(s) precedent that will result in a recall and reput (return to Acquiring Shipper) of capacity subject to a Temporary Relinquishment by specifying such conditions in the Relinquishment Notice. The Relinquishing Shipper has no right to recall the relinquished capacity, other than any



rights set forth in the Relinquishment Notice. This relinquished capacity is recallable in whole or in part at the discretion of the Relinquishing Shipper. At the end of the recall period, the capacity recalled reverts (reputs) back to the original Acquiring Shipper in whole or in part. The terms and conditions of any recall rights shall not be inconsistent with the terms and conditions of the Relinquishing Shipper's existing service agreement with Transporter nor the provisions of Transporter's FERC Gas Tariff. No right of recall shall be permitted for any other type of relinquishment. Transporter shall continue to apply all tariff provisions to the Shipper of record until notified of a recall or notified of the termination of such recall and shall change the Shipper of record on a prospective basis only after proper notification of a change. Transporter has the right to rely on a Relinquishing Shipper's notice and a Relinquishing Shipper shall defend and indemnify Transporter against any claims, losses, liabilities, or expense (including reasonable attorney's fees) resulting from claims by any Acquiring Shipper that relinquished capacity was not recalled in accordance with the recall rights specified by the Relinquishing Shipper.

All TSPs should support the following recall notification periods for all released capacity subject to recall rights:

- (i) Timely Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 9:00 a.m. on the day that Timely Nominations are due;
- (ii) Early Evening Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 4:00 p.m. on the day that Evening Nominations are due;
- (iii) Evening Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;

- (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 6:00 p.m. on the day that Timely Nominations are due;
- (iv) Intraday 1 Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due;
- (v) Intraday 2 Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 12:00 p.m. on the day that Intraday 2 Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 1:00 p.m. on the day that Intraday 2 Nominations are due;
- (vi) Intraday 3 Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 4:00 p.m. on the day that Intraday 3 Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 5:00 p.m. on the day that Intraday 3 Nominations are due.

For recall notification provided to the TSP prior to the recall notification deadline specified in NAESB WGQ Standard No. 5.3.44 and received between 7:00 a.m. and 5:00 p.m., the TSP should provide notification to all affected Acquiring Shippers no later than one hour after receipt of such recall notification.

For recall notification provided to the TSP after 5:00 p.m. and prior to 7:00 a.m., the TSP should provide notification to all affected Acquiring Shippers no later than 8:00 a.m. after receipt of such recall notification.

The Relinquishing Shipper shall submit recall or reput notification to Transporter using Transporter's Internet website.

K. Billing and Payment:

An Acquiring Shipper shall be billed by Transporter and shall make payments to Transporter in accordance with the terms of Transporter's FERC Gas Tariff and Shipper's executed service agreement.

For relinquishments under Section 18C.2, to the extent the Acquiring Shipper's bid was on a reservation charge basis, Transporter shall credit the reservation charge of the Relinquishing Shipper's invoice for the month of the relinquishment.

For relinquishments under Section 18C.2 where the Acquiring Shipper's bid was on a volumetric basis, Transporter shall make a reservation charge credit to the usage charge of the Relinquishing Shipper's invoice for the month of the relinquishment and/or make payment to the Relinquishing Shipper by the due date for payment of usage charges to the extent that the reservation charge credit exceeds the Relinquishing Shipper's usage charge invoice. Transporter shall not provide a reservation charge credit to the Relinquishing Shipper in a Permanent Relinquishment.

The Acquiring Shipper shall be obligated to pay Transporter the usage charge effective under the rate schedule pursuant to which service is rendered, plus all applicable volumetric surcharges and fuel charges, applied to the volumes Transporter transports under the Acquiring Shipper's new service agreement.

Transporter will retain the revenues from the usage charge, applicable volumetric surcharges, and fuel charges it receives from the Acquiring Shipper.

L. Transporter's Right to Terminate a Temporary Capacity Relinquishment

Transporter may elect to terminate a Temporary Capacity Relinquishment upon 30-days' written notice to the Acquiring Shipper under the following conditions:

1. The Relinquishing Shipper has failed to maintain creditworthiness pursuant to Section 16; and
2. Transporter has terminated the Relinquishing Shipper's Service Agreement; and
3. The rate paid by the Acquiring Shipper is less than the Relinquishing Shipper's contract rate.

Acquiring Shipper may avoid termination of the Temporary Capacity Relinquishment if, prior to the end of the 30-day notice period, Acquiring Shipper agrees that, beginning the first day after the end of the 30-day notice period, it will pay the lower of: (1) the Relinquishing Shipper's contract rate or (2) the maximum tariff rate under the applicable rate schedule for the remainder of the relinquishment term.

M. Requests to Purchase Releasable Capacity

Any party may initiate a request to purchase releasable firm capacity by following the instructions posted on Transporter's Internet website located at <http://fgttransfer.energytransfer.com> under "Notices, Request to Purchase Releasable Capacity." The form shall specify the terms and conditions of the request and the location of the posting on Transporter's Internet website. Such offer to purchase released capacity shall be posted on Transporter's Internet website for 30 days.

## GENERAL TERMS AND CONDITIONS

### 21. REQUESTING SERVICE ON EXISTING MAINLINE FACILITIES

Transporter will post on its Internet website the availability of firm and interruptible capacity for transportation service. Transporter will provide not unduly discriminatory access to transportation capacity to all Shippers, including without limitation, local distribution companies, end-users, producers, brokers, marketers and other potential shippers who desire such service. Transporter's obligation to provide firm service shall also be subject to the availability of existing capacity to provide the requested service.

#### A. Procedures to Obtain Interruptible Capacity

To obtain interruptible capacity, Shippers must have executed a Service Agreement under Rate Schedule ITS-1 or ITS-WD, and must comply with the nomination procedures set forth at Section 10 of these General Terms and Conditions.

#### B. Procedures to Obtain Firm Capacity

1. If and when any Market Area or Western Division firm capacity on existing facilities becomes available for service to start immediately or in the future, other than through the capacity relinquishment program set forth in Section 18, Transporter shall conduct an Open Season for such capacity. Notice of the Open Season shall be posted on Transporter's Internet website for a period of not less than five (5) business days. Such open season posting shall identify the applicable rate schedule under which such capacity is available, a description of the capacity and the mainline area available, any known constraints on normal pipeline operations, and other applicable and relevant information. Shippers or potential Shippers interested in obtaining capacity must submit a request, in writing or electronically, during the specified Open Season. Requests must follow the format set forth in Section 3 of the rate schedule under which the firm capacity is available. Transporter will satisfy all requests which are feasible given existing facilities and existing MDTQ and MDQ and which can be fulfilled without impairment of firm capacity rights held by any other Shipper or without reducing the total contractual entitlements on Transporter's system.
2. To the extent Transporter is unable to satisfy all of the requests and in the event all competing bids reflect a straight fixed variable rate design, Transporter shall award the capacity or portion thereof based on the request with the highest net present value of the reservation charges for the subject capacity not exceeding the maximum rate applicable to such capacity; provided that Transporter shall not be required to satisfy any request for capacity at less than maximum rate, as it may be adjusted from time to time. For the purposes of determining the best bid and allocating capacity, Shippers willing to pay more than the maximum tariff rate will

be considered to be paying the maximum tariff rate. In the event competing bids reflect different rate forms, Transporter shall award the capacity or portion thereof based on the request with the highest net present value of the total expected revenues for the subject capacity, not exceeding revenues based on the maximum 100% load factor tariff rate applicable to such capacity. Transporter will calculate the expected usage revenues from each bidder by applying the expected load factor for each bidder to the volumetric portion of such bid. Transporter shall prorate the available capacity among requests yielding an equivalent net present value. Transporter shall post the winning request(s) and the method of evaluating such request(s) within twenty-four (24) hours after the award of capacity. Irrespective of whether a bid has the highest net present value of the bids received, Transporter may reject bids for service that may detrimentally impact the operational integrity of Transporter's system, do not satisfy all the terms of the specified posting, or contain terms and conditions other than those set forth in Transporter's tariff. Transporter may but shall not be obligated to award capacity to bids that are not for continuous service at a constant MDTQ for the entire term of the service. Transporter shall award open season bids for service in a not unduly discriminatory manner. After evaluation of bids, if Transporter rejects a bid in response to an open season posting pursuant to this Section 21 due to operational integrity concerns, incompleteness, bid provisions contrary to the tariff, bids that are not for continuous service at a constant MDTQ for the entire term of the service, or for any other reason, Transporter will promptly notify Shipper via e-mail of its reason(s) for such rejection.

3. Transporter will post any capacity not awarded in the open season on its Internet website as available unsubscribed capacity. Transporter shall award such capacity on a first-come, first-served basis to Shippers that offer the maximum tariff rate or an acceptable discounted or negotiated rate for service to commence within ninety (90) days.

C. Future Sales of Capacity

1. Transporter may sell firm capacity with a service commencement date more than ninety (90) days in the future when such capacity is (1) available unsubscribed capacity, (2) capacity that will become available and is not subject to a right of first refusal or unilateral rollover provision, or (3) available due to modification, construction and/or acquisition of facilities, by either conducting an open season or by selling such capacity on a prearranged basis. Transporter will separately identify on its Internet website all capacity that is anticipated to become available in the future.
2. When Transporter conducts an open season, it will post notice of the open season on its Internet website for at least five (5) business days to afford all potential Shippers an opportunity to acquire the capacity. Such open season posting shall identify the applicable rate schedule under which such capacity is available, a

description of the capacity and the mainline area available, any known constraints on normal pipeline operations, and other applicable and relevant information. Any potential Shipper wishing to acquire capacity may request an immediate or future commencement date (if the capacity will become available in the future). Transporter shall award capacity on a net present value basis consistent with GT&C Section 21.B.2.

3. When Transporter sells future capacity on a prearranged basis, Transporter will post the terms of the prearranged transaction and other parties will have an opportunity to bid on the capacity. Within three (3) business days of entering into a prearranged service agreement, Transporter will post a notice on its Internet website indicating that the prearranged capacity will be subject to an open bidding process for a period of not less than five (5) 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 net present value, the prearranged Shipper will have a one-time right to match the higher bid in order to retain the capacity. The prearranged Shipper must notify Transporter within three (3) business days of its election to either match the bid with the highest net present value or terminate the prearranged agreement. If the prearranged Shipper elects not to match a higher competing bid, the capacity will be awarded to the highest creditworthy bidder in accordance with GT&C Section 21.B.2. If there is an open season ongoing for certain capacity, Transporter shall not enter into a prearranged deal for that capacity during the open season. Transporter shall not enter into any prearranged deals for capacity that has not previously been posted on its Internet website.

D. Reserved Capacity

In addition to the procedures set forth in this Section 21, Transporter shall have the right, but shall not be obligated, from time to time to hold open seasons for potential expansion projects or for available capacity for which no request has been received. During any such open season, Transporter shall allocate the capacity subject to such open season on the basis of the highest net present value to Transporter, as determined pursuant to the method described in Section 21.B.2. In this connection, to the extent Transporter has (i) available unsubscribed capacity or (ii) capacity under expiring or terminating service agreements where such capacity is not subject to a right of first refusal or Shipper does not exercise its right of first refusal, Transporter reserves the right, but shall not be obligated, to reserve such capacity for a future expansion project. Transporter may reserve capacity for a future expansion project for which an open season has been held or will be held. Any capacity reserved pursuant to this Section 21.D must first be posted as available capacity on Transporter's Internet website for at least five (5) business days. Any capacity reserved under this Section 21.D may be reserved for up to twelve (12) months prior to the time Transporter files for certificate approval for proposed construction of a related project and thereafter until all expansion facilities are placed into service. Any open season posting for an expansion project shall include a solicitation for turnback capacity from Transporter's

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

E. Interim Capacity

Any capacity that is awarded in a future sale pursuant to Section 21.C will be made available to other Shippers on an interim basis up to the commencement date of the prospective firm transportation service agreement. Any capacity reserved under Section 21.D shall be made available for transportation service on an interim basis up to, but not including, the in-service date of the related expansion project(s). If such interim capacity would otherwise be eligible for the right of first refusal pursuant to GT&C Section 20.B or a rollover provision pursuant to Section 20.A.2, the interim service agreement shall reflect a limitation on the renewal rights commensurate with the future service commencement date.

F. Procedures to Obtain Firm Capacity at a New Location Within Shipper's MDTQ

Firm Shippers interested in obtaining firm capacity at a new location or an increase in MDQ at an existing location, which new location or increase in MDQ requires the construction of facilities but not the increase in Shipper's total contractual MDTQ, shall submit a request, in writing or electronically, for capacity pursuant to Section 3 of the FTS-1, FTS-2, FTS-3, FTS-WD or FTS-WD-2 Rate Schedule, but which contains only the information relevant to the changes requested.

G. Construction of Facilities

Transporter shall have no obligation to modify its existing facilities or construct new facilities in order to receive or deliver Shipper's gas unless otherwise ordered by the Commission. However, if a Shipper requests new or additional transportation service and Transporter is agreeable to providing the requested service it will do so on the following terms, unless otherwise agreed to in writing, on a not unduly discriminatory basis:

1. If Transporter agrees to construct, own and operate lateral pipelines (if applicable), metering and regulating facilities that include electronic measurement and data communication equipment (if applicable) and/or new and/or additional points of delivery to such Shipper or points of receipt from such Shipper: (1) the metering and regulating facilities shall be installed at point(s) which, in Transporter's reasonable judgment, is the most practical, convenient and readily accessible location; (2) the lateral pipeline (if any) shall be installed by use of not less than a nominal four-inch (4") diameter pipe; (3) the Shipper will provide all exhibits necessary to support the proposed service for any needed FERC proceedings and; (4) the Shipper will contribute an aid-to-construction amount to Transporter which is equal to the cost of the additional facilities including all costs involved in filing any applications, pursuing said approvals, and in obtaining all licenses and permits



required for the services or construction and, further, amounts necessary to reimburse any costs, including any income taxes that may be incurred by Transporter as a result of the contribution. Transporter and Shipper will agree on which party will construct and/or own and/or operate any facilities to be constructed.

2. Shippers, whether new or existing, shall bear all costs and expenses attributable to the construction of any lateral pipelines or expansions of existing lateral pipelines. Nothing in this section shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act.

Further, nothing in this section shall prevent Transporter from contesting an application for service filed pursuant to Section 7(a) of the Natural Gas Act. Transporter reserves the right to seek a waiver of the policy set forth herein, for good cause shown, during any proceeding before the Commission instituted under Section 7 of the Natural Gas Act.

3. On a not unduly discriminatory basis, Transporter may agree to pay for all or part of the cost incurred by Transporter for the modification or construction of taps, valves, measurement equipment, laterals, or other facilities required at receipt or delivery point(s) to effectuate the receipt from, or delivery to, Shipper of natural gas, as requested hereunder, when the construction or modification of such facilities is economically beneficial to Transporter. Notice of any such construction subsidy shall be posted on Transporter's Internet website for a period of thirty (30) days following any such agreement.

For the purposes of determining whether a project to receive or deliver gas for Shipper is economically beneficial to Transporter, Transporter will evaluate each prospective project, on a not unduly discriminatory basis, based upon, among other criteria, the cost of the facilities to be constructed for such Shipper by Transporter, the incremental operating and maintenance expenses and/or administrative and general expenses which would be attributable to the facilities, and the revenues which Transporter estimates will be generated as a result of constructing and/or modifying such facilities.

H. Execution of Service Agreements

Upon a determination by Transporter that sufficient capacity exists to provide a requested firm service under 21.B, 21.C, 21.D, 21.E or 21.F, Transporter will make available on its Internet website to the requesting Shipper a Service Agreement in the form contained in Transporter's FERC Gas Tariff for the requested service. Shipper must execute, in writing or electronically pursuant to the procedures in Section 9.B of these General Terms and Conditions, and return such Service Agreement to Transporter within fifteen (15) days of receipt or its availability on Transporter's Internet website. Failure to execute the Service Agreement shall result in Shipper's forfeit of its allocation of capacity under 21.B. Any forfeited allocation of capacity shall be reallocated pursuant to the procedures contained herein.

[The header on this page may contain information related to the identification of the Service Agreement necessary for administrative purposes.]

[FORM OF ]SERVICE AGREEMENT

Firm Transportation Service - Market Area  
Rate Schedule FTS-2

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper"),

[or, alternatively, omit the above paragraph and, when applicable, pursuant to Section 1(e) of Rate Schedule FTS-2, insert the following paragraph:]

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter") and \_\_\_\_\_, as agent, for \_\_\_\_\_ ("Principals"), hereinafter individually and collectively referred to as "Shipper," which Principals meet the requirements set forth in Section 1(e) of Rate Schedule FTS-2 which is incorporated herein by reference,]

W I T N E S S E T H

[Insert applicable WHEREAS clauses for background and informational purposes -- not to include binding consideration]

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Transporter and Shipper do covenant and agree as follows:

ARTICLE I  
Definitions

[Include the information below in Article I of this Agreement only in the event of agreement or settlement related to an expansion of Transporter's system. Otherwise Article I shall read in its entirety as follows: "Article I - Not Applicable".]

In addition to the definitions incorporated herein through Transporter's Rate Schedule FTS-2, the following terms when used herein shall have the meanings set forth below:

1.1 The term "Rate Schedule FTS-2" shall mean Transporter's Rate Schedule FTS-2 as filed with the FERC and as may be changed and adjusted from time to time by Transporter in accordance with Section 4.2 hereof or in compliance with any final FERC order affecting such rate schedule.

1.2 The term "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has authority to regulate the rates and services of Transporter.

1.3 The term "Facilities" shall mean any facilities necessary to render service under this Agreement.

1.4 The term "In-Service Date" shall mean the date the Facilities, as defined in 1.3, shall go into service.

## ARTICLE II Quantity

2.1 The Maximum Daily Transportation Quantity ("MDTQ") is set forth on a seasonal basis, and by Division if applicable, on Exhibit B attached hereto as the same may be amended from time to time. The applicable MDTQ shall be the largest daily quantity of gas expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under this Service Agreement on any one day.

2.2 During the term of this Agreement, Shipper may tender natural gas for transportation to Transporter on any day, up to the MDTQ plus Transporter's fuel, if applicable. Transporter agrees to receive the aggregate of the quantities of natural gas that Shipper tenders for transportation at the Receipt Points, up to the maximum daily quantity ("MDQ") specified for each receipt point as set out on Exhibit A, plus Transporter's fuel, if applicable, and to transport and make available for delivery to Shipper at each Delivery Point specified on Exhibit B, up to the amount scheduled by Transporter less Transporter's fuel, if applicable (as provided in Rate Schedule FTS-2), provided however, that Transporter shall not be required to accept for transportation and make available for delivery more than the MDTQ on any day.

## ARTICLE III Payment and Rights in the Event of Non-Payment

3.1 Upon the commencement of service hereunder, Shipper shall pay Transporter, for all service rendered hereunder, the rates established in Article IV herein.

3.2 Termination for Non-Payment. In the event Shipper fails to pay for the service provided under this Agreement, pursuant to the conditions set forth in Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter shall have the right to suspend or terminate this Agreement pursuant to the conditions set forth in said Section 15.

ARTICLE IV  
Rates and Terms and Conditions of Service

4.1 This Agreement in all respects shall be and remain subject to the provisions of Rate Schedule FTS-2 and of the applicable provisions of the General Terms and Conditions of Transporter on file with the FERC (as the same may hereafter be legally amended or superseded), all of which are made a part hereof by this reference.

4.2 Transporter shall have the unilateral right to file with the appropriate regulatory authority and seek to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-2, (b) Rate Schedule FTS-2 including the Form of Service Agreement and the existing Service Agreement pursuant to which this service is rendered; provided however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 Filing by Transporter, and/or (c) any provisions of the General Terms and Conditions of Transporter's Tariff applicable to Rate Schedule FTS-2. Transporter agrees that Shipper may protest or contest the aforementioned filings, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

4.3 [Include Section 4.3 in this Agreement only if a fuel cap is agreed to. Otherwise Section 4.3 shall read in its entirety as follows: "4.3 – Not Applicable".]  
Shipper shall provide fuel for use by Transporter, which shall be a separately stated fuel percentage. Such fuel percentage shall not exceed \_\_\_%, on an annual average basis, of the quantities received by Transporter at Shipper's Receipt Points (exclusive of fuel reimbursement) ("Fuel Rate Cap"), which Fuel Rate Cap shall be effective only for so long as a system average fuel rate is utilized for deliveries in Transporter's Market Area.

[The language regarding a rate cap provision and prohibition on Market Area fuel design changes contained in paragraphs 4.3 and 4.4 of previous Version No. 6 of this tariff record, Rate Schedule FTS-2, Form of Service Agreement, continues to apply to Rate Schedule FTS-2 Service Agreements that are in effect as of August 1, 2015.]

ARTICLE V  
Term of Agreement

5.1 This Agreement shall become effective \_\_\_\_\_ and shall continue in effect \_\_\_\_\_ [include end date of primary term and any applicable rollover or Right of First Refusal details].

5.2 In the event the capacity being contracted for was acquired pursuant to Section 18.C.2 of Transporter's Tariff, then this Agreement shall terminate on the date set forth in Section 5.1 above. Otherwise, upon the expiration of the primary term and any extension or roll-over, termination will be governed by the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff.

5.3 For a Shipper in the business of generating and distributing electricity and who sign a Service Agreement with a term of twenty (20) years or more, in the event of the enactment of any statute or the issuance of any order, rule, or regulation by a state or federal governmental authority that changes the electric market structure in the State of Florida, Shipper shall have the right, upon three (3) years prior written notice to Transporter, to terminate that portion of the firm quantity provided for in Shipper's Service Agreement utilized for electric generation at any time after the tenth anniversary of the commencement of the primary term of the Shipper's Service Agreement.

5.4 Shipper may buy out of a Service Agreement for all or a portion of its transportation capacity ("MDTQ") thereunder, at any time, by paying Transporter the net present value of Shipper's remaining reservation charge obligations for such capacity, discounted at a reasonable rate to be mutually agreed upon by the parties at the time of such buy-out.

5.5 Notwithstanding any other provision in this Agreement, after commencement of service under this Agreement, in the event that: (1) Shipper is capable of using gas; and (2) Transporter is unable to deliver Shipper's designated volumes at the specified Delivery Point(s) and at the pressures provided for in this Agreement for a period of two consecutive days ("Service Cessation"), Shipper shall have the right to reduce the MDTQ by the volumes not delivered, without costs or penalty, by providing written notice to Transporter within forty-five (45) days of such occurrence; provided, however, that if a Service Cessation occurs more than five (5) times in any calendar year, Shipper shall have the right to terminate this Agreement by providing written notice to Transporter within forty-five (45) days of such occurrence; provided further, however, that if Transporter's failure to deliver is due to events of Transporter's *force majeure* as defined in Rate Schedule FTS-2, Shipper shall have the right to terminate or to reduce the MDTQ only in the event such *force majeure* continues for more than one hundred eighty-five (185) consecutive days of any three hundred sixty-five (365) day period.

## ARTICLE VI

### Point(s) of Receipt and Delivery and Maximum Daily Quantities

6.1 The Primary Point(s) of Receipt and maximum daily quantity for each Primary Point of Receipt, for all gas delivered by Shipper to Transporter under this Agreement shall be at the Point(s) of Receipt on the pipeline system of Transporter or any Transporting Pipeline as set forth in Exhibit A attached hereto, as the same may be amended from time to time. In accordance with the provisions of Section 8.A. of Rate Schedule FTS-2 and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Receipt. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-2 and the applicable General Terms and Conditions of its Tariff.

6.2 The Primary Point(s) of Delivery and maximum daily quantity for each point for all gas made available for delivery by Transporter to Shipper, or for the account of Shipper, under this Agreement shall be at the Point(s) of Delivery as set forth in Exhibit B hereto, as same may be amended from time to time, and shall be in Transporter's Market Area; provided, however, that a Shipper who acquires a segment of FTS-2 capacity in the Western Division may only request new Delivery Points in Transporter's Western Division. In accordance with the provisions of Section 9.A. of Rate Schedule FTS-2 and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request

changes in its Primary Point(s) of Delivery provided that such new requested Primary Delivery Points must be located in Transporter's Market Area; provided, however, that a Shipper who acquires a segment of FTS-2 capacity in the Western Division may only request new Delivery Points in Transporter's Western Division. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-2 and the applicable General Terms and Conditions of its Tariff. Transporter is not obligated to accept changes where the new Primary Delivery point is also a delivery point under a Rate Schedule SFTS Service Agreement and the load to be served is an existing behind-the-gate customer of a Rate Schedule SFTS Shipper as defined in Section 11 of Rate Schedule SFTS.

ARTICLE VII  
Notices

All notices, payments and communications with respect to this Agreement shall be in writing and sent to Transporter's address posted on Transporter's Internet website or to Shipper's address stated below or at any other such address as may hereafter be designated in writing:

Shipper: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone No. \_\_\_\_\_  
Fax No. \_\_\_\_\_

ARTICLE VIII  
Construction of Facilities

8.1 To the extent that construction of new or requested facilities is necessary to provide service under this Service Agreement, such construction, including payment for the facilities, shall occur in accordance with Section 21 of the General Terms and Conditions of Transporter's Tariff.

8.2 Unless otherwise agreed to by the parties, Shipper is obligated to reimburse Transporter within fifteen (15) days of receipt of invoice for the costs of the construction of new or requested taps, meters, receipt and delivery point upgrades, and supply and delivery laterals and any other construction necessary to receive gas into, and deliver from, Transporter's existing or proposed facilities. To the extent such reimbursement qualifies as a contribution in aid of construction under the Tax Reform Act of 1986, P.L. 99-514 (1986), Shipper also shall reimburse Transporter for the income taxes incurred by Transporter as a direct result of such contribution in aid of construction by Shipper; as calculated pursuant to FERC's order in Transwestern Pipeline Company, 45 FERC Paragraph 61,116 (1988). Unless otherwise agreed to, Transporter shall have title to and the exclusive right to operate and maintain all such facilities.

ARTICLE IX  
Regulatory Authorizations and Approvals

[Include the language below in Article IX of this Agreement only in the event of agreement or settlement related to an expansion of Transporter's system. Otherwise Article IX shall read in its entirety as follows: "Article IX – Not Applicable".]

Transporter's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization, in a form acceptable to Transporter in its sole discretion, to provide Firm Transportation Service to Shipper in accordance with the terms of Rate Schedule FTS-2, this Service Agreement and the General Terms and Conditions of Transporter's Tariff.

#### ARTICLE X Pressure

10.1 The quantities of gas delivered or caused to be delivered by Shipper to Transporter hereunder shall be delivered into Transporter's pipeline system at a pressure sufficient to enter Transporter's system, but in no event shall such gas be delivered at a pressure exceeding the maximum authorized operating pressure or such other pressure as Transporter permits at the Point(s) of Receipt.

10.2 Transporter shall have no obligation to provide compression and/or alter its system operation to effectuate deliveries at the Point(s) of Delivery hereunder.

[Include Section 10.3 in this Agreement only in the event of agreement or settlement related to an expansion of Transporter's system. Otherwise Section 10.3 shall read in its entirety as follows: "10.3 – Not Applicable".]

10.3 In the event the service to be rendered hereunder requires the construction of facilities, the quantities of gas to be delivered by Transporter to Shipper hereunder shall be delivered to Shipper at \_\_\_\_\_ at a minimum pressure of \_\_\_\_\_ (\_\_\_\_) psig.

#### ARTICLE XI Other Provisions

[Any of the following sections may be included in Article XI of this Agreement in the event of agreement or settlement related to an expansion of Transporter's system. If any section is inapplicable, then such inapplicable section shall read in its entirety as follows: "11.\_ - Not Applicable". If all sections below are inapplicable, then Article XI shall read in its entirety as follows: "Article XI – Not Applicable".]

11.1 Prior to Transporter's execution of this Agreement, Shipper must demonstrate creditworthiness satisfactory to Transporter. In the event Shipper fails to establish creditworthiness within fifteen (15) days of Transporter's notice, Transporter shall not execute this Agreement and this Agreement shall not become effective.

11.2 If service requires the construction of facilities, service pursuant to this Agreement is expressly subject to the following conditions:



- (a) (i) The issuance, and acceptance by Transporter, of all necessary authorizations from the FERC pursuant to the Natural Gas Act or Natural Gas Policy Act permitting Transporter to construct, own and operate the Facilities and to effectuate the proposed service hereunder. All such authorizations shall be in form and substance satisfactory to Transporter, and shall be final before the respective governmental authority and no longer subject to appeal or rehearing; provided, however, that Transporter may waive the condition that such authority be final and/or no longer subject to appeal or rehearing.
- (ii) Shipper shall have the right to terminate this Agreement in the event that it determines, in good faith, that a condition in the FERC authorization materially adversely affects its business and operations. If Shipper elects to terminate under this provision, it will notify Transporter in writing within fifteen (15) days of the issuance of such authorization.
- (b) This Agreement is subject to approval of the board of directors of Transporter and receipt and acceptance by Transporter of all other approvals required to construct the Facilities, including all necessary authorizations from federal, state, local, and/or municipal agencies or other governmental authorities. All such approvals shall be in form and substance satisfactory to Transporter, and shall be final before the respective governmental authority and no longer subject to appeal or rehearing; provided, however, that Transporter may waive the condition that such authority be final and/or no longer subject to appeal or rehearing.
- (c) The receipt of executed firm transportation service agreements sufficient to economically justify construction of the Facilities, if required, in Transporter's sole opinion.
- (d) So long as the FTS-2 rates are designed on an incremental basis, Shipper agrees to support the rate methodology underlying the existing FTS-2 rates for the Facilities and service rendered under this Agreement, in any proceeding before the FERC during the term of this Agreement.
- (e) Receipt by Transporter of all necessary right-of-way easements or permits in form and substance acceptable to Transporter; and
- (f) Transporter obtaining financing to construct the Facilities, in a form and under terms satisfactory to Transporter, in Transporter's sole opinion. Shipper agrees to provide reasonable cooperation in Transporter's effort to obtain financing.
- (g) The issuance and acceptance by Shipper, of all necessary federal, state or local authorizations, if any, required for Shipper to construct, own, and operate any

necessary facilities; provided however, that Shipper must notify Transporter by \_\_\_\_\_ of any necessary authorizations lacking, otherwise this condition shall be deemed waived by Shipper.

11.3 Subject to the other provisions of this Article XI, Transporter agrees to make all reasonable efforts to obtain the necessary authorizations, financing commitments and all other approvals necessary to effectuate service under this Agreement. Shipper agrees to exercise good faith in the performance of this Agreement by supporting Transporter's efforts to obtain all necessary authorizations, financing and other approvals necessary to effectuate service under this Agreement.

11.4 Notwithstanding any other provision herein, at any time prior to Transporter's acceptance of all authorizations necessary to construct the Facilities, Transporter retains the right to terminate this Agreement, and to withdraw any requests or applications for regulatory approvals.

11.5 Shipper may elect to construct, own and operate the meter and regulation equipment and any heaters or gas conditioning facilities desired at the delivery point. If Shipper elects to construct facilities: Transporter will design and provide bid and/or construction drawings, and a material list for any Shipper-Owned facilities ("Shipper Facilities"). Shipper agrees to reimburse Transporter the fair market value for design services within fifteen (15) days of receipt of such drawings. Shipper will provide Transporter as-built drawings of the facilities constructed by Shipper within thirty (30) days after completion of project.

- (a) Shipper agrees that all Shipper Facilities will be constructed and operated to the design and specifications provided by Transporter;
- (b) Transporter shall have the right to inspect the facilities during and after construction, including any future revisions, and reject any facilities not meeting specifications, United States Department of Transportation codes (Office of Pipeline Safety), AGA standards, applicable state requirements and Transporter's FERC Gas Tariff requirements. Shipper will notify Transporter forty-eight (48) hours in advance of beginning the construction of its facilities so that Transporter can arrange for inspection by Transporter personnel;
- (c) Shipper will construct, own, operate and maintain in good operating condition and repair (including without limitation, ordinary upkeep, and replacement and repairs whether ordinary or extraordinary in nature), the (1) meter station, (2) regulators, (3) a dehydrator and a separator with high liquid control shut-in capability; together with adequate liquid storage and secondary containment facilities, (4) all piping and fencing, and (5) a road located within the Meter Site constructed to withstand vehicular ingress and egress during all weather conditions and during all times of the year. In the event Shipper fails to maintain its facilities as described above and such failure is interfering with Transporter operations, Transporter may perform such services and bill Shipper the cost for the operation, maintenance or repair of such facilities including Transporter overhead. In the event such facilities become incapable of

accurately measuring gas volumes, Transporter reserves the right to require Shipper to modify such facilities at Shipper's cost to meet the current design volume requirement;

- (d) Shipper will install any and all equipment needed to protect its facilities upstream or downstream of the Receipt Point. Shipper will maintain a minimum flow rate at which the meter will operate properly; and
- (e) Shipper agrees to provide, at no cost to Transporter, the following: requested electric service, telephone service and housing needed for Transporter to install Electronic Flow Measurement ("EFM") and communication equipment, and appropriate rights of ingress and egress to operate, maintain, check, and repair such equipment.

ARTICLE XII  
Miscellaneous

- 12.1 (a) This Agreement shall bind and benefit the successors and assigns of the respective parties hereto; provided however, that neither party shall assign this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other party, which consent shall not be unreasonably withheld.
- (b) Shipper may also assign its rights under the Final Rate Cap but only in the event that such assignment is to third party that has a Moody's credit rating equal to or greater than that of Shipper.

12.2 No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future defaults of a like or different character.

12.3 This Agreement contains Exhibits A and B which are incorporated fully herein.

12.4 THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO ANY CONFLICT OF LAWS DOCTRINE WHICH WOULD APPLY THE LAWS OF ANOTHER JURISDICTION.

ARTICLE XIII  
Superseding Prior Service Agreements

This Agreement supersedes and replaces the following Service Agreements between Transporter and Shipper:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers effective as of the date first written above.

TRANSPORTER

SHIPPER

FLORIDA GAS TRANSMISSION COMPANY, LLC

\_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

\_\_\_\_\_  
(Please type or print name)

\_\_\_\_\_  
(Please type or print name)

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

EXHIBIT A  
TO  
RATE SCHEDULE FTS-2 SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

---

DATED

\_\_\_\_\_, \_\_\_\_  
Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit A: \_\_\_\_\_

[Transporter and Shipper may use any format to display the description of Points of Receipt with associated Maximum Daily Quantity (MDQ) by season, month and/or date range and the Maximum Daily Transportation Quantity (MDTQ).]

(Quantities are exclusive of Fuel Reimbursement. Shipper shall provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's FERC Gas Tariff, General Terms and Conditions.)

EXHIBIT B  
TO  
RATE SCHEDULE FTS-2 SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

---

DATED

\_\_\_\_\_, \_\_\_\_  
Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit B: \_\_\_\_\_

[Transporter and Shipper may use any format to display the description of Points of Delivery and associated Maximum Daily Quantity (MDQ) by season, month and/or date range as well as maximum hourly quantities, Maximum Daily Transportation Quantity (MDTQ) and delivery pressure.]

(Quantities are exclusive of Fuel Reimbursement.)

[The header on this page may contain information related to the identification of the Service Agreement necessary for administrative purposes.]

EXHIBIT C  
TO  
RATE SCHEDULE FTS-2 SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

\_\_\_\_\_ DATED \_\_\_\_\_

Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit C: \_\_\_\_\_

The parties hereby agree that Exhibit A and/or B are revised as described below and revised Exhibit A and/or B are attached hereto.

[Mark the applicable section(s) below for each amendment number.]

\_\_\_\_\_ Realignment of Points  
[summarize the changes to points]

\_\_\_\_\_ Contract Extension

\_\_\_\_\_ Contract Quantity  
[summarize the changes to MDQ/MDTQ]

\_\_\_\_\_ Administrative Contract Consolidation  
[list each service agreement number with associated MDTQ, termination date and extension rights]

TRANSPORTER

SHIPPER

FLORIDA GAS TRANSMISSION COMPANY, LLC

\_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

\_\_\_\_\_  
(Please type or print name)

\_\_\_\_\_  
(Please type or print name)

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

[The header on this page may contain information related to the identification of the Service Agreement necessary for administrative purposes.]

[FORM OF ]SERVICE AGREEMENT  
Firm Transportation Service - Western Division  
Rate Schedule FTS-WD

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper"),

[or, alternatively, omit the above paragraph and, when applicable, pursuant to Section 1(d) of Rate Schedule FTS-WD, insert the following paragraph:

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter") and \_\_\_\_\_, as agent, for \_\_\_\_\_ ("Principals"), hereinafter individually and collectively referred to as "Shipper," which Principals meet the requirements set forth in Section 1(d) of Rate Schedule FTS-WD which is incorporated herein by reference.]

WITNESSETH

[Insert applicable WHEREAS clauses for background and informational purposes -- not to include binding consideration]

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Transporter and Shipper do covenant and agree as follows:

ARTICLE I  
Definitions

In addition to the definitions incorporated herein through Transporter's Rate Schedule FTS-WD, the following terms when used herein shall have the meanings set forth below:

1.1 The term "Rate Schedule FTS-WD" shall mean Transporter's Rate Schedule FTS-WD as filed with the FERC as changed and adjusted from time to time by Transporter in accordance with Section 5.2 hereof or in compliance with any final FERC order affecting such rate schedule.



1.2 The term "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has authority to regulate the rates and services of Transporter.

## ARTICLE II Quantity

2.1 The Maximum Daily Transportation Quantity ("MDTQ") shall be set forth on a seasonal basis, and by Division if applicable, on Exhibit B attached hereto. The applicable MDTQ shall be the largest daily quantity of gas expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under this Service Agreement on any one day.

2.2 During the term of this Agreement, Shipper may tender natural gas for transportation to Transporter on any day, up to the MDTQ plus Transporter's fuel, if applicable. Transporter agrees to receive the aggregate of the quantities of natural gas that Shipper tenders for transportation at the Receipt Points, up to the maximum daily quantity specified for each receipt point as set out on Exhibit A, plus Transporter's fuel, if applicable, and to transport and make available for delivery to Shipper at each Delivery Point specified on Exhibit B, up to the amount scheduled by Transporter less Transporter's fuel, if applicable (as provided in Rate Schedule FTS-WD), provided however, that Transporter shall not be required to accept for transportation and make available for delivery more than the MDTQ on any day.

## ARTICLE III Reserved

## ARTICLE IV Payment and Rights in the Event of Non-Payment

4.1 Upon the commencement of service hereunder, Shipper shall pay Transporter, for all service rendered hereunder, the rates established under Transporter's Rate Schedule FTS-WD as filed with the FERC and as said Rate Schedule may hereafter be legally amended or superseded.

4.2 Termination for Non-Payment. In the event Shipper fails to pay for the service provided under this Agreement, pursuant to the condition set forth in Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter shall have the right to terminate this Agreement pursuant to the condition set forth in said Section 15.

## ARTICLE V Rights to Amend Rates and Terms and Conditions of Service

5.1 This Agreement in all respects shall be and remain subject to the provisions of said Rate Schedule and of the applicable provisions of the General Terms and Conditions of Transporter on file with the FERC (as the same may hereafter be legally amended or superseded), all of which are made a part hereof by this reference.

5.2 Transporter shall have the unilateral right to file with the appropriate regulatory authority and seek to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-WD, (b) Rate Schedule FTS-WD including the Form of Service Agreement and the existing Service Agreement pursuant to which this service is rendered; provided however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 Filing by Transporter, and/or (c) any provisions of the General Terms and Conditions of Transporter's Tariff applicable to Rate Schedule FTS-WD. Transporter agrees that Shipper may protest or contest the aforementioned filings, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

#### ARTICLE VI

##### Term of Agreement and Commencement of Service

6.1 This Agreement shall become effective \_\_\_\_\_ and shall continue in effect \_\_\_\_\_ [include end date of primary term and any applicable rollover or Right of First Refusal details].

6.2 In the event the capacity being contracted for was acquired pursuant to Section 18.C.2. of Transporter's Tariff, then this Agreement shall terminate on the date set forth in Section 6.1 above. Otherwise, upon the expiration of the primary term and any extension or roll-over, termination will be governed by the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff.

6.3 Service hereunder shall commence as set forth in Section 2 of Rate Schedule FTS-WD.

#### ARTICLE VII

##### Point(s) of Receipt and Delivery and Maximum Daily Quantities

7.1 The Primary Point(s) of Receipt and maximum daily quantity for each Primary Point of Receipt, for all gas delivered by Shipper into Transporter's pipeline system under this Agreement shall be at the Point(s) of Receipt on Transporter's pipeline system as set forth in Exhibit A attached hereto. In accordance with the provisions of Section 8.A. of Rate Schedule FTS-WD and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Receipt. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-WD and the applicable General Terms and Conditions of its Tariff.

7.2 The Primary Point(s) of Delivery and maximum daily quantity for each point for all gas made available for delivery by Transporter to Shipper, or for the account of Shipper, under this Agreement shall be at the Point(s) of Delivery as set forth in Exhibit B and shall be in Transporter's Western Division. In accordance with the provisions of Section 9.A. of Rate Schedule FTS-WD and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Delivery provided that such new requested Primary Delivery Points must be located in Transporter's Western Division. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-WD and the applicable General Terms and Conditions of its Tariff.

ARTICLE VIII  
Notices

All notices, payments and communications with respect to this Agreement shall be in writing and sent to Transporter's address posted on Transporter's Internet website or to Shipper's address stated below or at any other such address as may hereafter be designated in writing:

Shipper: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone No. \_\_\_\_\_  
Fax No. \_\_\_\_\_

ARTICLE IX  
Construction of Facilities

To the extent that construction of new or requested facilities is necessary to provide service under this Service Agreement, such construction, including payment for the facilities, shall occur in accordance with Section 21 of the General Terms and Conditions of Transporter's Tariff.

ARTICLE X  
Regulatory Authorizations and Approvals

[Include the language below in Article X of this Agreement only in the event of agreement or settlement related to an expansion of Transporter's system. Otherwise Article X shall read in its entirety as follows: "Article X – Not Applicable".]

10.1 Transporter's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization to provide Firm Transportation Service to Shipper in accordance with the terms of Rate Schedule FTS-WD and this Service Agreement and the General Terms and Conditions of Transporter's Tariff.

ARTICLE XI  
Pressure

11.1 The quantities of gas delivered or caused to be delivered by Shipper to Transporter hereunder shall be delivered into Transporter's pipeline system at a pressure sufficient to enter Transporter's system, but in no event shall such gas be delivered at a pressure exceeding the maximum authorized operating pressure or such other pressure as Transporter permits at the Point(s) of Receipt.

11.2 Transporter shall have no obligation to provide compression and/or alter its system operation to effectuate deliveries at the Point(s) of Delivery hereunder.

ARTICLE XII  
Other Provisions

ARTICLE XIII  
Miscellaneous

13.1 This Agreement shall bind and benefit the successors and assigns of the respective parties hereto; provided however, neither party shall assign this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other party.

13.2 No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future defaults of a like or different character.

13.3 This Agreement contains Exhibits A and B which are incorporated fully herein.

13.4 THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO ANY CONFLICT OF LAWS DOCTRINE WHICH WOULD APPLY THE LAWS OF ANOTHER JURISDICTION.

ARTICLE XIV  
Superseding Prior Service Agreements

This Agreement supersedes and replaces the following Service Agreements between Transporter and Shipper:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers effective as of the date first written above.

TRANSPORTER		SHIPPER	
FLORIDA GAS TRANSMISSION COMPANY, LLC	_____		_____
By _____	_____	By _____	_____
	_____		_____
	(Please type or print name)		(Please type or print name)
Title _____	_____	Title _____	_____
Date _____	_____	Date _____	_____

EXHIBIT A  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

\_\_\_\_\_  
DATED

\_\_\_\_\_, \_\_\_\_\_  
Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit A: \_\_\_\_\_

[Transporter and Shipper may use any format to display the description of Points of Receipt and associated Maximum Daily Quantity (MDQ) by season, month and/or date range and the Maximum Daily Transportation Quantity (MDTQ).]

(Quantities are exclusive of Fuel Reimbursement. Shipper shall provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's FERC Gas Tariff, General Terms and Conditions.)

EXHIBIT B  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

\_\_\_\_\_  
DATED  
\_\_\_\_\_, \_\_\_\_  
Contract No. \_\_\_\_\_  
Amendment No. \_\_\_\_\_  
Effective Date of this Exhibit B: \_\_\_\_\_

[Transporter and Shipper may use any format to display the description of Points of Delivery and associated Maximum Daily Quantity (MDQ) by season, month and/or date range as well as maximum hourly quantities, Maximum Daily Transportation Quantity (MDTQ) and delivery pressure.]

(Quantities are exclusive of Fuel Reimbursement.)

[The header on this page may contain information related to the identification of the Service Agreement necessary for administrative purposes.]

EXHIBIT C  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

\_\_\_\_\_ DATED \_\_\_\_\_

Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit C: \_\_\_\_\_

The parties hereby agree that Exhibit A and/or B are revised as described below and revised Exhibit A and/or B are attached hereto.

[Mark the applicable section(s) below for each amendment number.]

\_\_\_\_\_ Realignment of Points  
[summarize the changes to points]

\_\_\_\_\_ Contract Extension

\_\_\_\_\_ Contract Quantity  
[summarize the changes to MDQ/MDTQ]

\_\_\_\_\_ Administrative Contract Consolidation  
[list each service agreement number with associated MDTQ, termination date and extension rights]

TRANSPORTER

SHIPPER

FLORIDA GAS TRANSMISSION COMPANY, LLC

\_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

\_\_\_\_\_  
(Please type or print name)

\_\_\_\_\_  
(Please type or print name)

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

MARKED VERSION



### System Map

The System map may be displayed and downloaded at the Internet ~~W~~web-site below.

<http://fgttransfer.energytransfer.com/ipost/FGT/maps/system-map>

Western Division Map

The Western Division map may be displayed and downloaded at the Internet ~~W~~web-site below.

<http://fgttransfer.energytransfer.com/ipost/FGT/maps/western-division>

### Market Area Map

The Market Area map may be displayed and downloaded at the Internet ~~W~~web-site below.

<http://fgttransfer.energytransfer.com/ipost/FGT/maps/market-area>

RATE SCHEDULE FTS-1  
Firm Transportation Service

1. AVAILABILITY

This Rate Schedule is a firm rate schedule and is available for firm transportation service provided by Florida Gas Transmission Company, LLC (Transporter) to any person (Shipper) where:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule with Primary Delivery Points in Transporter's Market Area, except for shippers acquiring firm capacity located entirely within Transporter's Western Division, which Primary Delivery Point rights will be treated in accordance with Section 18.H.3.; and
- (c) Shipper has complied with the requirements of Section 3 hereof; or
- (d) Shipper was a customer of Transporter under Rate Schedule G or SGS or a firm direct sales customer, as set forth in Transporter's Index of Entitlements in effect on November 2, 1992, and Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.
- (e) Shipper is the aggregated joint capacity holder for a Joint Action Agency as set forth in Section 11 below.
- (f) If the transportation service is to be provided under one Service Agreement for multiple entities (Principals) that have designated an agent to act on their behalf (hereinafter individually and collectively referred to as Shipper), Principals shall provide notice of such to Transporter and shall also provide sufficient information to verify:
  - (1) that Principals collectively meet the "Shipper must have title" requirement as set forth in Section 7 of the General Terms and Conditions;
  - (2) that each Principal agrees that it is jointly and severally liable for all of the obligations of Shipper under the Service Agreement; and
  - (3) that the Principals agree that they shall be treated collectively as one Shipper for purposes of establishing creditworthiness and for nomination, allocation and billing purposes.

2. APPLICABILITY AND CHARACTER OF SERVICE

Transportation from Primary Receipt Points to Primary Delivery Points under this Rate Schedule shall be performed on a firm basis.

Transporter shall receive for transportation hereunder the quantity of gas made available by or for the account of Shipper and transport and make available for delivery to or for the account of Shipper gas in accordance with this Rate Schedule; provided however, that such quantity made available by or for the account of Shipper shall not exceed on any day the applicable Maximum Daily Transportation Quantity (MDTQ) specified in the executed Service Agreement for service under this Rate Schedule and any quantities tendered for Fuel Reimbursement.

Service shall commence under this Rate Schedule on the earlier of: (i) the date Shipper first tenders gas to Transporter for transportation under an executed Service Agreement; or, (ii) the effective date stated in Article VI of the Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide firm transportation service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event prior to the in-service date of any facilities necessary to provide such service. Gas received for transportation hereunder will be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

3. REQUESTS FOR AND EXECUTION OF FIRM TRANSPORTATION SERVICE

A. Transportation Requests

The specific information required from a Shipper for a valid request for firm transportation service must be delivered to Transporter, Attention: FGT Contract Administration Department, at P.O. Box 4967, Houston, Texas 77210-4967, or submitted electronically per instructions on Transporter's Internet website at <http://fgttransfer.energytransfer.com>. Requests for transportation must be accompanied by the following:

1. Shipper's legal name.
2. Shipper's principal place of business.
3. Shipper's contact person and telephone number.
4. Shipper's business address (including e-mail addresses) for notices and billing.
5. Shipper's status (e.g. producer, end-user, local distribution company, interstate, intrastate or Hinshaw pipeline, or other [please specify]).

6. Maximum Daily Transportation Quantity (MDTQ) requested stated in MMBtu per day for the periods; (i) October; (ii) November-March; (iii) April; and (iv) May-September.
7. Requested date of commencement of service.
8. Requested term of service.
9. Requested Primary Receipt Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Receipt Point; provided however, that the aggregate maximum daily quantities at such Primary Receipt Points shall not exceed Shipper's MDTQ plus any fuel.
10. Requested Primary Delivery Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Delivery Point. Such requested Primary Delivery Point(s) shall be in Transporter's Market Area, except for shippers acquiring firm capacity located entirely within Transporter's Western Division, which Primary Delivery Point rights will be treated in accordance with Section 18.H.3.

A standardized service request form is available on Transporter's [Internet Web-site](#).

Requests for service, other than service provided under 1(d), which do not include all of the above-referenced information shall be deemed null and void; provided, however, that requests for changes provided under Section 8.A. or 9.A. need only contain the information relevant to the changes requested.

B. Execution of Service Agreement

Shipper shall execute the FTS-1 Service Agreement, in writing or electronically pursuant to the procedures in Section 9.B of the General Terms and Conditions, within fifteen (15) days after receipt, award pursuant to GT&C Section 21 or its availability on Transporter's [Internet Web-site](#), whichever comes first. In the event Shipper does not execute the Service Agreement within fifteen (15) days, Shipper's request for transportation under this Rate Schedule shall be null and void.

C. Additional Information Required:

In addition, Shipper must provide the following information:

1. At the time of Shipper's execution of the Service Agreement, the curtailment classification for the requested transportation in accordance with Section 17.A of the General Terms and Conditions.
2. By execution of the Service Agreement, Shipper certifies that Shipper has, or will have, title to the gas in accordance with the provisions of Section 7 of the

General Terms and Conditions, and certifies that Shipper or Shipper's designee, if applicable, has secured or will have secured, prior to commencement of service, all necessary arrangements for upstream and downstream transportation, if applicable.

3. To the extent that the transportation is performed pursuant to Section 311 of NGPA, then prior to commencement of service, if transportation is on behalf of an intrastate pipeline or local distribution company, Transporter must have certification from the intrastate pipeline or local distribution company that:
  - (a) the intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point, or
  - (b) the intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time the gas is being transported by Transporter, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company, or
  - (c) the gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that Transporter is providing transportation service.
4. Prior to execution and during the term of the Service Agreement, Shipper shall comply with the creditworthiness provisions of Section 16 of the General Terms and Conditions.

D. Extension of Term

Requests for extension of the term of a Service Agreement are subject to the provisions of Section 20 of the General Terms and Conditions.

4. RATES AND CHARGES

Unless otherwise mutually agreed to by Transporter and Shipper, the applicable rates for service under this Rate Schedule are set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff and are hereby incorporated herein.

For all natural gas service rendered hereunder, Shipper shall pay Transporter each month the sum of the charges listed below if applicable:

Reservation Charge - The Reservation Charge multiplied by the sum of the MDTQ for the billing month. For purposes of computation of the Reservation Charge, service shall

commence as of the date specified in Section 2 above. If, on any day, Transporter fails to make available for delivery the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Charge otherwise payable shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily Reservation Charge; provided however, that in the case of failure to make available for delivery by reason of Transporter's force majeure, only the return on equity and related income tax components of the daily Reservation Charge will be included in the above referenced calculation; provided further, however, that no Reservation Charge reduction shall be provided for force majeure events that do not occur on Transporter's system (e.g., an event on a Shipper's facilities or a Transporting Pipeline's facilities). In the case of failure to make available for delivery due to Transporter's negligence or willful misconduct, nothing herein shall be construed to limit Shipper's remedies to the Reservation Charge credit provided in this Section.

Usage Charge - The Usage Charge multiplied by the quantity of gas, delivered to or for the account of Shipper by Transporter during the billing month, as determined in Section 13 or 13.1 of the General Terms and Conditions of this tariff.

Fuel Reimbursement Charge - The Fuel Reimbursement Charge, as defined in Section 5 of this Rate Schedule.

Usage Surcharges - The usage surcharges as set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff multiplied by the quantity of gas delivered to or for the account of Shipper by Transporter during the billing month, as determined in Section 13 or 13.1 of the General Terms and Conditions of this tariff.

Reservation Surcharges - The reservation surcharges as set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff multiplied by the sum of the MDTQ for the billing month. If on any day, Transporter fails to make available for delivery by reason other than force majeure, the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Surcharge otherwise payable by Shipper shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily applicable Reservation Surcharge.

Incidental Charges - Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service, unless otherwise mutually agreed. Such charges may include only (i) reporting or filing fees relating to this service, (ii) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Shipper and Transporter, and (iii) such other applicable charges as may be authorized by the Commission.



Pursuant to the provisions of Sections 15.H and 15.I of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for transportation service under Rate Schedule FTS-1 a Reservation, Usage, and/or Fuel Reimbursement Charge which is lower than such charge based on the maximum rates set forth on the Currently Effective Rates for Rate Schedule FTS-1 or provided for in Section 5 herein; provided however, that Transporter's discretion shall not be exercised on an unduly discriminatory basis and that such charge may not be less than such charge based on the minimum rate set forth on the Currently Effective Rates for Rate Schedule FTS-1.

Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charge, the individual Shippers affected, the total volume transported and any other information as may be required.

#### 5. FUEL REIMBURSEMENT CHARGES

Transporter shall retain a Fuel Reimbursement Charge Percentage, and Shipper shall pay an Effective Unit Fuel Surcharge, pursuant to Section 27 of the General Terms and Conditions. The Fuel Reimbursement Charges shall be set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff. For Forwardhaul service at Alternate Delivery Points in Transporter's Western Division, the Fuel Reimbursement Charge shall be the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Percentage listed on the Currently Effective Rates for Rate Schedule FTS-1.

A Shipper who nominates a Forwardhaul or a Backhaul in the Western Division must nominate the specific Receipt Point and the specific Delivery Point (i.e., path) for each nomination, so that the applicable fuel rate, if any, can be determined.

A Shipper who nominates a gas quantity for delivery to a Market Area Delivery Point and who sources the gas from a Market Area Receipt Point must nominate the specific Receipt Point and the specific Delivery Point (i.e., path) for each nomination, and pay the applicable Fuel Reimbursement Charge Percentage set forth on the Currently Effective Rates for Rate Schedule FTS-1 of this Tariff.

#### 6. MAXIMUM DAILY TRANSPORTATION QUANTITY

The MDTQ shall be expressed in each Service Agreement under this Rate Schedule; provided however, that if Shipper has a Multiple Division Contract as set forth in Section 11 of the General Terms and Conditions, the MDTQ shall be stated separately for each Division and in total. The MDTQ shall be the largest quantity of gas, expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under each such Service Agreement or at such division, as the case may be, under this Rate Schedule on any one day. The seasonal MDTQ for October, November through March, April and May through September shall be set forth in the executed Service Agreement for service under this Rate Schedule.

7. MAXIMUM DAILY QUANTITY

The MDQ for any single receipt or delivery point shall be the volume set forth in the executed Service Agreement for service under this Rate Schedule which shall represent the maximum volume that Transporter will make available for delivery at a delivery point or will accept receipt of at a receipt point on any one day; provided however, that in addition to the MDQ for each receipt point set forth on Exhibit A to Shipper's executed Service Agreement, Shipper shall tender additional volumes to be used as Transporter's fuel, based upon the Fuel Reimbursement Charge set forth on the Currently Effective Rates for Rate Schedule FTS-1.

8. RECEIPT POINTS

A. Primary Receipt Point(s)

The term Primary Receipt Point(s) shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS-1 Service Agreement which are assigned an MDQ. Shipper may release capacity from the closest In-Line Transfer Point east of the Primary Receipt Point. Subject to the availability of firm capacity, a Shipper may request changes in Primary Receipt Points under an executed Service Agreement at any time by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested.

B. Alternate Receipt Point(s)

The term Alternate Receipt Point(s) shall include Point(s) of Receipt on Transporter's system other than those listed in Exhibit A of Shipper's FTS-1 Service Agreement, including In-Line Transfer Points, except as provided in (A) above, and nominations in excess of the MDQ at a Primary Receipt Point. A listing of Receipt Points on Transporter's system is set forth on its Internet website.

Shipper may nominate gas at Alternate Receipt Point(s) subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for receipt at all Primary and Alternate Receipt Points does not exceed the total MDTQ under the FTS-1 Service Agreement and any quantities tendered for Fuel Reimbursement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions. All quantities scheduled up to the MDTQ under the FTS-1 Service Agreement, including those received at an Alternate Receipt Point and quantities under any Segmented Transactions, shall be billed at the rates for service under this Rate Schedule.

9. DELIVERY POINTS

A. Primary Delivery Point(s)

The term Primary Delivery Point(s) shall mean those delivery points listed on Exhibit B of Shipper's FTS-1 Service Agreement which are assigned an MDQ. Subject to the availability of firm capacity and, subject to written agreement by the Delivery Point Operator as set forth in Section 13 of the General Terms and Conditions of this tariff, a Shipper may request changes in Primary Delivery Points under an executed Service Agreement by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested. Such new requested Primary Delivery Point(s) must be located in Transporter's Market Area, except for shippers acquiring firm capacity located entirely within Transporter's Western Division, which Primary Delivery Point rights will be treated in accordance with Section 18.H.3. Subject to the availability of firm capacity to the affected Delivery Points and the written agreement of the Delivery Point Operator, Transporter shall accept changes to Primary Delivery Points if the requested new Delivery Point is a Primary Delivery Point under a Rate Schedule SFTS Service Agreement and the load to be served is not an Existing Behind-the-Gate Customer of a Rate Schedule SFTS Shipper as defined in Section 11 of Rate Schedule SFTS. Transporter is not obligated to accept changes to Primary Delivery Points if the requested new delivery point is a Primary Delivery Point under a Rate Schedule SFTS Service Agreement and the load to be served is an Existing Behind-the-Gate Customer of a Rate Schedule SFTS Shipper as defined in Section 11 of Rate Schedule SFTS.

B. Alternate Delivery Point(s)

The term Alternate Delivery Point(s) shall mean Point(s) of Delivery other than those listed on Exhibit B of Shipper's FTS-1 Service Agreement, including In-Line Transfer Points, which are not Primary Delivery Point(s) and nominations in excess of the MDQ at a Primary Delivery Point.

Shipper may nominate gas for delivery at an Alternate Delivery Point(s) subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for delivery at all Primary and Alternate Delivery Points does not exceed the MDTQ under the FTS-1 Service Agreement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions. However, a Shipper that has acquired a segment of capacity under this Rate Schedule, pursuant to the Capacity Relinquishment provisions of Sections 18 and/or 19 of the General Terms and Conditions of this Tariff, which is located entirely within Transporter's Western Division may nominate gas for delivery only at an Alternate Delivery Point(s) which is (are) located in Transporter's Western Division.

All quantities scheduled up to the MDTQ under the FTS-1 Service Agreement, including those delivered at an Alternate Delivery Point(s), and any quantities scheduled as segmented nominations or scheduled under a Segmented Transaction, shall be billed at the rates for service under this rate schedule; except, however, where quantities are delivered on an alternate basis to a Primary Delivery Point under an SFTS Service Agreement. In such case, the alternate deliveries up to the SFTS Shipper's MDTQ shall be billed at the Rate Schedule SFTS usage rate.

A Shipper whose Primary Delivery Point(s) are in Transporter's Market Area, but who nominates gas for delivery at Alternate Delivery Point(s) in Transporter's Western Division, must designate the specific Receipt Point(s) for the source of such deliveries. The Fuel Reimbursement Charge for such deliveries at Alternate Delivery Point(s) in Transporter's Western Division shall be the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Percentage listed on the Currently Effective Rates for Rate Schedules FTS-WD applied on a per compressor station basis; provided, however, that the maximum fuel charge shall be the Effective Fuel Reimbursement Charge Percentage. In the event Shipper fails to designate the specific Receipt Point(s) as the source for deliveries at Alternate Delivery Point(s) in Transporter's Western Division, such deliveries shall be subject to the Effective Fuel Reimbursement Charge Percentage set forth on the Currently Effective Rates for Rate Schedule FTS-1.

#### 10. RIGHTS UNDER SECTION 4 OF THE NATURAL GAS ACT

Transporter shall have the unilateral right to seek, through a filing under Section 4 of the Natural Gas Act (NGA) with the appropriate regulatory authority, to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-1, and/or (b) Rate Schedule FTS-1 pursuant to which this service is rendered; provided, however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 filing by Transporter, and/or (c) any provisions of the General Terms and Conditions applicable to Rate Schedule FTS-1. Transporter agrees that Shipper may protest or contest filings of Transporter, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

#### 11. AGGREGATION BY PUBLIC AGENCIES

##### A. Aggregation

1. Public Agencies may aggregate all or part of their firm capacity under individual FTS-1 or SFTS service agreements into a Joint Action Agency under a single Rate Schedule FTS-1 service agreement pursuant to this Section 11.
2. The aggregation of firm entitlements pursuant to this Section 11 shall not affect the aggregating Public Agency's right to receive, nor Transporter's obligation to

make available for delivery, quantities at each Public Agency's primary delivery points up to the stated MDQ within each Public Agency's MDTQ.

3. Any Public Agencies desiring to aggregate shall inform Transporter of the following:
  - i) The identity of, including e-mail addresses, mailing address, telephone and telecopier/facsimile numbers for the Joint Action Agency representative to be responsible for receiving billings and making payments under the aggregated service agreement.
  - ii) Maximum Daily Transportation Quantity (MDTQ) to be aggregated which shall be separately stated for each service agreement being aggregated, and further stated for the periods (1) October; (2) November-March; (3) April; and (4) May-September. MDTQs shall also be set forth by Division.
  - iii) The primary delivery point capacity (MDQ) by season for each service agreement in whole or part to be transferred to the aggregated service agreement; provided further, that the combined MDQ for the aggregated portion of the service agreement and any entitlement remaining on the individual Public Agency's service agreement shall not exceed the MDQ existing prior to aggregation.
  - iv) To the extent aggregating shippers have subscribed for NNTS service, the No-Notice Quantity ("NNQ") may also be aggregated and in such case will be combined into a single NNTS Addendum to the Joint Action Agency's FTS-1 service agreement, but the NNQ will be separately set forth for each Division.
  - v) The primary receipt point capacity by season for each service agreement in whole or part to be transferred to the aggregated service agreement; provided further, that the combined MDQ for the aggregated portion of the service agreement and any entitlement remaining on the individual Public Agency's service agreement shall not exceed the MDQ existing prior to aggregation.
  - vi) The term of the service agreement. Unless otherwise agreed, the term of the service agreement shall be the underlying term applicable to the MDTQ and MDQ being aggregated. If the aggregating Shippers have different underlying terms, then such terms shall continue to apply independently to the MDTQ and MDQ being aggregated. Each Public Agency shall also elect either of the following to be applicable to the MDTQ and MDQ it is aggregating: the 10-year rollover provision, or the right of first refusal contained in Section 20 of Transporter's tariff.

The Joint Action Agency must meet Transporter's creditworthiness standards set forth in Section 16 of the General Terms and Conditions.

4. Effective October 1, 1993 a Public Agency may aggregate all or part of its firm capacity with an existing Joint Action Agency sixty (60) days after a positive determination of creditworthiness has been made by Transporter; subject to the information set forth in 11.A.3.(i)-(vi) being provided for the additional aggregated entitlement.

B. Disaggregation

1. Provided a Public Agency meets the creditworthiness standards set forth in Section 16 of the General Terms and Conditions at the time of disaggregation, such Public Agency may disaggregate all or part of its firm capacity from the aggregated service agreement.
2. Within thirty (30) days after disaggregation, Public Agencies which aggregated their capacity prior to June 30, 1993 may elect the 10-year rollover option set forth in Section 20.C. of the General Terms and Conditions by giving written notice to Transporter consistent with Section 20.C.

C. Reversion to Service Under Rate Schedule SFTS

1. A Public Agency which was receiving service under this Rate Schedule at the time the currently effective rates were established which disaggregates shall be considered a Rate Schedule FTS-1 Shipper; provided however, a Public Agency which disaggregates by giving notice to Transporter within thirty (30) days following Transporter's notice of its intention to file a general Section 4 rate case may revert to Rate Schedule SFTS service if such Public Agency meets the requirements for service under Rate Schedule SFTS. The effective date of the commencement of service under Rate Schedule SFTS shall be the date that the new rates proposed by Transporter are placed in effect. Transporter shall post on its Internet website its intention to file a general Section 4 rate case at least thirty (30) days prior to filing same.

12. TERMS AND CONDITIONS

The General Terms and Conditions of Transporter's FERC Gas Tariff are hereby made a part of this Rate Schedule.

RATE SCHEDULE FTS-WD  
Firm Transportation Service

1. AVAILABILITY

This Rate Schedule is a firm rate schedule and is available for firm transportation service provided by Florida Gas Transmission Company, LLC (Transporter) to any person (Shipper) where:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule within Transporter's Western Division (i.e., Primary Receipt and Primary Delivery Points within Transporter's Western Division); and
- (c) Shipper has complied with the requirements of Section 3 hereof.
- (d) If the transportation service is to be provided under one Service Agreement for multiple entities (Principals) that have designated an agent to act on their behalf (hereinafter individually and collectively referred to as Shipper), Principals shall provide notice of such to Transporter and shall also provide sufficient information to verify:
  - (1) that Principals collectively meet the "Shipper must have title" requirement as set forth in Section 7 of the General Terms and Conditions;
  - (2) that each Principal agrees that it is jointly and severally liable for all of the obligations of Shipper under the Service Agreement; and
  - (3) that the Principals agree that they shall be treated collectively as one Shipper for purposes of establishing creditworthiness and for nomination, allocation and billing purposes.

2. APPLICABILITY AND CHARACTER OF SERVICE

Transportation from Primary Receipt Points to Primary Delivery Points under this Rate Schedule shall be performed on a firm basis.

Transporter shall receive for transportation hereunder the quantity of gas made available by or for the account of Shipper and transport and make available for delivery to or for the account of Shipper gas in accordance with this Rate Schedule; provided however, that such quantity made available by or for the account of Shipper shall not exceed on any day the applicable Maximum Daily Transportation Quantity (MDTQ) specified in the executed Service Agreement for service under this Rate Schedule and any quantities tendered for Fuel Reimbursement.

Service shall commence under this Rate Schedule on the earlier of: (i) the date Shipper first tenders gas to Transporter for transportation under an executed Service Agreement; or, (ii) the effective date stated in Article VI of the Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide firm transportation service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event prior to the in-service date of any facilities necessary to provide such service.

Gas received for transportation hereunder will be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

### 3. REQUESTS FOR AND EXECUTION OF FIRM TRANSPORTATION SERVICE

#### A. Transportation Requests

The specific information required from a Shipper for a valid request for firm transportation service must be delivered to Transporter, Attention: FGT Contract Administration Department, at P.O. Box 4967, Houston, Texas 77210-4967, or submitted electronically per instructions on Transporter's Internet website at <http://fgttransfer.energytransfer.com>. Requests for transportation must be accompanied by the following:

1. Shipper's legal name.
2. Shipper's principal place of business.
3. Shipper's contact person and telephone number.
4. Shipper's business address (including e-mail addresses) for notices and billing.
5. Shipper's status (e.g. producer, end-user, local distribution company, interstate, intrastate or Hinshaw pipeline, or other [please specify]).
6. Maximum Daily Transportation Quantity (MDTQ) requested stated in MMBtu per day for the periods: (i) October; (ii) November-March; (iii) April; and (iv) May-September.
7. Requested date of commencement of service.
8. Requested term of service.
9. Requested Primary Receipt Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary



Receipt Point; provided however, that the aggregate maximum daily quantities at such Primary Receipt Points shall not exceed Shipper's MDTQ plus any fuel.

10. Requested Primary Delivery Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Delivery Point. Such requested Primary Delivery Points shall be in Transporter's Western Division.

A standardized service request form is available on Transporter's Internet website.

Requests for service which do not include all of the above-referenced information shall be deemed null and void; provided, however, that requests for changes provided under Section 8.A or 9.A need only contain the information relevant to the changes requested.

B. Execution of Service Agreement

Shipper shall execute the FTS-WD Service Agreement, in writing or electronically pursuant to the procedures in Section 9.B of the General Terms and Conditions, within fifteen (15) days after receipt, award pursuant to GT&C Section 21 or its availability on Transporter's ~~Internet~~ [Web-site](#), whichever comes first. In the event Shipper does not execute the Service Agreement within fifteen (15) days, Shipper's request for transportation under this Rate Schedule shall be null and void.

C. Additional Information Required:

In addition, Shipper must provide the following information:

1. At the time of Shipper's execution of the Service Agreement, the curtailment classification for the requested transportation in accordance with Section 17.A of the General Terms and Conditions.
2. By execution of the Service Agreement, Shipper certifies that Shipper has, or will have, title to the gas in accordance with the provisions of Section 7 of the General Terms and Conditions, and certifies that Shipper or Shipper's designee, if applicable, has secured or will have secured, prior to commencement of service, all necessary arrangements for upstream and downstream transportation, if applicable.
3. To the extent that the transportation is performed pursuant to Section 311 of NGPA, then prior to commencement of service, if transportation is on behalf of an intrastate pipeline or local distribution company, Transporter must have certification from the intrastate pipeline or local distribution company that:
  - (a) the intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point, or

- (b) the intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time the gas is being transported by Transporter, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company, or
- (c) the gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that Transporter is providing transportation service.

- 4. Prior to execution and during the term of the Service Agreement, Shipper shall comply with the creditworthiness provisions of Section 16 of the General Terms and Conditions.

D. Extension of Term

Requests for extension of the term of a Service Agreement are subject to the provisions of Section 20 of the General Terms and Conditions.

4. RATES AND CHARGES

Unless otherwise mutually agreed to by Transporter and Shipper, the applicable rates for service under this Rate Schedule are set forth on the Currently Effective Rates for Rate Schedule FTS-WD of this Tariff and are hereby incorporated herein.

For all natural gas service rendered hereunder, Shipper shall pay Transporter each month the sum of the charges listed below if applicable:

Reservation Charge - The Reservation Charge multiplied by the sum of the MDTQ for the billing month. For purposes of computation of the Reservation Charge, service shall commence as of the date specified in Section 2 above. If, on any day, Transporter fails to make available for delivery the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Charge otherwise payable shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily Reservation Charge; provided however, that in the case of a failure to make available for delivery by reason of Transporter's force majeure, only the return on equity and related income tax components of the daily Reservation Charge will be included in the above referenced calculation; provided further, however, that no Reservation Charge reduction shall be provided for force majeure events that do not occur on Transporter's system (e.g., an event on a Shipper's facilities or a Transporting Pipeline's facilities). In the case of failure

to make available for delivery due to Transporter's negligence or willful misconduct, nothing herein shall be construed to limit Shipper's remedies to the Reservation Charge credit provided in this Section.

Usage Charge - The Usage Charge multiplied by the quantity of gas transported to or for the account of Shipper by Transporter during the billing month, as determined in Section 13.1 of the General Terms and Conditions of this tariff.

Fuel Reimbursement Charge - The Fuel Reimbursement Charge, as defined in Section 5 of this Rate Schedule.

Usage Surcharges - The usage surcharges as set forth on the Currently Effective Rates for Rate Schedule FTS-WD of this Tariff multiplied by the quantity of gas delivered to or for the account of Shipper by Transporter during the billing month as determined in Section 13.1 of the General Terms and Conditions of this tariff.

Reservation Surcharges - The reservation surcharges, as set forth on the Currently Effective Rates for Rate Schedule FTS-WD of this Tariff, multiplied by the sum of the MDTQ for the billing month. If on any day, Transporter fails to make available for delivery, by reason other than force majeure, the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Surcharge otherwise payable by Shipper shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily applicable Reservation Surcharge.

Incidental Charges - Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service, unless otherwise mutually agreed. Such charges may include only (i) reporting or filing fees relating to this service, (ii) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Transporter and Shipper, and (iii) such other applicable charges as may be authorized by the Commission.

Pursuant to the provisions of Sections 15.H and 15.I of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for transportation service under Rate Schedule FTS-WD a Reservation, Usage and/or Fuel Reimbursement Charge which is lower than such charge based on the maximum rates set forth on the Currently Effective Rates for Rate Schedule FTS-WD or provided for in Section 5 herein; provided however, that Transporter's discretion shall not be exercised on an unduly discriminatory basis and that such charge may not be less than such charge based on the Minimum Rate set forth on the Currently Effective Rates for Rate Schedule FTS-WD.

Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charge, the individual Shippers affected, the total volume transported and any other information as may be required.

5. FUEL REIMBURSEMENT CHARGES

Transporter shall retain a Fuel Reimbursement Charge Percentage pursuant to Section 27 of the General Terms and Conditions. The Fuel Reimbursement Charge Percentage shall be set forth on the Currently Effective Rates for Rate Schedule FTS-WD of this Tariff.

The Fuel Reimbursement Charge shall be the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Percentage listed on the Currently Effective Rates for Rate Schedule FTS-WD. Exceptions to the stated rate 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%; 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 rate of one-half of one percent (0.50%) plus the lost and unaccounted for gas percentage or b) the stated Fuel Reimbursement Charge Percentage; and 3) where Shipper nominates and Transporter confirms and schedules a Backhaul transaction, such Backhaul transaction shall not be assessed a Fuel Reimbursement Charge or an Effective Unit Fuel Surcharge but shall be assessed the lost and unaccounted for gas percentage.

A Shipper who nominates a Forwardhaul or a Backhaul must nominate the specific Receipt Point and the specific Delivery Point (i.e., path) for each nomination, so that the applicable fuel rate, if any, can be determined.

6. MAXIMUM DAILY TRANSPORTATION QUANTITY

The MDTQ shall be expressed in each Service Agreement under this Rate Schedule. The MDTQ shall be the largest quantity of gas, expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under each such Service Agreement under this Rate Schedule on any one day. The seasonal MDTQ for October, November through March, April and May through September shall be set forth in the executed Service Agreement for service under this Rate Schedule.

7. MAXIMUM DAILY QUANTITY

The MDQ for any single receipt or delivery point shall be the volume set forth in the executed Service Agreement for service under this Rate Schedule which shall represent the maximum volume that Transporter will make available for delivery at a delivery point or will accept receipt of at a receipt point on any one day; provided however, that in addition to the MDQ for each receipt point set forth on Exhibit A to Shipper's executed Service Agreement, Shipper shall tender additional volumes to be used as Transporter's fuel, based upon the Fuel Reimbursement Charge set forth on the Currently Effective Rates for Rate Schedule FTS-WD.

8. RECEIPT POINTS

A. Primary Receipt Point(s)

The term Primary Receipt Point(s) shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS-WD Service Agreement which are assigned an MDQ. Shipper may release capacity from the closest in-line transfer point east of the Primary Receipt Point. Subject to the availability of firm capacity, a Shipper may request changes in Primary Receipt Points under an executed Service Agreement at any time by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested.

B. Alternate Receipt Point(s)

The term Alternate Receipt Point(s) shall include Point(s) of Receipt on Transporter's system in the Western Division other than those listed in Exhibit A of Shipper's FTS-WD Service Agreement, including In-Line Transfer Points, except as provided in (A) above, and nominations in excess of the MDQ at a Primary Receipt Point. A listing of Receipt Points on Transporter's system is set forth on its Internet website.

Shipper may nominate gas at an Alternate Receipt Point(s) subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for receipt at all Primary and Alternate Receipt Points does not exceed the total MDTQ under the FTS-WD Service Agreement and any quantities tendered for Fuel Reimbursement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions; provided, however, that Shipper may not utilize points outside the Western Division for any purpose. All quantities scheduled up to the MDTQ under the FTS-WD Service Agreement, including those received at an Alternate Receipt Point, and quantities under any Segmented Transactions, shall be billed at the rates for service under this Rate Schedule.

9. DELIVERY POINTS

A. Primary Delivery Point(s)

The term Primary Delivery Point(s) shall mean those delivery points listed on Exhibit B of Shipper's FTS-WD Service Agreement which are assigned an MDQ. Subject to the availability of firm capacity a Shipper may request changes in Primary Delivery Points under an executed Service Agreement by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested. Such new requested Primary Delivery Points must be located in Transporter's Western Division.

B. Alternate Delivery Point(s)

The term Alternate Delivery Point(s) shall mean Point(s) of Delivery in Transporter's Western Division other than those listed on Exhibit B of Shipper's FTS-WD Service Agreement which are not Primary Delivery Point(s) and nominations in excess of the MDQ at a Primary Delivery Point.

Shipper may nominate gas for delivery at an Alternate Delivery Point(s) in Transporter's Western Division subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for delivery at all Primary and Alternate Delivery Points does not exceed the MDTQ under the FTS-WD Service Agreement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions; provided, however, that Shipper may not utilize points outside the Western Division for any purpose.

All quantities scheduled up to the MDTQ under the FTS-WD Service Agreement, including those delivered at an Alternate Delivery Point(s), and any quantities scheduled as segmented nominations or scheduled under a Segmented Transaction, shall be billed at the rates for service under this rate schedule.

10. RIGHTS UNDER SECTION 4 OF THE NATURAL GAS ACT

Transporter shall have the unilateral right to seek, through a filing under Section 4 of the Natural Gas Act (NGA) with the appropriate regulatory authority, to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-WD, and/or (b) Rate Schedule FTS-WD pursuant to which this service is rendered; provided, however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 filing by Transporter, and/or (c) any provisions of the General Terms and Conditions applicable to Rate Schedule FTS-WD. Transporter agrees that Shipper may protest or contest filings of Transporter, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

11. TERMS AND CONDITIONS

The General Terms and Conditions of Transporter's FERC Gas Tariff are hereby made a part of this Rate Schedule.

RATE SCHEDULE FTS-WD-2  
Firm Transportation Service

1. AVAILABILITY

This Rate Schedule is a firm rate schedule and is available for firm transportation service provided by Florida Gas Transmission Company, LLC (Transporter) to any person (Shipper) where:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule within Transporter's Western Division (i.e., Primary Receipt and Primary Delivery Points within Transporter's Western Division); and
- (c) Shipper has complied with the requirements of Section 3 hereof.
- (d) If the transportation service is to be provided under one Service Agreement for multiple entities (Principals) that have designated an agent to act on their behalf (hereinafter individually and collectively referred to as Shipper), Principals shall provide notice of such to Transporter and shall also provide sufficient information to verify:
  - (1) that Principals collectively meet the "Shipper must have title" requirement as set forth in Section 7 of the General Terms and Conditions;
  - (2) that each Principal agrees that it is jointly and severally liable for all of the obligations of Shipper under the Service Agreement; and
  - (3) that the Principals agree that they shall be treated collectively as one Shipper for purposes of establishing creditworthiness and for nomination, allocation and billing purposes.

2. APPLICABILITY AND CHARACTER OF SERVICE

Transportation from Primary Receipt Points to Primary Delivery Points under this Rate Schedule shall be performed on a firm basis. Primary Delivery Points must be west of the Primary Receipt Points under this Rate Schedule.

Transporter shall receive for transportation hereunder the quantity of gas made available by or for the account of Shipper and transport and make available for delivery to or for the account of Shipper gas in accordance with this Rate Schedule; provided however, that such quantity made available by or for the account of Shipper shall not exceed on any day the applicable Maximum

Daily Transportation Quantity (MDTQ) specified in the executed Service Agreement for service under this Rate Schedule and any quantities tendered for Fuel Reimbursement.

Service shall commence under this Rate Schedule on the earlier of: (i) the date Shipper first tenders gas to Transporter for transportation under an executed Service Agreement; or, (ii) the effective date stated in Article VI of the Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide firm transportation service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event prior to the in-service date of any facilities necessary to provide such service.

Gas received for transportation hereunder will be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

### 3. REQUESTS FOR AND EXECUTION OF FIRM TRANSPORTATION SERVICE

#### A. Transportation Requests

The specific information required from a Shipper for a valid request for firm transportation service must be delivered to Transporter, Attention: FGT Contract Administration Department, at P.O. Box 4967, Houston, Texas 77210-4967, or submitted electronically per instructions on Transporter's Internet website at <http://fgttransfer.energytransfer.com>. Requests for transportation must be accompanied by the following:

1. Shipper's legal name.
2. Shipper's principal place of business.
3. Shipper's contact person and telephone number.
4. Shipper's business address (including e-mail addresses) for notices and billing.
5. Shipper's status (e.g. producer, end-user, local distribution company, interstate, intrastate or Hinshaw pipeline, or other [please specify]).
6. Maximum Daily Transportation Quantity (MDTQ) requested stated in MMBtu per day for the periods: (i) October; (ii) November-March; (iii) April; and (iv) May-September.
7. Requested date of commencement of service.
8. Requested term of service.



9. Requested Primary Receipt Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Receipt Point; provided however, that the aggregate maximum daily quantities at such Primary Receipt Points shall not exceed Shipper's MDTQ plus any fuel. Such requested Primary Receipt Points shall be in Transporter's Western Division and shall be located east of the Primary Delivery Points in Shipper's FTS-WD-2 Service Agreement.
10. Requested Primary Delivery Point(s) by legal description or Transporter's Point of Interest (POI) number and maximum daily quantity requested at each Primary Delivery Point. Such requested Primary Delivery Points shall be in Transporter's Western Division and shall be located west of the Primary Receipt Points in Shipper's FTS-WD-2 Service Agreement.

A standardized service request form is available on Transporter's Internet website.

Requests for service which do not include all of the above-referenced information shall be deemed null and void; provided, however, that requests for changes provided under Section 8.A or 9.A need only contain the information relevant to the changes requested.

B. Execution of Service Agreement

Shipper shall execute the FTS-WD-2 Service Agreement, in writing or electronically pursuant to the procedures in Section 9.B of the General Terms and Conditions, within fifteen (15) days after receipt, award pursuant to GT&C Section 21 or its availability on Transporter's ~~Internet~~ ~~W~~web-site, whichever comes first. In the event Shipper does not execute the Service Agreement within fifteen (15) days, Shipper's request for transportation under this Rate Schedule shall be null and void.

C. Additional Information Required:

In addition, Shipper must provide the following information:

1. At the time of Shipper's execution of the Service Agreement, the curtailment classification for the requested transportation in accordance with Section 17.A of the General Terms and Conditions.
2. By execution of the Service Agreement, Shipper certifies that Shipper has, or will have, title to the gas in accordance with the provisions of Section 7 of the General Terms and Conditions, and certifies that Shipper or Shipper's designee, if applicable, has secured or will have secured, prior to commencement of service, all necessary arrangements for upstream and downstream transportation, if applicable.

3. To the extent that the transportation is performed pursuant to Section 311 of NGPA, then prior to commencement of service, if transportation is on behalf of an intrastate pipeline or local distribution company, Transporter must have certification from the intrastate pipeline or local distribution company that:
  - (a) the intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point, or
  - (b) the intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time the gas is being transported by Transporter, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution company, or
  - (c) the gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that Transporter is providing transportation service.
4. Prior to execution and during the term of the Service Agreement, Shipper shall comply with the creditworthiness provisions of Section 16 of the General Terms and Conditions.

D. Extension of Term

Requests for extension of the term of a Service Agreement are subject to the provisions of Section 20 of the General Terms and Conditions.

4. RATES AND CHARGES

Unless otherwise mutually agreed to by Transporter and Shipper, the applicable rates for service under this Rate Schedule are set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 of this Tariff and are hereby incorporated herein.

For all natural gas service rendered hereunder, Shipper shall pay Transporter each month the sum of the charges listed below if applicable:

Reservation Charge - The Reservation Charge multiplied by the sum of the MDTQ for the billing month. For purposes of computation of the Reservation Charge, service shall commence as of the date specified in Section 2 above. If, on any day, Transporter fails to make available for delivery the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Charge otherwise payable shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to

make such quantity available for delivery times the daily Reservation Charge; provided however, that in the case of a failure to make available for delivery by reason of Transporter's force majeure, only the return on equity and related income tax components of the daily Reservation Charge will be included in the above referenced calculation; provided further, however, that no Reservation Charge reduction shall be provided for force majeure events that do not occur on Transporter's system (e.g., an event on a Shipper's facilities or a Transporting Pipeline's facilities). In the case of failure to make available for delivery due to Transporter's negligence or willful misconduct, nothing herein shall be construed to limit Shipper's remedies to the Reservation Charge credit provided in this Section.

**Usage Charge** - The Usage Charge multiplied by the quantity of gas transported to or for the account of Shipper by Transporter during the billing month, as determined in Section 13.1 of the General Terms and Conditions of this tariff.

**Fuel Reimbursement Charge** - The Fuel Reimbursement Charge, as defined in Section 5 of this Rate Schedule.

**Usage Surcharges** - The usage surcharges as set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 of this Tariff multiplied by the quantity of gas delivered to or for the account of Shipper by Transporter during the billing month as determined in Section 13.1 of the General Terms and Conditions of this tariff.

**Reservation Surcharges** - The reservation surcharges, as set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 of this Tariff, multiplied by the sum of the MDTQ for the billing month. If on any day, Transporter fails to make available for delivery, by reason other than force majeure, the lesser of the applicable MDTQ or such quantity as Shipper has nominated and Transporter has scheduled, the Reservation Surcharge otherwise payable by Shipper shall be reduced for the month by an amount equal to the quantity not made available for delivery times the number of days that Transporter failed to make such quantity available for delivery times the daily applicable Reservation Surcharge.

**Incidental Charges** - Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service, unless otherwise mutually agreed. Such charges may include only (i) reporting or filing fees relating to this service, (ii) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Transporter and Shipper, and (iii) such other applicable charges as may be authorized by the Commission.

Pursuant to the provisions of Sections 15.H and 15.I of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for transportation service under Rate Schedule FTS-WD-2 a Reservation, Usage and/or Fuel Reimbursement Charge which is lower than such charge based on the maximum rates set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 or provided for in Section 5

herein; provided however, that Transporter's discretion shall not be exercised on an unduly discriminatory basis and that such charge may not be less than such charge based on the Minimum Rate set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2.

Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charge, the individual Shippers affected, the total volume transported and any other information as may be required.

#### 5. FUEL REIMBURSEMENT CHARGES

Transporter shall retain a Fuel Reimbursement Charge Percentage pursuant to Section 27 of the General Terms and Conditions. The Fuel Reimbursement Charge Percentage shall be set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2 of this Tariff.

The Fuel Reimbursement Charge shall be the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Percentage listed on the Currently Effective Rates for Rate Schedule FTS-WD-2. Exceptions to the stated rate 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%; 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 or b) the stated Fuel Reimbursement Charge Percentage; and 3) where Shipper nominates and Transporter confirms and schedules a Backhaul transaction, such Backhaul transaction shall not be assessed a Fuel Reimbursement Charge or an Effective Unit Fuel Surcharge but shall be assessed the lost and unaccounted for gas percentage.

A Shipper who nominates a Forwardhaul or a Backhaul must nominate the specific Receipt Point and the specific Delivery Point (i.e., path) for each nomination, so that the applicable fuel rate, if any, can be determined.

#### 6. MAXIMUM DAILY TRANSPORTATION QUANTITY

The MDTQ shall be expressed in each Service Agreement under this Rate Schedule. The MDTQ shall be the largest quantity of gas, expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under each such Service Agreement under this Rate Schedule on any one day. The seasonal MDTQ for October, November through March, April and May through September shall be set forth in the executed Service Agreement for service under this Rate Schedule.

#### 7. MAXIMUM DAILY QUANTITY

The MDQ for any single receipt or delivery point shall be the volume set forth in the executed Service Agreement for service under this Rate Schedule which shall represent the maximum volume that Transporter will make available for delivery at a delivery point or will accept receipt of at a receipt point on any one day; provided however, that in addition to the MDQ for each

receipt point set forth on Exhibit A to Shipper's executed Service Agreement, Shipper shall tender additional volumes to be used as Transporter's fuel, based upon the Fuel Reimbursement Charge set forth on the Currently Effective Rates for Rate Schedule FTS-WD-2.

## 8. RECEIPT POINTS

### A. Primary Receipt Point(s)

The term Primary Receipt Point(s) shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS-WD-2 Service Agreement which are assigned an MDQ. Subject to the availability of firm capacity, a Shipper may request changes in Primary Receipt Points under an executed Service Agreement at any time by submitting a request pursuant to Section 3 of this Rate Schedule, but which contains only the information relevant to the changes requested. Such requested Primary Receipt Points must be in Transporter's Western Division and shall be located east of the Primary Delivery Points in Shipper's FTS-WD-2 Service Agreement.

### B. Alternate Receipt Point(s)

The term Alternate Receipt Point(s) shall include Point(s) of Receipt on Transporter's system in the Western Division other than those listed in Exhibit A of Shipper's FTS-WD-2 Service Agreement, including In-Line Transfer Points, except as provided in (A) above, and nominations in excess of the MDQ at a Primary Receipt Point. A listing of Receipt Points on Transporter's system is set forth on its Internet website.

Shipper may nominate gas at an Alternate Receipt Point(s) subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for receipt at all Primary and Alternate Receipt Points does not exceed the total MDTQ under the FTS-WD-2 Service Agreement and any quantities tendered for Fuel Reimbursement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions; provided, however, that Shipper may not utilize points outside the Western Division for any purpose. All quantities scheduled up to the MDTQ under the FTS-WD-2 Service Agreement, including those received at an Alternate Receipt Point, and quantities under any Segmented Transactions, shall be billed at the rates for service under this Rate Schedule.

## 9. DELIVERY POINTS

### A. Primary Delivery Point(s)

The term Primary Delivery Point(s) shall mean those delivery points listed on Exhibit B of Shipper's FTS-WD-2 Service Agreement which are assigned an MDQ. Subject to the availability of firm capacity a Shipper may request changes in Primary Delivery Points under an executed Service Agreement by submitting a request pursuant to Section 3 of

this Rate Schedule, but which contains only the information relevant to the changes requested. Such new requested Primary Delivery Points must be located in Transporter's Western Division and shall be located west of the Primary Receipt Points in Shipper's FTS-WD-2 Service Agreement.

B. Alternate Delivery Point(s)

The term Alternate Delivery Point(s) shall mean Point(s) of Delivery in Transporter's Western Division other than those listed on Exhibit B of Shipper's FTS-WD-2 Service Agreement which are not Primary Delivery Point(s) and nominations in excess of the MDQ at a Primary Delivery Point.

Shipper may nominate gas for delivery at an Alternate Delivery Point(s) in Transporter's Western Division subject to the provisions of Section 10 of the General Terms and Conditions, provided that, on any given day, the sum of quantities nominated for delivery at all Primary and Alternate Delivery Points does not exceed the MDTQ under the FTS-WD-2 Service Agreement, except for Segmented Transactions. For nominations under Segmented Transactions, Shipper shall comply with Section 19 of the General Terms and Conditions; provided, however, that Shipper may not utilize points outside the Western Division for any purpose.

All quantities scheduled up to the MDTQ under the FTS-WD-2 Service Agreement, including those delivered at an Alternate Delivery Point(s), and any quantities scheduled as segmented nominations or scheduled under a Segmented Transaction, shall be billed at the rates for service under this rate schedule.

10. RIGHTS UNDER SECTION 4 OF THE NATURAL GAS ACT

Transporter shall have the unilateral right to seek, through a filing under Section 4 of the Natural Gas Act (NGA) with the appropriate regulatory authority, to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-WD-2, and/or (b) Rate Schedule FTS-WD-2 pursuant to which this service is rendered; provided, however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 filing by Transporter, and/or (c) any provisions of the General Terms and Conditions applicable to Rate Schedule FTS-WD-2. Transporter agrees that Shipper may protest or contest filings of Transporter, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

11. TERMS AND CONDITIONS

The General Terms and Conditions of Transporter's FERC Gas Tariff are hereby made a part of this Rate Schedule.

## GENERAL TERMS AND CONDITIONS

### 9. ELECTRONIC COMMUNICATIONS

#### A. Non-Transactional Data

1. Transporter will maintain an Electronic Communications Mechanism ("ECM") for non-transactional data for use by any interested person and accessible via [Transporter's FGT's](http://fgttransfer.energytransfer.com) Internet website at <http://fgttransfer.energytransfer.com>. Transporter shall make information reasonably available on how to access and use the ECM.
2. The ECM will provide a search function that facilitates the location of information, and menus that permit access to system-wide notices of capacity constraints, capacity discounts, curtailment, Force Majeure, maintenance, operational flow orders, press releases, company news, phone lists, and other relevant information including affiliate information as described below. Transporter shall maintain and retain daily back-up records of the information displayed for three (3) years and permit review of those records, which will be archived and reasonably accessible. Information on the most recent entries will appear ahead of older information. Notwithstanding this Section 9.A.2, Transporter shall retain its affiliate waiver log for five years from the date of the waiver posting.
3. The above categories shall provide information including, but not limited to FERC Order Nos. 566, 599, 637 and 717 (relating to the Standards of Conduct information), operationally available and unsubscribed capacity, index of customers, the tariff, the availability of firm and interruptible capacity including: (a) a listing of any receipt or delivery point constraints, (b) the availability of capacity on the mainline(s), and (c) whether the capacity is available from Transporter directly, or through Transporter's Capacity Relinquishment mechanism as set forth in Section 18 of these General Terms and Conditions, and reports of firm and interruptible transactions in accordance with the requirements of Order 637.

#### B. Transactional Electronic Communications

1. Standards for Transactional Electronic Communication Mechanism.
  - a. Transporter will maintain a Transactional Electronic Communications Mechanism ("TECM") for use by any interested person ("TECM Party"). The TECM shall be accessible via <http://fgttransfer.energytransfer.com> and available on a not unduly discriminatory basis to any TECM Party, provided that such entity has executed a TECM Agreement in the form required by Transporter, has been assigned a user identification and password by Transporter, and has agreed to comply with the procedures for use of the

TECM. Transporter shall make information reasonably available on how to access and use the TECM.

- b. The TECM will allow the TECM Party to locate all information concerning a specific contract or capacity release transaction, and provide menus that permit a TECM Party to separately access Transporter's contracts and service agreements and notices of released gas. The TECM will permit a TECM Party to download electronically a file(s). Transporter shall maintain and retain daily back-up records of the information displayed on the TECM for three (3) years and permit a TECM Party to review those records, which will be archived and reasonably accessible.

Transporter will periodically archive transactions from the TECM files when transactions have been completed. Information on the most recent entries will appear ahead of older information. Service agreements, amendments to service agreements and other contracts shall be maintained in Transporter's files in accordance with all laws and regulations and Transporter's record retention policy.

- c. Transporter shall also post Relinquishment Notices, notice of Capacity Relinquishment Bidding Periods and all bids of Acquiring Shippers in accordance with the provisions of Section 18 of these General Terms and Conditions.
- d. Prior to issuance of the user identification and password, each TECM Party shall have executed the TECM Agreement. Transporter shall not assess costs related to the TECM, but may seek to include such costs in a Section 4 rate filing.

The foregoing provisions set forth the standards applicable to Transporter's TECM. Nothing herein shall prevent Transporter from making modifications to the TECM provided such changes are consistent with this Section.

## 2. Electronic Execution of Documents

- a. Execution. Pursuant to the provisions of this Section and the TECM Agreement, Transporter and Shippers may enter into transactions and create binding obligations by means of electronic execution of documents on the TECM. These documents include, but are not limited to, service agreements, amendments to service agreements, PNR purchase order confirmations, Delivery Point Operating Account, Operational Balancing Agreements, designee forms and any other agreements that Transporter shall make available on the TECM ("Documents"). Execution of these Documents by means of a "click" on the designated space, pursuant to the specified procedures set forth in the TECM, shall be considered, in



connection with any transaction, to be a "writing" or "in writing" and any such Document shall be deemed for all purposes (a) to have been "signed" ("Signed Document") and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business. All parties agree not to contest the validity or enforceability of such Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Further, Signed Documents, if introduced as evidence on paper in any judicial arbitration, mediation or administrative proceeding, 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 forms.

- b. Contracting. It is the Shipper's responsibility to check the TECM for any Document to be signed. Shipper shall utilize the procedures set forth in the TECM Agreement, as may be further specified on the TECM.
- c. Capacity Release Transactions. It is the Shipper's responsibility to go to the TECM either to offer or to bid upon transportation capacity. A Capacity Release transaction is initiated by the posting of capacity by any Shipper.
  - (i) Releasing Shipper. Any Shipper offering capacity for capacity release ("Releasing Shipper") will, by electronically posting capacity, automatically enter into an amendment to Shipper's underlying contract, as specified in the procedures set out in the TECM Agreement and on the TECM. Such amendment shall take effect only upon the confirmation of a prearranged transaction or upon the award of such capacity.
  - (ii) Acquiring Shipper. Any Shipper acquiring capacity through capacity release ("Acquiring Shipper") which confirms a prearranged transaction and any Acquiring Shipper which submits a bid for posted capacity will, by confirmation or entering a bid, respectively, automatically enter into a service agreement for the service set out in the posting of the prearranged transaction or in the bid, respectively, effective upon the respective confirmation or award of such capacity.

C. Execution By Means of Electronic Facsimile

- 1. Standards for Execution by Electronic Facsimile. Transporter will maintain an Execution by Electronic Facsimile Agreement ("EEFA") which shall be a prerequisite for use of execution by facsimile after the effective date of this Section 9.C. The EEFA shall ratify any and all previous documents which may have been executed using electronic facsimile.
- 2. Execution. Pursuant to the provisions of this Section and the EEFA, Transporter and Shippers may enter into transactions and create binding obligations by means of electronic facsimile execution of documents pursuant to the EEFA. These

documents include, but are not limited to, service agreements, amendments to service agreements, PNR purchase order confirmations, Operational Balancing Agreements, designee forms and any other agreements that Transporter shall make available on the TECM ("Documents"). Execution of these Documents by means of electronic facsimile pursuant to the specified procedures set forth in the EEFA, and all previously executed documents using electronic facsimile execution, shall be considered, in connection with any transaction, to be a "writing" or "in writing" and any such Document shall be deemed for all purposes (a) to have been "signed" ("Signed Document") and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business. All parties agree not to contest the validity or enforceability of such Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Further, Signed Documents, if introduced as evidence on paper in any judicial arbitration, mediation or administrative proceeding, 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 forms.

## GENERAL TERMS AND CONDITIONS

### 18. CAPACITY RELINQUISHMENT

#### A. General

This Section sets forth the sole means by which a firm Shipper ("Relinquishing Shipper") may, pursuant to Section 284.8 of the Commission's Regulations, relinquish its firm capacity rights under a service agreement with Transporter to a third party ("Acquiring Shipper").

Non-biddable relinquishments are prearranged relinquishments that are defined as follows:

1. A capacity relinquishment for any period of thirty-one (31) days or less. A firm Shipper shall not roll over, extend or in any way continue such capacity relinquishment to the same Acquiring Shipper until 28 days after the first release period has ended. This 28-day period does not apply to any release to the same Acquiring Shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding set forth in Sections A.2, A.3 or A.4 below.
2. A capacity relinquishment for more than one year at the maximum tariff rate.
3. A capacity relinquishment to an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations.
4. A capacity relinquishment to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

All other relinquishments shall be biddable.

#### B. Capacity Eligible For Release

A Shipper with a service agreement under Rate Schedule FTS-1, FTS-2, FTS-3, FTS-WD or FTS-WD-2 may relinquish all or a portion of its firm capacity ("eligible capacity") from an individual Service Agreement pursuant to this Section 18. A Shipper may also relinquish all or a portion of its NNQ under Rate Schedule NNTS; provided however, Shipper may only relinquish its Rate Schedule NNTS capacity at the Shipper's primary delivery points. Capacity held by a Shipper under any rate schedule other than as set forth above shall not be eligible for capacity relinquishment. Relinquishments under this section may not exceed the maximum rate applicable to the relinquished capacity; provided, however, that no rate limitation shall apply to a capacity relinquishment for a period of one year or less if the relinquishment is to take effect on or before one year from the date on which Transporter is notified of the relinquishment.

Re-release of capacity: Acquiring Shipper may re-release acquired capacity subject to the terms attached to the acquired capacity in all previous releases.

C. Relinquishment Types:

1. Permanent Relinquishment

This Section sets forth the terms and conditions applicable to the permanent relinquishment of eligible capacity ("Permanent Relinquishment"). Eligible capacity can be permanently relinquished solely on a reservation basis either pursuant to a transaction prearranged by Relinquishing Shipper or pursuant to the bidding procedures in Section 18.F. An Acquiring Shipper who obtains capacity relinquished hereunder shall be required to execute a separate firm service agreement with Transporter for the relinquished capacity for the primary and secondary terms set forth in the Relinquishing Shipper's service agreement.

Transporter is not required to but, may choose to accept a bid at less than the maximum rate provided that (i) Relinquishing Shipper remits as an exit fee, a lump sum payment for the difference between the maximum rate and the bid rate for the full term of the relinquishment, or agrees to remain liable for the difference between the maximum rate and the bid rate for the full term of the relinquishment, and (ii) Transporter and Acquiring Shipper reach agreement on a mechanism permitting the periodic adjustment to the bid rate to reflect subsequent rate adjustments filed for and approved by the FERC.

To the extent Transporter elects to accept bids at other than the maximum rate, Transporter shall award the capacity or portion thereof in accordance with Section 18.F.4. Transporter's decision to accept a permanent relinquishment at less than the maximum rate must be reached in a nondiscriminatory manner.

At the time the Acquiring Shipper and Transporter enter into a Service Agreement for the acquired capacity, Acquiring Shipper may, if the Relinquishing Shipper had not elected the ten-year rollover described in Section 20.C, elect such ten-year rollover in the manner set forth in Section 20.C.

2. Temporary Relinquishment:

This Section sets forth the terms and conditions applicable to temporary relinquishments of eligible capacity either pursuant to a transaction prearranged by Relinquishing Shipper or pursuant to the bidding procedures in Section 18.F. In addition to complying with these provisions, Relinquishing Shipper and Acquiring Shipper must comply with all other applicable provisions of this Section 18.

Biddability and rollover limitations: Prearranged relinquishments for 31 days or less are not subject to open season bidding, except as provided in Section 18.A.1 herein.

In the event the temporary relinquishment does not meet the non-biddable criteria set forth in Section 18.A herein, then the subject eligible capacity shall be subject to an open season bidding and the right to match pursuant to Section 18.F.

D. Capacity Release Timelines (All times are Central Clock Time)-

The capacity release timeline applies to all parties involved in the capacity release process provided that 1) all information provided by the parties to the transaction is valid and the Acquiring Shipper has been determined to be creditworthy before the capacity release bid is tendered, 2) for index-based capacity release transactions, the Relinquishing Shipper has provided Transporter with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (3) there are no special terms or conditions of the release. Further, Transporter may complete the capacity release process on a different timeline if the offer includes unfamiliar or unclear terms and conditions (e.g. designation of an index not supported by Transporter).

1. For biddable releases (1 year or less):
  - (a) Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
  - (b) Open season ends at 10:00 a.m. on the same or a subsequent Business Day.
  - (c) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken.
  - (d) If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
  - (e) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.
  - (f) The contract is issued within one hour of the award posting (with a new contract number, when applicable).
  - (g) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.
2. For biddable releases (more than 1 year):
  - (a) Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.

- (b) Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- (c) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken.
- (d) If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- (e) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.
- (f) The contract is issued within one hour of the award posting (with a new contract number, when applicable).
- (g) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

3. For non-biddable releases:

- a. The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:
  - Timely Cycle 12:00 Noon
  - Evening Cycle 5:00 p.m.
  - Intraday 1 Cycle 9:00 a.m.
  - Intraday 2 Cycle 1:30 p.m.
  - Intraday 3 Cycle 6:00 p.m.
- b. The contract is issued within one hour of the award posting (with a new contract number, when applicable).
- c. Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

4. Processing of Uploads

The Transportation Service Provider (TSP) which supports capacity release should accept and process capacity release offers from Relinquishing Shipper(s) (or its authorized third party service provider), provided the valid offer is received by the TSP prior to the respective deadline specified in NAESB WGQ Standard No. 5.3.2. Such offer should be posted as an offer and should be available for bidding by the posted-by deadline and start of bidding time specified (for the received Business

Day) in NAESB WGQ Standard No. 5.3.2 or the Relinquishing Shipper's specified Business Day (if later than the received Business Day).

The TSPs which supports capacity release should provide for the creation of capacity release bids from potential Acquiring Shipper(s) (or its authorized third party service provider), provided the valid bid is submitted no later than the respective deadline as specified in NAESB WGQ Standard No. 5.3.2. Such timely bid should be evaluated by the TSP for the purpose of identifying the winning bidder(s) associated with the offer.

E. Notice Required by Shipper

1. Notice by Relinquishing Shipper. A Shipper who desires to relinquish any or all of its eligible capacity must notify Transporter of said Shipper's desire to relinquish eligible capacity ("Relinquishing Shipper") and the terms and conditions of such proposed relinquishment. (Such notice is hereinafter referred to as the "Relinquishment Notice"). Such Relinquishment Notice shall be in writing or provided electronically pursuant to Section 9.B and in the form set out in the Tariff and shall be executed by an authorized representative of the Relinquishing Shipper. All terms and conditions a Relinquishing Shipper proposes shall be posted as set forth below. Such terms and conditions must be objectively stated, non-discriminatory and applicable to all potential bidders. Notwithstanding the above, the terms and conditions required in the Relinquishment Notice for a non-biddable capacity release to an asset manager pursuant to Section 18.A.3 need only include the information specified in Section 18.E.1.a through 18.E.1.q herein. The Relinquishment Notice shall constitute a binding offer on the part of Relinquishing Shipper to relinquish the eligible capacity pursuant to the terms of the Relinquishment Notice, until written or electronic notice of withdrawal is received by Transporter. Transporter shall reject any Relinquishment Notice that does not comply fully with the foregoing requirements. Such Relinquishment Notice shall provide the following information:
  - a. Name, address, contact person, telephone number, and facsimile number of the Relinquishing Shipper;
  - b. Whether the relinquishment is permanent or temporary;
  - c. Whether the relinquishment is recallable and, if recallable, whether on either a permanent or temporary basis, and the terms and conditions applicable to such right of recall and reput;
  - d. The specific quantity to be relinquished, stated in dekatherms per day of MDTQ by season;

- e. Identification of the Primary Receipt Point(s) capacity and Primary Delivery Point(s) capacity to be relinquished; provided further that both the sum of the Primary Receipt Point capacity relinquished by season and Primary Delivery Point capacity relinquished by season shall each equal the relinquished MDTQ set forth in (d) above; and provided further, that if the relinquishment is for a specific segment of capacity between any points on Transporter's system, such relinquishment must comply with the provisions of Section 19. At Relinquishing Shipper's request, and in-lieu of posting the relinquished Primary Receipt Point capacity from 18E.1(e), Transporter shall aggregate relinquished Primary Receipt Point capacity, and post such capacity at the closest in-line transfer point east of the receipt point capacity relinquished.
- f. The rate schedule under which the Relinquishing Shipper holds the capacity;
- g. The term of the proposed relinquishment, which in the case of a Permanent Relinquishment must equal the remaining term of the Relinquishing Shipper's existing service agreement;
- h. Identification of any Acquiring Shipper with whom Relinquishing Shipper has prearranged the relinquishment; address, contact person, telephone number; fax number, and contract number if applicable;
- i. Whether the Relinquishing Shipper will accept volumetric bids and volumetric commitments;
- j. Whether the release includes a right of first refusal where: (1) Shipper releases on a permanent basis, the remaining part of a long term contract, but where the remainder of the term is less than one year, (2) Shipper releases for the remainder of the contract term, but retains a right of recall, and/or (3) the prearranged Acquiring Shipper may match the best eligible bid(s);
- k. Whether the Relinquishing Shipper will accept contingent bids, and if so under what circumstances.
- l. The method to be used to evaluate bids. To the extent Relinquishing Shipper elects to accept volumetric bids, Shipper must also specify the method to rank competing volumetric and reservation charge bids. For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. Relinquishing Shipper must choose one of the following tariff methods:



- i. highest rate
  - ii. net revenue
  - iii. present value
- m. The method to be used to break ties if the applicable tariff method is not to be used;
- n. Whether the Relinquishing Shipper will permit the Acquiring Shipper, to request changes to Primary Receipt and/or Delivery Points;
- o. The minimum conditions, if any, the Relinquishing Shipper will accept, rates (which may be expressed in dollars and cents, percentage of the maximum rate or the index-based formula as detailed in the capacity release offer), including all reservation surcharges, volumes, and other terms and whether such minimum conditions are to be considered confidential at the time of posting;
- p. Whether the capacity to be relinquished was obtained pursuant to the provisions of this Section 18; and
- q. Whether the Acquiring Shipper is (a) an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations and, if so, include the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect or (b) a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

Acquiring Shipper will initiate confirmation of prearranged deals electronically.

## 2. Posting of Relinquishment Notice

All valid Relinquishment Notices shall be posted on Transporter's Internet website, including capacity released on a prearranged basis, upon receipt, unless Relinquishing Shipper requests otherwise. Capacity release facilitator should post offers and bids, including prearranged deals, upon receipt. A Relinquishing Shipper may request a later posting time for posting of such offer, and the capacity release service facilitator should support such request insofar as it comports with standard capacity release timeline specified in NAESB Standard 5.3.2. All Relinquishment Notices shall be binding until notice of withdrawal is received by Transporter on Transporter's Internet website. The notice posted shall contain the information set forth in 18E.1(a)-(q) above; provided however, that at Relinquishing Shipper's request, and in lieu of posting the relinquished Primary Receipt Point capacity from 18E.1(e) above, Transporter shall aggregate relinquished Primary Receipt Point capacity, and post such capacity at the closest In-Line Transfer Point east of the

Receipt Point capacity relinquished. The posting of the Relinquishment Notice shall also include:

- (1) except for releases for a period of one year or less, the maximum reservation rate (including any reservation type surcharges) applicable to the capacity;
- (2) the date and time by which bids must be submitted in accordance with the capacity release timeline; and
- (3) the date and time the Relinquishment Notice is posted.

Any minimum conditions set forth pursuant to 18E.1(o) shall be posted with the Relinquishment Notice unless the Relinquishing Shipper indicates in the Relinquishment Notice that such minimum conditions are confidential in which event Transporter shall indicate on the posted Relinquishment Notice that minimum conditions exist. After capacity has been awarded, Transporter shall post the terms of any previously undisclosed minimum conditions.

3. Withdrawal of Eligible Capacity From Capacity Relinquishment Program

The Relinquishing Shipper has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no valid minimum bid has been made.

F. Open Season Bidding:

1. During the open season and bid submittal periods, all valid bids (excluding bidders name) will be posted. Bids provided electronically must comply with the provisions of Section 9.B. All bids will be binding until notice of withdrawal is received by Transporter on Transporter's Internet website. Invalid bids will not be posted. At the close of the bidding period, any bid received by Transporter shall be deemed to be a binding offer by the prospective Acquiring Shipper to acquire capacity pursuant to the terms of the bid. A Relinquishing Shipper will not be able to specify an extension of the original bid period or the prearranged deal match period, without posting a new release. Any prospective Acquiring Shipper who has satisfied the creditworthiness pre-qualification requirements to Section 18I below, may submit a bid with the following bid information;
  - a. The identity of the bidder, including contact person, business address, phone number and facsimile number;
  - b. The relinquishment under which the capacity is available and the MDTQ separately stated by season;

- c. The requested Primary Receipt Point(s) and the Primary Delivery Point(s) and the quantity separately stated for each such point;
- d. The rate bid on a reservation charge basis between the minimum and maximum Reservation Charge (including any applicable reservation type surcharges) for the rate schedule under which the capacity is being offered for release (and/or the Reservation Charge rate for Rate Schedule NNTS service, if applicable). In the event the Relinquishing Shipper has allowed a volumetric release, the bids may be converted into a volumetric charge. The maximum rate for such volumetric releases is the maximum applicable reservation charge set forth on the Currently Effective Rates for Rate Schedule FTS-1, FTS-2, FTS-3, NNTS, FTS-WD or FTS-WD-2 plus all applicable reservation surcharges. Notwithstanding the above, no rate limitation shall apply to a capacity relinquishment for a period of one year or less if the relinquishment is to take effect on or before one year from the date Transporter is notified of the relinquishment.
- e. Any other conditions necessary to meet the terms of the Relinquishing Shipper's Relinquishment Notice; and
- f. The minimum amount of prorated capacity that the bidder will accept, if prorationing is necessary.

2. Withdrawal of Bids:

A bid may be withdrawn any time prior to the close of the bidding period; however, the same party may not submit a lower bid. Once a bidder has withdrawn its bid, the bidder may only submit a new bid for such released capacity at a higher rate. Bids cannot be withdrawn after the bid period ends.

3. Right to Match

In the event capacity is subject to the right to match, the prearranged Acquiring Shipper shall have the right to match consistent with the capacity release timeline.

4. Bid Evaluation Procedure

Transporter shall review the bids received and reject any bids that do not comply with all applicable provisions of this Section 18 and the Relinquishment Notice. Subject to the right to match, if applicable, capacity will be awarded to all Acquiring Shippers whose bids can be fulfilled without impairment of firm capacity rights held by any other Shipper or without reducing the total contractual entitlement on Transporter's system. Pursuant to Section 18.E.1.(I), Transporter will evaluate and rank all bids and will award bids, best bid first, until all offered capacity is awarded.

Tie Breakers:

In the event two or more bids contain the same bid rate, capacity will be awarded based on the first in time to submit an eligible bid; provided however, if a contingent bid and a non-contingent bid tie, capacity will be awarded to the non-contingent bidder.

5. Posting of Awards:

After the awarding of bids, Transporter shall post the winning bid(s), any minimum conditions, and the identity of the winning bidder(s). For biddable releases subject to recall, Transporter shall make available to the Relinquishing Shipper information to enable the Relinquishing Shipper to contact the Acquiring Shipper in the event of a capacity recall.

G. Return to Shipper of Relinquished Capacity Upon Expiration of Temporary Relinquishment.

Upon expiration of any relinquishment under Section 18C.2, Transporter shall return to Shipper all applicable relinquished capacity as such capacity exists upon expiration of the relinquishment. If the Relinquishing Shipper permitted the Acquiring Shipper to change Primary Receipt and Delivery Points, then the capacity returned to Shipper at the expiration of a relinquishment will reflect any such changes; provided however, if the term of the relinquishment was for a period of one month or less within a single calendar month, then the capacity rights returned to Shipper will be identical to Shipper's pre-relinquishment firm capacity rights. If the Relinquishing Shipper did not permit changes to Primary Receipt and Delivery Points, the capacity returned to Shipper at the expiration of a relinquishment shall be identical to Shipper's pre-relinquishment firm capacity rights.

H. Consummation and Effect of Relinquishment:

1. The posting process shall occur on Transporter's TECM located on Transporter's Internet website. The posting process will be utilized to execute both amendments to the service agreements with the Relinquishing Shipper and new service agreements with the Acquiring Shipper, all as more fully described in Section 9.B of these General Terms and Conditions. The amendment to the service agreement of the Relinquishing Shipper shall change the underlying service agreement to reflect the capacity rights released. The new service agreement with the Acquiring Shipper shall reflect the capacity rights acquired.
2. Status of Relinquishing Shipper. With respect to Permanent Relinquishments only, upon execution by Transporter and Acquiring Shipper of the new service agreement, and effective as of the effective date of said new service agreement, the Relinquishing Shipper shall, except as otherwise agreed to by Transporter and Relinquishing Shipper, be relieved of liability under its

existing service agreement, but only to the extent of the quantity of the executed new service agreement; provided, however, that in the event the Acquiring Shipper at the time of the relinquishment does not (i) satisfy the criteria set forth in Section 16(a) and (b) of these General Terms and Conditions; (ii) furnish and maintain for the term of the Service Agreement a written guarantee in a form satisfactory to Transporter from a third party which is creditworthy as determined in Section 16(a) and (b); or (iii) furnish other security reasonably acceptable to Transporter and its lenders, then the Relinquishing Shipper shall remain responsible for all Reservation Charges (including all applicable demand or reservation type surcharges) under the existing contract, subject to the billing adjustment and revenue sharing and crediting mechanism set forth below. With respect to all other relinquishments, Relinquishing Shipper shall remain responsible for all Reservation Charges under the existing contract, subject to the billing adjustment and revenue sharing and crediting mechanisms set forth below.

3. Status of Acquiring Shipper. An Acquiring Shipper who executes a new service agreement pursuant to the terms and conditions of this Section 18 shall, upon execution of such new service agreement, be considered a firm Shipper for all purposes under Transporter's FERC Gas Tariff, and shall be entitled to the rights (and subject to the obligations) of a Shipper under Rate Schedule FTS-1, FTS-2, FTS-3, FTS-WD or FTS-WD-2 as applicable, including, without limitation, the right to participate in Transporter's capacity relinquishment program pursuant to this Section 18, and the right to use alternate receipt and delivery points as provided for in such Rate Schedules; provided, however, that a Shipper who acquires a segment of capacity under Rate Schedule FTS-1, FTS-2 or FTS-3 which is located entirely within Transporter's Western Division acquires the Primary and Alternate Delivery Point rights of a Western Division Shipper.

I. Creditworthiness:

Pre-Qualified Bidder Requirement. All parties desiring to acquire firm capacity must be determined to be creditworthy under Transporter's FERC Gas tariff, Section 16, prior to bidding on and being awarded relinquished capacity hereunder. A bidder's creditworthiness shall be assessed on the same basis as a Shipper's creditworthiness under the terms of Transporter's Rate Schedule FTS-1, FTS-2, FTS-3, FTS-WD or FTS-WD-2 as applicable.

J. Recall/Reput Rights:

A Relinquishing Shipper has the right to utilize the standard tariff method as defined below or a Relinquishing Shipper has the right to define the condition(s) precedent that will result in a recall and reput (return to Acquiring Shipper) of capacity subject to a Temporary Relinquishment by specifying such conditions in the Relinquishment Notice. The Relinquishing Shipper has no right to recall the relinquished capacity, other than any

rights set forth in the Relinquishment Notice. This relinquished capacity is recallable in whole or in part at the discretion of the Relinquishing Shipper. At the end of the recall period, the capacity recalled reverts (reputs) back to the original Acquiring Shipper in whole or in part. The terms and conditions of any recall rights shall not be inconsistent with the terms and conditions of the Relinquishing Shipper's existing service agreement with Transporter nor the provisions of Transporter's FERC Gas Tariff. No right of recall shall be permitted for any other type of relinquishment. Transporter shall continue to apply all tariff provisions to the Shipper of record until notified of a recall or notified of the termination of such recall and shall change the Shipper of record on a prospective basis only after proper notification of a change. Transporter has the right to rely on a Relinquishing Shipper's notice and a Relinquishing Shipper shall defend and indemnify Transporter against any claims, losses, liabilities, or expense (including reasonable attorney's fees) resulting from claims by any Acquiring Shipper that relinquished capacity was not recalled in accordance with the recall rights specified by the Relinquishing Shipper.

All TSPs should support the following recall notification periods for all released capacity subject to recall rights:

- (i) Timely Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 9:00 a.m. on the day that Timely Nominations are due;
- (ii) Early Evening Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 4:00 p.m. on the day that Evening Nominations are due;
- (iii) Evening Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;

- (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 6:00 p.m. on the day that Timely Nominations are due;
- (iv) Intraday 1 Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due;
- (v) Intraday 2 Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 12:00 p.m. on the day that Intraday 2 Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 1:00 p.m. on the day that Intraday 2 Nominations are due;
- (vi) Intraday 3 Recall Notification:
  - (a) A Relinquishing Shipper recalling capacity should provide notice of such recall to the TSP and the first Acquiring Shipper no later than 4:00 p.m. on the day that Intraday 3 Nominations are due;
  - (b) The TSP should provide notification of such recall to all affected Acquiring Shippers no later than 5:00 p.m. on the day that Intraday 3 Nominations are due.

For recall notification provided to the TSP prior to the recall notification deadline specified in NAESB WGQ Standard No. 5.3.44 and received between 7:00 a.m. and 5:00 p.m., the TSP should provide notification to all affected Acquiring Shippers no later than one hour after receipt of such recall notification.

For recall notification provided to the TSP after 5:00 p.m. and prior to 7:00 a.m., the TSP should provide notification to all affected Acquiring Shippers no later than 8:00 a.m. after receipt of such recall notification.

The Relinquishing Shipper shall submit recall or reput notification to Transporter using Transporter's Internet website.

K. Billing and Payment:

An Acquiring Shipper shall be billed by Transporter and shall make payments to Transporter in accordance with the terms of Transporter's FERC Gas Tariff and Shipper's executed service agreement.

For relinquishments under Section 18C.2, to the extent the Acquiring Shipper's bid was on a reservation charge basis, Transporter shall credit the reservation charge of the Relinquishing Shipper's invoice for the month of the relinquishment.

For relinquishments under Section 18C.2 where the Acquiring Shipper's bid was on a volumetric basis, Transporter shall make a reservation charge credit to the usage charge of the Relinquishing Shipper's invoice for the month of the relinquishment and/or make payment to the Relinquishing Shipper by the due date for payment of usage charges to the extent that the reservation charge credit exceeds the Relinquishing Shipper's usage charge invoice. Transporter shall not provide a reservation charge credit to the Relinquishing Shipper in a Permanent Relinquishment.

The Acquiring Shipper shall be obligated to pay Transporter the usage charge effective under the rate schedule pursuant to which service is rendered, plus all applicable volumetric surcharges and fuel charges, applied to the volumes Transporter transports under the Acquiring Shipper's new service agreement.

Transporter will retain the revenues from the usage charge, applicable volumetric surcharges, and fuel charges it receives from the Acquiring Shipper.

L. Transporter's Right to Terminate a Temporary Capacity Relinquishment

Transporter may elect to terminate a Temporary Capacity Relinquishment upon 30-days' written notice to the Acquiring Shipper under the following conditions:

1. The Relinquishing Shipper has failed to maintain creditworthiness pursuant to Section 16; and
2. Transporter has terminated the Relinquishing Shipper's Service Agreement; and
3. The rate paid by the Acquiring Shipper is less than the Relinquishing Shipper's contract rate.

Acquiring Shipper may avoid termination of the Temporary Capacity Relinquishment if, prior to the end of the 30-day notice period, Acquiring Shipper agrees that, beginning the first day after the end of the 30-day notice period, it will pay the lower of: (1) the Relinquishing Shipper's contract rate or (2) the maximum tariff rate under the applicable rate schedule for the remainder of the relinquishment term.



M. Requests to Purchase Releasable Capacity

Any party may initiate a request to purchase releasable firm capacity by following the instructions posted on Transporter's ~~Internet~~~~Informational Postings~~ website located at <http://fgttransfer.energytransfer.com> under "Notices, Request to Purchase Releasable Capacity." The form shall specify the terms and conditions of the request and the location of the posting on Transporter's ~~Internet~~~~Informational Postings~~ website. Such offer to purchase released capacity shall be posted on Transporter's ~~Internet~~~~Informational Postings~~ website for 30 days.

## GENERAL TERMS AND CONDITIONS

### 21. REQUESTING SERVICE ON EXISTING MAINLINE FACILITIES

Transporter will post on its Internet website the availability of firm and interruptible capacity for transportation service. Transporter will provide not unduly discriminatory access to transportation capacity to all Shippers, including without limitation, local distribution companies, end-users, producers, brokers, marketers and other potential shippers who desire such service. Transporter's obligation to provide firm service shall also be subject to the availability of existing capacity to provide the requested service.

#### A. Procedures to Obtain Interruptible Capacity

To obtain interruptible capacity, Shippers must have executed a Service Agreement under Rate Schedule ITS-1 or ITS-WD, and must comply with the nomination procedures set forth at Section 10 of these General Terms and Conditions.

#### B. Procedures to Obtain Firm Capacity

1. If and when any Market Area or Western Division firm capacity on existing facilities becomes available for service to start immediately or in the future, other than through the capacity relinquishment program set forth in Section 18, Transporter shall conduct an Open Season for such capacity. Notice of the Open Season shall be posted on Transporter's Internet website for a period of not less than five (5) business days. Such open season posting shall identify the applicable rate schedule under which such capacity is available, a description of the capacity and the mainline area available, any known constraints on normal pipeline operations, and other applicable and relevant information. Shippers or potential Shippers interested in obtaining capacity must submit a request, in writing or electronically, during the specified Open Season. Requests must follow the format set forth in Section 3 of the rate schedule under which the firm capacity is available. Transporter will satisfy all requests which are feasible given existing facilities and existing MDTQ and MDQ and which can be fulfilled without impairment of firm capacity rights held by any other Shipper or without reducing the total contractual entitlements on Transporter's system.
2. To the extent Transporter is unable to satisfy all of the requests and in the event all competing bids reflect a straight fixed variable rate design, Transporter shall award the capacity or portion thereof based on the request with the highest net present value of the reservation charges for the subject capacity not exceeding the maximum rate applicable to such capacity; provided that Transporter shall not be required to satisfy any request for capacity at less than maximum rate, as it may be adjusted from time to time. For the purposes of determining the best bid and allocating capacity, Shippers willing to pay more than the maximum tariff rate will

be considered to be paying the maximum tariff rate. In the event competing bids reflect different rate forms, Transporter shall award the capacity or portion thereof based on the request with the highest net present value of the total expected revenues for the subject capacity, not exceeding revenues based on the maximum 100% load factor tariff rate applicable to such capacity. Transporter will calculate the expected usage revenues from each bidder by applying the expected load factor for each bidder to the volumetric portion of such bid. Transporter shall prorate the available capacity among requests yielding an equivalent net present value. Transporter shall post the winning request(s) and the method of evaluating such request(s) within twenty-four (24) hours after the award of capacity. Irrespective of whether a bid has the highest net present value of the bids received, Transporter may reject bids for service that may detrimentally impact the operational integrity of Transporter's system, do not satisfy all the terms of the specified posting, or contain terms and conditions other than those set forth in Transporter's tariff. Transporter may but shall not be obligated to award capacity to bids that are not for continuous service at a constant MDTQ for the entire term of the service. Transporter shall award open season bids for service in a not unduly discriminatory manner. After evaluation of bids, if Transporter rejects a bid in response to an open season posting pursuant to this Section 21 due to operational integrity concerns, incompleteness, bid provisions contrary to the tariff, bids that are not for continuous service at a constant MDTQ for the entire term of the service, or for any other reason, Transporter will promptly notify Shipper via e-mail of its reason(s) for such rejection.

3. Transporter will post any capacity not awarded in the open season on its Internet website as available unsubscribed capacity. Transporter shall award such capacity on a first-come, first-served basis to Shippers that offer the maximum tariff rate or an acceptable discounted or negotiated rate for service to commence within ninety (90) days.

C. Future Sales of Capacity

1. Transporter may sell firm capacity with a service commencement date more than ninety (90) days in the future when such capacity is (1) available unsubscribed capacity, (2) capacity that will become available and is not subject to a right of first refusal or unilateral rollover provision, or (3) available due to modification, construction and/or acquisition of facilities, by either conducting an open season or by selling such capacity on a prearranged basis. Transporter will separately identify on its Internet website all capacity that is anticipated to become available in the future.
2. When Transporter conducts an open season, it will post notice of the open season on its Internet website for at least five (5) business days to afford all potential Shippers an opportunity to acquire the capacity. Such open season posting shall identify the applicable rate schedule under which such capacity is available, a

description of the capacity and the mainline area available, any known constraints on normal pipeline operations, and other applicable and relevant information. Any potential Shipper wishing to acquire capacity may request an immediate or future commencement date (if the capacity will become available in the future). Transporter shall award capacity on a net present value basis consistent with GT&C Section 21.B.2.

3. When Transporter sells future capacity on a prearranged basis, Transporter will post the terms of the prearranged transaction and other parties will have an opportunity to bid on the capacity. Within three (3) business days of entering into a prearranged service agreement, Transporter will post a notice on its Internet web site indicating that the prearranged capacity will be subject to an open bidding process for a period of not less than five (5) 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 net present value, the prearranged Shipper will have a one-time right to match the higher bid in order to retain the capacity. The prearranged Shipper must notify Transporter within three (3) business days of its election to either match the bid with the highest net present value or terminate the prearranged agreement. If the prearranged Shipper elects not to match a higher competing bid, the capacity will be awarded to the highest creditworthy bidder in accordance with GT&C Section 21.B.2. If there is an open season ongoing for certain capacity, Transporter shall not enter into a prearranged deal for that capacity during the open season. Transporter shall not enter into any prearranged deals for capacity that has not previously been posted on its Internet website.

D. Reserved Capacity

In addition to the procedures set forth in this Section 21, Transporter shall have the right, but shall not be obligated, from time to time to hold open seasons for potential expansion projects or for available capacity for which no request has been received. During any such open season, Transporter shall allocate the capacity subject to such open season on the basis of the highest net present value to Transporter, as determined pursuant to the method described in Section 21.B.2. In this connection, to the extent Transporter has (i) available unsubscribed capacity or (ii) capacity under expiring or terminating service agreements where such capacity is not subject to a right of first refusal or Shipper does not exercise its right of first refusal, Transporter reserves the right, but shall not be obligated, to reserve such capacity for a future expansion project. Transporter may reserve capacity for a future expansion project for which an open season has been held or will be held. Any capacity reserved pursuant to this Section 21.D must first be posted as available capacity on Transporter's Internet website for at least five (5) business days. Any capacity reserved under this Section 21.D may be reserved for up to twelve (12) months prior to the time Transporter files for certificate approval for proposed construction of a related project and thereafter until all expansion facilities are placed into service. Any open season posting for an expansion project shall include a solicitation for turnback capacity from Transporter's

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

E. Interim Capacity

Any capacity that is awarded in a future sale pursuant to Section 21.C will be made available to other Shippers on an interim basis up to the commencement date of the prospective firm transportation service agreement. Any capacity reserved under Section 21.D shall be made available for transportation service on an interim basis up to, but not including, the in-service date of the related expansion project(s). If such interim capacity would otherwise be eligible for the right of first refusal pursuant to GT&C Section 20.B or a rollover provision pursuant to Section 20.A.2, the interim service agreement shall reflect a limitation on the renewal rights commensurate with the future service commencement date.

F. Procedures to Obtain Firm Capacity at a New Location Within Shipper's MDTQ

Firm Shippers interested in obtaining firm capacity at a new location or an increase in MDQ at an existing location, which new location or increase in MDQ requires the construction of facilities but not the increase in Shipper's total contractual MDTQ, shall submit a request, in writing or electronically, for capacity pursuant to Section 3 of the FTS-1, FTS-2, FTS-3, FTS-WD or FTS-WD-2 Rate Schedule, but which contains only the information relevant to the changes requested.

G. Construction of Facilities

Transporter shall have no obligation to modify its existing facilities or construct new facilities in order to receive or deliver Shipper's gas unless otherwise ordered by the Commission. However, if a Shipper requests new or additional transportation service and Transporter is agreeable to providing the requested service it will do so on the following terms, unless otherwise agreed to in writing, on a not unduly discriminatory basis:

1. If Transporter agrees to construct, own and operate lateral pipelines (if applicable), metering and regulating facilities that include electronic measurement and data communication equipment (if applicable) and/or new and/or additional points of delivery to such Shipper or points of receipt from such Shipper: (1) the metering and regulating facilities shall be installed at point(s) which, in Transporter's reasonable judgment, is the most practical, convenient and readily accessible location; (2) the lateral pipeline (if any) shall be installed by use of not less than a nominal four-inch (4") diameter pipe; (3) the Shipper will provide all exhibits necessary to support the proposed service for any needed FERC proceedings and; (4) the Shipper will contribute an aid-to-construction amount to Transporter which is equal to the cost of the additional facilities including all costs involved in filing any applications, pursuing said approvals, and in obtaining all licenses and permits

required for the services or construction and, further, amounts necessary to reimburse any costs, including any income taxes that may be incurred by Transporter as a result of the contribution. Transporter and Shipper will agree on which party will construct and/or own and/or operate any facilities to be constructed.

2. Shippers, whether new or existing, shall bear all costs and expenses attributable to the construction of any lateral pipelines or expansions of existing lateral pipelines. Nothing in this section shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act.

Further, nothing in this section shall prevent Transporter from contesting an application for service filed pursuant to Section 7(a) of the Natural Gas Act. Transporter reserves the right to seek a waiver of the policy set forth herein, for good cause shown, during any proceeding before the Commission instituted under Section 7 of the Natural Gas Act.

3. On a not unduly discriminatory basis, Transporter may agree to pay for all or part of the cost incurred by Transporter for the modification or construction of taps, valves, measurement equipment, laterals, or other facilities required at receipt or delivery point(s) to effectuate the receipt from, or delivery to, Shipper of natural gas, as requested hereunder, when the construction or modification of such facilities is economically beneficial to Transporter. Notice of any such construction subsidy shall be posted on Transporter's Internet website for a period of thirty (30) days following any such agreement.

For the purposes of determining whether a project to receive or deliver gas for Shipper is economically beneficial to Transporter, Transporter will evaluate each prospective project, on a not unduly discriminatory basis, based upon, among other criteria, the cost of the facilities to be constructed for such Shipper by Transporter, the incremental operating and maintenance expenses and/or administrative and general expenses which would be attributable to the facilities, and the revenues which Transporter estimates will be generated as a result of constructing and/or modifying such facilities.

H. Execution of Service Agreements

Upon a determination by Transporter that sufficient capacity exists to provide a requested firm service under 21.B, 21.C, 21.D, 21.E or 21.F, Transporter will make available on its Internet website to the requesting Shipper a Service Agreement in the form contained in Transporter's FERC Gas Tariff for the requested service. Shipper must execute, in writing or electronically pursuant to the procedures in Section 9.B of these General Terms and Conditions, and return such Service Agreement to Transporter within fifteen (15) days of receipt or its availability on Transporter's Internet website. Failure to execute the Service Agreement shall result in Shipper's forfeit of its allocation of capacity under 21.B. Any forfeited allocation of capacity shall be reallocated pursuant to the procedures contained herein.

[The header on this page may contain information related to the identification of the Service Agreement necessary for administrative purposes.]

[FORM OF ]SERVICE AGREEMENT

Firm Transportation Service - Market Area  
Rate Schedule FTS-2

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper"),

[or, alternatively, omit the above paragraph and, when applicable, pursuant to Section 1(e) of Rate Schedule FTS-2, insert the following paragraph:]

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter") and \_\_\_\_\_, as agent, for \_\_\_\_\_ ("Principals"), hereinafter individually and collectively referred to as "Shipper," which Principals meet the requirements set forth in Section 1(e) of Rate Schedule FTS-2 which is incorporated herein by reference,]

W I T N E S S E T H

[Insert applicable WHEREAS clauses for background and informational purposes -- not to include binding consideration]

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Transporter and Shipper do covenant and agree as follows:

ARTICLE I  
Definitions

[Include the information below in Article I of this Agreement only in the event of agreement or settlement related to an expansion of Transporter's system. Otherwise Article I shall read in its entirety as follows: "Article I - Not Applicable".]

In addition to the definitions incorporated herein through Transporter's Rate Schedule FTS-2, the following terms when used herein shall have the meanings set forth below:



1.1 The term "Rate Schedule FTS-2" shall mean Transporter's Rate Schedule FTS-2 as filed with the FERC and as may be changed and adjusted from time to time by Transporter in accordance with Section 4.2 hereof or in compliance with any final FERC order affecting such rate schedule.

1.2 The term "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has authority to regulate the rates and services of Transporter.

1.3 The term "Facilities" shall mean any facilities necessary to render service under this Agreement.

1.4 The term "In-Service Date" shall mean the date the Facilities, as defined in 1.3, shall go into service.

## ARTICLE II Quantity

2.1 The Maximum Daily Transportation Quantity ("MDTQ") is set forth on a seasonal basis, and by Division if applicable, on Exhibit B attached hereto as the same may be amended from time to time. The applicable MDTQ shall be the largest daily quantity of gas expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under this Service Agreement on any one day.

2.2 During the term of this Agreement, Shipper may tender natural gas for transportation to Transporter on any day, up to the MDTQ plus Transporter's fuel, if applicable. Transporter agrees to receive the aggregate of the quantities of natural gas that Shipper tenders for transportation at the Receipt Points, up to the maximum daily quantity ("MDQ") specified for each receipt point as set out on Exhibit A, plus Transporter's fuel, if applicable, and to transport and make available for delivery to Shipper at each Delivery Point specified on Exhibit B, up to the amount scheduled by Transporter less Transporter's fuel, if applicable (as provided in Rate Schedule FTS-2), provided however, that Transporter shall not be required to accept for transportation and make available for delivery more than the MDTQ on any day.

## ARTICLE III Payment and Rights in the Event of Non-Payment

3.1 Upon the commencement of service hereunder, Shipper shall pay Transporter, for all service rendered hereunder, the rates established in Article IV herein.

3.2 Termination for Non-Payment. In the event Shipper fails to pay for the service provided under this Agreement, pursuant to the conditions set forth in Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter shall have the right to suspend or terminate this Agreement pursuant to the conditions set forth in said Section 15.

ARTICLE IV  
Rates and Terms and Conditions of Service

4.1 This Agreement in all respects shall be and remain subject to the provisions of Rate Schedule FTS-2 and of the applicable provisions of the General Terms and Conditions of Transporter on file with the FERC (as the same may hereafter be legally amended or superseded), all of which are made a part hereof by this reference.

4.2 Transporter shall have the unilateral right to file with the appropriate regulatory authority and seek to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-2, (b) Rate Schedule FTS-2 including the Form of Service Agreement and the existing Service Agreement pursuant to which this service is rendered; provided however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 Filing by Transporter, and/or (c) any provisions of the General Terms and Conditions of Transporter's Tariff applicable to Rate Schedule FTS-2. Transporter agrees that Shipper may protest or contest the aforementioned filings, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

4.3 [Include Section 4.3 in this Agreement only if a fuel cap is agreed to. Otherwise Section 4.3 shall read in its entirety as follows: "4.3 – Not Applicable".]  
Shipper shall provide fuel for use by Transporter, which shall be a separately stated fuel percentage. Such fuel percentage shall not exceed \_\_\_%, on an annual average basis, of the quantities received by Transporter at Shipper's Receipt Points (exclusive of fuel reimbursement) ("Fuel Rate Cap"), which Fuel Rate Cap shall be effective only for so long as a system average fuel rate is utilized for deliveries in Transporter's Market Area.

[The language regarding a rate cap provision and prohibition on Market Area fuel design changes contained in paragraphs 4.3 and 4.4 of previous Version No. 6 of this tariff record, Rate Schedule FTS-2, Form of Service Agreement, continues to apply to Rate Schedule FTS-2 Service Agreements that are in effect as of August 1, 2015.]

ARTICLE V  
Term of Agreement

5.1 This Agreement shall become effective \_\_\_\_\_ and shall continue in effect \_\_\_\_\_ [include end date of primary term and any applicable rollover or Right of First Refusal details].

5.2 In the event the capacity being contracted for was acquired pursuant to Section 18.C.2 of Transporter's Tariff, then this Agreement shall terminate on the date set forth in Section 5.1 above. Otherwise, upon the expiration of the primary term and any extension or roll-over, termination will be governed by the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff.

5.3 For a Shipper in the business of generating and distributing electricity and who sign a Service Agreement with a term of twenty (20) years or more, in the event of the enactment of any statute or the issuance of any order, rule, or regulation by a state or federal governmental authority that changes the electric market structure in the State of Florida, Shipper shall have the right, upon three (3) years prior written notice to Transporter, to terminate that portion of the firm quantity provided for in Shipper's Service Agreement utilized for electric generation at any time after the tenth anniversary of the commencement of the primary term of the Shipper's Service Agreement.

5.4 Shipper may buy out of a Service Agreement for all or a portion of its transportation capacity ("MDTQ") thereunder, at any time, by paying Transporter the net present value of Shipper's remaining reservation charge obligations for such capacity, discounted at a reasonable rate to be mutually agreed upon by the parties at the time of such buy-out.

5.5 Notwithstanding any other provision in this Agreement, after commencement of service under this Agreement, in the event that: (1) Shipper is capable of using gas; and (2) Transporter is unable to deliver Shipper's designated volumes at the specified Delivery Point(s) and at the pressures provided for in this Agreement for a period of two consecutive days ("Service Cessation"), Shipper shall have the right to reduce the MDTQ by the volumes not delivered, without costs or penalty, by providing written notice to Transporter within forty-five (45) days of such occurrence; provided, however, that if a Service Cessation occurs more than five (5) times in any calendar year, Shipper shall have the right to terminate this Agreement by providing written notice to Transporter within forty-five (45) days of such occurrence; provided further, however, that if Transporter's failure to deliver is due to events of Transporter's *force majeure* as defined in Rate Schedule FTS-2, Shipper shall have the right to terminate or to reduce the MDTQ only in the event such *force majeure* continues for more than one hundred eighty-five (185) consecutive days of any three hundred sixty-five (365) day period.

#### ARTICLE VI

##### Point(s) of Receipt and Delivery and Maximum Daily Quantities

6.1 The Primary Point(s) of Receipt and maximum daily quantity for each Primary Point of Receipt, for all gas delivered by Shipper to Transporter under this Agreement shall be at the Point(s) of Receipt on the pipeline system of Transporter or any Transporting Pipeline as set forth in Exhibit A attached hereto, as the same may be amended from time to time. In accordance with the provisions of Section 8.A. of Rate Schedule FTS-2 and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Receipt. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-2 and the applicable General Terms and Conditions of its Tariff.

6.2 The Primary Point(s) of Delivery and maximum daily quantity for each point for all gas made available for delivery by Transporter to Shipper, or for the account of Shipper, under this Agreement shall be at the Point(s) of Delivery as set forth in Exhibit B hereto, as same may be amended from time to time, and shall be in Transporter's Market Area; provided, however, that a Shipper who acquires a segment of FTS-2 capacity in the Western Division may only request new Delivery Points in Transporter's Western Division. In accordance with the provisions of Section 9.A. of Rate Schedule FTS-2 and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request

changes in its Primary Point(s) of Delivery provided that such new requested Primary Delivery Points must be located in Transporter's Market Area; provided, however, that a Shipper who acquires a segment of FTS-2 capacity in the Western Division may only request new Delivery Points in Transporter's Western Division. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-2 and the applicable General Terms and Conditions of its Tariff. Transporter is not obligated to accept changes where the new Primary Delivery point is also a delivery point under a Rate Schedule SFTS Service Agreement and the load to be served is an existing behind-the-gate customer of a Rate Schedule SFTS Shipper as defined in Section 11 of Rate Schedule SFTS.

ARTICLE VII  
Notices

All notices, payments and communications with respect to this Agreement shall be in writing and sent to Transporter's address posted on Transporter's Internet website or to Shipper's address stated below or at any other such address as may hereafter be designated in writing:

Shipper: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone No. \_\_\_\_\_  
Fax No. \_\_\_\_\_

ARTICLE VIII  
Construction of Facilities

8.1 To the extent that construction of new or requested facilities is necessary to provide service under this Service Agreement, such construction, including payment for the facilities, shall occur in accordance with Section 21 of the General Terms and Conditions of Transporter's Tariff.

8.2 Unless otherwise agreed to by the parties, Shipper is obligated to reimburse Transporter within fifteen (15) days of receipt of invoice for the costs of the construction of new or requested taps, meters, receipt and delivery point upgrades, and supply and delivery laterals and any other construction necessary to receive gas into, and deliver from, Transporter's existing or proposed facilities. To the extent such reimbursement qualifies as a contribution in aid of construction under the Tax Reform Act of 1986, P.L. 99-514 (1986), Shipper also shall reimburse Transporter for the income taxes incurred by Transporter as a direct result of such contribution in aid of construction by Shipper; as calculated pursuant to FERC's order in Transwestern Pipeline Company, 45 FERC Paragraph 61,116 (1988). Unless otherwise agreed to, Transporter shall have title to and the exclusive right to operate and maintain all such facilities.

ARTICLE IX  
Regulatory Authorizations and Approvals

[Include the language below in Article IX of this Agreement only in the event of agreement or settlement related to an expansion of Transporter's system. Otherwise Article IX shall read in its entirety as follows: "Article IX – Not Applicable".]

Transporter's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization, in a form acceptable to Transporter in its sole discretion, to provide Firm Transportation Service to Shipper in accordance with the terms of Rate Schedule FTS-2, this Service Agreement and the General Terms and Conditions of Transporter's Tariff.

#### ARTICLE X Pressure

10.1 The quantities of gas delivered or caused to be delivered by Shipper to Transporter hereunder shall be delivered into Transporter's pipeline system at a pressure sufficient to enter Transporter's system, but in no event shall such gas be delivered at a pressure exceeding the maximum authorized operating pressure or such other pressure as Transporter permits at the Point(s) of Receipt.

10.2 Transporter shall have no obligation to provide compression and/or alter its system operation to effectuate deliveries at the Point(s) of Delivery hereunder.

[Include Section 10.3 in this Agreement only in the event of agreement or settlement related to an expansion of Transporter's system. Otherwise Section 10.3 shall read in its entirety as follows: "10.3 – Not Applicable".]

10.3 In the event the service to be rendered hereunder requires the construction of facilities, the quantities of gas to be delivered by Transporter to Shipper hereunder shall be delivered to Shipper at \_\_\_\_\_ at a minimum pressure of \_\_\_\_\_ (\_\_\_\_) psig.

#### ARTICLE XI Other Provisions

[Any of the following sections may be included in Article XI of this Agreement in the event of agreement or settlement related to an expansion of Transporter's system. If any section is inapplicable, then such inapplicable section shall read in its entirety as follows: "11.\_ - Not Applicable". If all sections below are inapplicable, then Article XI shall read in its entirety as follows: "Article XI – Not Applicable".]

11.1 Prior to Transporter's execution of this Agreement, Shipper must demonstrate creditworthiness satisfactory to Transporter. In the event Shipper fails to establish creditworthiness within fifteen (15) days of Transporter's notice, Transporter shall not execute this Agreement and this Agreement shall not become effective.

11.2 If service requires the construction of facilities, service pursuant to this Agreement is expressly subject to the following conditions:

- (a) (i) The issuance, and acceptance by Transporter, of all necessary authorizations from the FERC pursuant to the Natural Gas Act or Natural Gas Policy Act permitting Transporter to construct, own and operate the Facilities and to effectuate the proposed service hereunder. All such authorizations shall be in form and substance satisfactory to Transporter, and shall be final before the respective governmental authority and no longer subject to appeal or rehearing; provided, however, that Transporter may waive the condition that such authority be final and/or no longer subject to appeal or rehearing.
- (ii) Shipper shall have the right to terminate this Agreement in the event that it determines, in good faith, that a condition in the FERC authorization materially adversely affects its business and operations. If Shipper elects to terminate under this provision, it will notify Transporter in writing within fifteen (15) days of the issuance of such authorization.
- (b) This Agreement is subject to approval of the board of directors of Transporter and receipt and acceptance by Transporter of all other approvals required to construct the Facilities, including all necessary authorizations from federal, state, local, and/or municipal agencies or other governmental authorities. All such approvals shall be in form and substance satisfactory to Transporter, and shall be final before the respective governmental authority and no longer subject to appeal or rehearing; provided, however, that Transporter may waive the condition that such authority be final and/or no longer subject to appeal or rehearing.
- (c) The receipt of executed firm transportation service agreements sufficient to economically justify construction of the Facilities, if required, in Transporter's sole opinion.
- (d) So long as the FTS-2 rates are designed on an incremental basis, Shipper agrees to support the rate methodology underlying the existing FTS-2 rates for the Facilities and service rendered under this Agreement, in any proceeding before the FERC during the term of this Agreement.
- (e) Receipt by Transporter of all necessary right-of-way easements or permits in form and substance acceptable to Transporter; and
- (f) Transporter obtaining financing to construct the Facilities, in a form and under terms satisfactory to Transporter, in Transporter's sole opinion. Shipper agrees to provide reasonable cooperation in Transporter's effort to obtain financing.
- (g) The issuance and acceptance by Shipper, of all necessary federal, state or local authorizations, if any, required for Shipper to construct, own, and operate any

necessary facilities; provided however, that Shipper must notify Transporter by \_\_\_\_\_ of any necessary authorizations lacking, otherwise this condition shall be deemed waived by Shipper.

11.3 Subject to the other provisions of this Article XI, Transporter agrees to make all reasonable efforts to obtain the necessary authorizations, financing commitments and all other approvals necessary to effectuate service under this Agreement. Shipper agrees to exercise good faith in the performance of this Agreement by supporting Transporter's efforts to obtain all necessary authorizations, financing and other approvals necessary to effectuate service under this Agreement.

11.4 Notwithstanding any other provision herein, at any time prior to Transporter's acceptance of all authorizations necessary to construct the Facilities, Transporter retains the right to terminate this Agreement, and to withdraw any requests or applications for regulatory approvals.

11.5 Shipper may elect to construct, own and operate the meter and regulation equipment and any heaters or gas conditioning facilities desired at the delivery point. If Shipper elects to construct facilities: Transporter will design and provide bid and/or construction drawings, and a material list for any Shipper-Owned facilities ("Shipper Facilities"). Shipper agrees to reimburse Transporter the fair market value for design services within fifteen (15) days of receipt of such drawings. Shipper will provide Transporter as-built drawings of the facilities constructed by Shipper within thirty (30) days after completion of project.

- (a) Shipper agrees that all Shipper Facilities will be constructed and operated to the design and specifications provided by Transporter;
- (b) Transporter shall have the right to inspect the facilities during and after construction, including any future revisions, and reject any facilities not meeting specifications, United States Department of Transportation codes (Office of Pipeline Safety), AGA standards, applicable state requirements and Transporter's FERC Gas Tariff requirements. Shipper will notify Transporter forty-eight (48) hours in advance of beginning the construction of its facilities so that Transporter can arrange for inspection by Transporter personnel;
- (c) Shipper will construct, own, operate and maintain in good operating condition and repair (including without limitation, ordinary upkeep, and replacement and repairs whether ordinary or extraordinary in nature), the (1) meter station, (2) regulators, (3) a dehydrator and a separator with high liquid control shut-in capability; together with adequate liquid storage and secondary containment facilities, (4) all piping and fencing, and (5) a road located within the Meter Site constructed to withstand vehicular ingress and egress during all weather conditions and during all times of the year. In the event Shipper fails to maintain its facilities as described above and such failure is interfering with Transporter operations, Transporter may perform such services and bill Shipper the cost for the operation, maintenance or repair of such facilities including Transporter overhead. In the event such facilities become incapable of

accurately measuring gas volumes, Transporter reserves the right to require Shipper to modify such facilities at Shipper's cost to meet the current design volume requirement;

- (d) Shipper will install any and all equipment needed to protect its facilities upstream or downstream of the Receipt Point. Shipper will maintain a minimum flow rate at which the meter will operate properly; and
- (e) Shipper agrees to provide, at no cost to Transporter, the following: requested electric service, telephone service and housing needed for Transporter to install Electronic Flow Measurement ("EFM") and communication equipment, and appropriate rights of ingress and egress to operate, maintain, check, and repair such equipment.

ARTICLE XII  
Miscellaneous

- 12.1 (a) This Agreement shall bind and benefit the successors and assigns of the respective parties hereto; provided however, that neither party shall assign this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other party, which consent shall not be unreasonably withheld.
- (b) Shipper may also assign its rights under the Final Rate Cap but only in the event that such assignment is to third party that has a Moody's credit rating equal to or greater than that of Shipper.

12.2 No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future defaults of a like or different character.

12.3 This Agreement contains Exhibits A and B which are incorporated fully herein.

12.4 THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO ANY CONFLICT OF LAWS DOCTRINE WHICH WOULD APPLY THE LAWS OF ANOTHER JURISDICTION.

ARTICLE XIII  
Superseding Prior Service Agreements

This Agreement supersedes and replaces the following Service Agreements between  
Transporter  
and Shipper:



IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers effective as of the date first written above.

TRANSPORTER

SHIPPER

FLORIDA GAS TRANSMISSION COMPANY, LLC

\_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

\_\_\_\_\_  
(Please type or print name)

\_\_\_\_\_  
(Please type or print name)

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

EXHIBIT A  
TO  
RATE SCHEDULE FTS-2 SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

---

DATED

\_\_\_\_\_, \_\_\_\_  
Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit A: \_\_\_\_\_

[Transporter and Shipper may use any format to display the description of Points of Receipt with associated Maximum Daily Quantity (MDQ) by season, month and/or date range and the Maximum Daily Transportation Quantity (MDTQ).]

(Quantities are exclusive of Fuel Reimbursement. Shipper shall provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's FERC Gas Tariff, General Terms and Conditions.)

EXHIBIT B  
TO  
RATE SCHEDULE FTS-2 SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

---

DATED

\_\_\_\_\_, \_\_\_\_  
Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit B: \_\_\_\_\_

[Transporter and Shipper may use any format to display the description of Points of Delivery and associated Maximum Daily Quantity (MDQ) by season, month and/or date range as well as maximum hourly quantities, Maximum Daily Transportation Quantity (MDTQ) and delivery pressure.]

(Quantities are exclusive of Fuel Reimbursement.)

[The header on this page may contain information related to the identification of the Service Agreement necessary for administrative purposes.]

EXHIBIT C  
TO  
RATE SCHEDULE FTS-2 SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

\_\_\_\_\_ DATED \_\_\_\_\_

Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit C: \_\_\_\_\_

The parties hereby agree that Exhibit A and/or B are revised as described below and revised Exhibit A and/or B are attached hereto.

[Mark the applicable section(s) below for each amendment number.]

\_\_\_\_\_ Realignment of Points  
[summarize the changes to points]

\_\_\_\_\_ Contract Extension

\_\_\_\_\_ Contract Quantity  
[summarize the changes to MDQ/MDTQ]

\_\_\_\_\_ Administrative Contract Consolidation  
[list each service agreement number with associated MDTQ, termination date and extension rights]

TRANSPORTER

SHIPPER

FLORIDA GAS TRANSMISSION COMPANY, LLC

\_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

\_\_\_\_\_  
(Please type or print name)

\_\_\_\_\_  
(Please type or print name)

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

[The header on this page may contain information related to the identification of the Service Agreement necessary for administrative purposes.]

[FORM OF ]SERVICE AGREEMENT  
Firm Transportation Service - Western Division  
Rate Schedule FTS-WD

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper"),

[or, alternatively, omit the above paragraph and, when applicable, pursuant to Section 1(d) of Rate Schedule FTS-WD, insert the following paragraph:

THIS AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter") and \_\_\_\_\_, as agent, for \_\_\_\_\_ ("Principals"), hereinafter individually and collectively referred to as "Shipper," which Principals meet the requirements set forth in Section 1(d) of Rate Schedule FTS-WD which is incorporated herein by reference.]

W I T N E S S E T H

[Insert applicable WHEREAS clauses for background and informational purposes -- not to include binding consideration]

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Transporter and Shipper do covenant and agree as follows:

ARTICLE I  
Definitions

In addition to the definitions incorporated herein through Transporter's Rate Schedule FTS-WD, the following terms when used herein shall have the meanings set forth below:

1.1 The term "Rate Schedule FTS-WD" shall mean Transporter's Rate Schedule FTS-WD as filed with the FERC as changed and adjusted from time to time by Transporter in accordance with Section 5.2 hereof or in compliance with any final FERC order affecting such rate schedule.

1.2 The term "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has authority to regulate the rates and services of Transporter.

ARTICLE II  
Quantity

2.1 The Maximum Daily Transportation Quantity ("MDTQ") shall be set forth on a seasonal basis, and by Division if applicable, on Exhibit B attached hereto. The applicable MDTQ shall be the largest daily quantity of gas expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under this Service Agreement on any one day.

2.2 During the term of this Agreement, Shipper may tender natural gas for transportation to Transporter on any day, up to the MDTQ plus Transporter's fuel, if applicable. Transporter agrees to receive the aggregate of the quantities of natural gas that Shipper tenders for transportation at the Receipt Points, up to the maximum daily quantity specified for each receipt point as set out on Exhibit A, plus Transporter's fuel, if applicable, and to transport and make available for delivery to Shipper at each Delivery Point specified on Exhibit B, up to the amount scheduled by Transporter less Transporter's fuel, if applicable (as provided in Rate Schedule FTS-WD), provided however, that Transporter shall not be required to accept for transportation and make available for delivery more than the MDTQ on any day.

ARTICLE III  
Reserved

ARTICLE IV  
Payment and Rights in the Event of Non-Payment

4.1 Upon the commencement of service hereunder, Shipper shall pay Transporter, for all service rendered hereunder, the rates established under Transporter's Rate Schedule FTS-WD as filed with the FERC and as said Rate Schedule may hereafter be legally amended or superseded.

4.2 Termination for Non-Payment. In the event Shipper fails to pay for the service provided under this Agreement, pursuant to the condition set forth in Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter shall have the right to terminate this Agreement pursuant to the condition set forth in said Section 15.

ARTICLE V  
Rights to Amend Rates and Terms and Conditions of Service

5.1 This Agreement in all respects shall be and remain subject to the provisions of said Rate Schedule and of the applicable provisions of the General Terms and Conditions of Transporter on file with the FERC (as the same may hereafter be legally amended or superseded), all of which are made a part hereof by this reference.

5.2 Transporter shall have the unilateral right to file with the appropriate regulatory authority and seek to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-WD, (b) Rate Schedule FTS-WD including the Form of Service Agreement and the existing Service Agreement pursuant to which this service is rendered; provided however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 Filing by Transporter, and/or (c) any provisions of the General Terms and Conditions of Transporter's Tariff applicable to Rate Schedule FTS-WD. Transporter agrees that Shipper may protest or contest the aforementioned filings, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

#### ARTICLE VI

##### Term of Agreement and Commencement of Service

6.1 This Agreement shall become effective \_\_\_\_\_ and shall continue in effect \_\_\_\_\_ [include end date of primary term and any applicable rollover or Right of First Refusal details].

6.2 In the event the capacity being contracted for was acquired pursuant to Section 18.C.2. of Transporter's Tariff, then this Agreement shall terminate on the date set forth in Section 6.1 above. Otherwise, upon the expiration of the primary term and any extension or roll-over, termination will be governed by the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff.

6.3 Service hereunder shall commence as set forth in Section 2 of Rate Schedule FTS-WD.

#### ARTICLE VII

##### Point(s) of Receipt and Delivery and Maximum Daily Quantities

7.1 The Primary Point(s) of Receipt and maximum daily quantity for each Primary Point of Receipt, for all gas delivered by Shipper into Transporter's pipeline system under this Agreement shall be at the Point(s) of Receipt on Transporter's pipeline system as set forth in Exhibit A attached hereto. In accordance with the provisions of Section 8.A. of Rate Schedule FTS-WD and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Receipt. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-WD and the applicable General Terms and Conditions of its Tariff.

7.2 The Primary Point(s) of Delivery and maximum daily quantity for each point for all gas made available for delivery by Transporter to Shipper, or for the account of Shipper, under this Agreement shall be at the Point(s) of Delivery as set forth in Exhibit B and shall be in Transporter's Western Division. In accordance with the provisions of Section 9.A. of Rate Schedule FTS-WD and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Delivery provided that such new requested Primary Delivery Points must be located in Transporter's Western Division. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-WD and the applicable General Terms and Conditions of its Tariff.

ARTICLE VIII  
Notices

All notices, payments and communications with respect to this Agreement shall be in writing and sent to Transporter's address posted on Transporter's Internet website or to Shipper's address stated below or at any other such address as may hereafter be designated in writing:

Shipper: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone No. \_\_\_\_\_  
Fax No. \_\_\_\_\_

ARTICLE IX  
Construction of Facilities

To the extent that construction of new or requested facilities is necessary to provide service under this Service Agreement, such construction, including payment for the facilities, shall occur in accordance with Section 21 of the General Terms and Conditions of Transporter's Tariff.

ARTICLE X  
Regulatory Authorizations and Approvals

[Include the language below in Article X of this Agreement only in the event of agreement or settlement related to an expansion of Transporter's system. Otherwise Article X shall read in its entirety as follows: "Article X – Not Applicable".]

10.1 Transporter's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization to provide Firm Transportation Service to Shipper in accordance with the terms of Rate Schedule FTS-WD and this Service Agreement and the General Terms and Conditions of Transporter's Tariff.

ARTICLE XI  
Pressure

11.1 The quantities of gas delivered or caused to be delivered by Shipper to Transporter hereunder shall be delivered into Transporter's pipeline system at a pressure sufficient to enter Transporter's system, but in no event shall such gas be delivered at a pressure exceeding the maximum authorized operating pressure or such other pressure as Transporter permits at the Point(s) of Receipt.

11.2 Transporter shall have no obligation to provide compression and/or alter its system operation to effectuate deliveries at the Point(s) of Delivery hereunder.



ARTICLE XII  
Other Provisions

ARTICLE XIII  
Miscellaneous

13.1 This Agreement shall bind and benefit the successors and assigns of the respective parties hereto; provided however, neither party shall assign this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other party.

13.2 No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future defaults of a like or different character.

13.3 This Agreement contains Exhibits A and B which are incorporated fully herein.

13.4 THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO ANY CONFLICT OF LAWS DOCTRINE WHICH WOULD APPLY THE LAWS OF ANOTHER JURISDICTION.

ARTICLE XIV  
Superseding Prior Service Agreements

This Agreement supersedes and replaces the following Service Agreements between Transporter and Shipper:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers effective as of the date first written above.

TRANSPORTER		SHIPPER	
FLORIDA GAS TRANSMISSION COMPANY, LLC	_____		_____
By _____	_____	By _____	_____
	(Please type or print name)		(Please type or print name)
Title _____	_____	Title _____	_____
Date _____	_____	Date _____	_____

EXHIBIT A  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

\_\_\_\_\_  
DATED

\_\_\_\_\_, \_\_\_\_\_  
Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit A: \_\_\_\_\_

[Transporter and Shipper may use any format to display the description of Points of Receipt and associated Maximum Daily Quantity (MDQ) by season, month and/or date range and the Maximum Daily Transportation Quantity (MDTQ).]

(Quantities are exclusive of Fuel Reimbursement. Shipper shall provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's FERC Gas Tariff, General Terms and Conditions.)

EXHIBIT B  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

\_\_\_\_\_  
DATED  
\_\_\_\_\_, \_\_\_\_  
Contract No. \_\_\_\_\_  
Amendment No. \_\_\_\_\_  
Effective Date of this Exhibit B: \_\_\_\_\_

[Transporter and Shipper may use any format to display the description of Points of Delivery and associated Maximum Daily Quantity (MDQ) by season, month and/or date range as well as maximum hourly quantities, Maximum Daily Transportation Quantity (MDTQ) and delivery pressure.]

(Quantities are exclusive of Fuel Reimbursement.)

[The header on this page may contain information related to the identification of the Service Agreement necessary for administrative purposes.]

EXHIBIT C  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND

\_\_\_\_\_  
DATED

\_\_\_\_\_, \_\_\_\_  
Contract No. \_\_\_\_\_

Amendment No. \_\_\_\_\_

Effective Date of this Exhibit C: \_\_\_\_\_

The parties hereby agree that Exhibit A and/or B are revised as described below and revised Exhibit A and/or B are attached hereto.

[Mark the applicable section(s) below for each amendment number.]

\_\_\_\_\_ Realignment of Points  
[summarize the changes to points]

\_\_\_\_\_ Contract Extension

\_\_\_\_\_ Contract Quantity  
[summarize the changes to MDQ/MDTQ]

\_\_\_\_\_ Administrative Contract Consolidation  
[list each service agreement number with associated MDTQ, termination date and extension rights]

TRANSPORTER

SHIPPER

FLORIDA GAS TRANSMISSION COMPANY, LLC

\_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

\_\_\_\_\_  
(Please type or print name)

\_\_\_\_\_  
(Please type or print name)

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_