

FERC GAS TARIFF

ORIGINAL VOLUME NO. 1

of

PERRYVILLE GAS STORAGE LLC

Filed with the
FEDERAL ENERGY REGULATORY COMMISSION

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PRELIMINARY STATEMENT

PERRYVILLE GAS STORAGE LLC, a Delaware limited liability company, (“PERRYVILLE STORAGE”) owns and operates a natural gas storage facility in Franklin and Richland Parishes, Louisiana (“PERRYVILLE STORAGE FACILITY”). PERRYVILLE STORAGE utilizes the PERRYVILLE STORAGE FACILITY to receive, inject, store, withdraw, and deliver natural gas transported in interstate commerce subject to the jurisdiction of the Federal Energy Regulatory Commission (“FERC” or “Commission”). The PERRYVILLE STORAGE FACILITY is connected to the facilities of two interstate pipelines.

This FERC Gas Tariff, Original Volume No. 1 of PERRYVILLE STORAGE contains the Rates and Charges, Rate Schedules, General Terms and Conditions, and the Forms of Service Agreements applicable to open-access storage services and other services performed by PERRYVILLE STORAGE.

MAP OF SYSTEM

A system map of Perryville Gas Storage LLC can be found here: <http://www.gasnom.com/ip/perryville/map/>

STATEMENT OF CURRENTLY EFFECTIVE RATES

4.1 RATE STATEMENT FSS - FIRM STORAGE SERVICE

	RATE	UNITS
Firm Storage Reservation Charge	Market Based/ Negotiable	\$/Dth/Month
Firm Storage Injection Charge	Market Based/ Negotiable	\$/Dth
Firm Storage Withdrawal Charge	Market Based/ Negotiable	\$/Dth
Authorized Injection Overrun Charge	Market Based/ Negotiable	\$/Dth
Authorized Withdrawal Overrun Charge	Market Based/ Negotiable	\$/Dth
Fuel Reimbursement	Market Based/ Negotiable	\$/Dth or in-kind %

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in the GT&C(s) of PERRYVILLE STORAGE's Tariff, Customer's FSSA, and all other applicable surcharges, including, but not limited to, ACA charges.

STATEMENT OF CURRENTLY EFFECTIVE RATES

RATE SCHEDULE ISS CHARGES - INTERRUPTIBLE STORAGE SERVICE

	RATE	UNITS
Interruptible Capacity Charge	Market Based/ Negotiable	\$/Dth/time period
Interruptible Injection Charge	Market Based/ Negotiable	\$/Dth
Interruptible Withdrawal Charge	Market Based/ Negotiable	\$/Dth
Fuel Reimbursement	Market Based/ Negotiable	\$/Dth or in-kind

Payment shall be equal to the Interruptible Capacity Charge, plus the Interruptible Injection Charge, plus the Interruptible Withdrawal Charge, plus any Fuel Reimbursement, as applicable and specified in corresponding Exhibit A of the Customer's Interruptible Storage Service ("ISS") Agreement.

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or Exhibit A of the ISS Agreement and all other applicable surcharges, including, but not limited to, ACA charges.

4.3 RATE STATEMENT IPS - INTERRUPTIBLE PARKING SERVICE

	RATE	UNITS
Interruptible Parking Charge	Market Based/ Negotiable	\$/Dth/time period
Interruptible Parking Injection Charge	Market Based/ Negotiable	\$/Dth
Interruptible Parking Withdrawal Charge	Market Based/ Negotiable	\$/Dth
Fuel Reimbursement	Market Based/ Negotiable	\$/Dth or in-kind %

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in the GT&C(s) of PERRYVILLE STORAGE's Tariff, Customer's Hub Services Agreement, and all other applicable surcharges, including, but not limited to, ACA charges.

4.4 RATE STATEMENT ILS - INTERRUPTIBLE LOAN SERVICE

	RATE	UNITS
Interruptible Loan Charge	Market Based/ Negotiable	\$/Dth/time period
Interruptible Loan Injection Charge	Market Based/ Negotiable	\$/Dth
Interruptible Loan Withdrawal Charge	Market Based/ Negotiable	\$/Dth
Fuel Reimbursement	Market Based/ Negotiable	\$/Dth or in-kind %

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in the GT&C(s) of PERRYVILLE STORAGE's Tariff, Customer's Hub Services Agreement, and all other applicable surcharges, including, but not limited to, ACA charges.

4.5 RATE STATEMENT IWS - INTERRUPTIBLE WHEELING SERVICE

	RATE	UNITS
Interruptible Wheeling Charge	Market Based/ Negotiable	\$/Dth
Fuel Reimbursement	Market Based/ Negotiable	\$/Dth or in-kind %

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in the GT&C(s) of PERRYVILLE STORAGE's Tariff, Customer's Hub Services Agreement and all other applicable surcharges, including, but not limited to, ACA charges.

STATEMENT OF CURRENTLY EFFECTIVE RATES

RATE SCHEDULE IBTS CHARGES - INTERRUPTIBLE IMBALANCE TRADING SERVICE

	RATE	UNITS
Interruptible Imbalance Trading Charge	Market Based/ Negotiable	\$/Dth

Payment shall be equal to the Interruptible Imbalance Trading Charge specified in corresponding Exhibit A of Customer's Hub Services Agreement multiplied by the quantity of Customer's imbalance quantity that shall have been traded.

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or Exhibit A of the Hub Services Agreement and all other applicable surcharges, including, but not limited to, ACA charges.

4.7 RATE STATEMENT IBS - INTERRUPTIBLE BALANCING SERVICE

	RATE	UNITS
Interruptible Balancing Charge	Market Based/ Negotiable	\$/Dth/time period
Interruptible Balancing Injection Charge	Market Based/ Negotiable	\$/Dth
Interruptible Balancing Withdrawal Charge	Market Based/ Negotiable	\$/Dth
Fuel Reimbursement	Market Based/ Negotiable	\$/Dth or in-kind %

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in the GT&C(s) of PERRYVILLE STORAGE's Tariff, Customer's Hub Services Agreement, and all other applicable surcharges, including, but not limited to, ACA charges.

RATE SCHEDULES

5.1 RATE SCHEDULE FSS - FIRM STORAGE SERVICE

5.1.1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of Firm Storage Service, provided that:

- (a) PERRYVILLE STORAGE has determined that it has sufficient operationally available storage, injection, withdrawal, receipt and delivery capacity, or PERRYVILLE STORAGE is willing to develop capacity to provide the service Customer has requested;
- (b) Customer and PERRYVILLE STORAGE have entered into a FSSA under this Rate Schedule;
- (c) Customer accepts responsibility for arranging any upstream or downstream transportation service required for utilization of the service provided under this Rate Schedule;
- (d) Availability of service under this Rate Schedule shall be subject to a determination by PERRYVILLE STORAGE that its performance of the service requested shall not cause a reduction in PERRYVILLE STORAGE's ability to provide Firm Storage Service under currently effective FSSA(s) and that the service requested will not interfere with the efficient operation of PERRYVILLE STORAGE's system; and
- (e) Service under this Rate Schedule may not be available to the extent that PERRYVILLE STORAGE would be required to construct, modify, expand or acquire any facilities to enable PERRYVILLE STORAGE to perform the requested service.

5.1.2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all storage service rendered by PERRYVILLE STORAGE to Customer pursuant to a FSSA.

5.1.2.1. Firm Storage Service under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day of Customer's Gas, upon nomination and confirmation, at Customer's Point(s) of Receipt up to Customer's MDIQ, subject to Customer's MDRQ and injection ratchets, and the injection of Customer's Gas into storage, provided that Customer's FSS Storage Inventory has not exceeded Customer's MSQ;
- (b) The storage of Customer's Gas up to Customer's MSQ;
- (c) The withdrawal from storage on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's MDWQ, and subject to Customer's MDDQ and withdrawal ratchets, and the delivery of Customer's Gas to Customer's Point(s) of Delivery, provided that Customer has a quantity of Customer's Gas in Customer's FSS Storage Inventory not less than the quantity Customer nominated for withdrawal on such Day; and
- (d) Customer's right to utilize Point(s) of Receipt and Point(s) of Delivery as primary points shall be stated in Customer's FSSA as a MDRQ and MDDQ applicable to each such point. PERRYVILLE STORAGE and Customer may upon agreement include in Customer's FSSA the right to use, on a secondary basis, additional Point(s) of Receipt or Point(s) of Delivery, or a quantity at a primary point(s) in excess of MDRQ or MDDQ, subject to Customer's MDIQ and MDWQ.

5.1.2.2. Authorized Overrun Service

- (a) Upon Customer's request for injection overrun service PERRYVILLE STORAGE may authorize on an Interruptible basis, the injection of Customer's Gas in excess of Customer's MDRQ at a Point of Receipt or a total injection in excess of Customer's MDIQ, provided that (i) PERRYVILLE STORAGE determines that it has sufficient available capacity; (ii) Customer's FSS Storage Inventory will not exceed Customer's MSQ; (iii) the receipt and injection of Customer's Gas into storage will not interfere with the efficient operation of PERRYVILLE STORAGE's system; and (iv) the service requested shall not cause a reduction in PERRYVILLE STORAGE's ability to meet higher priority obligations under currently effective Storage Service Agreements. Authorized injection overrun quantity shall be deemed AIO Gas.
- (b) Upon Customer's request for withdrawal overrun service, PERRYVILLE STORAGE may authorize, on an Interruptible basis, the withdrawal of Customer's Gas in excess of Customer's MDDQ at a Point of Delivery or a total withdrawal in excess of Customer's MDWQ, provided that (i) PERRYVILLE STORAGE determines that it has sufficient available capacity; (ii) Customer's FSS Storage Inventory will not become negative; (iii) the withdrawal and delivery of Customer's Gas from storage will not interfere with the efficient operation of PERRYVILLE STORAGE's system; and (iv) the service requested shall not cause a reduction in PERRYVILLE STORAGE's ability to meet higher priority obligations under currently effective Storage Service Agreements. Authorized withdrawal overrun quantity shall be deemed AWO Gas.

5.1.3. RATES AND CHARGES

Customer shall pay rates and charges for service under this Rate Schedule including the rate components as described below:

- (a) Firm Storage Reservation Charge. A Monthly charge for each Dth of Customer's MSQ, as set forth in Customer's FSSA.
- (b) Firm Storage Injection Charge. A usage charge for each Dth of Customer's Gas tendered for injection for each Day during a given Month, as set forth in Customer's FSSA.
- (c) Firm Storage Withdrawal Charge. A usage charge for each Dth of Customer's Gas tendered for withdrawal for each Day during a given Month, as set forth in Customer's FSSA.
- (d) Authorized Injection Overrun Charge. In addition to the Storage Injection Charge, a usage charge stated in Customer's FSSA, for each Dth of Customer's AIO Gas tendered for injection each Day during a given Month, as set forth in Customer's FSSA.
- (e) Authorized Withdrawal Overrun Charge. In addition to the Storage Withdrawal Charge, a usage charge stated in Customer's FSSA, for each Dth of Customer's AWO Gas tendered for withdrawal each Day during a given Month, as set forth in Customer's FSSA.
- (f) Fuel Reimbursement. A usage charge, either per Dth, or an in-kind percentage, for each Dth of Customer's Gas injected or withdrawn pursuant to GT&C 6.19, as set forth in Customer's FSSA.
- (g) Regulatory Fees and Charges. Customer shall reimburse PERRYVILLE STORAGE for all fees and charges, as required by FERC or any federal, state or local governmental agency having jurisdiction that are related to service provided under this Rate Schedule.

- (h) Taxes. Customer shall either pay directly to the taxing authority or reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed against PERRYVILLE STORAGE in accordance with GT&C 6.15.

5.1.4. INVOICES

Each invoice for service under this Rate Schedule shall reflect the applicable rates and charges set forth in PERRYVILLE STORAGE's Tariff, Rate Schedule FSS and Customer's FSSA.

5.1.5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's FSSA.

5.1.6. AUTHORIZATION, RATES, TERMS AND CHANGES

5.1.6.1. The FSSA and the respective obligations of the parties thereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PERRYVILLE STORAGE to provide the storage service contemplated herein, to construct and operate the facilities necessary to provide such service and for any interconnected pipeline to transport Gas to the Point(s) of Receipt or from the Point(s) of Delivery.

5.1.6.2. PERRYVILLE STORAGE shall have the right to propose to FERC or any other governing regulatory body changes in its rates, charges, and terms of service as it deems necessary, and Customer's FSSA shall be deemed to include any changes that are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided that any market-based rates negotiated between PERRYVILLE STORAGE and Customer shall remain in effect during the term of Customer's FSSA.

5.1.7. RIGHT OF FIRST REFUSAL

5.1.7.1. PERRYVILLE STORAGE possesses pregranted abandonment authority and may discontinue service to Customer at the end of the primary term of any Service Agreement applicable to this Rate Schedule, or any roll-over of such Service Agreement, unless PERRYVILLE STORAGE and Customer mutually agree to include a right of first refusal ("ROFR") in the Service Agreement applicable to this Rate Schedule and Customer exercises its ROFR for the storage capacity covered by that agreement by matching the best bid offered to PERRYVILLE STORAGE during an open season, conducted pursuant to GT&C 6.3, by any qualified potential Customer. PERRYVILLE STORAGE shall negotiate with qualified potential Customer such ROFR provisions in any Service Agreement on a not unduly discriminatory basis. A Customer is "qualified," within the meaning of this Section, if that Customer meets the creditworthiness criteria set forth in GT&C 6.32.

5.1.7.2. Not less than seven (7) Months prior to the expiration of a Service Agreement, applicable to this Rate Schedule, that includes a ROFR, Customer must provide written notice to PERRYVILLE STORAGE of its intent to exercise any ROFR provisions applicable under such Service Agreement. Failure by Customer to give PERRYVILLE STORAGE the notice specified in this Section will result in the automatic abandonment of the service and the Customer's right to storage capacity under said Service Agreement will cease at the end of the primary term.

5.1.7.3. In the event Customer notifies PERRYVILLE STORAGE in accordance with the terms of this Rate Schedule, not less than six (6) Months prior to the termination or expiration of a Service Agreement, applicable to this Rate Schedule, that contains a ROFR, an open season will be held for the capacity under the expiring Service Agreement. This open season will be conducted pursuant to the terms and conditions set forth in GT&C 6.3.

5.1. 7.4. Bids from qualified potential Customers who desire, in whole or in part, the capacity to be made available upon the expiration or termination of a Service Agreement, applicable to this Rate Schedule, that includes a ROFR must be received by PERRYVILLE STORAGE within the timeframe set forth in the open season notice. Upon expiration of the open season, PERRYVILLE STORAGE will select the best bid received from a qualified potential Customer and communicate the terms of that bid to Customer, who may elect, within ten (10) Days, or such greater time as PERRYVILLE STORAGE may specify, to execute a new Service Agreement that meets or exceeds the best bid. In determining which bid for the capacity is the best, PERRYVILLE STORAGE will use an objective, not unduly discriminatory methodology as set forth in GT&C 6.3.

5.1. 7.5. If Customer does not elect to meet or exceed the terms of the best bid, its Service Agreement applicable to this Rate Schedule will expire at the conclusion of its term and PERRYVILLE STORAGE will be deemed to have all necessary abandonment authorization with respect to such service. PERRYVILLE STORAGE may enter into a new Service Agreement with the qualified potential Customer who submitted the best bid.

5.1. 7.6. Regardless of any bids received, PERRYVILLE STORAGE shall retain the right to require a minimum rate or term of service, which shall be market-based, for bids during any such open season.

5.1. 7.7. If during the open season, PERRYVILLE STORAGE receives no bids or rejects all bids, Customer and PERRYVILLE STORAGE may negotiate for continuation of service under mutually satisfactory rates, terms, and conditions. In no event, however, will such continued service be provided at a rate lower than the best bid by a qualified potential Customer during the open season.

5.1.8 EXPIRATION OF TERM

5.1.8.1. Except as provided for herein, upon expiration or termination of Customer's FSSA, title to any quantity of Customer's Gas remaining in Customer's FSS Storage Inventory shall automatically transfer to PERRYVILLE STORAGE, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 6.33. However if Customer was unable to withdraw Customer's Gas remaining in Customer's FSS Storage Inventory due to an interruption of Customer's withdrawal service by PERRYVILLE STORAGE on any Day during the last ten (10) Days prior to expiration or termination, Customer shall be allowed to maintain title to the interrupted quantity as long as the interrupted quantity is withdrawn within a period of time equal to the period of interruption immediately after the contract has terminated or expired.

5.1.9. STORAGE RATCHETS

The MDIQ and MDWQ stated in Customer's FSSA may be subject to reduction based on the level of Customer's FSS Storage Inventory.

Customer under this Rate Schedule must choose an injection and withdrawal ratchet from the options listed below. Subject to PERRYVILLE STORAGE's determination that it has the capability to provide Customer's requested ratchets, Customer's election as to injection and withdrawal ratchets shall be stated in Customer's FSSA Agreement.

5.1.9.1. Injection ratchets: When Customer's FSS Storage Inventory reaches the levels set forth below, Customer's MDIQ will be multiplied by the following percentages to arrive at Customer's adjusted MDIQ.

	Level of MSQ	MDIQ Multiplier
1.	0% - 80%	100%
	Greater than 80% up to 90%	75%

Greater than 90% up to 100% 50%

2. No Injection ratchets

5.1.9.2. Withdrawal ratchets: When Customer's FSS Storage Inventory reaches the levels set forth below, Customer's MDWQ will be multiplied by the following percentages to arrive at Customer's adjusted MDWQ.

	Level of MSQ	MDWQ Multiplier
1.	100% - 30%	100%
	Less than 30% down to 15%	75%
	Less than 15% down to 0%	50%
2.	No Withdrawal ratchets	

5.1.10. GENERAL TERMS AND CONDITIONS

The GT&C(s), as amended or supplemented from time to time, are hereby incorporated by reference and made a part of this Rate Schedule and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein. In the event of any inconsistency, the terms of this Rate Schedule shall control.

5.1.11. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in Customer's Point(s) of Receipt or Point(s) of Delivery, provided that PERRYVILLE STORAGE shall not be required to grant Customer's request unless (i) PERRYVILLE STORAGE determines that it has sufficient available capacity at the Point(s) of Receipt or Point(s) of Delivery to accommodate Customer's request; (ii) PERRYVILLE STORAGE determines that the requested changes in Customer's Point(s) of Receipt or Point(s) of Delivery shall not cause a reduction in PERRYVILLE STORAGE's ability to provide service under currently effective FSSA(s); (iii) the service requested will not interfere with the efficient operation of PERRYVILLE STORAGE's system; and (iv) Customer and PERRYVILLE STORAGE agree to rates and charges based on Customer's requested changes.

RATE SCHEDULE ISS
INTERRUPTIBLE STORAGE SERVICE

5.2.1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of Interruptible Storage Service (“ISS”) from PERRYVILLE STORAGE, provided that:

- (a) PERRYVILLE STORAGE has determined that it has sufficient operationally available storage capacity and injection or withdrawal capacity to perform the service Customer has requested under this Rate Schedule;
- (b) PERRYVILLE STORAGE has determined that the service Customer has requested under this Rate Schedule will not interfere with efficient operation of its system or with Higher Priority Service;
- (c) Customer and PERRYVILLE STORAGE have executed an ISS Agreement under this Rate Schedule;
- (d) Customer accepts responsibility for arranging any transportation service required for utilization of the service provided under this Rate Schedule; and
- (e) Service under this Rate Schedule may not be available to the extent that PERRYVILLE STORAGE would be required to construct, modify, expand, or acquire any facilities to enable PERRYVILLE STORAGE to perform the requested service.

5.2.2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible service rendered by PERRYVILLE STORAGE to Customer through use of the PERRYVILLE STORAGE FACILITY pursuant to an executed ISS Agreement.

ISS rendered to Customer under this Rate Schedule shall consist of:

- (a) The receipt into storage of Customer’s Gas, less Fuel Reimbursement, per Customer’s nomination up to the Maximum Daily Injection Quantity (“MDIQ”) stated in the applicable ISS Agreement; and/or
- (b) The storage of Gas in amounts not to exceed Customer’s Maximum Storage Quantity (“MSQ”) set forth in the applicable ISS Agreement; and/or
- (c) The delivery from storage on any Day of Customer’s Gas per Customer’s nomination up to Customer’s Maximum Daily Withdrawal Quantity (“MDWQ”) set forth in the applicable ISS Agreement.

To the extent storage capacity that is utilized by an Interruptible Customer hereunder is needed by PERRYVILLE STORAGE in order to satisfy PERRYVILLE STORAGE’s obligations to Higher Priority Service, PERRYVILLE STORAGE shall require Customer to withdraw all, or any portion of, Customer’s Interruptible Storage Inventory within ten (10) Days of PERRYVILLE STORAGE’s notice, or such longer period as may be otherwise allowed by PERRYVILLE STORAGE at PERRYVILLE STORAGE’s sole discretion. Unless PERRYVILLE STORAGE otherwise agrees, Customer shall be required to make ratable withdrawals. If Customer fails to withdraw its Interruptible Storage Inventory as noticed by PERRYVILLE STORAGE, then PERRYVILLE STORAGE may take, free and clear of any adverse claims, title to such Interruptible Storage Inventory as Customer was instructed to withdraw.

PERRYVILLE STORAGE's notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to Customer.

5.2.3. RATES AND CHARGES

Customer shall pay rates and charges for Interruptible service under this Rate Schedule including the applicable rate components set forth in the ISS Rate Statement and as described below:

- (a) **Interruptible Capacity Charge.** If applicable, Customer shall pay to PERRYVILLE STORAGE the Interruptible Capacity Charge set forth in the ISS Agreement for each Dth of Customer's Gas held in PERRYVILLE STORAGE's facilities pursuant to Section 5.2.2 (b) of this Rate Schedule, up to Customer's Maximum Storage Quantity specified in the applicable ISS Agreement.
- (b) **Interruptible Injection Charge.** If applicable, Customer shall pay to PERRYVILLE STORAGE the Interruptible Injection Charge set forth in the ISS Agreement for each Dth of Customer's Gas delivered to PERRYVILLE STORAGE for injection into PERRYVILLE STORAGE's facilities pursuant to Section 5.2.2 (a) of this Rate Schedule.
- (c) **Interruptible Withdrawal Charge.** If applicable, Customer shall pay to PERRYVILLE STORAGE the Interruptible Withdrawal Charge set forth in the ISS Agreement for each Dth of Customer's Gas withdrawn from PERRYVILLE STORAGE's facilities pursuant to Section 5.2.2 (c) of this Rate Schedule.
- (d) **Fuel Reimbursement.** Customer shall pay to PERRYVILLE STORAGE the amount of Gas or equivalent charge for fuel and losses determined in accordance with Section 6.19 of the General Terms and Conditions of this FERC Gas Tariff and set forth in the applicable ISS Agreement.
- (e) **Regulatory Fees and Charges.** Customer shall reimburse PERRYVILLE STORAGE for all fees and charges, as required by the FERC or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in the applicable ISS Agreement.
- (f) **Taxes.** Customer shall reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed upon PERRYVILLE STORAGE as a result of service provided under this Rate Schedule.

5.2.4. INVOICES

Each invoice for Interruptible service shall reflect the applicable charges set forth under Section 5.2.3 of this Rate Schedule at rates and terms set forth in Customer's ISS Agreement.

5.2.5. TERM

The term for service under this Rate Schedule shall be as set forth in the executed ISS Agreement.

5.2.6. AUTHORIZATION, RATES, TERMS, AND CHANGES

- (a) The ISS Agreement and the respective obligations of the parties thereunder are subject to all valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by the FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PERRYVILLE STORAGE to provide the service contemplated hereby and to construct and operate the Gas storage facilities necessary to provide such service and for any connected pipeline to transport Gas to/from the Point(s) of Receipt/Delivery necessary to effect the service provided for herein.
- (b) PERRYVILLE STORAGE shall have the right to propose to the FERC or any other governing regulatory body such changes in its rates and terms of service as it deems necessary, and the ISS

Agreement executed by the parties shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to a Customer's right to protest the same; provided, however, that any market-based rates negotiated between PERRYVILLE STORAGE and its Customer(s) shall remain in effect during the term of the ISS Agreement(s) specifying such rates.

5.2.7. CURTAILMENT

If, due to any cause whatsoever, PERRYVILLE STORAGE's capability to receive deliver, or store quantities is impaired so that PERRYVILLE STORAGE is unable to receive or deliver the quantities provided for in its ISS Agreement with Customer, then receipts, injections, capacity, withdrawals, and/or deliveries will be allocated according to the priority of service as set forth in Section 6.5 of the General Terms and Conditions of this FERC Gas Tariff.

5.2.8. EXPIRATION OF TERM

No less than fifteen (15) Days prior to the end of the term as specified in Customer's ISS Agreement, PERRYVILLE STORAGE shall notify Customer, under the provisions of Section 6.18 of the General Terms and Conditions of this Tariff, to withdraw all of the quantities in Customer's Interruptible Storage Inventory; provided, however, any term in Customer's ISS Agreement of fifteen (15) Days or less shall not require such foregoing notice, but shall be deemed to have been given upon the first Day of the primary term or the renewed term of such ISS Agreement. PERRYVILLE STORAGE's notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to the Customer under the provisions of Section 6.18 of the General Terms and Conditions of this Tariff. Before the end of the term set forth in Customer's ISS Agreement, Customer must either physically withdraw Gas, enter into a Gas Title Transfer under the provisions of Section 6.20 of the General Terms and Conditions of this FERC Gas Tariff, or indicate to PERRYVILLE STORAGE in writing that it desires to have PERRYVILLE STORAGE cash out the Gas on mutually agreeable terms. If, by midnight on the last Day of the term set forth in Customer's ISS Agreement, Customer neither has withdrawn the Gas, transferred the Gas, nor indicated in writing to PERRYVILLE STORAGE that it desires to exercise the cash out option, then PERRYVILLE STORAGE may take, free and clear of any adverse claims, title to such remaining Interruptible Storage Inventory that Customer was required to withdraw or cash out; provided, however, that if Customer was unable to withdraw its Interruptible Storage Inventory due to an interruption of Customer's withdrawal service during the last ten Days before termination, Customer shall be allowed to withdraw its Gas within a reasonable period following the end of the contract term set forth in Customer's ISS Agreement, but the rates and charges under this Rate Schedule shall continue in effect until all of Customer's Interruptible Storage Inventory has been withdrawn. In the event that PERRYVILLE STORAGE retains and takes title to any of Customer's Storage Inventory pursuant to this Section 5.2.8, PERRYVILLE STORAGE shall dispose of such Storage Inventory by auction and shall credit net proceeds received from such auction in accordance with the provisions of Section 6.33 (Disposition of Retained Quantities) of the General Terms and Conditions of this FERC Gas Tariff.

5.2.9. GENERAL TERMS AND CONDITIONS

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

5.3 RATE SCHEDULE IPS - INTERRUPTIBLE PARKING SERVICE

5.3.1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of Interruptible parking service, provided that:

- (a) PERRYVILLE STORAGE has determined that it has sufficient operationally available Interruptible storage, injection, withdrawal, receipt and delivery capacity to provide the service Customer has requested;
- (b) Customer and PERRYVILLE STORAGE have entered into a Hub Services Agreement under this Rate Schedule;
- (c) Customer accepts responsibility for arranging any upstream or downstream transportation service required for utilization of the service provided under this Rate Schedule;
- (d) Availability of service under this Rate Schedule shall be subject to a determination by PERRYVILLE STORAGE that PERRYVILLE STORAGE's performance of the service requested hereunder shall not cause a reduction in PERRYVILLE STORAGE's ability to provide higher priority services under currently effective Storage Service Agreements and that the services requested will not interfere with the efficient operation of PERRYVILLE STORAGE's system; and
- (e) Service under this Rate Schedule may not be available to the extent that PERRYVILLE STORAGE would be required to construct, modify, expand or acquire any facilities to enable PERRYVILLE STORAGE to perform the requested services.

5.3.2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible parking service rendered by PERRYVILLE STORAGE to Customer pursuant to a Hub Services Agreement.

5.3.2.1. Interruptible parking service under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day of Customer's Gas during the period for injection ("Injection Period"), as stated in Customer's Hub Services Agreement, and injection into storage of Customer's Gas, upon nomination and confirmation, up to the MDIQ as stated in Customer's Hub Services Agreement, provided that all higher priority injections have been satisfied and Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's total injections has not exceeded Customer's MPQ as stated in Customer's Hub Services Agreement;
- (b) The tender by Customer of sufficient quantities of Gas under Section 5.3.2.1.(a) of this Rate Schedule such that Customer's IPS Storage Inventory equals Customer's MPQ at the end of the Injection Period;
- (c) The storage of Gas in amounts up to Customer's MPQ, as set forth in Customer's Hub Services Agreement, provided that all higher priority storage services have been satisfied;
- (d) The withdrawal from storage on any Day of Customer's Gas during the period of withdrawal ("Withdrawal Period"), as stated in Customer's Hub Services Agreement, and delivery of Customer's Gas, upon nomination and confirmation, to the Point(s) of Delivery up to the MDWQ, as stated in Customer's Hub Services Agreement, provided Customer's total withdrawals shall not exceed Customer's IPS Storage Inventory, as stated in

Customer's Hub Services Agreement and all higher priority service nominations for withdrawal have been satisfied and all system needs have been met; and

- (e) The withdrawal by Customer of sufficient quantities of Gas under Section 5.3.2.1.(d) of this Rate Schedule to ensure that Customer's IPS Storage Inventory equals zero (0) at the end of the Withdrawal Period.

Unless otherwise requested to do so by PERRYVILLE STORAGE, Customer shall not have the right to inject or withdraw Gas during the period of time between the Injection Period and the Withdrawal Period.

5.3.2.2. To the extent storage capacity which is being utilized by an Interruptible Customer hereunder is needed by PERRYVILLE STORAGE in order to satisfy PERRYVILLE STORAGE's higher priority obligations or to meet system needs, PERRYVILLE STORAGE may interrupt the continuation of any or all services hereunder and PERRYVILLE STORAGE shall require Customer to withdraw all, or any portion of, the IPS Storage Inventory held in storage by PERRYVILLE STORAGE for the account of Customer, as specified by PERRYVILLE STORAGE. PERRYVILLE STORAGE's notice will specify the quantity required to be withdrawn and the date by which the withdrawal must be completed. Unless PERRYVILLE STORAGE otherwise agrees, Customer shall be required to make ratable withdrawals.

5.3.2.3. If Customer fails to withdraw such IPS Storage Inventory from storage, at the agreed upon time as stated in Customer's Hub Services Agreement or fails to withdraw in accordance with PERRYVILLE STORAGE's notice as set forth in Section 5.3.2.2. above, PERRYVILLE STORAGE may take, free and clear of any adverse claims, title to such IPS Storage Inventory as Customer was instructed to withdraw and PERRYVILLE STORAGE shall dispose of such Gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of GT&C 6.33.

5.3.3. RATES AND CHARGES

Customer shall pay rates and charges for service under this Rate Schedule including the rate components set forth in the IPS Rate Statement and as described below:

- (a) **Interruptible Parking Charge.** A charge for each Dth of Gas in Customer's IPS Storage Inventory at the end of each Day, for each Day during a given Month, as set forth in Customer's Hub Services Agreement.
- (b) **Interruptible Parking Injection Charge.** A usage charge for each Dth of Customer's Gas tendered for injection pursuant to Section 5.3.2.1.(a) of this Rate Schedule during a given Month, as set forth in Customer's Hub Services Agreement.
- (c) **Interruptible Parking Withdrawal Charge.** A usage charge for each Dth of Customer's Gas withdrawn pursuant to Section 5.3.2.1.(d) of this Rate Schedule during a given Month, as set forth in Customer's Hub Services Agreement.
- (d) **Fuel Reimbursement.** A usage charge, either per Dth, or an in-kind percentage, for each Dth of Customer's Gas injected or withdrawn, pursuant to GT&C 6.19, as set forth in Customer's Hub Services Agreement.
- (e) **Regulatory Fees and Charges.** Customer shall reimburse PERRYVILLE STORAGE for all fees and charges, as required by FERC or any federal, state or local governmental agency having jurisdiction that are related to service provided under this Rate Schedule.

- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed against PERRYVILLE STORAGE, in accordance with GT&C 6.15.

5.3.4. INVOICES

Each invoice for service under this Rate Schedule shall reflect the applicable rates and charges set forth in PERRYVILLE STORAGE's Tariff, Rate Schedule IPS and Customer's Hub Services Agreement.

5.3.5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Hub Services Agreement.

5.3.6. AUTHORIZATION, RATES, TERMS AND CHANGES

5.3.6.1. Customer's Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PERRYVILLE STORAGE to provide the service contemplated herein, and to construct and operate the facilities necessary to provide such service and for any connected pipeline to deliver Gas to the Point(s) of Receipt and/or receive Gas from the Point(s) of Delivery.

5.3.6.2. PERRYVILLE STORAGE shall have the right to propose to FERC or any other governing regulatory body such changes in its rates, charges, and terms of service as it deems necessary, and Customer's Hub Services Agreement shall be deemed to include any changes that are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, that any market-based rates negotiated between PERRYVILLE STORAGE and Customer shall remain in effect during the term of applicable Exhibits to Customer's Hub Services Agreement specifying such rates.

5.3.7. EXPIRATION OF TERM

5.3.7.1. Upon expiration without renewal or upon termination of Customer's Interruptible Parking Service Agreement, title to any quantity of Customer's Gas remaining in Customer's IPS Storage Inventory shall automatically transfer to PERRYVILLE STORAGE, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 6.33. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's IPS Storage Inventory due to an interruption of Customer's withdrawal service by PERRYVILLE STORAGE during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's IPS Storage Inventory within a reasonable period following the end of the contract term.

5.3.8. GENERAL TERMS AND CONDITIONS

The GT&C(s), as amended or supplemented from time to time, are hereby incorporated by reference and made a part of this Rate Schedule and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein. In the event of any inconsistency, the terms of this Rate Schedule shall control.

5.4 RATE SCHEDULE ILS - INTERRUPTIBLE LOAN SERVICE

5.4.1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of Interruptible loan service, provided that:

- (a) PERRYVILLE STORAGE has determined that it has sufficient operationally available Interruptible storage, injection, withdrawal, receipt and delivery capacity to provide the service Customer has requested;
- (b) Customer and PERRYVILLE STORAGE have entered into a Hub Services Agreement under this Rate Schedule;
- (c) Customer accepts responsibility for arranging any upstream or downstream transportation service required for utilization of the service provided under this Rate Schedule;
- (d) Availability of service under this Rate Schedule shall be subject to a determination by PERRYVILLE STORAGE that PERRYVILLE STORAGE's performance of the service requested hereunder shall not cause a reduction in PERRYVILLE STORAGE's ability to provide higher priority services under currently effective Storage Service Agreements and that the services requested will not interfere with the efficient operation of PERRYVILLE STORAGE's system; and
- (e) Service under this Rate Schedule may not be available to the extent that PERRYVILLE STORAGE would be required to construct, modify, expand or acquire any facilities to enable PERRYVILLE STORAGE to perform the requested service.

5.4.2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible loan service rendered by PERRYVILLE STORAGE to Customer pursuant to a Hub Services Agreement.

5.4.2.1. Interruptible loan service under this Rate Schedule shall consist of the following:

- (a) The withdrawal from storage on any Day of Customer's Gas during the period for withdrawal ("Withdrawal Period"), as stated in Customer's Hub Services Agreement, and delivery of Customer's Gas, upon nomination and confirmation, to the Point(s) of Delivery, up to the MDWQ, as stated in Customer's Hub Services Agreement, provided that Customer's total withdrawals shall not exceed Customer's MLQ, as stated in Customer's Hub Services Agreement, provided that all higher priority service nominations for withdrawal have been satisfied and system needs have been met;
- (b) The withdrawal by Customer of sufficient quantities of Gas under Section 5.4.2.1.(a) of this Rate Schedule to ensure that Customer's ILS Storage Inventory equals Customer's MLQ at the end of the Withdrawal Period;
- (c) The receipt on any Day of Customer's Gas during the period for injection ("Injection Period"), as stated in Customer's Hub Services Agreement, and injection into storage of Customer's Gas, upon nomination and confirmation, up to the MDIQ, as stated in Customer's Hub Services Agreement, provided that all higher priority injections have been satisfied and Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's total injections have not exceed Customer's MLQ as stated in Customer's Hub Services Agreement; and

- (d) The tender by Customer to PERRYVILLE STORAGE of sufficient quantities of Gas under Section 5.4.2.1.(c) of this Rate Schedule to ensure that Customer's ILS Storage Inventory equals zero (0) at the end of the Injection Period.

Unless otherwise requested to do so by PERRYVILLE STORAGE, Customer shall not have the right to inject or withdraw Gas during the period of time between the Withdrawal Period and the Injection Period.

5.4.2.2. To the extent Gas which is advanced to an Interruptible Customer hereunder is needed by PERRYVILLE STORAGE in order to satisfy PERRYVILLE STORAGE's higher priority obligations or to meet system needs, PERRYVILLE STORAGE may, at PERRYVILLE STORAGE's reasonable judgment and upon giving notice to Customer, interrupt the continuation of any or all service hereunder and PERRYVILLE STORAGE shall require Customer to replace all, or any portion, of Customer's ILS Storage Inventory as specified by PERRYVILLE STORAGE. PERRYVILLE STORAGE's notice will specify the quantity required to be returned and the date by which the injection must be completed. Unless PERRYVILLE STORAGE otherwise agrees, Customer shall be required to make ratable injections.

5.4.2.3. If Customer fails to inject quantities of Gas to replace Gas advanced by PERRYVILLE STORAGE to Customer under this Rate Schedule at the agreed upon time as stated in Customer's Hub Services Agreement or fails to inject in accordance with PERRYVILLE STORAGE's notice as set forth in Section 5.4.2.2. above, PERRYVILLE STORAGE may purchase replacement Gas and Customer shall pay PERRYVILLE STORAGE the cost of the replacement Gas, which shall include the cost of replacement Gas and any costs or penalties incurred by PERRYVILLE STORAGE or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by PERRYVILLE STORAGE to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

5.4.3. RATES AND CHARGES

Customer shall pay the rates and charges for service under this Rate Schedule including the rate components set forth in the ILS Rate Statement as described below:

- (a) **Interruptible Loan Charge.** A charge for each Dth of Gas in Customer's ILS Storage Inventory at the end of each Day, for each Day during a given Month, as set forth in Customer's Hub Services Agreement.
- (b) **Interruptible Loan Injection Charge.** A usage charge for each Dth of Customer's Gas tendered for injection pursuant to Section 5.4.2.1.(c) of this Rate Schedule, as set forth in Customer's Hub Services Agreement.
- (c) **Interruptible Loan Withdrawal Charge.** A usage charge for each Dth of Customer's Gas withdrawn pursuant to Section 5.4.2.1.(a) of this Rate Schedule during a given Month, as set forth in Customer's Hub Services Agreement.
- (d) **Fuel Reimbursement.** A usage charge, either per Dth, or an in-kind percentage, for each Dth of Customer's Gas injected or withdrawn pursuant to GT&C 6.19, as set forth in Customer's Hub Services Agreement.
- (e) **Regulatory Fees and Charges.** Customer shall reimburse PERRYVILLE STORAGE for all fees and charges, as required by FERC or any federal, state or local governmental agency having jurisdiction that are related to service provided under this Rate Schedule.

- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed against PERRYVILLE STORAGE, in accordance with GT&C 6.15.

5.4.4. INVOICES

Each invoice for service under this Rate Schedule shall reflect the applicable rates and charges set forth in PERRYVILLE STORAGE's Tariff, Rate Schedule ILS and Customer's Hub Services Agreement.

5.4.5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Hub Services Agreement.

5.4.6. AUTHORIZATION, RATES, TERMS AND CHANGES

5.4.6.1. Customer's Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PERRYVILLE STORAGE to provide the service contemplated herein, and to construct and operate the facilities necessary to provide such service and for any connected pipeline to deliver Gas to the Point(s) of Receipt and/or receive Gas from the Point(s) of Delivery.

5.4.6.2. PERRYVILLE STORAGE shall have the right to propose to FERC or any other governing regulatory body such changes in its rates, charges and terms of service as it deems necessary, and Customer's Hub Services Agreement shall be deemed to include any changes that are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any market-based rates negotiated between PERRYVILLE STORAGE and its Customer(s) shall remain in effect during the term of the applicable Exhibits to Customer's Hub Services Agreement specifying such rates.

5.4.7. GENERAL TERMS AND CONDITIONS

The GT&C(s), as amended or supplemented from time to time, are hereby incorporated by reference and made a part of this Rate Schedule and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein. In the event of any inconsistency, the terms of this Rate Schedule shall control.

5.5 RATE SCHEDULE IWS - INTERRUPTIBLE WHEELING SERVICE

5.5.1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of Interruptible wheeling service, provided that:

- (a) PERRYVILLE STORAGE has determined that it has sufficient operationally available receipt and delivery capacity to provide service Customer has requested;
- (b) Customer and PERRYVILLE STORAGE have entered into a Hub Services Agreement under this Rate Schedule;
- (c) Customer accepts responsibility for arranging any upstream or downstream transportation service required for utilization of the service provided under this Rate Schedule;
- (d) Availability of service under this Rate Schedule shall be subject to a determination by PERRYVILLE STORAGE that PERRYVILLE STORAGE's performance of the service requested hereunder shall not cause a reduction in PERRYVILLE STORAGE's ability to provide higher priority services under currently effective Storage Service Agreements and that the service requested will not interfere with the efficient operation of PERRYVILLE STORAGE's system; and
- (e) Service under this Rate Schedule may not be available to the extent that PERRYVILLE STORAGE would be required to construct, modify, expand or acquire any facilities to enable PERRYVILLE STORAGE to perform the requested service.

5.5.2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible wheeling service rendered by PERRYVILLE STORAGE to Customer pursuant to a Hub Services Agreement.

5.5.2.1. Interruptible wheeling service under this Rate Schedule shall consist of the wheeling of Customer's Gas by PERRYVILLE STORAGE for Customer between the Point(s) of Receipt and Point(s) of Delivery, as set forth in Customer's Hub Agreement.

5.5.2.2. PERRYVILLE STORAGE shall receive from Customer at Point(s) of Receipt and shall deliver at the Point(s) of Delivery, less Fuel Reimbursement, daily quantities of Customer's Gas up to the MDTQ, as specified in Customer's Hub Services Agreement; provided, however, PERRYVILLE STORAGE shall not be obligated to receive and/or deliver quantities of Gas on any Day in excess of the quantity nominated and scheduled for that Day. Interruptible wheeling service shall be available only in the event that all higher-priority service have been scheduled and system needs have been met.

5.5.3. RATES AND CHARGES

Customer shall pay the rates and charges for service under this Rate Schedule including the rate components set forth in the IWS Rate Statement and as described below:

- (a) Interruptible Wheeling Charge. A usage charge for each Dth of Customer's Gas wheeled by PERRYVILLE STORAGE on any Day up to and including MDTQ, as set forth in Customer's Hub Services Agreement.

- (b) Fuel Reimbursement. A usage charge, either per Dth, or an in-kind percentage, for each Dth of Customer's Gas injected or withdrawn pursuant to GT&C 6.19, as set forth in Customer's Hub Services Agreement.
- (c) Regulatory Fees and Charges. Customer shall reimburse PERRYVILLE STORAGE for all fees and charges, as required by FERC or any federal, state or local governmental agency having jurisdiction that are related to service provided under this Rate Schedule.
- (d) Taxes. Customer shall either pay directly to the taxing authority or reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed against PERRYVILLE STORAGE, in accordance with GT&C 6.15.

5.5.4. INVOICES

Each invoice for service under this Rate Schedule shall reflect the applicable rates and charges set forth in PERRYVILLE STORAGE's Tariff, Rate Schedule IWS and Customer's Hub Services Agreement.

5.5.5. TERM

The term for service under this Rate Schedule shall be as set forth in Customer's Hub Services Agreement.

5.5.6. AUTHORIZATION, RATES, TERMS AND CHANGES

- (a) Customer's Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PERRYVILLE STORAGE to provide the service contemplated herein, and to construct and operate the facilities necessary to provide such service and for any connected pipeline to deliver Gas to the Point(s) of Receipt and/or receive Gas from the Point(s) of Delivery.
- (b) PERRYVILLE STORAGE shall have the right to propose to FERC or any other governing regulatory body such changes in its rates, charges, and terms of service as it deems necessary, and Customer's Hub Services Agreement shall be deemed to include any changes that are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, that any market-based rates negotiated between PERRYVILLE STORAGE and Customer shall remain in effect during the term of the applicable Exhibits to Customer's Hub Services Agreement specifying such rates.

5.5.7. GENERAL TERMS AND CONDITIONS

The GT&C(s), as amended or supplemented from time to time, are hereby incorporated by reference and made a part of this Rate Schedule and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein. In the event of any inconsistency, the terms of this Rate Schedule shall control.

RATE SCHEDULE IBTS
INTERRUPTIBLE IMBALANCE TRADING SERVICE

5.6.1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of Interruptible Imbalance Trading Service ("IBTS") from PERRYVILLE STORAGE, provided that:

- (a) PERRYVILLE STORAGE has determined that service Customer has requested will not interfere with efficient operation of its system or with Higher Priority Services;
- (b) Customer and PERRYVILLE STORAGE have executed a Hub Services Agreement under this Rate Schedule;
- (c) Customer accepts responsibility for arranging any transportation service required for utilization of the imbalance trading service provided under this Rate Schedule; and
- (d) Service under this Rate Schedule may not be available to the extent that PERRYVILLE STORAGE would be required to construct, modify, expand or acquire any facilities to enable PERRYVILLE STORAGE to perform the requested services.

5.6.2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all IBTS rendered by PERRYVILLE STORAGE to Customer through use of the PERRYVILLE STORAGE FACILITY pursuant to an executed Hub Services Agreement.

IBTS rendered by PERRYVILLE STORAGE to Customer under this Rate Schedule shall consist of the trading of imbalance quantities by PERRYVILLE STORAGE for Customer at agreed upon Point(s) of Receipt and delivery on PERRYVILLE STORAGE's system upon nomination by Customer, and shall also permit the trading of imbalance quantities among Customers. PERRYVILLE STORAGE shall, on an Interruptible basis, accept nomination from Customer for Point(s) of Receipt and Point(s) of Delivery located on PERRYVILLE STORAGE's system for quantities of Gas up to the quantities set forth in Exhibit A of Customer's Hub Services Agreement, in order to permit Customer to trade imbalances created under Rate Schedules set forth in this FERC Gas Tariff. Further, PERRYVILLE STORAGE, on an Interruptible basis, shall permit Customer with imbalance quantities, upon prior notification to PERRYVILLE STORAGE, to trade such imbalance quantities with another Customer, up to the quantities set forth in Exhibit A of Customer's Hub Services Agreement.

5.6.3. RATES AND CHARGES

Customer shall pay rates and charges for Interruptible imbalance trading service under this Rate Schedule including the applicable imbalance trading rate components set forth in the IBT Rate Statement and as described below:

- (a) Interruptible Imbalance Trading Charge. A charge for each Dth scheduled and confirmed with PERRYVILLE STORAGE as an imbalance trade, including imbalance quantities traded between Customers.
- (b) Fuel Reimbursement. No fuel is required to perform PERRYVILLE STORAGE's imbalance trading service.
- (c) Regulatory Fees and Charges. Customer shall reimburse PERRYVILLE STORAGE for all fees and charges, as required by FERC or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Hub Services Agreement.

- (d) Taxes. Customer shall reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed PERRYVILLE STORAGE as a result of service provided under this Rate Schedule.

5.6.4. INVOICE

Each invoice for IBTS shall reflect the applicable charges set forth under Section 5.6.3 of this Rate Schedule at rates and terms set forth in Exhibit A of Customer's Hub Services Agreement.

5.6.5. TERM

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

5.6.6. AUTHORIZATION, RATES, TERMS AND CHANGES

- (a) The Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by the FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PERRYVILLE STORAGE to provide the imbalance trading service contemplated hereby and to construct and operate the Gas storage facilities necessary to provide such imbalance trading service and for any connected pipeline to transport Gas to/from the Point(s) of Receipt/Delivery necessary to effect the imbalance trading service provided for herein.
- (b) PERRYVILLE STORAGE shall have the right to propose to the FERC or any other governing regulatory body such changes in its rates and terms of service as it deems necessary, and the Hub Services Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any market-based rates negotiated between PERRYVILLE STORAGE and its Customer(s) shall remain in effect during the term of Exhibit A of the Hub Services Agreement(s) specifying such rates.

5.6.7. CURTAILMENT

If, due to any cause whatsoever, PERRYVILLE STORAGE's capability to receive or deliver quantities is impaired so that PERRYVILLE STORAGE is unable to receive or deliver the quantities provided for in its Exhibit A of the Hub Services Agreement(s) with Customers, then capacity, withdrawals, and/or injections will be allocated according to the priority of service as set forth in Section 6.5 of the General Terms and Conditions of this FERC Gas Tariff.

5.6.8. GENERAL TERMS AND CONDITIONS

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

5.7 RATE SCHEDULE IBS- INTERRUPTIBLE BALANCING SERVICE

5.7.1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of Interruptible balancing service, provided that:

- (a) PERRYVILLE STORAGE has determined that it has sufficient operationally available Interruptible storage, injection, withdrawal, receipt and delivery capacity to provide the service Customer has requested;
- (b) Customer and PERRYVILLE STORAGE have entered into a Hub Services Agreement under this Rate Schedule;
- (c) Customer accepts responsibility for arranging any upstream or downstream transportation service required for utilization of the service provided under this Rate Schedule;
- (d) Availability of service under this Rate Schedule shall be subject to a determination by PERRYVILLE STORAGE that PERRYVILLE STORAGE's performance of the service requested hereunder shall not cause a reduction in PERRYVILLE STORAGE's ability to provide higher priority service under currently effective Storage Service Agreements and that the service requested will not interfere with the efficient operation of PERRYVILLE STORAGE's system; and
- (e) Service under this Rate Schedule may not be available to the extent that PERRYVILLE STORAGE would be required to construct, modify, expand or acquire any facilities to enable PERRYVILLE STORAGE to perform the requested service.

5.7.2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible balancing service rendered by PERRYVILLE STORAGE to Customer pursuant to a Hub Services Agreement.

5.7.2.1. Interruptible balancing service under this Rate Schedule shall consist of the following:

- (a) The injection on any Day into storage of Customer's Gas, less Fuel Reimbursement, up to Customer's MDIQ, upon nomination and confirmation, which is the excess of (i) the quantity of Gas received from Customer at any Point of Receipt minus (ii) the quantity of Gas delivered for Customer's account to any Point(s) of Delivery, provided that all higher priority service nominations for injection have been satisfied and that Customer has sufficient capacity available as part of its Interruptible balancing MSQ to accommodate the scheduled injection quantity;
- (b) The storage of Gas in amounts up to Customer's Interruptible balancing MSQ, provided that all higher priority service storage and system needs have been met; and
- (c) The withdrawal from storage on any Day and delivery of PERRYVILLE STORAGE's Gas (as loan Gas) or Customer's Gas, upon nomination and confirmation, to the Point(s) of Delivery which is the excess of (i) the quantity of Gas received by PERRYVILLE STORAGE at any Point(s) of Delivery, minus (ii) the quantity of Gas received from Customer at any Point(s) of Receipt, provided that all higher priority service nominations for withdrawal and system needs have been met, and that Customer has a quantity of Gas stored in Interruptible Storage Inventory or available under its MLQ not less than the quantity the Customer shall have nominated for withdrawal on such Day.

- 5.7.2.2. To the extent Interruptible storage capacity or Gas which is being utilized by an Interruptible Customer hereunder is needed by PERRYVILLE STORAGE in order to satisfy PERRYVILLE STORAGE's higher priority obligations or to meet system needs, PERRYVILLE STORAGE may, at PERRYVILLE STORAGE's reasonable judgement and upon giving notice to Customer, interrupt the continuance of any and all service hereunder and PERRYVILLE STORAGE shall require Customer to withdraw or repay all, or any portion of, the Interruptible Balancing Gas quantities held or loaned by PERRYVILLE STORAGE for the account of Customer as specified by PERRYVILLE STORAGE. PERRYVILLE STORAGE's notice will specify the quantity required to be returned or withdrawn and the date by which the injection or withdrawal must be completed. Unless PERRYVILLE STORAGE otherwise agrees, Customer shall be required to make ratable injections or withdrawals.
- 5.7.2.3. If Customer fails to withdraw such Interruptible Balancing Gas, at the agreed upon time as stated in Customer's Hub Services Agreement (Rate Schedule IBS) or fails to withdraw in accordance with Section 5.7.2.2. above, PERRYVILLE STORAGE may take, free and clear of any adverse claims, title to such IBS Storage Inventory as Customer was instructed to withdraw and PERRYVILLE STORAGE shall dispose of such Gas by auction in accordance with the provisions of GT&C 6.33.
- 5.7.2.4. If Customer fails to inject such quantities of Gas to replace Gas advanced by PERRYVILLE STORAGE under this Rate Schedule at the agreed upon time as stated in Customer's Hub Service Agreement (Rate Schedule IBS) or fails to inject in accordance with PERRYVILLE STORAGE's notice as set forth in Section 5.7.2.2. above, PERRYVILLE STORAGE may purchase replacement Gas and Customer shall pay PERRYVILLE STORAGE the cost of replacement Gas, which includes the cost of replacement Gas and any costs or penalties incurred by PERRYVILLE STORAGE or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by PERRYVILLE STORAGE to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

5.7.3. RATES AND CHARGES

Customer shall pay rates and charges for service under this Rate Schedule including the rate components set forth in the IBS Rate Statement and as described below:

- (a) Interruptible Balancing Charge. A charge for each Dth of Gas in Customer's IBS Storage Inventory under this Rate Schedule at the end of each Day, for each Day during a given Month, as set forth in Customer's Hub Services Agreement.
- (b) Interruptible Balancing Injection Charge. A usage charge for each Dth of Gas tendered for injection pursuant to Section 5.7.2.1.(a) of this Rate Schedule, as set forth in Customer's Hub Services Agreement.
- (c) Interruptible Balancing Withdrawal Charge. A usage charge for each Dth of Gas withdrawn pursuant to Section 5.7.2.1.(c) of this Rate Schedule, as set forth in Customer's Hub Services Agreement.
- (d) Fuel Reimbursement. A usage charge, either per Dth, or an in-kind percentage, for each Dth of Customer's Gas injected or withdrawn pursuant to GT&C 6.19, as set forth in Customer's Hub Services Agreement.
- (e) Regulatory Fees and Charges. Customer shall reimburse PERRYVILLE STORAGE for all fees and charges, as required by FERC or any federal, state or local governmental agency having jurisdiction that are related to service provided under this Rate Schedule.

- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed against PERRYVILLE STORAGE, in accordance with GT&C 6.15.

5.7.4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable rates and charges set forth in PERRYVILLE STORAGE's Tariff, Rate Schedule IBS and Customer's Hub Services Agreement.

5.7.5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Hub Services Agreement.

5.7.6. AUTHORIZATION, RATES, TERMS AND CHANGES

- (a) Customer's Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PERRYVILLE STORAGE to provide the parking service contemplated herein, and to construct and operate the facilities necessary to provide such service and for any connected pipeline to deliver Gas to the Point(s) of Receipt and/or receive Gas from the Point(s) of Delivery.
- (b) PERRYVILLE STORAGE shall have the right to propose to FERC or any other governing regulatory body such changes in its rates and terms of service as it deems necessary, and Customer's Hub Services Agreement shall be deemed to include any changes that are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, that any market-based rates negotiated between PERRYVILLE STORAGE and its Customer(s) shall remain in effect during the term of the applicable Exhibits to Customer's Hub Services Agreement specifying such rates.

5.7.7. EXPIRATION OF TERM

5.7.7.1. Upon termination of Customer's Hub Services Agreement (Rate Schedule IBS), title to any quantity of Customer's Gas remaining in Customer's IBS Storage Inventory shall automatically transfer to PERRYVILLE STORAGE, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 6.33. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's IBS Storage Inventory due to an interruption of Customer's withdrawal service by PERRYVILLE STORAGE during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's IBS Storage Inventory within a reasonable period following the end of the contract term.

5.7.8. GENERAL TERMS AND CONDITIONS

The GT&C(s), as amended or supplemented from time to time, are hereby incorporated by reference and made a part of this Rate Schedule and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein. In the event of any inconsistency, the terms of this Rate Schedule shall control.

GENERAL TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS

6.1. INTRODUCTORY STATEMENT

Except where expressly stated otherwise, the General Terms and Conditions of PERRYVILLE STORAGE's currently effective FERC Gas Tariff shall apply to all Gas services rendered by PERRYVILLE STORAGE under any Service Agreement, including, but not limited to, service under Rate Schedules FSS, ISS, IPS, ILS, IWS, IBTS and IBS.

6.2 GENERAL TERMS AND CONDITIONS - DEFINITIONS

6.2. DEFINITIONS

“Action Alert” shall have the meaning set forth in GT&C 6.5.5.(f).

“And” or “and,” when included in a list of alternatives, shall be interpreted to mean all of the alternatives.

“AIO” means authorized injection overrun.

“AWO” means authorized withdrawal overrun.

“Agreement”, “Storage Service Agreement” or “Service Agreement” means the applicable FSSA, Interruptible Storage Service Agreement, or Hub Services Agreement entered into by Customer and PERRYVILLE STORAGE and any exhibits, attachments, and/or amendments thereto.

“Bcf” means one billion (1,000,000,000) cubic feet.

“Btu” means one British Thermal Unit, and shall be the quantity of heat required to raise the temperature of one (1) pound of water from fifty-eight and five-tenths degrees (58.5 degrees) to fifty-nine and five-tenths degrees (59.5 degrees) Fahrenheit. The reporting basis for Btu is 14.73 dry psia and 60 degrees Fahrenheit (101.325 kPa and 15 degrees C, and dry).

“Business Day” means Monday through Friday, excluding federal banking holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico.

“Central Clock Time” or “CCT” means the time of day in the Central Time Zone of the United States.

“Columbia Gulf Mainline Index” means the AVG price listed in the “Daily Cash Market Prices” of Intelligence Press, Inc. (NGI) under the “Columbia Gulf Mainline” reference line or successor index or publication.

“Contract Year” means the twelve (12) month period beginning on the date service under which Service Agreement commences and each subsequent twelve-month period thereafter during the term of the applicable Storage Service Agreement.

“Critical Notice(s)” means information pertaining to PERRYVILLE STORAGE facility conditions that affect scheduling or adversely affect scheduled Gas flow.

“A cubic foot of Gas” equals the volume of Gas that occupies one cubic foot at a temperature of 60 degrees Fahrenheit, a pressure of 14.73 psia, and dry.

“Customer” means the party that holds all lawful right and/or title to the Gas that is being stored, balanced, loaned, parked and/or wheeled and that enters into a Storage Service Agreement with PERRYVILLE STORAGE. The term “Customer” includes potential customers and is synonymous with the terms “Shipper” and “Service Requester” in accordance with NAESB WGQ Standards.

“Day” means a period beginning at 9:00:00 a.m. CCT and ending at 8:59:59 on the following day.

“Dekatherm” or “Dth” means the quantity of heat energy equivalent to 1,000,000 Btu. One “Dekatherm” of Gas means the quantity of Gas that contains one Dekatherm of heat energy.

“Elapsed-Prorated-Scheduled Quantity” or “EPSQ” means that portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination being confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected.

“FERC” or “Commission” means the Federal Energy Regulatory Commission or any successor agency.

“Firm Storage Service” or “FSS” means service under Rate Schedule FSS.

“FSSA” means a Firm Storage Service Agreement.

“Fuel Reimbursement” has the meaning set forth in GT&C 6.19.

“Gas” means natural gas in its natural state, produced from wells, including casinghead gas produced with crude oil, natural gas from gas wells and residue gas resulting from processing both casinghead gas, gas well gas and natural gas received from the regasification facilities of a liquefied natural gas terminal.

“GT&C” or “GT&C(s)” means the General Terms and Condition(s) of PERRYVILLE STORAGE’s Tariff.

“Hub Service” means service under Rate Schedules IPS, ILS, IWS, IBTS and IBS.

“IBS” means service under Rate Schedule IBS.

“IBTS” means service under Rate Schedule IBTS.

“ILS” means service under Rate Schedule ILS.

“Internet Web Site” means PERRYVILLE STORAGE’s website accessible at <http://www.gasnom.com/ip/perryville/> or such other website as PERRYVILLE STORAGE may designate.

“Interruptible” means that the storage, parking, wheeling, loaning, imbalance trading, or balancing service is subject to interruption at any time by PERRYVILLE STORAGE.

“Intraday Nomination” means a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the Day and runs through the end of that Day.

“IPS” means service under Rate Schedule IPS.

“ISS” means service under Rate Schedule ISS.

“IWS” means service under Rate Schedule IWS.

“Maximum Daily Delivery Quantity” or “MDDQ” means the maximum quantity of Gas, expressed in Dth, specified in Customer’s Storage Service Agreement, that Customer may nominate, and that PERRYVILLE STORAGE shall deliver at a Point of Delivery, subject to GT&C 6.8.3.

“Maximum Daily Injection Quantity” or “MDIQ” means the maximum quantity of Gas, expressed in Dth, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PERRYVILLE STORAGE shall receive at all Point(s) of Receipt into storage each Day, subject to GT&C 6.8.3.

“Maximum Daily Receipt Quantity” or “MDRQ” means the maximum quantity of Gas, expressed in Dth, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PERRYVILLE STORAGE shall receive at a Point of Receipt, subject to GT&C 6.8.3.

“Maximum Daily Wheeling Quantity” or “MDTQ” means the maximum quantity of Gas, expressed in Dth, specified in Hub Services Agreement that Customer may nominate and that PERRYVILLE STORAGE shall receive from Point(s) of Receipt and deliver to Point(s) of Delivery subject to GT&C 6.8.3.

“Maximum Daily Withdrawal Quantity” or “MDWQ” means the maximum quantity of Gas, expressed in Dth, specified in Customer’s Storage Service Agreement that Customer may nominate and that PERRYVILLE STORAGE shall withdraw from storage and tender to Customer at all Point(s) of Delivery subject to GT&C 6.8.3.

“Maximum Loan Quantity” or “MLQ” means the maximum quantity of Gas, expressed in Dth, that PERRYVILLE STORAGE has agreed to loan to Customer as specified in Customer’s Storage Services Agreement.

“Maximum Park Quantity” or “MPQ” means the maximum quantity of Gas, expressed in Dth, that Customer is permitted to have in storage, at any given time, as specified in Customer’s Storage Service Agreement.

“Maximum Storage Quantity” or “MSQ” means the maximum quantity of Gas, expressed in Dth, that Customer is permitted to have in storage at any given time, as specified in Customer’s Storage Service Agreement.

“Month” means the period beginning at 9:00:00 a.m. Central Clock Time on the first Day of a calendar month and ending at 8:59:59 a.m. Central Clock Time on the last Day of such month.

“NAESB” or “North American Energy Standards Board” means that accredited organization established to set standards for certain natural gas industry business practices and procedures.

“NAESB Standards” means the standardized business practices, procedures and criteria which have been adopted and published by the Wholesale Gas Quadrant of the North American Energy Standards Board and which have been adopted by reference by the Commission.

“Operational Flow Order” or “OFO” means an order issued to alleviate conditions that threaten or could threaten the safe operations or system integrity of PERRYVILLE STORAGE’s system or to maintain operations required to provide efficient and reliable firm service. Whenever PERRYVILLE STORAGE experiences these conditions, any pertinent order will be referred to as an OFO.

“Or” means one or the other or all.

“Point(s) of Delivery” means the point or points located on PERRYVILLE STORAGE’s system, or a third party pipeline system used by PERRYVILLE STORAGE to provide service to its Customers pursuant to GT&C 6.31 specified in Customer’s Service Agreement at which PERRYVILLE STORAGE shall tender Gas to Customer pursuant to the applicable Service Agreement. “On-System” Point(s) of Delivery refer to points located on PERRYVILLE STORAGE’s physical pipeline system and logical points that Customer can nominate for Pooling purposes while “Off-System” Point(s) of Delivery refer to points located on third party pipeline systems.

“Point(s) of Receipt” means the point or points located on PERRYVILLE STORAGE’s system or a third party pipeline system used by PERRYVILLE STORAGE to provide service to its Customers pursuant to GT&C 6.31 specified in Customer’s Service Agreement at which PERRYVILLE STORAGE shall receive Gas from Customer pursuant to the applicable Service Agreement. “On-System” Point(s) of Receipt refer to points located on PERRYVILLE STORAGE’s physical pipeline system and logical points that Customers can nominate for Pooling purposes while “Off-System” Point(s) of Delivery refer to points located on third party pipeline systems.

“Pooling” means (1) the aggregation of Gas from multiple physical and/or logical points to a single physical or logical point, and/or (2) the disaggregation of Gas from a single physical or logical point to multiple physical and/or logical points.

“Psig” means pounds per square inch, gauge.

“Releasing Customer” or “Releasing Shipper” means a Customer that has agreed to release some or all of its rights under its Storage Service Agreement to a Replacement Customer or Replacement Shipper.

“Replacement Customer” or “Replacement Shipper” means a Customer that has assumed any rights to released capacity of Releasing Customer or Releasing Shipper.

“Storage Inventory” means the quantity of Gas, expressed in Dth, in Customer’s storage inventory by Service Agreement under any Rate Schedule.

“Tariff” means PERRYVILLE STORAGE’s tariff on file with the FERC, as amended or supplemented from time to time.

“Title Transfer” means the change of title to Gas, expressed in Dth.

“Transporter” means the Customer’s transporter designated to deliver Gas to the Point(s) of Receipt or Customer’s transporter designated to receive Gas from the Point(s) of Delivery.

“WGQ” means the Wholesale Gas Quadrant of NAESB.

Note: Additional terms indicated by capitalization and used in this Tariff have the meaning ascribed to them where first utilized.

6.3 GENERAL TERMS AND CONDITIONS – REQUEST FOR SERVICE

6.3. REQUEST FOR SERVICE

This Section provides the process by which requests for service shall be made when unsubscribed storage capacity becomes available. PERRYVILLE STORAGE will provide not unduly discriminatory access to storage capacity to all Customers including, without limitation, local distribution companies, end-users, producers, liquefied natural gas re-gasifiers, brokers, marketers, and other potential Customers who desire such service. PERRYVILLE STORAGE's obligation to provide firm service shall be subject to the availability of existing firm capacity to provide the requested service.

6.3.1. Firm Storage Service Procedures

To obtain FSS, Customers must bid for firm capacity under the procedures set forth under this Section 6.3.1. (or submit a request for FSS if service is sought outside a binding open season), execute a Service Agreement under Rate Schedule FSS and comply with the nomination procedures set forth under GT&C 6.8 (Nominations and Scheduling).

Firm Storage Binding Open Season.

- (a) Notice of binding open season. Prior to the proposed commencement of new firm service, or at the expiration of any long-term (primary term of one (1) year or more) FSS Agreement with a Customer PERRYVILLE STORAGE shall post notice of the open season on its Internet Web Site, at least ten (10) days prior to commencement of an open season. Such notice shall specify when the open season begins and ends, where interested parties may submit requests for FSS, the minimum rates, if any, PERRYVILLE STORAGE will accept for the available capacity, and how interested parties may obtain forms for requesting service and additional details about the open season.
- (b) Duration. The open season shall commence at the time and day specified and for the term indicated in the notice of open season. During this time, PERRYVILLE STORAGE will accept requests for the FSS available in its facilities.
- (c) During the allocation process conducted as part of an open season, requests for FSS exceed available capacity, capacity will first be allocated to the highest net present value bid received for FSS, as determined by PERRYVILLE STORAGE in its sole discretion, received for FSS. When remaining unallocated capacity is not sufficient to meet the next highest net present value bidder's capacity requirements for FSS, that next highest bidder may decline the remaining capacity. PERRYVILLE STORAGE will then offer the remaining capacity to the next highest bidder, until all the remaining capacity is allocated.
- (d) Should two or more bidders submit bids with identical present values, as determined by PERRYVILLE STORAGE in its sole discretion, and there is insufficient remaining capacity available to serve such prospective Customers, then capacity will be allocated to such prospective Customers on a pro rata basis.
- (e) Execution of Agreements. A prospective Customer allocated service in an open season shall be required to execute one or more Storage Service Agreements no later than 30 days following the close of the open season or forfeit the service that has been allocated to it.

- (f) PERRYVILLE STORAGE will accept requests for FSS for any capacity remaining available after an open season. The remaining capacity shall be allocated on a first come, first served basis. That is, the first creditworthy prospective Customer offering to pay a rate for service that PERRYVILLE STORAGE finds acceptable shall be allocated capacity.

6.3.2. Interruptible Storage and Hub Service Procedures

- (a) To obtain ISS or Hub Service, Customer must submit a request for service to PERRYVILLE STORAGE, Customer and Perryville Storage must have executed a Service Agreement under Rate Schedule ISS, or a Hub Services Agreement after Customer has provided all information reasonably requested by PERRYVILLE STORAGE and PERRYVILLE STORAGE has found Customer to be creditworthy, and Customer must comply with the nomination procedures set forth under GT&C 6.8 (Nominations and Scheduling).

- (b) Procedures to Obtain Interruptible Storage or Hub Service Capacity

- (1) General

- If and when ISS or Hub Service capacity on PERRYVILLE STORAGE's existing facilities becomes available, Customers or potential Customers shall contract for such storage capacity pursuant to the procedures set forth under this Section 6.3. PERRYVILLE STORAGE will satisfy all requests for ISS or Hub Service capacity, which are feasible given existing facilities and which can be fulfilled without impairment of existing contractual obligations and without affecting the integrity of PERRYVILLE STORAGE's facilities.

- (2) Internet Web Site Posting Procedure

- PERRYVILLE STORAGE shall maintain information on its website that sets forth the capacity available under Rate Schedule ISS and Hub Service at applicable Point(s) of Receipt and Points(s) of Delivery.

6.3.3. Requests for Service

- (a) General. Any prospective Customer wishing to obtain service from PERRYVILLE STORAGE under this Tariff (other than FSS provided as a result of a binding open season) shall submit to PERRYVILLE STORAGE a request for service that contains the information identified in a Request for Service Informational List posted on PERRYVILLE STORAGE's Internet Web Site , as such list may be amended from time to time. PERRYVILLE STORAGE shall evaluate and respond to prospective Customer's request within five (5) Business Days of its receipt.

Requests for service may be sent to:

PERRYVILLE GAS STORAGE LLC
1 Riverway, Suite 710
Houston, Texas 77056
Telephone: 713-350-2500
E-mail: CardinalContractAdmin@cardinalgs.com

- (b) Creditworthiness. A prospective Customer shall be deemed creditworthy if the prospective Customer has an Acceptable Credit Rating, as defined in GT&C 6.32.

6.3.4. Additional Information.

- (a) Customer or prospective Customer shall promptly provide such information as may be reasonably required by PERRYVILLE STORAGE, at any time during the term of service under a Storage Service Agreement, to enable PERRYVILLE STORAGE to determine Customer's or prospective Customer's creditworthiness.
- (b) After receipt of a request for service, PERRYVILLE STORAGE may require that prospective Customer furnish additional information as a prerequisite to PERRYVILLE STORAGE offering to execute a Storage Service Agreement with such prospective Customer. Such information may include proof of prospective Customer's lawful right and/or title to cause the Gas to be delivered to PERRYVILLE STORAGE for service under this Tariff and of prospective Customer's contractual or physical ability to cause such Gas to be delivered to and received from such prospective Customer's designated Point(s) of Delivery and/or Receipt.
- (c) Should a Customer or a prospective Customer desire PERRYVILLE STORAGE to provide service pursuant to Section 311 of the Natural Gas Policy Act, it shall provide to PERRYVILLE STORAGE a statement warranting that it complies with all requirements for receiving service pursuant to Section 311 and the FERC's regulations thereunder, including, but not limited to, compliance with the "on-behalf-of" requirement then in effect.

6.3.5. Request Validity. If PERRYVILLE STORAGE has tendered a Storage Service Agreement for execution to a prospective Customer and such prospective Customer fails to execute the agreement as tendered within thirty (30) Days from the date it receives the agreement, then PERRYVILLE STORAGE may consider prospective Customer's service request void. For service under Rate Schedule FSS, PERRYVILLE STORAGE will not be required to tender a Storage Service Agreement to a prospective Customer for execution that relates to request for service for which PERRYVILLE STORAGE does not have sufficient available firm capacity.

6.3.6. Complaints. In the event that a Customer or prospective Customer has a complaint relative to service under this Tariff, the Customer or prospective Customer shall provide a description of the complaint, including the identification of the service request (if applicable), and communicate it to:

PERRYVILLE GAS STORAGE LLC
1 Riverway, Suite 710
Houston, Texas 77056
Telephone: 713-350-2572
E-mail: EnergyReg@Hartreegs.com

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

6.3.7. General Information.

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

PERRYVILLE GAS STORAGE LLC

Attn: Contract Administrator
1 Riverway, Suite 710
Houston, Texas 77056
Telephone: 713-350-2500
E-mail: CardinalContractAdmin@cardinalgs.com

- (b) Each Customer will be provided with a list of phone numbers for PERRYVILLE STORAGE's Gas schedulers who are on-call 24-hours a day.
- 6.3.8. Construction of Facilities. PERRYVILLE STORAGE shall not be required to provide any requested service under any Rate Schedule, which would require construction or acquisition by PERRYVILLE STORAGE of new facilities, or expansion of existing facilities.

6.4. CAPACITY RELEASE

Any Customer under Rate Schedule FSS may seek to release for assignment to others any or all of its firm storage service entitlements on:

- (a) a full Day or an intraday basis,
- (b) a permanent or a temporary basis, and
- (c) a firm or recallable basis, subject to the following terms and conditions:

6.4.1 Notice of Offer. A Customer offering to release FSS entitlements shall notify PERRYVILLE STORAGE via its Internet Web Site of the terms of its offer by the posting deadline as determined pursuant to Section 6.4.3 of these General Terms and Conditions. This information will be posted on PERRYVILLE STORAGE's Internet Web Site. Customer may propose a pre-arranged designated Replacement Customer to which the capacity would be released. Offers shall be binding unless written or electronic notice of withdrawal is received by PERRYVILLE STORAGE prior to the close of the applicable bid period; provided, however, such withdrawal shall only be valid if such Customer has an unanticipated requirement for such capacity and no minimum bid has been made. The notice must contain the reason for withdrawal, which PERRYVILLE STORAGE shall post on its Internet Web Site. The offer shall contain the following minimum information:

- (a) Customer's legal name and the name/title of individual who has authorized the offer to release;
- (b) PERRYVILLE STORAGE's Storage Service Agreement number;
- (c) A description of the capacity to be released, including the MSQ, the MDIQ, and the MDWQ, and the associated Point(s) of Receipt and Point(s) of Delivery (Replacement Customer may request changes to such Point(s) of Receipt and Point(s) of Delivery subject to the proposed release and subject to the daily quantity limitations described in Section 6.4.2 of these General Terms and Conditions);
- (d) The proposed effective date and term of the release;
- (e) The identity of any pre-arranged designated Replacement Customer and the full terms of such pre-arranged release;
- (f) The method to be applied in evaluating bids, allocating capacity and breaking ties, as described below;
- (g) Whether, to what extent, and the conditions pursuant to which capacity will be subject to recall for a full Day or a partial Day; if recallable, whether the Releasing Customer's recall notification must be provided exclusively on a Business Day, and any reput methods and rights associated with returning the previously released capacity to the Replacement Customer;
- (h) Whether bids on a volumetric rate basis may be submitted, and, if so, the method for evaluating any such bids, including how to rank bids if bids are also to be accepted on a reservation charge basis, and any other special conditions;
- (i) Whether contingent bids that extend beyond the bid period may be submitted, how to evaluate and prioritize such bids against non-contingent bids, and the terms and

conditions under which, and/or for what time period, the next highest bidder will be obligated to acquire the capacity should the winning contingent bidder withdraw its bid;

- (j) Any extensions of the minimum posting/bid periods;
- (k) Whether Releasing Customer desires to utilize the first-come, first-served option for short-term releases described in Section 6.4.6 below and any minimum terms applicable thereto;
- (l) Other special terms and conditions Releasing Customer imposes on the release of its capacity, including, but not limited to, minimum rates, term, and quantity;
- (m) Whether to specify dollars and cents or percents of rates in the denomination of bids;
- (n) For purposes of bidding and awarding, any minimum rates specified by the Releasing Customer shall include the tariff reservation rate and all reservation surcharges, as a total number or as stated separately;
- (o) Whether the release is on a permanent or a temporary basis;
- (p) An e-mail address for the Releasing Customer contact person. It is Customer's responsibility to update e-mail address information provided to PERRYVILLE STORAGE, as necessary; and
- (q) The recall notification period(s), as identified in Section 6.4.13(e) below, that will be available for use by the parties.
- (r) Whether the proposed release is to an asset manager as part of an asset management arrangement as defined in Section 284.8(h)(3) of the Commission's regulations, or to a marketer participating in a state-mandated retail access program as defined in Section 284(h)(4) of the Commission's regulations, and if the proposed release is part of an asset management arrangement, the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect.

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

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

This allocated daily contractual entitlement shall be used for purposes of nominations, billing, and if applicable, for overrun calculations. The MSQ that can be released by a Releasing Customer for an intraday release is limited to a quantity not in excess of the Releasing Customer's MSQ less the Releasing Customer's Storage Inventory.

6.4.3 Posting and Bidding Timeline. For the Capacity Release business process timing model, only the following methodologies shall be supported by PERRYVILLE STORAGE and provided to Releasing Customers as choices from which they may select and, once chosen, shall be used in determining the awards from the bid(s) submitted. They are:

- (a) highest rate

- (b) net revenue
- (c) present value

Other choices of bid evaluation methodology (including other Releasing Customer defined evaluation methodologies) can be accorded similar timeline evaluation treatment at PERRYVILLE STORAGE's discretion; however, PERRYVILLE STORAGE is not required to offer other choices or similar timeline treatment for other choices.

Further, PERRYVILLE STORAGE shall not be held to the timeline specified in Sections 6.4.3(a) and 6.4.3(b) below should the Releasing Customer elect another method of evaluation. Should the Releasing Customer elect another method of evaluation, the timeline specified in Section 6.4.3(c) below shall apply. The proposed duration of Customer's release determines the minimum bid period for Customer's offer pursuant to this Section 6.4. The Capacity Release timeline is applicable to all parties involved in the Capacity Release process; however, it is only applicable if (i) all information provided by the parties to the transaction is valid and the Replacement Customer has been determined to be creditworthy before the capacity release bid is tendered and (ii) there are no special terms or conditions of the release.

The Capacity Release timeline is as follows:

- (a) For standard releases of less than one year:
 - (i) Offers shall be tendered by 9:00 a.m. CCT on a Business Day;
 - (ii) The bid period shall end at 10:00 a.m. CCT on the same Business Day or at 10:00 a.m. CCT on any subsequent Business Day as specified in Releasing Customer's offer, whichever is elected by Releasing Customer;
 - (iii) Evaluation period begins at 10:00 a.m. CCT on the Day the bid period ends, during which contingency is eliminated, determination of best bid is made, and ties are broken;
 - (iv) Evaluation period ends and award is posted if no match is required at 11:00 a.m. CCT the same Day;
 - (v) If the Prearranged Customer's bid is not the best bid, then PERRYVILLE STORAGE shall allow such Prearranged Customer a period of thirty (30) minutes from 11:00 a.m. until 11:30 a.m. CCT on the Day the Bid Period ends, or such later time as specified in the Releasing Customer's offer, to determine whether to match the best bid and to notify PERRYVILLE STORAGE of its decision.
 - (vi) If a match is required, the award will be posted by 12:00 p.m. CCT.

PERRYVILLE STORAGE will issue a contract within one hour of the award posting (with a new contract number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Section 6.7 (Nominations and Scheduling) of these General Terms and Conditions; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer.

- (b) For standard releases of one year or longer:

- (i) Offers shall be tendered by 9:00 a.m. CCT four (4) Business Days before the award;
- (ii) The bid period shall end at 10:00 a.m. CCT on the Day before timely nominations are due (open season is three Business Days) or at 10:00 a.m. CCT on any subsequent Business Day as specified in Releasing Customer's offer, whichever is elected by Releasing Customer;
- (iii) Evaluation period begins at 10:00 a.m. CCT on the Day the bid period ends, during which contingency is eliminated, determination of best bid is made, and ties are broken;
- (iv) Evaluation period ends and award is posted if no match is required at 11:00 a.m. CCT the same Day;
- (v) If the Prearranged Customer's bid is not the best bid, PERRYVILLE STORAGE shall allow such Prearranged Customer a period of thirty (30) minutes from 11:00 a.m. CCT until 11:30 a.m. CCT on the Day the Bid Period ends, or such later time as specified in the Releasing Customer's offer, to determine whether to match the best bid and to notify PERRYVILLE STORAGE of its decision.
- (vi) If a match is required, the award will be posted by 12:00 p.m. CCT.

PERRYVILLE STORAGE will issue a contract within one hour of the award posting (with a new contract number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Section 6.8 (Nominations and Scheduling) of these General Terms and Conditions; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer. The nomination and scheduling timeline as follows:

- (1) Timely Cycle: Posting of prearranged deals not subject to bid are due by 12:00 p.m. CT.
 - (2) Evening Cycle: Posting of prearranged deals not subject to bid are due by 5:00 p.m. CT.
 - (3) Intraday 1 Cycle: Posting of prearranged deals not subject to bid are due by 9:00 a.m. CT.
 - (4) Intraday 2 Cycle: Posting of prearranged deals not subject to bid are due by 1:30 p.m. CT.
 - (5) Intraday 3 Cycle: Posting of prearranged deals not subject to bid are due by 6:00 p.m. CT.
- (c) Timeline for Non-standard Releases. If Releasing Customer specifies a bid evaluation methodology other than those stated in Section 6.4.7 of these General Terms and Conditions or any special terms or conditions, then the above timelines shall apply; provided, however, one additional Business Day will be added to the evaluation period. Subsequent deadlines will be delayed by such additional Business Day, causing Gas flow to occur at least one Day later than under the standard timelines set forth in Sections 6.4.3(a) and 6.4.3(b) of these General Terms and Conditions.

- (d) Releases Not Subject to Bidding. For proposed capacity releases of a duration of thirty-one (31) Days or less for which Releasing Customer has obtained a Prearranged Replacement Customer and Releasing Customer elects not to post such proposed capacity releases for bidding pursuant to Section 6.4.3 of these General Terms and Conditions, any release to an asset manager (as defined in Section 284.8(h)(3) of the Commission's regulations), or any release to a marketer participating in a state-mandated retail access program (as defined in Section 284.8(h)(4) of the Commission's regulations) shall not be subject to the competitive bidding requirements of Section 6.4.3, but shall be subject to all other provisions of this Section 6.4. With the exception of releases to an asset manager, or to a marketer participating in a state-mandated retail access program, any release with a term that is greater than thirty-one (31) days must be posted for bidding. Customer shall notify PERRYVILLE STORAGE of such non-biddable release by providing the information pursuant to Section 6.4.1 of these General Terms and Conditions, which information will be posted on PERRYVILLE STORAGE's Internet Web Site as required by Section 6.4 of these General Terms and Conditions.

The Prearranged Customer must initiate confirmation of prearranged deals electronically. PERRYVILLE STORAGE will issue a contract within one hour of notification of the release (with a new contract number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Section 6.7 (Nominations and Scheduling) of these General Terms and Conditions; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer. A Prearranged Customer may not consummate a release with any Customer that utilizes the same capacity or overlaps such capacity without such release being subject to the bidding requirement if such Customer has, within the prior twenty-eight (28) consecutive Days, released capacity to such Prearranged Customer, which prior release was not subject to the bidding requirements.

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

- 6.4.4 Pre-arranged Releases. A Releasing Customer may designate an entity (a pre-arranged designated Replacement Customer) to which it has agreed to release the capacity upon specified terms and conditions. A Releasing Customer's offer to release under such a pre-arranged transaction shall be subject to the prior posting and bidding procedures described in Sections 6.4.5 and 6.4.6 of these General Terms and Conditions.
- 6.4.5 Posting. Following receipt of a notice of offer to release capacity which satisfies the requirements set forth in this Section, PERRYVILLE STORAGE will post such information on its Internet Web Site in accordance with the timeline set forth in Section 6.4.3 herein. PERRYVILLE STORAGE shall also post offers to purchase capacity from those who desire current Customers to release capacity upon receipt of the applicable information as set forth in this Section.
- 6.4.6 Bidding and Selection of Replacement Customer. All bids must contain the applicable information required in this Section. If Releasing Customer desires to solicit bids for releases of thirty-one (31) Days or less, it may direct PERRYVILLE STORAGE to post notice of the availability of such capacity and, in lieu of permitting bids during the otherwise applicable posting period, award the capacity to the bidder who submits first in time a valid bid meeting any minimum terms specified by the Releasing Customer. Any bid submitted by a Replacement Customer shall include an e-mail address for at least one contact person, and it is the Customer's responsibility to update e-mail address information provided to PERRYVILLE STORAGE, as

necessary. A bidder may not have more than one eligible bid for the same release offer at any time. Bids shall be binding unless written or electronic notice of withdrawal is received by PERRYVILLE STORAGE before the end of the bid period. Bids cannot be withdrawn after the bid period ends. If a bid is withdrawn prior to the end of the bid period, that bidder may only submit a new bid pursuant to that release offer if it is at a higher rate than the withdrawn bid. PERRYVILLE STORAGE shall evaluate the bids in accordance with the provisions of this Section and determine the best bid in accordance with the timelines set forth in Section 6.4.3 of these General Terms and Conditions.

PERRYVILLE STORAGE shall notify Releasing Customer, the best bidder, and any pre-arranged designated Replacement Customer of such determination in accordance with the timelines set forth in Section 6.4.3 of these General Terms and conditions. If there is a pre-arranged designated Replacement Customer, it may exercise its right to match such best bid by providing written notice of such exercise to PERRYVILLE STORAGE and Releasing Customer in accordance with the timelines set forth in Section 6.4.3 herein.

After the Replacement Customer is selected, PERRYVILLE STORAGE and the Replacement Customer will enter into a FSS Agreement with respect to the release capacity. Following implementation of the release, PERRYVILLE STORAGE shall post notice of the winning bidder on its Internet Web Site.

- 6.4.7 Best Bid. When PERRYVILLE STORAGE makes awards of capacity for which there have been multiple bids meeting minimum conditions, PERRYVILLE STORAGE shall award the bids, best bid first, until all offered capacity is awarded. The capacity being awarded represents the MDIQ, MDWQ, or MSQ. These quantities are separate parts of the capacity and are awarded until one of the quantities is fully awarded, at which point all capacity is deemed to be fully awarded. PERRYVILLE STORAGE shall evaluate and determine the best bid among those otherwise consistent with any terms and conditions specified by the Releasing Customer as follows:
- (a) PERRYVILLE STORAGE shall apply the standard or criteria for such determination specified by the Releasing Customer, including the standard to be used for breaking ties. Any standard or criteria so specified must be objective, economic, not unduly discriminatory, not contrary to applicable provisions of this FERC Gas Tariff, applicable to all potential Replacement Customers and require PERRYVILLE STORAGE in applying such standard to exercise no more than a ministerial function. The Releasing Customer shall indemnify and hold PERRYVILLE STORAGE harmless from and against all demands, losses, claims, expenses, causes of action, and/or damages suffered or incurred by PERRYVILLE STORAGE arising out of or related to any determination of a best bid pursuant to a standard specified, supplied, approved, or provided by Releasing Customer.
 - (b) If the Releasing Customer does not specify a bid evaluation standard, then PERRYVILLE STORAGE shall determine the bid or bids generating the highest net present value, using a 10% discount factor, based on the rate bid (reservation component), the applicable quantity(ies) and term or period bid upon. If the Releasing Customer does not specify a method to break ties, priority will be given first to the bid with the shortest term, and next to the bid submitted first in time.
- 6.4.8 Qualification of Prospective Replacement Customer. A prospective Replacement Customer must be on PERRYVILLE STORAGE's approved bidders list before bids may be posted on the Internet Web Site, must satisfy all Customer requirements of the applicable Rate Schedule and the General Terms and Conditions of this FERC Gas Tariff. To be on the approved bidders list, the prospective Replacement Customer must satisfy PERRYVILLE STORAGE's credit requirements as outlined in Section 6.3 (Request for Service) and Section 6.32 of these General Terms and Conditions. Such credit appraisal shall be reevaluated and updated every three (3) months. The

prospective Replacement Customer shall remain on the approved bidders list until such prospective Replacement Customer (i) notifies PERRYVILLE STORAGE to the contrary, (ii) no longer meets the credit qualifications established in Section 6.3 (Request for Service) and Section 6.32 of these General Terms and Conditions, or (iii) is suspended from the approved bidders list in the event, and for such time as, such Replacement or Prearranged Customer fails to pay part or all of the amount of any bill for service in accordance with Section 6.14 (Billings and Payments) of these General Terms and Conditions. PERRYVILLE STORAGE will apply its creditworthiness criteria to assess the submission. PERRYVILLE STORAGE will waive the creditworthiness requirement on a non-discriminatory basis for Replacement Customers and permit them to submit bids, if the Releasing Customer provides PERRYVILLE STORAGE with a guarantee or other form of credit assurance in form and substance satisfactory to PERRYVILLE STORAGE of all financial obligations of the Replacement Customer with respect to the capacity being released by Releasing Customer prior to the commencement of service to the Replacement Customer.

6.4.9 Nominations. Following its selection, and prior to the flow of Gas, the Replacement Customer shall be permitted to submit nominations pursuant to the terms and conditions of the applicable Rate Schedule and the General Terms and Conditions of this FERC Gas Tariff

6.4.10 Billing. The Replacement Customer shall be billed and make payments to PERRYVILLE STORAGE in accordance with the applicable Rate Schedule, other provisions of this FERC Gas Tariff, and of its Storage Service Agreement incorporating its bid terms. In accordance with the terms of the release, the Replacement Customer shall pay or be liable for the usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) applicable under the relevant Rate Schedule and Firm Storage Service Agreement attributable to its usage of the released capacity. PERRYVILLE STORAGE shall continue to bill the Releasing Customer all applicable charges under its existing Storage Service Agreement, excluding usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) billed to the Replacement Customer and attributable to its usage of the released capacity. Invoices sent to the Releasing Customer shall reflect a credit equal to any reservation charges (plus all surcharges applicable thereto) being billed to the Replacement Customer for the released capacity rights, or as otherwise agreed. If the Replacement Customer fails to pay when due all or part of the amounts credited to the Releasing Customer, PERRYVILLE STORAGE shall pursue payment from the Replacement Customer by notifying such Customer by registered letter, return receipt requested, that it has five (5) days from receipt of such letter to pay the amount due including any applicable interest. If the Replacement Customer fails to pay such amount by the end of the fifth day, PERRYVILLE STORAGE shall reverse the credit and bill the Releasing Customer for such past due amounts, plus applicable interest.

6.4.11 Rights and Obligations of the Parties.

(a) The Storage Service Agreement between the Releasing Customer and PERRYVILLE STORAGE shall remain in full force and effect with the Releasing Customer to receive a credit to its invoice as described in Section 6.4.10 of these General Terms and Conditions. If the Replacement Customer fails to pay all or part of the amounts credited to the Releasing Customer after the five Day notification period specified in Section 6.4.10 of these General Terms and Conditions, then PERRYVILLE STORAGE shall reverse the credit and bill the Releasing Customer for such past due amounts, plus applicable interest. The Storage Service Agreement executed by the Replacement Customer shall be fully effective and enforceable by and against the Replacement Customer. The Replacement Customer may also release capacity pursuant to this Section, and in such event and for such purposes, shall be considered the Releasing Customer.

(b) PERRYVILLE STORAGE shall accept nominations, schedule service, afford priority of service, and interrupt service based on instructions and communications from the

Releasing Customer and the Replacement Customer, which are consistent with one another and with the terms and conditions of PERRYVILLE STORAGE's FERC Gas Tariff and their respective Storage Service Agreements. In the event that instructions or nominations from the Releasing Customer and Replacement Customer are, in PERRYVILLE STORAGE's opinion, inconsistent or conflicting, PERRYVILLE STORAGE shall comply with the instructions of the Releasing Customer; provided, however, that such instructions must not be inconsistent with PERRYVILLE STORAGE's FERC Gas Tariff or the terms of either the Releasing Customer's or Replacement Customer's Storage Service Agreement, in PERRYVILLE STORAGE's opinion. The Releasing Customer will indemnify PERRYVILLE STORAGE against any claim or suit by the Replacement Customer, its successors or assigns, arising from any action taken by PERRYVILLE STORAGE in reliance upon the Releasing Customer's nominations and instructions and will hold PERRYVILLE STORAGE harmless for any action taken by PERRYVILLE STORAGE in reliance upon the nominations and scheduling instructions of the Replacement Customer; provided, however, that the Releasing Customer shall not be liable for the Replacement Customer's failure to pay the usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) billed to the Replacement Customer and attributable to its usage of the released capacity. The Replacement Customer will indemnify PERRYVILLE STORAGE against any claim or suit by the Releasing Customer, its successors or assigns, arising from any action taken by PERRYVILLE STORAGE in reliance upon the nominations and scheduling instructions of the Replacement Customer and will hold PERRYVILLE STORAGE harmless for any actions taken by PERRYVILLE STORAGE in reliance upon the instructions of the Releasing Customer.

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

6.4.13 Limitations.

- (a) Releases and assignments hereunder shall be for a period(s) of one or more Day(s) and the maximum term shall not extend beyond the expiration of this FERC Gas Tariff provision or beyond the expiration of the Releasing Customer's Storage Service Agreement.
- (b) PERRYVILLE STORAGE may invalidate any offer to release or any bid subsequent to its posting on the Internet Web Site, which does not conform to the requirements of this Section and the other provisions of this FERC Gas Tariff and such invalidated offer or bid shall be deemed null and void.
- (c) Any terms and conditions imposed on the offer to release by the Releasing Customer as provided for in this Section must be objectively stated, reasonable, capable of administration or implementation by PERRYVILLE STORAGE without any material increase in burden or expense, applicable to all potential bidders, not unduly discriminatory, and consistent with the terms and conditions of this FERC Gas Tariff and Releasing Customer's Storage Service Agreement.
- (d) A Releasing Customer may re-release to the same Replacement Customer, where such first release was not subject to posting and bidding pursuant to Sections 6.4.5 and 6.4.6 of these General Terms and Conditions, for a term of 31 Days or less, only if: 1) a period of 28 Days has elapsed after the first release for 31 Days or less has expired or 2) the Point(s) of Receipt and/or Point(s) of Delivery for the re-release is different from the Point(s) of Receipt and/or Point(s) of Delivery of the first release or 3) the Releasing Customer causes the posting of an offer to release capacity or of a pre-arranged transaction to be made, and capacity is allocated on the basis of bids submitted or 4) the

release is not subject to posting and bidding under the provisions applicable to asset managers and state-regulated retail access programs.

- (e) Recall Provisions. If the Releasing Customer retains recall rights, Releasing Customer's offer to release capacity shall clearly specify the conditions precedent to such recall and whether the recall right retained by Releasing Customer is on a full Day or partial Day basis. The Releasing Customer shall provide capacity recall notification to PERRYVILLE STORAGE via the Internet Web Site. The recall notification shall specify the recall notification period for the specified effective Day, as well as any other information needed to uniquely identify the capacity being recalled.

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

- (1) Timely Recall Notification:
 - (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 8:00 A.M. CT on the day that Timely Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 9:00 A.M. CT on the day that Timely Nominations are due;
- (2) Early Evening Recall Notification:
 - (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 3:00 P.M. CT on the day that Evening Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 4:00 P.M. CT on the day that Evening Nominations are due;
- (3) Evening Recall Notification:
 - (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 5:00 P.M. CT on the day that Evening Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 6:00 P.M. CT on the day that Evening Nominations are due;
- (4) Intraday 1 Recall Notification:
 - (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 7:00 A.M. CT on the day that Intraday 1 Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 8:00 A.M. CT on the day that Intraday 1 Nominations are due; and
- (5) Intraday 2 Recall Notification:

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

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

PERRYVILLE STORAGE notices of recalled capacity to all affected Replacement Customers shall be provided via the Internet Web Site, along with written notice via e-mail communication to those Replacement Customer contact person(s) identified in the Replacement Customer's bid submitted pursuant to Section 6.4.6 of these General Terms and Conditions. Such notices shall contain the information required to uniquely identify the capacity being recalled, and shall indicate whether penalties will apply for the Day for which quantities are reduced due to a capacity recall. Upon receipt of notification of the recall from PERRYVILLE STORAGE, each affected Replacement Customer shall revise its nominations within the applicable nomination cycle in order to implement the recall. Each affected Replacement Customer will be solely responsible for adjusting its supply and transportation arrangements, which may be necessary as a result of such recall.

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

In the recall notification provided to PERRYVILLE STORAGE by the Releasing Customer, the quantity to be recalled shall be expressed in terms of the adjusted total released capacity entitlements based upon the Elapsed-prorated-scheduled Quantity. In the event of an intraday capacity recall, PERRYVILLE STORAGE shall determine the allocation of capacity between the Releasing Customer and the Replacement Customer(s) based upon the Elapsed-prorated-scheduled Quantity.

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

- (g) Reput Provisions. PERRYVILLE STORAGE shall support the function of reputting by the Releasing Customer. The Releasing Customer may reput previously recalled capacity to the Replacement Customer pursuant to the reput rights and methods identified in the Releasing Customer's notice to release capacity, as required by Section 6.4.1(g) of these General Terms and Conditions. When capacity is recalled, such capacity may not be reput for the same Day. The deadline for the Releasing Customer to notify PERRYVILLE STORAGE of a reput of capacity is 8:00 A.M. CCT to allow the Replacement Customer to submit timely nominations for gas to flow on the next Day.
- (h) Following the awarding of capacity to a Replacement Customer in accordance with the procedures provided in this Section, the Releasing Customer's rights and PERRYVILLE STORAGE's obligations under the Releasing Customer's Storage Service Agreement shall be modified and subject to the capacity rights released and assigned to the Replacement Customer for the term of such release. Effecting a release pursuant to the provisions of this Section shall constitute Releasing Customer's consent and agreement to such amendment or modification of its existing Storage Service Agreement.

6.5. GENERAL TERMS AND CONDITIONS - PRIORITY, INTERRUPTION OF SERVICE AND OPERATIONAL FLOW ORDERS

- 6.5.1. Priority of Service. Any Customer executing a Storage Service Agreement with PERRYVILLE STORAGE shall be entitled to storage service in the following order of declining priority as applicable based on operational constraint(s):
- (a) Firm Storage Service at primary Point(s) of Receipt, not in excess of MDRQ, and at primary Point(s) of Delivery, not in excess of MDDQ.
 - (b) Firm Storage Service that includes secondary point rights (i) at secondary Point(s) of Receipt, (ii) at secondary Point(s) of Delivery, (iii) at primary Point(s) of Receipt in excess of MDRQ, but less than or equal to MDIQ, and (iv) at primary Point(s) of Delivery in excess of MDDQ but less than or equal to MDWQ.
 - (c) AIO Gas and AWO Gas (pursuant to Section 5.1.2. of Rate Schedule FSS) and Interruptible service including storage, parking, wheeling, loaning or balancing pursuant to Section 6.5.2. below.
 - (d) Make-up quantities to correct a prior variance between (i) Transporter and the counterparty to a balancing agreement (pursuant to such agreement), (ii) Customer and PERRYVILLE STORAGE, and (iii) Customer and Transporter if the variance was due to PERRYVILLE STORAGE's failure to receive or deliver Customer's scheduled quantity.
 - (e) Extended injections for firm service in excess of MDRQ/24 or extended withdrawals for firm service in excess of MDDQ/24.

If a capacity constraint is anticipated or planned (for example, due to system maintenance), then PERRYVILLE STORAGE shall post a notice of the anticipated constraint on its Internet Web Site at least forty-eight (48) hours, or as soon as practicable, in advance of the start of the constraint period.

- 6.5.2. Capacity relating to service requests for AIO Gas and AWO Gas (pursuant to Section 5.1.2. of Rate Schedule FSS) and service under Rate Schedules ISS, IPS, ILS, IWS, IBTS and IBS shall be allocated to each Customer in the same manner as specified in Section 6.5.3. in the event that there is insufficient capacity to satisfy all requests.

6.5.3. Interruption.

- (a) If on any Day PERRYVILLE STORAGE's ability to receive or deliver gas quantities is impaired so that PERRYVILLE STORAGE is unable to receive or deliver all the quantities which are nominated and scheduled, then interruption of service shall be implemented in the reverse order of priority set forth in Section 6.5.1.; provided that, once scheduled, secondary firm service has the same priority as primary firm service, as set forth in Section 6.5.1.(a). If Firm Storage Service must be interrupted, interruption of service to firm storage Customers shall be pro rata according to quantities scheduled for each Customer. Interruption of service to Interruptible Customers under Rate Schedules ISS, IPS, ILS, IWS, IBTS and IB and to firm Customers utilizing AIO Gas or AWO Gas shall be based on the charges paid by Customer, with the transaction with the lowest net revenue to PERRYVILLE STORAGE being interrupted first. Any ties shall be interrupted on a pro rata basis.
- (b) PERRYVILLE STORAGE shall provide Customer as much advance notice of any interruption as is practicable under the circumstances. Such notice shall be made by

telephone, alternative electronic means or via PERRYVILLE STORAGE's Internet Web Site, as appropriate, and shall state the reduced quantities of Gas that PERRYVILLE STORAGE estimates it will be able to provide, and the estimated duration of the interruption.

- (c) If interruption is required, PERRYVILLE STORAGE and Customer shall cooperate to the extent possible in making adjustments to receipts, deliveries, injections, or withdrawals to minimize injury to any property or facilities.

6.5.4. Interruption Liability. PERRYVILLE STORAGE shall not be liable for any loss or damage to any person or property caused, in whole or in part, by any interruption of service, except to the extent caused solely by PERRYVILLE STORAGE's gross negligence or willful misconduct.

6.5.5. Action Alerts and Operational Flow Orders.

- (a) Circumstances Warranting Issuance: PERRYVILLE STORAGE shall have the right to issue Action Alerts or Operational Flow Orders ("OFOs") that require actions by Customers in order (1) to alleviate conditions that threaten to impair reliable service, (2) to maintain operations at the pressures required to provide efficient and reliable services, (3) to have adequate Gas supplies in the system to deliver on demand, (4) to maintain service to all firm customers and for all firm service, and (5) to maintain the system in balance for the foregoing purposes. PERRYVILLE STORAGE shall lift any effective Action Alert or OFO promptly upon the cessation of operating conditions that caused the relevant system problem.
- (b) Actions to be Taken to Avoid Issuance: PERRYVILLE STORAGE shall, to the extent reasonably practicable, take all reasonable actions necessary to avoid issuing an Action Alert or OFO. Such actions shall include, in order of priority (1) working with point operators to temporarily adjust receipts and/or deliveries at relevant Point(s) of Receipt or Point(s) of Delivery, (2) working with Customers and point operators to adjust scheduled flows on the system, or (3) taking any other reasonable action designed to mitigate the system problem. After taking all such reasonable actions to avoid issuing an Action Alert or OFO, PERRYVILLE STORAGE will have the right to issue Action Alerts or OFOs, if necessary, in the circumstances described in Section 6.5.5.(a).
- (c) Preliminary Notifications/Follow-up Reports: PERRYVILLE STORAGE shall provide, via posting on the Internet Web Site or to affected parties through the affected party's choice of electronic notice delivery mechanism(s), prior notice to all Customers and point operators of upcoming system events such as anticipated weather patterns and operational problem that may necessitate the issuance of an Action Alert or OFO.
- (d) Applicability of Action Alert or OFO: PERRYVILLE STORAGE shall make an Action Alert or OFO as localized as is reasonably practicable based on PERRYVILLE STORAGE's good faith and reasonable judgment concerning the situations requiring remediation such that an Action Alert or OFO will be directed first to Customers and point operators causing the problem necessitating the Action Alert or OFO and second, if necessary, to all Customers and point operators. PERRYVILLE STORAGE will tailor the Action Alert or OFO to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in subsections 6.5.5.(f) and 6.5.5.(g). The declaration to the affected parties of Operational Flow Orders, critical periods and/or Critical Notices shall describe the conditions and the specific responses required from the affected parties.

- (e) Notice: All Action Alerts and OFOs will be posted on the PERRYVILLE STORAGE's Internet Web Site or to the affected parties through the affected party's choice of electronic notice delivery mechanism(s). The Action Alert or OFO will set forth (1) the time and date of issuance, (2) the actions Customer or point operator is required to take, (3) the time by which Customer or point operator must be in compliance with the Action Alert or OFO, (4) the anticipated duration of the Action Alert or OFO, and (5) any other terms that PERRYVILLE STORAGE may reasonably require to ensure the effectiveness of the Action Alert or OFO. In addition to the other information contemplated by this Section 6.5.5.(e), such notice shall also include information about the status of operational variables that determine when an Action Alert or OFO will begin and end, and PERRYVILLE STORAGE shall post periodic updates of such information, promptly upon occurrence of any material change in the information. PERRYVILLE STORAGE will post a notice on the Internet Web Site informing Customers and point operators when any Action Alert or OFO in effect will be lifted and specifying the factors that caused the Action Alert or OFO to be issued and then lifted, to the extent such factors are known.
- (f) Action Alerts: In the event that PERRYVILLE STORAGE determines that due to (1) an ongoing or anticipated weather event, (2) a known equipment problem,, or (3) the anticipated continuation of a current system operational problem, action is necessary to avoid a situation in which the system integrity is jeopardized or PERRYVILLE STORAGE's ability to render firm service is threatened, PERRYVILLE STORAGE may issue an alert ("Action Alert") as set out herein to forestall the development of the situation.
- (1) Issuance of Alerts: Action Alerts will be noticed in accordance with the procedures set forth in Section 6.5.5.(e) herein and PERRYVILLE STORAGE will endeavor to provide a minimum of four (4) hours notice.
- (2) Action Alerts can be issued to affect any of the following:
- (A) restriction of Interruptible services;
- (B) restriction of receipts/deliveries to specific Point(s) of Receipt or Point(s) of Delivery covered by an operational balancing agreement to the aggregate MDIQ or MDWQ under a FSSA whose Primary Point(s) of Receipt/Delivery, which are specified in the Storage Service Agreement, are at the affected locations; and/or
- (C) forced balancing such that point operators will be required to assure that nominations equal flows or that receipts and deliveries fall within the tolerance level designated in the Action Alert.
- (g) OFOs: In the event that, in PERRYVILLE STORAGE's judgment, immediate action is required to alleviate conditions which threaten to impair reliable firm service, to maintain operations at the pressures required to provide efficient and reliable service, to have adequate Gas supply in the system to deliver on demand, to maintain services to all firm Customers and for all firm services, and to maintain the system in balance for the foregoing purposes, PERRYVILLE STORAGE may forgo the action described in Section 6.5.5.(f) and immediately issue an OFO. In the event that (1) Customer or point operator does not respond to an Action Alert, (2) the actions taken thereunder are insufficient to correct the system problem for which the Action Alert was issued, or (3) there is insufficient time to carry out the procedures with respect to Action Alerts, PERRYVILLE STORAGE may issue an OFO pursuant to this Section 6.5.5.(g) or take

unilateral action, including the curtailment of firm service, to maintain the operational integrity of PERRYVILLE STORAGE's system. For purposes of this Section, the operational integrity of PERRYVILLE STORAGE's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system as an entity, and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of Gas received into and/or delivered out of the system.

- (h) Termination of an Action Alert or OFO: PERRYVILLE STORAGE shall lift any effective Action Alert or OFO promptly upon the cessation of operating conditions that caused the relevant system problem. After PERRYVILLE STORAGE has lifted the Action Alert or the OFO, PERRYVILLE STORAGE shall post a notice on its Internet Web Site specifying the factors that caused the Action Alert or OFO to be issued and then lifted, to the extent such factors are known.
- (i) Penalties: All quantities tendered to PERRYVILLE STORAGE and/or taken by Customer on a daily basis in violation of an Action Alert or OFO shall constitute unauthorized receipts or deliveries for which the applicable Action Alert or OFO penalty charge stated below shall be assessed.
 - (1) Action Alert penalty charge for each Dekatherm of Gas by which Customer deviated from the requirements of the Action Alert equal to an Action Alert Index Price calculated as 110% of the Columbia Gulf Mainline Index, or other mutually agreeable point, for the Day on which the deviation occurred, multiplied by the quantity by which the Customer deviated from the requirements of the Action Alert.
 - (2) OFO penalty charge for each Dekatherm of Gas by which Customer deviated from the requirements of the OFO equal to an OFO Index Price calculated as three (3) times the Columbia Gulf Mainline Index, or other mutually agreeable point, for the Day on which the deviation occurred, multiplied by the quantity by which the Customer deviated from the requirements of the OFO.

Any penalty revenue collected by PERRYVILLE STORAGE pursuant to this Section 6.5.5.(i) shall be credited to those Firm and Interruptible Customers that did not incur Action Alert or OFO penalties pursuant to this Section 6.5.5.(i) in the Month for which Action Alert or OFO penalty revenues were received ("Non-Offending Customers"), based on the ratio of the total charges paid during that Month by the Non-Offending Customer to the sum of the total charges paid during that Month by all Non-Offending Customers. Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year, and will be included on the Non-Offending Customer's invoice for the Month following the date of the final Commission order approving PERRYVILLE STORAGE's penalty disbursement report; provided, however, that PERRYVILLE STORAGE will calculate and include such credits on Non-Offending Customer's invoices for a period shorter than twelve Months in the event and to the extent that the total accumulated amount of Action Alert or OFO penalty revenue collected pursuant to this Section 6.5.5.(i) by PERRYVILLE STORAGE as of the end of any Month exceeds \$1,000,000. PERRYVILLE STORAGE will file with the Commission a penalty disbursement report within sixty (60) days of July 31 or sixty (60) days after the end of the Month for which revenue collected exceeds \$1,000,000. Any penalty revenue credited to Non-Offending Customers pursuant to this Section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.

- (j) Liability of PERRYVILLE STORAGE: PERRYVILLE STORAGE shall not be liable for any costs incurred by any Customer or point operator in complying with an Action Alert or OFO. PERRYVILLE STORAGE shall not be responsible for any damages that result from any interruption in service that is a result of a Customer's or point operator's failure to comply promptly and fully with an Action Alert or OFO, and the non-complying Customer or point operator shall indemnify PERRYVILLE STORAGE against any claims of responsibility. However, PERRYVILLE STORAGE shall use reasonable efforts to minimize any such costs or damages.

- (k) Unilateral Action: In the event that (1) Customer(s) or point operator(s) does not respond to an OFO, or (2) the actions taken thereunder are insufficient to correct the system problem for which the OFO was issued, or (3) there is insufficient time to carry out the procedures with respect to OFOs, PERRYVILLE STORAGE may take unilateral action, including the curtailment of firm service, to maintain the operational integrity of PERRYVILLE STORAGE's system. For purposes of this Section, the operational integrity of PERRYVILLE STORAGE's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance, the overall operating performance of the entire physical system, as an entity, and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of Gas received and/or delivered.

6.6. GENERAL TERMS AND CONDITIONS – STORAGE OPERATIONS

6.6. STORAGE OPERATIONS

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

6.7. GENERAL TERMS AND CONDITIONS – WHEELING OPERATIONS

6.7. WHEELING OPERATIONS

- 6.7.1. Customer shall tender or cause to be tendered to PERRYVILLE STORAGE at the Point(s) of Receipt any Gas which Customer desires to have wheeled plus applicable Fuel Reimbursement quantities. Customer shall also receive or cause to be received Gas requested to be wheeled at the Point(s) of Delivery.
- 6.7.2. Due to certain limitations of PERRYVILLE STORAGE's Facilities, PERRYVILLE STORAGE shall not be obligated to receive, at any Point of Receipt for wheeling, or deliver, at any Point of Delivery, any quantity of Gas when the quantity of Gas tendered for delivery to PERRYVILLE STORAGE or requested by Customer to be delivered, together with all other quantities of Gas tendered for delivery to PERRYVILLE STORAGE at any such Point of Receipt or requested for delivery at such Point of Delivery, results in a net metered flow which is less than or equal to what is deemed operationally practical by PERRYVILLE STORAGE.
- 6.7.3. In the event that batch flowing scheduled quantities is deemed operationally impractical by Transporter or PERRYVILLE STORAGE, and should PERRYVILLE STORAGE receive nominations for the wheeling of Gas, that after aggregation with other nominations commencing at the same time and same meter, results in a net metered volume deemed operationally impractical, PERRYVILLE STORAGE shall not be required to schedule such nominations and such nominated volumes may be curtailed on a pro rata basis such that the net metered volume will be zero. PERRYVILLE STORAGE will notify the affected Customer(s) within four (4) hours of being notified of changes to nominations which would result in curtailment as provided herein.

6.8 GENERAL TERMS AND CONDITIONS – NOMINATIONS AND SCHEDULING

6.8. NOMINATIONS AND SCHEDULING

6.8.1. During any Day when Customer desires PERRYVILLE STORAGE to inject, withdraw, park, loan, balance or wheel Gas on PERRYVILLE STORAGE's system, Customer shall submit a nomination to PERRYVILLE STORAGE via the Internet Web Site that includes, but is not limited to, the following information: quantity, flow period, upstream transportation contract number(s), downstream transportation contract number(s), Point(s) of Receipt and Point(s) of Delivery, Customer name and Storage Service Agreement number, and the Customer's authorized employee name and telephone number. All nominations shall be based on a daily quantity.

All nominations shall include Customer defined begin dates and end dates. All nominations, excluding intraday nominations, have rollover options. Specifically, Customers have the ability to nominate for several Days, Months, or years, provided the nomination begin and end dates are within the term of Customer's Storage Service Agreement.

Overrun quantities must be approved by PERRYVILLE STORAGE.

6.8.2. PERRYVILLE STORAGE will accept nominations for service as follows:

(a) Next Day Service. The nomination timeline on the Day prior to the Day of Gas flow shall be the following:

- | | |
|-----------|---|
| 1:00 p.m. | Nomination leaves control of the Customer |
| 1:15 p.m. | Receipt of nomination by the Transporters (including from Title Transfer Tracking Service Providers ("TTTSPs")) |
| 1:30 p.m. | PERRYVILLE STORAGE provides quick response for validity of data elements |
| 4:30 p.m. | Completed confirmations from upstream and downstream connected parties provided to PERRYVILLE STORAGE |
| 5:00 p.m. | Receipt of scheduled quantities by Customer and point operator |

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

(b) Elapsed-Prorated-Scheduled Quantity. With respect to intraday nominations for reductions in previously scheduled quantities, PERRYVILLE STORAGE may accept any explicitly confirmed quantity, down to and including zero, for such intraday nomination; provided, however, if such intraday nomination requires confirmation from an upstream and/or downstream interconnected pipeline, then any intraday nomination to reduce previously scheduled quantities will be subject to, and limited to, the reduced quantity confirmed by such upstream and/or downstream interconnected pipeline.

(c) Nominations will be processed for scheduling in the order in which they were received, by priority level as described in GT&C 6.5. (Priority, Interruption of Service and Operational Flow Orders). Nominations received after the nomination deadline should be scheduled after the nominations received before the nomination deadline.

- (d) Notices provided under this Section 6.8.2. must be submitted in writing via the Internet Web Site. Customer shall provide notice of any changes in deliveries to or receipt from PERRYVILLE STORAGE to all transporters and shall be responsible for, and shall hold PERRYVILLE STORAGE harmless from, any and all liabilities and expense resulting from any such changes, unless the added expense is due to the negligence of PERRYVILLE STORAGE.
- (e) Minimum NAESB Nomination Standards. Nominations shall be submitted and processed in accordance with the minimum NAESB Standards set forth in this Section 6.8.2.(e). PERRYVILLE STORAGE shall support the following standard nomination cycles:
- (1) The Timely Nomination Cycle: 1:00 p.m. for nominations leaving control of the nominating party; 1:15 p.m. for receipt of nominations by PERRYVILLE STORAGE (including from Title Transfer Tracking Service Providers (“TTTSPs”)); 1:30 p.m. to send Quick Response; 4:30 p.m. for receipt of completed confirmations by PERRYVILLE STORAGE from upstream and downstream connected parties; 5:00 p.m. for receipt of scheduled quantities by Customer and point operator (Central Clock Time on the Day prior to flow). Scheduled quantities resulting from a Timely Nomination should be effective at 9:00 a.m. on the Day.
 - (2) The Evening Nomination Cycle: 6:00 p.m. for nominations leaving control of the nominating party; 6:15 p.m. for receipt of nominations by PERRYVILLE STORAGE (including from TTTSPs); 6:30 p.m. to send Quick Response; 8:30 p.m. for receipt of completed confirmations by PERRYVILLE STORAGE from upstream and downstream connected parties; 9:00 p.m. for PERRYVILLE STORAGE to provide scheduled quantities to affected Customers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties) (Central Clock Time on the Day prior to flow). Scheduled quantities resulting from an Evening Nomination should be effective at 9:00 a.m. on the Day.
 - (3) The Intraday 1 Nomination Cycle: 10:00 a.m. for nominations leaving control of the nominating party; 10:15 a.m. for receipt of nominations by PERRYVILLE STORAGE (including from TTTSPs); 10:30 a.m. to send Quick Response; 12:30 p.m. for receipt of completed confirmations by PERRYVILLE STORAGE from upstream and downstream connected parties; 1:00 p.m. for PERRYVILLE STORAGE to provide scheduled quantities to affected Customers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties),(Central Clock Time on the Day). Scheduled quantities resulting from Intraday 1 Nominations should be effective at 2:00 p.m. on the Day.
 - (4) The Intraday 2 Nomination Cycle: 2:30 p.m. for nominations leaving control of the nominating party; 2:45 p.m. for receipt of nominations by PERRYVILLE STORAGE (including from TTTSPs); 3:00 p.m. to send Quick Response; 5:00 p.m. for receipt of completed confirmations by PERRYVILLE STORAGE from upstream and downstream connected parties; 5:30 p.m. for PERRYVILLE STORAGE to provide scheduled quantities to affected Customers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties) (Central Clock Time on the Day). Scheduled quantities resulting from Intraday 2 Nominations should be effective at 6:00 p.m. on the Day.

- (5) The Intraday 3 Nomination Cycle: 7:00 p.m. for nominations leaving control of the nominating party; 7:15 p.m. for receipt of nominations by PERRYVILLE STORAGE (including from TTTSPs); 7:30 p.m. to send Quick Response; 9:30 p.m. for receipt of completed confirmations by PERRYVILLE STORAGE from upstream and downstream connected parties; 10:00 p.m. for PERRYVILLE STORAGE to provide scheduled quantities to affected Customers and point operators (Central Clock Time on the Day). Scheduled quantities resulting from Intraday 3 Nominations should be effective at 10:00 p.m. on the Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.
- 6.8.3. Customer shall make available and tender any Gas to be injected hereunder and receive and accept delivery upon tender by PERRYVILLE STORAGE any Gas requested by Customer to be withdrawn from storage. The quantity of Gas stored for the account of Customer shall be increased or decreased upon injection or withdrawal of Gas from storage, as applicable. Customer shall not (unless otherwise agreed by PERRYVILLE STORAGE) receive or deliver Gas, nor shall PERRYVILLE STORAGE be obligated to receive Gas or deliver Gas on an hourly basis at rates of flow in excess of 1/24 of Customer's MDIQ, MDRQ, MDWQ, MDDQ, or MDTQ, as applicable. As determined by PERRYVILLE STORAGE in its sole and reasonable judgment, flow rates above 1/24 of Customer's MDIQ, MDRQ, MDWQ, MDDQ, or MDTQ may be permitted.

6.9 GENERAL TERMS AND CONDITIONS – POINTS OF RECEIPT AND DELIVERY

6.9. POINT(S) OF RECEIPT AND POINT(S) OF DELIVERY

- 6.9.1. Point(s) of Receipt. Customer shall tender all Gas for wheeling or injection into storage to PERRYVILLE STORAGE at the Point(s) of Receipt as specified in Customer's Storage Service Agreement. The quantity of Gas tendered by Customer to PERRYVILLE STORAGE for wheeling or injection into storage shall (i) not exceed at each Point of Receipt the MDTQ or MDRQ, as applicable, for such Point of Receipt in effect from time to time, or (ii) not exceed the MDIQ plus the applicable Fuel Reimbursement at all Point(s) of Receipt in effect from time to time, without the consent of PERRYVILLE STORAGE.
- 6.9.2. Point(s) of Delivery. PERRYVILLE STORAGE shall tender all Gas to be wheeled or withdrawn from storage to Customer at the Point(s) of Delivery as specified in Customer's Storage Service Agreement. The quantity of Gas delivered to Customer shall (i) not exceed at each Point of Delivery the MDTQ or MDDQ, as applicable, for such Point of Delivery in effect from time to time, or (ii) not exceed the MDWQ at all Point(s) of Delivery in effect from time to time, without the consent of PERRYVILLE STORAGE.
- 6.9.3. Interconnecting Transportation Guidelines. The interconnecting Transporter(s)' rules, guidelines, operational procedures and policies, as they may be changed from time to time, shall define and control the manner in which Gas is received or delivered. PERRYVILLE STORAGE and Customer each agree to provide to the other, in as prompt a manner as reasonable, all information necessary to permit scheduling pursuant to such requirements. In addition, PERRYVILLE STORAGE will not be required to begin wheeling, injections or withdrawals for a Customer's account unless and until the data required for nominations, provided for in GT&C 6.8 have been confirmed by the applicable Transporter to PERRYVILLE STORAGE's Gas dispatcher.
- 6.9.4. Measurement. Customer and PERRYVILLE STORAGE agree that the quantity of Gas delivered hereunder shall be measured by PERRYVILLE STORAGE in accordance with the Transporter's pipeline tariff applicable to each point of Receipt/Delivery, and, as such, may be allowed to fluctuate within the applicable measurement or flow tolerances on a daily and Monthly basis.
- 6.9.5. Costs and Penalties. Customer shall hold PERRYVILLE STORAGE harmless for all costs and penalties which may be assessed by Transporter(s) under Customer's transportation agreement(s) with Transporter(s), unless the costs and penalties are due to the negligence of PERRYVILLE STORAGE. Customer and PERRYVILLE STORAGE shall cooperate with each other and with the Transporter to verify delivery and receipt of the volumes of Gas delivered hereunder on a timely basis.
- 6.9.6. Downstream and Upstream Transportation. Customer shall be responsible for transportation from the Point(s) of Delivery located on PERRYVILLE STORAGE's system and payment of all transportation charges relating thereto. Customer shall be responsible for transportation to the Point(s) of Receipt located on PERRYVILLE STORAGE's system and payment of all transportation charges relating thereto.

6.10. QUALITY

- 6.10.1 Specifications. The Gas delivered by either party to the other hereunder shall meet the quality specifications of the Transporter then having the most stringent quality specifications, which receives or delivers such Gas at the Point(s) of Receipt or Delivery located on PERRYVILLE STORAGE's system, as applicable, and, unless such Transporter's quality specifications are more stringent, shall be of such quality that it shall meet at least the following specifications:
- (a) Be commercially free from objectionable odors, dirt, dust, iron particles, gums, gum-forming constituents, gasoline, PCBs, and other solid and/or liquid matter, including but not limited to water, Gas treating chemicals, and well completion fluids and debris, which may become separated from the Gas during the transportation thereof.
 - (b) Contain not more than one fourth (1/4) of one grain of hydrogen sulfide per one hundred (100) cubic feet, as determined by the cadmium sulfate quantitative test, nor more than five (5) grains of total sulfur per one hundred (100) cubic feet.
 - (c) The Gas delivered hereunder shall not contain more than two-tenths of one percent (0.2%) by volume of oxygen, shall not contain more than two percent (2%) by volume of carbon dioxide, shall not contain more than three percent (3%) by volume of nitrogen.
 - (d) Have a heating value of not less than nine hundred and seventy-five (975) Btu's per cubic feet and not more than eleven hundred (1100) Btu's per cubic feet.
 - (e) Have a temperature of not more than 120 degrees Fahrenheit (120 degrees F), or less than forty degrees Fahrenheit (40 degrees F).
 - (f) Have been dehydrated by the tendering party, by any method other than the use of a calcium chloride as desiccant, for removal of entrained water in excess of seven (7) pounds of water per million (1,000,000) cubic feet of Gas as determined by dew-point apparatus approved by the Bureau of Mines or such other apparatus as may be mutually agreed upon.
 - (g) Shall not have a hydrocarbon dew point in excess of twenty degrees Fahrenheit at 800 psig. This dew point can usually be obtained when the pentanes and heavier content (C5+) of the gas is not in excess of two-tenths (0.2) gallons per Mcf as determined by a chromatographic analysis using standard equipment performed in accordance with standard industry practices and procedures.
- 6.10.2 Rejection of Gas. Either party shall be entitled to reject any Gas tendered to it by the other party which does not meet the minimum specifications of Section 6.10.1 of these General Terms and Conditions. Acceptance of such Gas does not constitute any waiver of PERRYVILLE STORAGE's right to refuse to accept similarly nonconforming Gas. PERRYVILLE STORAGE may at its option, offer to bring non-conforming Gas into conformity with such specifications. If Customer accepts such offer, Customer shall reimburse PERRYVILLE STORAGE, on mutually agreed upon terms, for all expenses reasonably incurred by PERRYVILLE STORAGE in effecting such changes.
- 6.10.3 Commingling. PERRYVILLE STORAGE shall have the unqualified right to commingle Gas received for service hereunder with Gas from other sources. Accordingly, Gas received by PERRYVILLE STORAGE shall be subject to such changes as may result from commingling and

PERRYVILLE STORAGE shall notwithstanding any other provisions herein, be under no obligation to deliver for Customer's account Gas identical to that received by PERRYVILLE STORAGE. Subject to other terms and provisions of this Tariff, PERRYVILLE STORAGE will receive, store and deliver for the account of Customer such thermally equivalent quantities of Gas, less Fuel Use as it receives for such Customer's account.

6.11. PRESSURE AND INJECTION/WITHDRAWAL RATES

- 6.11.1 Delivery Pressures. PERRYVILLE STORAGE shall deliver Gas to Customer at pressures sufficient to enter the pipeline facilities at the Point(s) of Delivery located on PERRYVILLE STORAGE's system against the operating pressures maintained by Transporter(s) from time to time. PERRYVILLE STORAGE shall not be required to deliver Gas at pressures in excess of those required by Transporter(s) or in excess of Transporter(s) maximum allowable operating pressure (MAOP), not to exceed 1,100 psig. Customer shall deliver or cause to be delivered to PERRYVILLE STORAGE all Gas for injection at the Point(s) of Receipt located on PERRYVILLE STORAGE's system at pressures not less than 800 psig and not in excess of the MAOP of PERRYVILLE STORAGE's facilities at the Point(s) of Receipt. PERRYVILLE STORAGE shall be responsible for maintaining facilities at such Point(s) of Receipt to permit Customer to deliver Gas to PERRYVILLE STORAGE at such allowed pressures.
- 6.11.2 Receipt and Delivery Rates. PERRYVILLE STORAGE has designed the facilities required to store, inject, and withdraw Gas based on "normal" operating pressures maintained by the Transporter(s) at the Point(s) of Receipt and Point(s) of Delivery located on PERRYVILLE STORAGE's system with allowances for reasonable fluctuations. In the event that conditions on the Transporter's system vary substantially from this "normal" design condition coincident with high levels of Customer receipt or delivery activity, PERRYVILLE STORAGE's capability to receive or deliver the quantities set forth in its Storage Service Agreements may be impaired, resulting in an interruption in service. If this happens, capacity will be allocated pursuant to Section 6.5 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff. Customer agrees to indemnify and hold PERRYVILLE STORAGE harmless for any loss caused by any such interruption in service.

6.12. TITLE AND RISK OF LOSS

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

6.13. MEASUREMENT

- 6.13.1 The unit of volume for the purpose of measurement and the determination of total heating value of all quantities of Gas stored by PERRYVILLE STORAGE or delivered to and received from storage hereunder shall be one (1) cubic foot of Gas at the base temperature of sixty degrees Fahrenheit (60 degrees F) and at an absolute pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch and dry. All fundamental constants, observations, records, and procedures involved in determining and/or verifying the quantity and other characteristics of Gas delivered hereunder shall, unless otherwise specified herein, be in accordance with the standards prescribed in Report No. 3 of the American Gas Association, as now in effect and from time to time amended or supplemented. All measurements of Gas shall be determined by calculation into terms of such unit. All quantities given herein, unless expressly stated otherwise, are terms of such unit. Notwithstanding the foregoing, it is agreed that, for all purposes, the Btu content of the Gas received and delivered by PERRYVILLE STORAGE hereunder shall be measured on a “dry” basis rather than a fully saturated or “wet” basis. For Gas volumes reported in cubic meters, the standard conditions are 101.325 kPa, 15 degrees C, and dry.
- 6.13.2 PERRYVILLE STORAGE shall install, maintain, and operate, or cause to be installed, maintained, and operated, the measurement facilities required hereunder. Said measurement facilities shall be so equipped with meters, recording gauges, chromatographs, or other types of related and/or similar equipment of standard make and design commonly acceptable in the industry, as to accomplish the accurate measurement of Gas delivered hereunder. The retrieval of data and calibrating and adjustment of meters shall be done by PERRYVILLE STORAGE or its agent.
- 6.13.3 The unit of gas received, injected, stored, withdrawn, and delivered shall be measured as one million Btu's (1,000,000 Btu), as defined in Section 6.2 (Definitions) of these General Terms and Conditions. The number of Btu's received, injected, stored, withdrawn, and delivered shall be determined by multiplying the number of cubic feet of Gas determined pursuant to Section 6.13.1 of these General Terms and Conditions by the total heating value of such gas, in BTUs per cubic foot, rounded to not less than 6 decimal places and by dividing the product by one million (1,000,000).

6.14. BILLINGS AND PAYMENTS

- 6.14.1 Invoice. Not later than the ninth (9th) Business Day of each month, PERRYVILLE STORAGE shall provide Customer (including a Replacement Customer) an invoice and any required backup data (which may be transmitted by fax) setting forth (i) the charges due for the current Month; (ii) the total quantity of Gas, stated in Dekatherms, received from and delivered to Customer hereunder during the preceding Month(s), with applicable Point(s) of Receipt and Point(s) of Delivery properly identified, and the amount due therefor; and if applicable, (iii) the amount of Customer's Storage Inventory as of the close of the preceding Month and information sufficient to explain and support any adjustments made by PERRYVILLE STORAGE in determining the amount billed. If actual quantities are not available by the ninth (9th) Business Day of the month, then PERRYVILLE STORAGE may invoice based on best available data subject to adjustment to actual at a later date. Quantities at points where operational balancing agreements exist shall be invoiced based on scheduled quantities.
- 6.14.2 Application of Payments for Released Capacity. Payments to PERRYVILLE STORAGE by a Replacement Customer for released capacity shall be applied as follows: (i) PERRYVILLE STORAGE shall retain amounts equal to the Replacement Customer's usage charges; (ii) PERRYVILLE STORAGE will credit the balance to reservation charges due from the Replacement Customer; and (iii) PERRYVILLE STORAGE shall remit the remaining balance, if any, or shall charge any balance due, to the Replacement Customer, in accordance with Section 6.4.10 of these General Terms and Conditions of this FERC Gas Tariff. If any balance due from the Replacement Customer remains unpaid, then the outstanding balance will then be billed to the Releasing Customer, provided that the Releasing Customer is only liable to the extent of the reservation charges specified in the applicable Storage Service Agreement and corresponding Rate Schedule.
- 6.14.3 Payment. Customer shall pay PERRYVILLE STORAGE by wire transfer the full amount reflected on the invoice within fifteen (15) days of the date of the invoice. If the fifteenth (15th) day shall fall upon a weekend or legal holiday, then such payment shall be made on the last regular Business Day prior to such fifteenth (15th) day. If payment differs from the invoiced amount, then remittance detail should be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two Business Days of the payment due date.
- 6.14.4 Billing Error. If an error is discovered in any billing, such error shall be adjusted within thirty (30) days of the determination thereof. If a dispute arises as to the amount payable in any invoice rendered hereunder, then Customer shall nevertheless pay when due the amount not in dispute under such invoice. Such payment shall not be deemed to be a waiver of the right by Customer to recoup any overpayment, nor shall acceptance of any payment be deemed to be a waiver by PERRYVILLE STORAGE of any underpayment. In the event Customer fails to forward the entire undisputed amount due to PERRYVILLE STORAGE when the same is due, interest on the unpaid portion shall accrue at the same rate of interest and in the same manner as prescribed for pipeline refunds as set forth in Section 154.501(d) of the Commission's regulations under the Natural Gas Act from the date such payment is due until the same is paid. If Customer's failure to pay the undisputed portion of any invoice rendered hereunder continues beyond thirty (30) days after the due date of such invoice, then PERRYVILLE STORAGE, in addition to all other legal remedies available to it, shall have the right and option to suspend further deliveries of Gas until such default shall have been cured. If Customer's failure to pay the undisputed portion of any invoice rendered hereunder continues beyond sixty (60) days after the due date of such invoice, then PERRYVILLE STORAGE, in addition to all other legal remedies available to it, shall have the right and option to terminate service hereunder.
- 6.14.5 Billing Disputes. If Customer withholds payment of any disputed amount as authorized herein, then Customer shall within ten (10) days after the due date of the disputed invoice submit to

PERRYVILLE STORAGE a written explanation of the dispute and any available supporting documentation. The parties shall then cooperate in good faith to resolve such dispute as expeditiously as possible, and the portion, if any, of such disputed amount eventually determined to be due shall bear interest at the rate stated in Section 6.14.4 of these General Terms and Conditions from the original due date until the date actually paid.

- 6.14.6 Right to Audit. Both PERRYVILLE STORAGE and Customer shall have the right at their own expense to examine and audit at any reasonable time the books, records (including measurement, billing and payment) and charts of the other to the extent necessary to verify the accuracy of any statements or charges made under or pursuant to any of the provisions of Customer's Storage Service Agreement. Upon request, Customer shall also make available to PERRYVILLE STORAGE for audit purposes any relevant records of the Transporters to which Customer has access. A formal audit of accounts shall not be made more often than once each Contract Year. Any inaccuracy will be promptly corrected when discovered; provided, however, that neither PERRYVILLE STORAGE nor Customer shall be required to maintain books, records, or charts for a period of more than two (2) Contract Years following the end of the Contract Year to which they are applicable. Neither PERRYVILLE STORAGE nor Customer shall have any right to question or contest any charge or credit if the matter is not called to the attention of the other in writing within two (2) years after the end of the Contract Year in question.

6.15. TAXES

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

6.16. INSURANCE

Customer shall be responsible for providing its own insurance coverage with respect to Gas it tenders for storage and has stored in the PERRYVILLE STORAGE FACILITY.

6.17. FORCE MAJEURE

6.17.1 Effects and Obligations

- (a) Effect of Force Majeure. In the event PERRYVILLE STORAGE is rendered unable, wholly or in part, by reason of an event of Force Majeure, as defined in Section 6.17.2 of these General Terms and Conditions to perform, wholly or in part, any obligation or commitment under Customer's Storage Service Agreement, upon PERRYVILLE STORAGE's giving notice and full particulars of such Force Majeure event on its Internet Web Site and/or in writing to Customer within seventy-two (72) hours after the occurrence of the cause relied on, then the obligations of PERRYVILLE STORAGE shall be suspended to the extent that PERRYVILLE STORAGE's ability to perform such obligations is affected by such Force Majeure event and for the period of such Force Majeure condition, but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.
- (b) Force Majeure and Obligation to Pay/Credit Reservation Charges. A Customer taking firm service under Rate Schedules FSS shall not be relieved of its obligation to pay Reservation Charges specified in such firm Rate Schedules due to an event of Force Majeure declared by a third party(ies) and PERRYVILLE STORAGE shall include the full amount of such Reservation Charges on the Customer's invoice for any Month in which an event of Force Majeure shall have occurred, provided, however, that PERRYVILLE STORAGE shall calculate credits against the Customer's Reservation Charges payable under Rate Schedules FSS and its Storage Service Agreement to reflect any reduction in PERRYVILLE STORAGE's ability to render firm services resulting from an event of Force Majeure declared by PERRYVILLE STORAGE that cannot be cured in a period of ten (10) days, and shall include such credits on the firm Customer's invoice for the next succeeding Month.
- (c) Calculation of Credit Against Reservation Charges. For each Day on which a Customer's firm service under Rate Schedules FSS is curtailed due to an event of Force Majeure declared by PERRYVILLE STORAGE, PERRYVILLE STORAGE shall calculate credits against the firm Customer's Reservation Charges payable under Rate Schedules FSS and its Storage Service Agreement using the following formulae:
- (i) Curtailment of a firm Customer's injections due to Force Majeure:
Reservation Charge Credit = $RC/\#Days \times CNIQ/MDIQ$
- (ii) Curtailment of a firm Customer's withdrawals due to Force Majeure:
Reservation Charge Credit = $RC/\#Days \times CNWQ/MDWQ$

Where:

RC = The Customer's Reservation Charges for the Month, calculated using the rates set forth in the Customer's Storage Service Agreement.

#Days = The number of Days in the Month.

CNIQ = The Curtailed Nominated Injection Quantity, which shall be the quantity of Customer's nominated injections actually curtailed on each Day in the Month due to a Force Majeure declared by PERRYVILLE STORAGE.

CNWQ = The Curtailed Nominated Withdrawal Quantity, which shall be the quantity of Customer's nominated withdrawals actually curtailed on

each Day of the Month due to a Force Majeure declared by PERRYVILLE STORAGE.

MDIQ = The firm Customer's Maximum Daily Injection Quantity, as set forth in its Storage Service Agreement.

MDWQ = The firm Customer's Maximum Daily Withdrawal Quantity, as set forth in its Storage Service Agreement.

- 6.17.2 Nature of Force Majeure. The term "Force Majeure" as used herein and in Customer's Storage Service Agreement shall mean any cause, whether of the kind enumerated herein or otherwise, not reasonably within the control of PERRYVILLE STORAGE, such as acts of God; strikes, lockouts and industrial disputes or disturbances; inability to secure or delays in obtaining labor, materials, supplies, permits, easements or rights-of-way, including inability to secure materials by reason of allocations promulgated by authorized governmental agencies; arrests and restraints of governments and people; interruptions by government or court orders; present and future valid orders, decisions or rulings of any government or regulatory entity having proper jurisdiction; acts of the public enemy; vandalism; wars; riots; civil disturbances; blockades; insurrections; epidemics; landslides; lightning; tornadoes; hurricanes; earthquakes; fires; storms; floods; washouts; inclement weather which necessitates extraordinary measures and expense to maintain operations; explosions; breakage, accidents and/or maintenance to plant facilities including machinery, lines of pipe, accidents and/or unscheduled maintenance of wells or subsurface storage caverns or reservoirs; testing (as required by governmental authority or as deemed necessary by PERRYVILLE STORAGE for the safe operation of the facilities required to perform the services hereunder); and the making of repairs or alterations to pipelines, storage, and plant facilities including Transporter(s)' pipeline repairs. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of PERRYVILLE STORAGE, and that the above requirements that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of opposing party when such course is inadvisable in the discretion of PERRYVILLE STORAGE.

6.18 GENERAL TERMS AND CONDITIONS – NOTICES

6.18. NOTICES

Any notice, request, demand, or statement provided for in this Tariff, or in Customer's Storage Service Agreement, except as otherwise herein provided, or as mutually agreed between PERRYVILLE STORAGE and Customer, shall be given in writing, and either delivered in person, or by United States Mail, overnight courier service, PERRYVILLE STORAGE's Internet Web Site or via alternative electronic means to the parties at the addresses shown in the executed Storage Service Agreement or at such other addresses as may hereafter be furnished to the other party in writing.

6.19. FUEL REIMBURSEMENT

Fuel Reimbursement shall be calculated separately for storage services under Rate Schedules FSS and ISS and for Hub Services. Each Fuel Reimbursement charge shall be negotiated by PERRYVILLE STORAGE and Customer such that reimbursement of fuel may be paid in kind or in dollars per Dth, as set forth in Customer's Storage Service Agreement(s) or Hub Service Agreement(s).

6.20 GENERAL TERMS AND CONDITIONS – GAS TITLE TRANSFERS

6.20. GAS TITLE TRANSFERS

- 6.20.1. A Customer that has executed a Storage Service Agreement under Rate Schedules FSS, ISS, IPS, IBTS or IBS may sell or transfer Storage Inventory to any other Customer that has executed a Storage Service Agreement under Rate Schedules FSS, ISS, IPS, IBTS or IBS, provided that:
- (a) Customer selling or transferring Storage Inventory and Customer receiving the Storage Inventory shall both execute a title transfer form, as such form is posted on PERRYVILLE STORAGE's Internet Web Site as amended from time to time, identifying the details of the title transfer transaction and the title transfer fee agreed upon by each Customer and PERRYVILLE STORAGE and submit such executed title transfer transaction form to PERRYVILLE STORAGE;
 - (b) The transfer does not cause either Customer to exceed its MSQ or MPQ as specified in Customer(s) Storage Service Agreement, or cause transferring either Customer(s) Storage Inventory balance to go below zero; and
 - (c) The transfer would not result in an increase in the service obligations of PERRYVILLE STORAGE or cause operational issues and such increase in obligations or operational issues would, in the reasonable judgment of PERRYVILLE STORAGE, impair the ability of PERRYVILLE STORAGE to meet all of its other service obligations of equal or higher priority.
 - (d) The foregoing rules governing transfers of Storage Inventory shall also apply to requests to transfer among Customer's Storage Service Agreements.
- 6.20.2. PERRYVILLE STORAGE will recognize the transfer for purposes of computing available Storage Inventory on a prospective basis within twenty-four (24) hours after receiving the notification.

6.21. PENALTIES

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

6.21.2 In addition to the payment of the penalties set forth in Section 6.21.1 of these General Terms and Conditions, the responsible Customer shall also be liable for, and shall reimburse PERRYVILLE STORAGE, for all costs incurred by PERRYVILLE STORAGE as a consequence of such Customer's actions.

6.22. STANDARDS OF CONDUCT

PERRYVILLE STORAGE does not meet FERC's definition of a "Transmission Provider", 18 C.F.R. 358.3(k)(3), because it is a storage company authorized to charge market-based rates. Therefore, PERRYVILLE STORAGE is not required to comply with FERC's Transmission Provider Standards of Conduct, as promulgated in Order No. 717, and codified at 18 C.F.R. Part 358.

RESERVED FOR FUTURE USE

6.24 NORTH AMERICAN ENERGY STANDARDS BOARD

Compliance with 18 C.F.R. Section 284.12

Perryville Storage has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.2, which are required by the Commission in 18 C.F.R. Section 284.12(a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

Pursuant to NAESB's Copyright Procedure Regarding Member and Purchaser Self Executing Waiver as adopted by the NAESB Board of Directors on April 4, 2013, Perryville Storage may publish in its tariff, compliance filings, in communications with customers or stakeholders in conducting day to day business or in communications with regulatory agencies some or all of the language contained in NAESB standards protected by copyright, provided that Perryville Storage includes appropriate citations in the submission. Perryville Storage has elected to reproduce only the following Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.2, that are protected by NAESB's copyright. With respect to each reproduced standard, Perryville Storage incorporates the following: © 1996 – 2020 NAESB, all rights reserved.

Standards not Incorporated by Reference and their Location in the Tariff:

NAESB Standard

Tariff Record

Nomination Related Standards:

1.2.4	Definitions, 6.2.22 (Intraday Nomination)
1.2.6	Definitions, 6.2.30 (Operational Flow Order)
1.2.12	Definitions, 6.2.12 (Elapsed-Prorated-Scheduled Quantity)
1.3.1	Definitions, 6.2.10 (Gas Day)
1.3.2(i-vi)	Nominations and Scheduling, 6.8.2
1.3.5	Nominations and Scheduling, 6.8.1
1.3.6	Nominations and Scheduling, 6.8.2
1.3.8	Nominations and Scheduling, 6.8.2
1.3.9	Nominations and Scheduling, 6.8.2
1.3.11	Nominations and Scheduling, 6.8.2
1.3.13	Nominations and Scheduling, 6.8.2
1.3.19	Nominations and Scheduling, 6.8.1
1.3.21	Nominations and Scheduling, 6.8.2
1.3.26	Priority, Interruption of Service and OFOs, 6.5.5
1.3.33	Nominations and Scheduling, 6.8.2

Flowing Gas Related Standards:

2.3.9	Definitions, 6.2.4 and 6.2.8 (Btu and Cubic Foot)
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Invoicing Related Standards:

3.2.1	Definitions, 6.2.5 (Business Day)
3.3.9	Billings and Payments, 6.14.1
3.3.10	Billings and Payments, 6.14.1

- 3.3.17 Billings and Payments, 6.14.3
- 3.3.19 Billings and Payments, 6.14.4

Capacity Release Related Standards:

- 5.2.1 Definitions, 6.2.7 (Critical Notice)
- 5.3.1 Capacity Release, 6.4.3
- 5.3.2 Capacity Release, 6.4.3
- 5.3.3 Capacity Release, 6.4.3
- 5.3.4 Capacity Release, 6.4.7
- 5.3.7 Capacity Release, 6.4.13
- 5.3.13 Capacity Release, 6.4.6
- 5.3.14 Capacity Release, 6.4.1
- 5.3.15 Capacity Release, 6.4.6
- 5.3.16 Capacity Release, 6.4.1
- 5.3.24 Capacity Release, 6.4.5
- 5.3.25 Capacity Release, 6.4.3
- 5.3.44 Capacity Release, 6.4.13
- 5.3.45 Capacity Release, 6.4.13
- 5.3.59 Capacity Release, 6.4.8

Standards Incorporated by Reference:

Additional Standards:

General:

Definition:

0.2.5

Standards:

0.3.1, 0.3.2, 0.3.16, 0.3.17

Creditworthiness:

Standards:

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

Gas/Electric Operational Communications:

Definitions:

0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:

0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards:

0.3.18, 0.3.20, 0.3.21, 0.3.22

Datasets:
0.4.2, 0.4.3

Location Data Download:

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

Dataset:
0.4.4

Storage Information:

Dataset:
0.4.1

Nominations Related Standards:

Definitions:
1.2.1, 1.2.2, 1.2.3, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.13, 1.2.14, 1.2.15, 1.2.16, 1.2.17, 1.2.18,
1.2.19

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1.3.3, 1.3.4, 1.3.7, 1.3.14, 1.3.15, 1.3.16, 1.3.17, 1.3.18, 1.3.20, 1.3.22, 1.3.23, 1.3.24, 1.3.25,
1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40,
1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.51, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62,
1.3.64, 1.3.65, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76,
1.3.77, 1.3.79, 1.3.80, 1.3.81, 1.3.82

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

Flowing Gas Related Standards:

Definitions:
2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5

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

Standards:

3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.11, 3.3.12, 3.3.13, 3.3.14, 3.3.15, 3.3.16, 3.3.18, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.3.27

Datasets:

3.4.1, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

Definitions:

4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.60, 4.3.62, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.103, 4.3.104, 4.3.105, 4.3.106, 4.3.107, 4.3.108, 4.3.109, 4.3.110

Capacity Release Related Standards:

Definitions:

5.2.2, 5.2.3, 5.2.4, 5.2.5

Standards:

5.3.5, 5.3.8, 5.3.9, 5.3.10, 5.3.11, 5.3.12, 5.3.18, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.26, 5.3.28, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.34, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.55, 5.3.56, 5.3.57, 5.3.58, 5.3.60, 5.3.62, 5.3.62a, 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72, 5.3.73

Datasets:

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

Internet Electronic Transport Related Standards:

Definitions:

10.2.1, 10.2.2, 10.2.3, 10.2.4, 10.2.5, 10.2.6, 10.2.7, 10.2.8, 10.2.9, 10.2.10, 10.2.11, 10.2.12, 10.2.13, 10.2.14, 10.2.15, 10.2.16, 10.2.17, 10.2.18, 10.2.19, 10.2.20, 10.2.21, 10.2.22, 10.2.23, 10.2.24, 10.2.25, 10.2.26, 10.2.27, 10.2.28, 10.2.29, 10.2.30, 10.2.31, 10.2.32, 10.2.33, 10.2.34, 10.2.35, 10.2.36, 10.2.37, 10.2.38, 10.2.39

Standards:

10.3.1, 10.3.3, 10.3.4, 10.3.5, 10.3.6, 10.3.7, 10.3.8, 10.3.9, 10.3.10, 10.3.11, 10.3.12, 10.3.14,

10.3.15, 10.3.16, 10.3.17, 10.3.18, 10.3.19, 10.3.20, 10.3.21, 10.3.22, 10.3.23, 10.3.24, 10.3.25,
10.3.26, 10.3.27, 10.3.28, 10.3.29

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

6.26 Nondiscriminatory Waiver of Tariff Provisions and Non-Waiver of Future Defaults.

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

6.27 Modification.

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

6.28 Successors-in-Interest.

Any company that succeeds by purchase, merger, consolidation, or otherwise to the properties substantially as an entirety, of PERRYVILLE STORAGE or of Customer, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under a Storage Service Agreement. In accordance with the capacity release procedures set forth in Section 6.4 of these General Terms and Conditions, Customer may, without relieving itself of its obligations under such Storage Service Agreement, assign any of its rights and obligations thereunder to another Customer, but otherwise no assignment of such Storage Service Agreement, or of any of the rights or obligations thereunder shall be made unless there first shall have been obtained the consent thereto of PERRYVILLE STORAGE. These restrictions on assignment shall not in any way prevent Customer from pledging or mortgaging its rights under a Storage Service Agreement as security for its indebtedness.

6.29 Default and Termination

- (a) Customer shall be in default under this FERC Gas Tariff or the Storage Service Agreement if:
- (1) Customer shall fail to pay any sums due to PERRYVILLE STORAGE hereunder and such failure continues for a period of five (5) Business Days after written notice to Customer by PERRYVILLE STORAGE;
 - (2) Customer fails to perform any of its material covenants or obligations under this FERC Gas Tariff or the Storage Service Agreement, other than obligations to make payments to PERRYVILLE STORAGE, and Customer does not remedy such failure within a period of thirty (30) days after receipt of a notice from PERRYVILLE STORAGE and indemnify and hold harmless PERRYVILLE STORAGE from and against any losses resulting from such failure;
 - (3) Customer or its guarantor becomes insolvent, however evidenced.
- (b) In the event of any default by Customer, in addition to all other remedies available to it pursuant to the Storage Service Agreements or at law and in equity, PERRYVILLE STORAGE may do any or all of the following:
- (1) refuse to accept any further deliveries of Gas from or on behalf of Customer pursuant to all or any transactions;
 - (2) refuse to deliver Gas to or on behalf of Customer pursuant to all or any transactions;
 - (3) set off any amount owing by PERRYVILLE STORAGE to Customer pursuant to any transaction(s) against amounts otherwise owing by Customer to PERRYVILLE STORAGE pursuant to any other transaction(s);
 - (4) suspend performance until Customer corrects the default in full; and
 - (5) terminate the Customer's Storage Service Agreement, provided that PERRYVILLE STORAGE shall provide not less than thirty (30) days notice of such termination to the Customer and to FERC.
- (c) In the event PERRYVILLE STORAGE shall have suspended service pursuant to Section 6.29(b), Customer may cause PERRYVILLE STORAGE to resume or continue service by providing an advance payment equal to one Month's charges for service under the Customer's Storage Service Agreement(s) and providing Financial Assurances pursuant to Section 6.32 of these General Terms and Conditions within thirty (30) days of PERRYVILLE STORAGE's notice of suspension. PERRYVILLE STORAGE shall not charge Customer for services during any period of suspension pursuant to Section 6.29(b) of these General Terms and Conditions.

6.30. Policy with Respect to Fees and Construction of Facilities

- (a) Except as provided in Section 6.30(b) of these General Terms and Conditions, Customer shall reimburse PERRYVILLE STORAGE(a) for the costs of any facilities installed by PERRYVILLE STORAGE with Customer's consent to receive, measure, store, or deliver Gas for Customer's account and (b) for any and all filings and approval fees required in connection with Customer's Storage Service Agreement that PERRYVILLE STORAGE is obligated to pay to the Commission or any other governmental authority having jurisdiction. Any reimbursement due PERRYVILLE STORAGE by Customer pursuant to this Section shall be due and payable to PERRYVILLE STORAGE within ten (10) days of receipt by Customer of PERRYVILLE STORAGE's invoice(s) for same; provided, however, that subject to PERRYVILLE STORAGE's consent, such reimbursement, plus carrying charges thereon, may be amortized over a mutually agreeable period not to extend beyond the primary contract term of the Storage Service Agreement between PERRYVILLE STORAGE and Customer. Carrying charges shall be computed utilizing interest factors acceptable to both PERRYVILLE STORAGE and Customer.

- (b) PERRYVILLE STORAGE may waive from time to time, at its discretion, all or a portion of the facility cost reimbursement requirement set forth in Section 6.30 of these General Terms and Conditions for Rate Schedules FSS if Customer provides PERRYVILLE STORAGE adequate assurances to make construction of the facilities economical to PERRYVILLE STORAGE. All requests for waiver shall be handled by PERRYVILLE STORAGE in a manner which is not unduly discriminatory. For purposes of determining whether a project is economical, PERRYVILLE STORAGE will evaluate projects on the basis of various economic criteria, which will include the estimated cost of the facilities, operating and maintenance as well as administrative and general expenses attributable to the facilities, the revenues PERRYVILLE STORAGE estimates will be generated as a result of such construction, and the availability of capital funds on terms and conditions acceptable to PERRYVILLE STORAGE. In estimating the revenues to be generated, PERRYVILLE STORAGE will evaluate the existence of capacity limitations downstream of the facilities, the marketability of the capacity, the interruptible versus the firm nature of the service, and other similar factors which impact whether the available capacity will actually be utilized.

6.31 Off-System Capacity.

PERRYVILLE STORAGE may, from time to time, acquire transportation and/or storage capacity on a third-party pipeline system. PERRYVILLE STORAGE will only provide transportation and storage services for others using such capacity pursuant to its open access FERC Gas Tariff subject to its rates approved by the FERC. For purposes of transactions entered into subject to this Section, the “Customer must hold title” policy is waived to permit such use.

6.32 Creditworthiness - Financial Assurances.

- (a) PERRYVILLE STORAGE shall not be required to (i) execute a Storage Service Agreement providing for service under the applicable Rate Schedule for any Customer who fails to meet PERRYVILLE STORAGE's standards for creditworthiness, or (ii) initiate service for a Customer who fails to meet PERRYVILLE STORAGE's standards for creditworthiness, or (iii) continue storage service for any Customer who is or has become insolvent or who, at PERRYVILLE STORAGE's request, fails within a reasonable period to demonstrate creditworthiness pursuant to PERRYVILLE STORAGE's standards. For purposes herein, the determination of Customer's creditworthiness shall be based upon: (i) a credit rating of investment grade, defined as a rating of at least "BBB-" by Standard & Poor's Corporation, or a rating of at least "Baa3" by Moody's Investors Service, Inc. or (ii) provision of a guarantee from an entity with these ratings. Further, as set forth in this Section 6.32, Customer shall maintain an Acceptable Credit Rating, or post Financial Assurances in order to initiate or continue service.

(b) Definitions

The following definitions apply to this section:

- (1) "Acceptable Credit Rating" means a Credit Rating of investment grade, defined as a rating of at least "BBB-" by Standard & Poor's Corporation, or a rating of at least "Baa3" by Moody's Investors Service, Inc.
- (2) "Credit Rating" means the rating given to Customer's unsecured long term debt by Standard and Poor's Corporation ("S&P") or Moody's Investor's Services, Inc. ("Moody's").
- (3) "Credit Exposure" means an amount equal to: (a) in the case of Firm Storage Service to be provided by PERRYVILLE STORAGE using existing facilities, reservation charges payable at the rate specified in Customer's bid for service or Storage Service Agreement for a period of thirty-six (36) months or the duration of the Customer's bid or Storage Service Agreement, whichever is shorter; (b) in the case of Interruptible services to be provided by PERRYVILLE STORAGE using existing facilities, the Interruptible charge(s) calculated on a one hundred percent (100%) load factor basis payable for a period of thirty-six (36) months or the duration of the Customer's Storage Service Agreement, whichever is shorter; or (c) for service that requires PERRYVILLE STORAGE to construct new facilities, an amount determined by PERRYVILLE STORAGE prior to the start of construction that is reasonable in light of the risks of the construction project, not to exceed Customer's proportional share of the cost of the facilities to be constructed (which amount shall be reduced as Customer pays off the obligation for construction of new facilities); plus, for each of (a), (b), and (c), the Market Value of Loaned Gas.
- (4) "Market Value of Loaned Gas" means the Customer's Loan Balance for service under Rate Schedule ILS, if any, multiplied by the sum of the NYMEX Henry Hub Swap and the NYMEX Columbia Gulf mainline Basis Swap, or such other mutually agreed upon points as posted on the www.nymex.com web site, or such other mutually agreeable reference publication, for the period under which the loaned gas is scheduled to be returned pursuant to the Customer's Storage Service Agreement(s). PERRYVILLE STORAGE shall calculate Customer's Market Value of Loaned Gas on a daily basis.
- (5) "Unsecured Collateral Limit" means the maximum amount of credit PERRYVILLE STORAGE will extend to a Customer, without Customer providing Financial Assurances pursuant to this Section 6.32, based upon Customer's Credit Rating, as provided in the table below:

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

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

- (6) "Financial Assurances" means one or more of the forms of security set forth in Section 6.32(c).
- (c) A Customer that does not have, or at any time fails to maintain, an Acceptable Credit Rating shall provide to PERRYVILLE STORAGE, to secure its obligation to PERRYVILLE STORAGE pursuant to each of Customer's Storage Service Agreements, one or more of the following forms of Financial Assurances:
- (1) An irrevocable Letter of Credit, subject to the following:
 - (A) each Letter of Credit shall be in effect for the Term of the transaction plus 120 days.
 - (B) each Letter of Credit shall be in a form and substance satisfactory to PERRYVILLE STORAGE, and shall provide for partial drawdowns and, without limiting the generality of the foregoing, shall be issued by a financial institution acceptable to PERRYVILLE STORAGE that is rated at least A by S&P or A3 by Moody's; and
 - (2) Customer shall provide to PERRYVILLE STORAGE, to secure its obligation to PERRYVILLE STORAGE pursuant to each of Customer's Storage Service Agreements, a Guaranty granted to PERRYVILLE STORAGE by Customer's direct or indirect parent (the "Guarantor"), provided that the amount of such Guaranty shall not exceed the Unsecured Collateral Limit for such parent determined using the above criteria and parent's Credit Rating. The Guaranty shall be in a form acceptable to PERRYVILLE STORAGE and the provisions of this Section shall apply to the Guarantor as if the Guarantor were the Customer;
 - (3) Customer shall prepay for service in an amount as set forth immediately below, provided that such prepayments shall be considered collateral held for security and not advance payments for services and that Customer may deposit its prepayment funds into an

interest-bearing escrow account established by Customer granting PERRYVILLE STORAGE access to the account for payment of services under Customer's Storage Service Agreement(s).

The dollar value of the Financial Assurances set forth above in this Section 6.32(c) to be provided by Customer shall be in an amount equal to Customer's Credit Exposure minus Customer's Unsecured Collateral Limit. PERRYVILLE STORAGE shall re-compute the dollar value of Financial Assurances Customer is required to provide on a daily basis. PERRYVILLE STORAGE shall notify Customer when such re-computation indicates that that additional credit support is required to comply with the requirements of this section based on a 10% increase in the daily computation of the amount of Financial Assurances over the Financial Assurances previously provided by Customer. Customer shall have two (2) Business Days to comply with a notification by PERRYVILLE STORAGE of insufficient credit support.

- (d) Customer's obligation to maintain an Acceptable Credit Rating or to provide Financial Assurances shall continue for so long as the Parties are bound by the Storage Service Agreements and all transactions entered into thereunder. This obligation shall terminate when Customer has performed or satisfied all of its obligations under the Storage Service Agreements and, upon such termination, PERRYVILLE STORAGE shall return to Customer, if applicable:
 - (1) the Letter of Credit and funds held by PERRYVILLE STORAGE as security pursuant to Section 6.32(c) then in its possession but only to the extent it has not then applied such funds pursuant to this FERC Gas Tariff to the debts, expenses, costs, assessments and liabilities payable by Customer to PERRYVILLE STORAGE pursuant to the provisions of the Storage Service Agreement(s);
 - (2) the Guaranty held by PERRYVILLE STORAGE pursuant to Section 6.32(c);
 - (2) any security accepted by PERRYVILLE STORAGE pursuant to Section 6.32(c); or
 - (3) any amount prepaid by Customer pursuant to Section 6.32(c) not required to pay charges for service rendered under the Storage Service Agreements.
- (e) Termination or suspension of service and a Service Agreement does not affect the validity or requirement of a letter of credit or guarantee in effect at the time service is terminated or suspended.
- (f) If Customer's or guarantor's credit standing ceases to meet PERRYVILLE STORAGE's credit requirements during the period of service, then PERRYVILLE STORAGE will require security or a deposit as specified herein. If security or a deposit is not tendered in a timely period as reasonably determined by PERRYVILLE STORAGE, then PERRYVILLE STORAGE is not required to continue service. If Customer is unable to maintain credit approval, the executed Service Agreement shall terminate pursuant to Section 6.29(b)(5) of this Tariff. PERRYVILLE STORAGE retains the right to pursue additional remedies, enforce any rights and affect any collection due to PERRYVILLE STORAGE.

6.33 DISPOSITION OF RETAINED QUANTITIES

- 6.33.1 In the event that PERRYVILLE STORAGE holds an auction for gas quantities retained pursuant to Section 5.1.8 of Rate Schedule FSS, Section 5.2.8 of Rate Schedule ISS, Section 5.3.8 of Rate Schedule IPS, or Section 5.7.8 of Rate Schedule IBS, PERRYVILLE STORAGE shall post such quantities on its electronic bulletin board on the fifth (5th) Business Day following the fifteenth (15th) Day of the Month. PERRYVILLE STORAGE shall accept bids only during the time period from 7:00 A.M. until 11:00 A.M. CT on the seventh (7th) Business Day following date of the posting. PERRYVILLE STORAGE shall sell the quantities to Customer submitting the highest bid, and shall notify such Customer prior to 4:00 P.M. CT of the same day on which PERRYVILLE STORAGE accepts the bids; provided, however, PERRYVILLE STORAGE reserves the right to reject all bids. When the gas is purchased at auction, Customer must provide identification of the existing storage Service Agreement with PERRYVILLE STORAGE under which Customer shall store the gas in PERRYVILLE STORAGE's Facilities.
- 6.33.2 PERRYVILLE STORAGE shall credit the net proceeds received from such an auction to all Customers that did not have gas sold during the subject auction ("Qualifying Customer") based on the ratio of the total charges paid by each Qualifying Customer for service to the total amount of such charges paid by all Qualifying Customers during the Month in which the auction of the gas occurred. For the purposes of this Section, the term "net proceeds" shall mean the total proceeds received from the auction less the accumulated charges pursuant to the applicable Rate Schedule for the agreement held by Customer winning the bid.

Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year and will be included on the Qualifying Customers' invoice for the Month following the date of the final Commission order approving PERRYVILLE STORAGE's penalty disbursement report; provided, however, that Operator will calculate and include such credits on Qualifying Customers' invoices for a period shorter than twelve months in the event and to the extent that the total accumulated amount of penalty revenue collected pursuant to this Section 6.33 by PERRYVILLE STORAGE as of the end of any Month exceeds \$1,000,000. PERRYVILLE STORAGE will file a penalty disbursement report with the Commission within sixty (60) Days of July 31 or sixty (60) Days after the end of the Month in which the revenue collected exceeds \$1,000,000. Any penalty revenue credited to Qualifying Customers pursuant to this section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.

6.34 GENERAL TERMS AND CONDITIONS –TRANSACTION CONFIRMATION PROCEDURE

6.34. TRANSACTION CONFIRMATION PROCEDURE

- 6.34.1. PERRYVILLE STORAGE and Customer may use the transaction confirmation procedure set forth in this Section 6.34. to confirm their agreement(s) regarding Storage Service Agreements.
- 6.34.2. Should PERRYVILLE STORAGE and Customer come to an agreement regarding a transaction, a record of such transaction shall be sent by PERRYVILLE STORAGE to Customer by mutually acceptable electronic means by the close of the Business Day following the date of agreement (provided that failure to meet such deadline shall not invalidate an agreement), which record shall include all of the information required under the applicable form of Storage Service Agreement set forth in this Tariff.
- 6.34.3. If PERRYVILLE STORAGE's record regarding the transaction is different in any respect from Customer's understanding of the agreement, Customer shall notify PERRYVILLE STORAGE indicating the differences by mutually acceptable electronic means sent by the Confirm Deadline. Customer shall be bound by the terms of the transaction as described in PERRYVILLE STORAGE's record, and the parties shall be bound by the terms of that record if (i) Customer does not notify PERRYVILLE STORAGE by the Confirm Deadline that the record is different in any respect from Customer's understanding of the agreement, (ii) Customer indicates its agreement to the record by mutually acceptable electronic means, or (iii) Customer submits a nomination for service under recorded transaction. If Customer provides notice pursuant to the foregoing that a record differs from Customer's understanding of the agreement, then no agreement shall be binding until PERRYVILLE STORAGE has sent a new record regarding the agreement and such recording is agreed to pursuant to the terms of Section 6.34.2. and this Section 6.34.3. (except that PERRYVILLE STORAGE's record of such transaction must be sent by the close of the Business Day following PERRYVILLE STORAGE's receipt of Customer's notification of differences).
- 6.36.4. For purposes of this Section 6.34., "Confirm Deadline" shall mean 5:00 p.m. CCT on the second Business Day following the Day the record of a transaction is sent.

FORM OF SERVICE AGREEMENT

[The following may be inserted in the header of each page of this Agreement, as well as any information related to the identification of the Agreement necessary for administrative purposes:

Firm Storage Service Agreement

Execution Copy

Agreement No.

Date

In addition, a footer may be inserted on each page of this Agreement for administrative purposes.]

7.1 FIRM STORAGE SERVICE AGREEMENT (For Use Under Rate Schedule FSS)

This Firm Storage Service Agreement including exhibits (“Agreement”) is made as of the ___ day of _____, by and between PERRYVILLE GAS STORAGE LLC, a Delaware limited liability company, herein called “PERRYVILLE STORAGE”, and _____a(n) _____, herein called “Customer,” (PERRYVILLE STORAGE and Customer may individually be referred to as “Party” or collectively referred to as “Parties”) pursuant to the following recitals and representations:

NOW, THEREFORE, PERRYVILLE STORAGE and Customer agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

Following the commencement of service hereunder, in accordance with the terms of PERRYVILLE STORAGE’s Rate Schedule FSS, and of this Agreement, PERRYVILLE STORAGE on any Day shall receive for injection into Customer’s FSS Storage Inventory, Customer’s Gas upon nomination and confirmation, at Customer’s Point of Receipt, subject to Customer’s (i) Maximum Daily Receipt Quantity (“MDRQ”); (ii) Maximum Daily Injection Quantity (“MDIQ”) (iii) injection ratchets; and (iv) Maximum Storage Quantity (“MSQ”), all set forth on Exhibit “A”. PERRYVILLE STORAGE on any Day shall deliver from Customer’s FSS Storage Inventory Customer’s Gas, upon nomination and confirmation, to Customer’s Point(s) of Delivery, subject to Customer’s (i) Maximum Daily Withdrawal Quantity (“MDWQ”); (ii) Maximum Daily Delivery Quantity (“MDDQ”); and (iii) withdrawal ratchets, all set forth on Exhibit “A”; and (iv) Customer having a quantity of Gas in Customer’s FSS Storage Inventory not less than the quantity Customer nominated for withdrawal on such Day.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

The point(s) at which Gas is to be tendered by Customer to PERRYVILLE STORAGE under this Agreement shall be the point(s) set forth on Exhibit “A” and Exhibit “B” (“Point(s) of Receipt”).

The point(s) at which Gas is to be tendered by PERRYVILLE STORAGE to Customer under this Agreement shall be the point(s) set forth on Exhibit “A” and Exhibit “B” (“Point(s) of Delivery”).

ARTICLE III - RATES AND CHARGES

Customer agrees to pay PERRYVILLE STORAGE the charges set forth on Exhibit “A” and Exhibit “B” and all other applicable rates and charges set forth in PERRYVILLE STORAGE’s tariff on file with the FERC, as amended or supplemented from time to time (“Tariff”) and in the FSS Rate Schedule.

Customer shall reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed against PERRYVILLE STORAGE for the receipt, injection, storage, withdrawal, or delivery of Customer’s Gas. In addition, Customer shall reimburse PERRYVILLE STORAGE for Customer’s pro rata portion, calculated using the same methodology as that used to assess the tax; of all ad valorem taxes, property taxes, or other similar taxes on Customer’s Gas assessed against and paid by PERRYVILLE STORAGE.

ARTICLE IV - INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement shall be subject to the terms and conditions specified in PERRYVILLE STORAGE's Rate Schedule FSS and the provisions of PERRYVILLE STORAGE's Tariff, as filed with the Federal Energy Regulatory Commission, together with the General Terms and Conditions of this Tariff applicable thereto (including any changes in said Rate Schedule, Tariff, or General Terms and Conditions, as may from time to time be filed and made effective by PERRYVILLE STORAGE).

ARTICLE V - TERM OF AGREEMENT

The term of this Agreement is set forth on Exhibit "A".

ARTICLE VI – NOTICES

Notices shall be sent in accordance with GT&C 6.18 of PERRYVILLE STORAGE's Tariff, as follows:

PERRYVILLE GAS STORAGE LLC	CUSTOMER _____
COMMERCIAL	COMMERCIAL
PERRYVILLE GAS STORAGE LLC Attention: Address Line 1 Address Line 2 Telephone: E-Mail:	Customer Attention: Address Line 1 Address Line 2 Telephone: E-Mail:
CONTRACT ADMINISTRATION	CONTRACT ADMINISTRATION
PERRYVILLE GAS STORAGE LLC Attention: Address Line 1 Address Line 2 Telephone: E-Mail:	Customer Attention: Address Line 1 Address Line 2 Telephone: E-Mail:
BILLING	BILLING
PERRYVILLE GAS STORAGE LLC Attention: Address Line 1 Address Line 2 Telephone: E-Mail:	Customer Attention: Address Line 1 Address Line 2 Telephone: E-Mail:

In all instances, the Parties shall use their reasonable efforts to provide notice prior to 5 p.m. Central Clock Time. Notice received before 5 p.m. Central Clock Time shall be deemed effective the day of receipt. Notice received after 5 p.m. Central Clock Time shall be deemed effective the day following receipt.

ARTICLE VII - LAW OF AGREEMENT

THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW.

ARTICLE VIII - LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES. INCLUDING WITHOUT LIMITATION, LOSS OF VALUE, LOSS OF FINANCIAL ADVANTAGE, LOSS OF PROFIT OR BUSINESS INTERRUPTIONS, HOWEVER SAME MAY BE CAUSED, AND SHALL BE LIMITED, TO ACTUAL DAMAGES ONLY.

ARTICLE IX - PRIOR AGREEMENTS CANCELLED

This Agreement, as of the date hereof, shall supersede and cancel the following Agreement(s) between the Parties hereto:

Firm Storage Service Agreement No. _____ dated _____, _____.

ARTICLE X - WAREHOUSEMEN'S LIEN

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

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

- (i) THIS AGREEMENT, WITH ALL SCHEDULES AND EXHIBITS HERETO, AND ALL OF THE MONTHLY STATEMENTS RENDERED BY PERRYVILLE STORAGE TO CUSTOMER PURSUANT TO THE GENERAL TERMS AND CONDITIONS CONTAINED IN PERRYVILLE STORAGE'S TARIFF, SHALL BE DEEMED A "WAREHOUSE RECEIPT" FOR ALL PURPOSES WITH RESPECT TO ARTICLE 7 OF THE TEXAS UNIFORM COMMERCIAL CODE, REGARDLESS OF WHEN THE GAS STORED PURSUANT TO THE CONTRACT IS RECEIVED;
- (ii) THE LOCATION OF THE WAREHOUSE, TO WHOM THE GAS WILL BE DELIVERED, RATE OF STORAGE AND HANDLING CHARGES, AND DESCRIPTION OF THE GOODS ARE AS SET FORTH, RESPECTIVELY, IN THE PREAMBLE OF THIS AGREEMENT, EXHIBIT A OF THIS AGREEMENT, AND THE MONTHLY INVOICE (AS DESCRIBED IN SECTION 6.14.1 OF THE GENERAL TERMS AND CONDITIONS);

- (iii) THE ISSUE DATE OF THE WAREHOUSE RECEIPT WITH RESPECT TO EACH RECEIPT OF GAS SHALL BE DEEMED TO BE THE DATE SUCH GAS WAS RECEIVED;
- (iv) THE CONSECUTIVE NUMBER OF THE RECEIPT SHALL BE DEEMED BASED ON THE DATES OF RECEIPT WHEN LISTED IN CHRONOLOGICAL ORDER, BEGINNING WITH THE FIRST RECEIPT OF GAS UNDER THE TERMS OF THE CONTRACT; AND
- (v) THE SIGNATURE OF PERRYVILLE STORAGE ON THE CONTRACT SHALL BE DEEMED TO BE THE SIGNATURE OF THE WAREHOUSEMAN.

ARTICLE XI – MISCELLANEOUS

- 11.1 This Agreement sets forth all understandings and agreements between the Parties respecting the subject matter hereof, and all prior agreements, understandings and representations, whether written or oral, respecting the subject matter hereof are superseded by this Agreement. No modification of the terms and provisions of this Agreement shall be made except by the execution by both Parties of a written agreement.
- 11.2 No waiver by a Party of any default(s) by the other Party in the performance of any provision, condition or requirement of this Agreement shall operate or be construed as a waiver of any future default(s), whether of a like or of a different character, nor in any manner release the defaulting Party from performance of any other provision, condition or requirement set forth herein.
- 11.3 If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use their commercially reasonable efforts to agree upon an equitable adjustment of the provisions of this Agreement with a view to effecting its purpose.
- 11.4 No presumption shall operate in favor of or against any Party as a result of any responsibility or role that any Party may have had in the drafting of this Agreement.
- 11.5 This Agreement shall not create any rights in third parties, and no provisions hereof shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than PERRYVILLE STORAGE and Customer.
- 11.6 This Agreement may be executed in counterparts, and all such executed counterparts shall form part of this Agreement. An electronic signature shall be deemed to be an original signature for purposes of this Agreement. Documents delivered electronically shall be deemed to be originals for purposes of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first written above.

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT "A" No. _____ dated _____ to the Firm Storage Service Agreement, No. _____
dated _____ between PERRYVILLE STORAGE and _____ (Customer)

I. Term

This Agreement shall be effective as of _____, ____ and shall remain in force and effect until _____, ____ ("Primary Term").

Rollover Rights

- Thereafter, this Agreement shall continue for successive terms of ___Month(s) each (the "Renewal Term"), provided that the original Primary Term was for a period of at least twelve (12) consecutive Months, unless either party gives ___ Days' written notice to the other party prior to the end of the Primary Term or any Renewal Term thereafter.
- Rollover does not apply.

Right of First Refusal

- PERRYVILLE STORAGE has agreed to provide a contractual right of first refusal to Customer. Accordingly, Customer may extend the Primary Term of this Agreement pursuant to the procedures set forth in Section 5.1.7. of Rate Schedule FSS of PERRYVILLE STORAGE's Tariff.
- Right of First Refusal does not apply.

II. Maximum Quantities

- A. Maximum Storage Quantity ("MSQ")
Effective date or event: _____ MSQ _____ Dth
_____ Dth
- B. Maximum Daily Injection Quantity ("MDIQ")
Effective date or event: _____ MDIQ _____ Dth
_____ Dth
- C. Maximum Daily Withdrawal Quantity ("MDWQ")
Effective date or event: _____ MDWQ _____ Dth
_____ Dth

III. Rates and Charges

Date or event: _____
Firm Storage Reservation Charge _____ \$/Dth/Month

IV. Primary Point(s) of Receipt and primary Point(s) of Delivery

Maximum Daily Receipt Quantity (“MDRQ”)
 Effective date or event: _____

Primary Point of Receipt	MDRQ	Firm Storage Injection Charge	Fuel In-kind % on Injection	Fuel \$/Dth on Injection
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Maximum Daily Delivery Quantity (“MDDQ”)
 Effective date or event: _____

Primary Point of Delivery	MDDQ	Firm Storage Withdrawal Charge	Fuel In-kind % on Withdrawal	Fuel \$/Dth on Withdrawal
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

V. Secondary Point(s) of Receipt and secondary Point(s) of Delivery

Effective date or event: _____

- Customer shall not have the right to use secondary Point(s) of Receipt or secondary Point(s) of Delivery.
- Customer shall have the right to use secondary Point(s) of Receipt and secondary Point(s) of Delivery.

Effective date or event: _____

Maximum Daily Receipt Quantity (“MDRQ”)

Secondary Point of Receipt	MDRQ	Firm Storage Injection Charge	Fuel In-kind % on Injection	Fuel \$/Dth on Injection
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Maximum Daily Delivery Quantity (“MDDQ”)

Effective date or event: _____

Secondary Point of Delivery	MDDQ	Firm Storage Withdrawal Charge	Fuel In-kind % on Withdrawal	Fuel \$/Dth on Withdrawal
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

VI. Ratchets

Effective date or event: _____

The quantity of Gas Customer may inject or withdraw at any time shall be subject to the following ratchet provisions.

Injection Ratchets		Withdrawal Ratchets	
Level of MSQ	MDIQ Multiplier	Level of MSQ	MDWQ Multiplier
<input type="checkbox"/> 0% - 80%	100%	<input type="checkbox"/> 100% - 30%	100%
<input type="checkbox"/> Greater than 80% up to 90%	75%	<input type="checkbox"/> Less than 30% down to 15%	75%
<input type="checkbox"/> Greater than 90% up to 100%	50%	<input type="checkbox"/> Less than 15% down to 0%	50%
<input type="checkbox"/> No Injection Ratchets		<input type="checkbox"/> No Withdrawal Ratchets	

VI. Supersession and Replacement of Prior Exhibit "A"

This Exhibit as of the date hereof, shall supersede and cancel Exhibit "A No. _____ dated _____ to Firm Storage Service Agreement, No. _____ dated _____, _____.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first written above.

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT "B" No. _____ dated _____ to the Firm Storage Service Agreement No. _____
 dated _____ between PERRYVILLE STORAGE and _____ (Customer)

I. Maximum Daily Authorized Injection Overrun ("AIO") Quantity

Date or event	AIO Quantity
_____	_____ Dth
_____	_____ Dth

AIO - Point(s) of Receipt

Begin date or event: _____
 End date or event: _____

AIO Point of Receipt	AIO Quantity	AIO Charge	Fuel In-kind % on Injection	Fuel \$/Dth on Injection
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

II. Maximum Daily Authorized Withdrawal Overrun ("AWO") Quantity

Date or event	AWO Quantity
_____	_____ Dth
_____	_____ Dth

AWO - Point(s) of Delivery

Begin date or event: _____
 End date or event: _____

AWO Point of Delivery	AWO Quantity	AWO Charge	Fuel In-kind % on Withdrawal	Fuel \$/Dth on Withdrawal
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

III. Supersession and Replacement of Prior Exhibit "B"

This Exhibit as of the date hereof, shall supersede and cancel Exhibit "B" No. _____ dated _____
 to Firm Storage Service Agreement, No. _____ dated _____, _____.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first written above.

PERRYVILLE GAS STORAGE LLC	CUSTOMER _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

FORM OF SERVICE AGREEMENT
INTERRUPTIBLE STORAGE SERVICES AGREEMENT
(For Use Under Rate Schedule ISS)

This Agreement is made as of the ___ day of _____, _____, by and between PERRYVILLE GAS STORAGE LLC, a Delaware limited liability company, herein called "PERRYVILLE STORAGE," and _____ a _____, herein called "Customer," pursuant to the following recitals and representations:

NOW, THEREFORE, PERRYVILLE STORAGE and Customer agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

Following the commencement of service hereunder, in accordance with the terms of PERRYVILLE STORAGE's Rate Schedule ISS and of this Agreement, PERRYVILLE STORAGE shall provide Interruptible service for Customer and shall receive, inject, store, withdraw, and/or deliver, as the case may be, quantities of Gas up to the Customer's MDIQ, MDWQ, and MSQ, as applicable, as set forth on Exhibit A hereto.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

The point(s) at which the Gas is to be tendered by Customer to PERRYVILLE STORAGE under this Agreement (Customer's Point(s) of Receipt) and the point(s) at which the Gas is to be tendered by PERRYVILLE STORAGE to Customer under this Agreement (Customer's Point(s) of Delivery) shall be the point(s) designated on Exhibit "A" hereto.

ARTICLE III – PRICE

1. Customer agrees to pay PERRYVILLE STORAGE the charges for the Gas services requested by Customer as set forth on Exhibit A hereto.
2. Where applicable, Customer agrees to pay in kind or dollars the Fuel Reimbursement amount as set forth on Exhibit A hereto.
3. Customer further agrees to pay PERRYVILLE STORAGE all other applicable fees and charges as set forth in the General Terms and Conditions of this FERC Gas Tariff and in Rate Schedule ISS, as applicable.

ARTICLE IV - INCORPORATION OF RATE SCHEDULES AND TARIFF PROVISIONS

The terms and conditions specified in PERRYVILLE STORAGE's Rate Schedule ISS and the provisions of PERRYVILLE STORAGE's FERC Gas Tariff as filed with the FERC, together with the General Terms and Conditions applicable thereto (including any changes in said Rate Schedules, Tariff or General Terms and Conditions as may from time to time be filed and made effective by PERRYVILLE STORAGE) are hereby incorporated into this Agreement and made applicable to each term, condition, and obligation hereof.

ARTICLE V - TERM OF AGREEMENT

This Agreement shall become effective on _____, _____, and shall remain in force and effect on a Month to Month basis unless terminated by either party upon at least thirty (30) Days' prior written notice to the other party.

ARTICLE VI – NOTICES

Except as otherwise provided in the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the party intended to receive the same, as follows:

PERRYVILLE STORAGE NOTICES:

Attention: _____

CUSTOMER NOTICES:

Attention: _____

BILLINGS:

Attention: _____

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

ARTICLE VII - TRANSFER AND ASSIGNMENT OF ALL AGREEMENTS

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

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

ARTICLE VIII - LAW OF AGREEMENT

THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW.

ARTICLE IX - LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

Unless expressly herein provided, neither Party shall be liable to the other for indirect, special, consequential, incidental, punitive or exemplary damages.

ARTICLE X - PRIOR AGREEMENTS CANCELLED

PERRYVILLE STORAGE and Customer agree that this Agreement, as of the date hereof, shall supersede and cancel the following Agreement(s) between the parties hereto:

ARTICLE XI - WAREHOUSEMEN'S LIEN

- 11.1 CUSTOMER HEREBY ACKNOWLEDGES THAT PERRYVILLE STORAGE SHALL BE ENTITLED TO, AND PERRYVILLE STORAGE HEREBY CLAIMS, A LIEN ON ALL GAS RECEIVED BY PERRYVILLE STORAGE FROM CUSTOMER, AND ALL PROCEEDS THEREOF, UPON SUCH RECEIPT BY PERRYVILLE STORAGE, AS PROVIDED IN SECTION 7-209 OF THE TEXAS UNIFORM COMMERCIAL CODE WITH THE RIGHTS OF ENFORCEMENT AS PROVIDED THEREIN AND HEREIN. IN NO WAY LIMITING THE FOREGOING, CUSTOMER HEREBY ACKNOWLEDGES THAT PERRYVILLE STORAGE SHALL BE ENTITLED TO, AND PERRYVILLE STORAGE HEREBY CLAIMS, A LIEN FOR ALL CHARGES FOR STORAGE OR TRANSPORTATION (INCLUDING DEMURRAGE AND TERMINAL CHARGES), INSURANCE, LABOR, OR CHARGES PRESENT OR FUTURE IN RELATION TO THE RECEIVED GAS, AND FOR EXPENSES NECESSARY FOR PRESERVATION OF THE RECEIVED GAS OR REASONABLY INCURRED IN THE SALE THEREOF, PURSUANT TO LAW, AND THAT SUCH LIEN SHALL EXTEND TO LIKE CHARGES AND EXPENSES IN RELATION TO ALL SUCH RECEIVED GAS.
- 11.2 IF DEEMED NECESSARY BY A COURT OF LAW, PURSUANT TO SECTION 7-202(2) OF THE TEXAS UNIFORM COMMERCIAL CODE, CUSTOMER HEREBY AGREES THAT:
- (i) THIS AGREEMENT, WITH ALL SCHEDULES AND EXHIBITS HERETO, AND ALL OF THE MONTHLY STATEMENTS RENDERED BY PERRYVILLE STORAGE TO CUSTOMER PURSUANT TO THE GENERAL TERMS AND CONDITIONS CONTAINED IN PERRYVILLE STORAGE'S TARIFF, SHALL BE DEEMED A "WAREHOUSE RECEIPT" FOR ALL PURPOSES WITH RESPECT TO ARTICLE 7 OF THE TEXAS UNIFORM COMMERCIAL CODE, REGARDLESS OF WHEN THE GAS STORED PURSUANT TO THE CONTRACT IS RECEIVED;
 - (ii) THE LOCATION OF THE WAREHOUSE, TO WHOM THE GAS WILL BE DELIVERED, RATE OF STORAGE AND HANDLING CHARGES, AND DESCRIPTION OF THE GOODS ARE AS SET FORTH, RESPECTIVELY, IN THE PREAMBLE OF THIS AGREEMENT, EXHIBIT A OF THIS AGREEMENT, AND THE MONTHLY INVOICE (AS DESCRIBED IN SECTION 6.14.1 OF THE GENERAL TERMS AND CONDITIONS);
 - (iii) THE ISSUE DATE OF THE WAREHOUSE RECEIPT WITH RESPECT TO EACH RECEIPT OF GAS SHALL BE DEEMED TO BE THE DATE SUCH GAS WAS RECEIVED;
 - (iv) THE CONSECUTIVE NUMBER OF THE RECEIPT SHALL BE DEEMED BASED ON THE DATES OF RECEIPT WHEN LISTED IN CHRONOLOGICAL ORDER, BEGINNING WITH THE FIRST RECEIPT OF GAS UNDER THE TERMS OF THE CONTRACT; AND
 - (v) THE SIGNATURE OF PERRYVILLE STORAGE ON THE CONTRACT SHALL BE DEEMED TO BE THE SIGNATURE OF THE WAREHOUSEMAN.

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

PERRYVILLE GAS STORAGE LLC

By _____
Title _____

Customer _____
By _____
Title _____

EXHIBIT A
to the Agreement between PERRYVILLE STORAGE and _____ (Customer)

Point(s) of Receipt and Point(s) of Delivery:

(Pipeline _____):

Maximum Daily Injection Quantity (MDIQ) _____
Maximum Daily Withdrawal Quantity (MDWQ) _____

(Pipeline _____):

Maximum Daily Injection Quantity (MDIQ) _____
Maximum Daily Injection Quantity (MDWQ) _____

EXHIBIT A (Continued)

1. Maximum Contract Quantities (Dth):
_____ Maximum Storage Quantity (MSQ)
_____ Maximum Daily Injection Quantity (MDIQ)
_____ Maximum Daily Withdrawal Quantity (MDWQ)

2. Rates and Charges:

Customer agrees to pay PERRYVILLE STORAGE the following charges for the Interruptible service furnished by PERRYVILLE STORAGE to Customer hereunder:

- _____ Interruptible Capacity Charge (\$/Dth)
_____ Interruptible Injection Charge (\$/Dth)
_____ Interruptible Withdrawal Charge (\$/Dth)
_____ Fuel reimbursement (\$/Dth) or (in kind)

[The following may be inserted in the header of each page of this Agreement, as well as any information related to the identification of the Agreement necessary for administrative purposes:

Hub Services Agreement

Execution Copy

Agreement No.

Date

In addition, a footer may be inserted on each page of this Agreement for administrative purposes.]

7.3 HUB SERVICES AGREEMENT

(For Use Under Rate Schedules Rate Schedules IPS, ILS, IWS, IBTS and IBS)

This HUB Services Agreement including exhibits and transaction confirmations (“Agreement”) is made as of the _____ day of _____, _____, by and between PERRYVILLE GAS STORAGE LLC a Delaware limited liability company herein called “PERRYVILLE STORAGE” and _____, a(n) _____, herein called “Customer,” (PERRYVILLE STORAGE and Customer may individually be referred to as “Party” or collectively referred to as “Parties”).

NOW, THEREFORE, PERRYVILLE STORAGE and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

Following commencement of service hereunder, in accordance with the terms of PERRYVILLE STORAGE’s Rate Schedules IPS, ILS, IWS, IBTS and IBS as applicable, and of this Agreement, PERRYVILLE STORAGE shall provide Interruptible service for Customer and shall receive, inject, park, store, wheel, loan, balance, withdraw and deliver, as the case may be, quantities of Gas up to Customer’s Maximum Daily Injection Quantity (“MDIQ”), Maximum Daily Withdrawal Quantity (“MDWQ”), Maximum Storage Quantity (“MSQ”), Maximum Park Quantity (“MPQ”), Maximum Loan Quantity (“MLQ”) and Maximum Daily Wheeling Quantity (“MDTQ”), as applicable, as set forth on Exhibits “A”, “B”, “C”, “D” and “E”. Customer and PERRYVILLE STORAGE may execute more than one of each of Exhibits “A”, “B”, “C”, “D” and “E” during the term of this Agreement, covering multiple transactions for Interruptible service.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

The point(s) at which the Gas is to be tendered by Customer to PERRYVILLE STORAGE under this Agreement shall be the point(s) set forth on Exhibits “A”, “B”, “C”, “D” and “E” (“Point(s) of Receipt”).

The point(s) at which the Gas is to be tendered by PERRYVILLE STORAGE to Customer under this Agreement shall be the point(s) set forth on Exhibits “A”, “B”, “C”, “D” and “E” (“Point(s) of Delivery”).

ARTICLE III – RATES AND CHARGES

Customer agrees to pay PERRYVILLE STORAGE the charges as set forth on Exhibits “A”, “B”, “C”, “D” and “E” and Customer agrees to pay PERRYVILLE STORAGE all other applicable rates and charges set forth in PERRYVILLE STORAGE’s tariff on file with the FERC, as amended or supplemented from time to time (“Tariff”) and in Rate Schedules IPS, ILS, IWS, IBTS and IBS, as applicable.

Customer shall reimburse PERRYVILLE STORAGE for all applicable taxes as may be assessed against PERRYVILLE STORAGE for the receipt, injection, parking, loaning, balancing, storage, withdrawal or delivery of Customer’s Gas. In addition, Customer shall reimburse PERRYVILLE STORAGE for Customer’s pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes or other similar taxes on Customer’s Gas assessed against and paid by PERRYVILLE STORAGE.

ARTICLE IV – INCORPORATION OF RATE SCHEDULES AND TARIFF PROVISIONS

This Agreement shall be subject to the terms and conditions specified in PERRYVILLE STORAGE's Rate Schedule IPS, ILS, IWS, IBTS, and IBS and the provisions of PERRYVILLE STORAGE's Tariff, as filed with the Federal Energy Regulatory Commission, together with the General Terms and Conditions of this Tariff applicable thereto (including any changes in said Rate Schedule, Tariff, or General Terms and Conditions, as may from time to time be filed and made effective by PERRYVILLE STORAGE).

ARTICLE V – TERM OF AGREEMENT

This Agreement shall be effective on _____, _____, and shall remain in force and effect on a Month to Month basis unless terminated by either Party upon at least thirty (30) days prior written notice to the other Party, provided that this Agreement shall remain in effect until the expiration of any transactions entered into by the Parties pursuant to this Agreement.

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PERRYVILLE STORAGE's Tariff, GT&C 6.18, as follows:

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

PERRYVILLE GAS STORAGE LLC

Customer

Attention:
Address Line 1
Address Line 2
Telephone:
E-Mail:

Attention:
Address Line 1
Address Line 2
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

PERRYVILLE GAS STORAGE LLC

Customer

Attention:
Address Line 1
Address Line 2
Telephone:
E-Mail:

Attention:
Address Line 1
Address Line 2
Telephone:
E-Mail:

BILLING

BILLING

PERRYVILLE GAS STORAGE LLC

Customer

Attention:
Address Line 1
Address Line 2
Telephone:
E-Mail:

Attention:
Address Line 1
Address Line 2
Telephone:
E-Mail:

In all instances, the Parties shall use their reasonable efforts to provide notice prior to 5 p.m. Central Clock Time. Notice received before 5 p.m. Central Clock Time shall be deemed effective the day of receipt. Notice received after 5 p.m. Central Clock Time shall be deemed effective the day following receipt.

ARTICLE VII - LAW OF AGREEMENT

THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW.

ARTICLE VIII - LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF VALUE, LOSS OF FINANCIAL ADVANTAGE, LOSS OF PROFIT OR BUSINESS INTERRUPTIONS, HOWEVER SAME MAY BE CAUSED, AND SHALL BE LIMITED, TO ACTUAL DAMAGES ONLY.

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

This Agreement, as of the date hereof, shall supersede and cancel the following Agreement(s) between the Parties hereto:

Hub Service Agreement No. _____, dated _____, _____.

ARTICLE X - WAREHOUSEMEN’S LIEN

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

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

- (i) THIS AGREEMENT, WITH ALL SCHEDULES AND EXHIBITS HERETO, AND ALL OF THE MONTHLY STATEMENTS RENDERED BY PERRYVILLE STORAGE TO CUSTOMER PURSUANT TO THE GENERAL TERMS AND CONDITIONS CONTAINED IN PERRYVILLE STORAGE’S TARIFF, SHALL BE DEEMED A “WAREHOUSE RECEIPT” FOR ALL PURPOSES WITH RESPECT TO ARTICLE 7 OF THE TEXAS UNIFORM COMMERCIAL CODE, REGARDLESS OF WHEN THE GAS STORED PURSUANT TO THE CONTRACT IS RECEIVED;
- (ii) THE LOCATION OF THE WAREHOUSE, TO WHOM THE GAS WILL BE DELIVERED, RATE OF STORAGE AND HANDLING CHARGES, AND DESCRIPTION OF THE GOODS ARE AS SET FORTH, RESPECTIVELY, IN THE PREAMBLE OF THIS AGREEMENT, EXHIBIT A OF THIS AGREEMENT, AND THE MONTHLY INVOICE (AS DESCRIBED IN SECTION 6.14.1 OF THE GENERAL TERMS AND CONDITIONS);

- (iii) THE ISSUE DATE OF THE WAREHOUSE RECEIPT WITH RESPECT TO EACH RECEIPT OF GAS SHALL BE DEEMED TO BE THE DATE SUCH GAS WAS RECEIVED;
- (iv) THE CONSECUTIVE NUMBER OF THE RECEIPT SHALL BE DEEMED BASED ON THE DATES OF RECEIPT WHEN LISTED IN CHRONOLOGICAL ORDER, BEGINNING WITH THE FIRST RECEIPT OF GAS UNDER THE TERMS OF THE CONTRACT; AND
- (v) THE SIGNATURE OF PERRYVILLE STORAGE ON THE CONTRACT SHALL BE DEEMED TO BE THE SIGNATURE OF THE WAREHOUSEMAN.

ARTICLE XI – MISCELLANEOUS

- 11.1 This Agreement sets forth all understandings and agreements between the Parties respecting the subject matter hereof, and all prior agreements, understandings and representations, whether written or oral, respecting the subject matter hereof are superseded by this Agreement. No modification of the terms and provisions of this Agreement shall be made except by the execution by both Parties of a written agreement.
- 11.2 No waiver by a Party of any default(s) by the other Party in the performance of any provision, condition or requirement of this Agreement shall operate or be construed as a waiver of any future default(s), whether of a like or of a different character, nor in any manner release the defaulting Party from performance of any other provision, condition or requirement set forth herein.
- 11.3 If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use their commercially reasonable efforts to agree upon an equitable adjustment of the provisions of this Agreement with a view to effecting its purpose.
- 11.4 No presumption shall operate in favor of or against any Party as a result of any responsibility or role that any Party may have had in the drafting of this Agreement.
- 11.5 This Agreement shall not create any rights in third parties, and no provisions hereof shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than PERRYVILLE STORAGE and Customer.
- 11.6 This Agreement may be executed in counterparts, and all such executed counterparts shall form part of this Agreement. An electronic signature shall be deemed to be an original signature for purposes of this Agreement. Documents delivered electronically shall be deemed to be originals for purposes of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first herein written above.

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT "A" No. _____ dated _____ to the Hub Services Agreement
dated _____ between PERRYVILLE STORAGE and _____ (Customer)
Interruptible Parking Service (Rate Schedule IPS)

I. Park Term

Injection Period Start Date _____
Injection Period End Date _____
Withdrawal Period Start Date _____
Withdrawal Period End Date _____

II. Maximum Quantities

A.	Maximum Park Quantity ("MPQ")	
	Date or event	MPQ
	_____	_____ Dth
	_____	_____ Dth
B.	Maximum Daily Injection Quantity ("MDIQ")	
	Date or event	MDIQ
	_____	_____ Dth
	_____	_____ Dth
C.	Maximum Daily Withdrawal Quantity ("MDWQ")	
	Date or event	MDWQ
	_____	_____ Dth
	_____	_____ Dth

III. Point(s) of Receipt and Point(s) of Delivery

Maximum Daily Receipt Quantity ("MDRQ") and Maximum Daily Delivery Quantity ("MDDQ")

Date or event: _____

POINT(S) OF RECEIPT	MDRQ
_____	_____ Dth
_____	_____ Dth
POINT(S) OF DELIVERY	MDDQ
_____	_____ Dth
_____	_____ Dth

IV. Rates and Charges

Date or event: _____

Interruptible Parking Charge	_____	\$/Dth/Day
Interruptible Parking Injection Charge	_____	\$/Dth
Interruptible Parking Withdrawal Charge	_____	\$/Dth
Fuel Reimbursement	_____	\$/Dth or in-kind %

V. Supersession and Replacement of Prior Exhibit "A"

This Transaction Confirmation as of the date hereof, shall supersede and cancel Exhibit "A" No. _____ dated _____ to Hub Services Agreement, No. _____ dated _____, _____.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first written above.

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT "B" No. _____ dated _____ to the Hub Services Agreement
dated _____ between PERRYVILLE STORAGE and _____ (Customer)
Interruptible Loan Service (Rate Schedule ILS)

I. Loan Term

Withdrawal Period Start Date _____
Withdrawal Period End Date _____
Injection Period Start Date _____
Injection Period End Date _____

II. Maximum Quantities

A.	Maximum Loan Quantity ("MLQ")	
	Date or event	MLQ
	_____	_____ Dth
	_____	_____ Dth
B.	Maximum Daily Injection Quantity ("MDIQ")	
	Date or event	MDIQ
	_____	_____ Dth
	_____	_____ Dth
C.	Maximum Daily Withdrawal Quantity ("MDWQ")	
	Date or event	MDWQ
	_____	_____ Dth
	_____	_____ Dth

II. Point(s) of Receipt and Point(s) of Delivery

Maximum Daily Receipt Quantity ("MDRQ") and Maximum Daily Delivery Quantity ("MDDQ")

Date or event: _____

POINT(S) OF RECEIPT	MDRQ
_____	_____ Dth
_____	_____ Dth

POINT(S) OF DELIVERY	MDDQ
_____	_____ Dth
_____	_____ Dth

IV. Rates and Charges

Date or event: _____

Interruptible Loan Charge	_____	\$/Dth/Day
Interruptible Loan Injection Charge	_____	\$/Dth
Interruptible Loan Withdrawal Charge	_____	\$/Dth
Fuel Reimbursement	_____	\$/Dth or in-kind %

V. Supersession and Replacement of Prior Exhibit "B"

This Transaction Confirmation as of the date hereof, shall supersede and cancel Exhibit "B" No. _____ dated _____ to Hub Services Agreement, No. _____ dated _____, _____.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first written above.

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT "C" No. _____ dated _____ to the Hub Services Agreement
dated _____ between PERRYVILLE STORAGE and _____ (Customer)
Interruptible Wheeling Service (Rate Schedule IWS)

Maximum Daily Wheeling Quantity ("MDTQ") _____ Dth/Day

Point of Receipt	Quantity	\$/Dth	Point of Delivery	Quantity	\$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth

Begin Date _____

End Date _____

Fuel Reimbursement _____ \$/Dth or in-kind%

This Transaction Confirmation as of the date hereof, shall supersede and cancel Exhibit "C" No. _____ dated _____ to Hub Services Agreement No. _____ dated _____, _____.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first written above.

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT "D" No. _____ dated _____ to the Hub Services Agreement
dated _____ between PERRYVILLE STORAGE and _____ (Customer)
Interruptible Balancing Service (Rate Schedule IBS)

Maximum Storage Quantity _____ Dth

Maximum Loan Quantity _____ Dth

Maximum Daily Injection Quantity _____ Dth

Maximum Daily Withdrawal Quantity _____ Dth

Begin Date _____

End Date _____

Interruptible Balancing Charge _____ \$/Dth/Day

Interruptible Balancing Injection Charge _____ \$/Dth

Interruptible Balancing Withdrawal Charge _____ \$/Dth

Fuel Reimbursement _____ \$/Dth or in-kind %

POINT(S) OF RECEIPT QUANTITY

_____ Dth

_____ Dth

POINT(S) OF DELIVERY QUANTITY

_____ Dth

_____ Dth

This Transaction Confirmation as of the date hereof, shall supersede and cancel Exhibit "D" No. _____ dated _____ to Hub Services Agreement No. _____ dated _____, _____.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first written above.

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT "E" No. _____ dated _____ to the Hub Services Agreement
dated _____ between PERRYVILLE STORAGE and _____ (Customer)
Interruptible Balancing Trading Service (Rate Schedule IBTS)

Pursuant to GT&C 6.20, Customer(s) shall complete and execute the Title Transfer Form posted on PERRYVILLE STORAGE'S Internet Web Site in order to effectuate IBTS Service.

Quantity _____ Dth

Imbalance Trade Date _____

Interruptible Imbalance Trading Charge: _____

This Transaction Confirmation as of the date hereof, shall supersede and cancel Exhibit "E" No. _____ dated _____ to Hub Services Agreement No. _____ dated _____, _____.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed in several counterparts by their authorized agents as of the date first written above.

PERRYVILLE GAS STORAGE LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____