

#### **NORTHWEST PIPELINE LLC**

2800 Post Oak Boulevard (77056) P.O. Box 1396 Houston, Texas 77251-1396 (713) 215-2000

February 26, 2021

Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Attention: Kimberly D. Bose, Secretary

Re: Northwest Pipeline LLC

New Rate Schedule TPAL & Revise Existing Rate Schedule PAL

Docket No. RP21-\_\_\_\_

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act ("NGA") and Part 154 of the Federal Energy Regulatory Commission's ("Commission") regulations thereunder, Northwest Pipeline LLC ("Northwest") hereby submits for filing with the Commission the following revised tariff records to its FERC Gas Tariff, Fifth Revised Volume No. 1 ("Tariff"):

Version	Description	Title
4.0.0	Fourth Revised Sheet No. 1	Table of Contents
7.0.0	Seventh Revised Sheet No. 6	Statement of Rates: DEX-1, PAL and TPAL
4.0.0	Fourth Revised Sheet No. 15	Rate Schedules Index
2.0.0	Second Revised Sheet No. 55-A	Rate Schedule SGS-2F – Inventory Transfers
2.0.0	Second Revised Sheet No. 64	Rate Schedule SGS-2I – Inventory Transfers
2.0.0	Second Revised Sheet No. 115	Rate Schedule DEX-1 – Character of Service
3.0.0	Third Revised Sheet No. 125	Rate Schedule PAL – Character of Service
2.0.0	Second Revised Sheet No. 126	Rate Schedule PAL – Character of Service
3.0.0	Third Revised Sheet No. 126-A	Rate Schedule PAL – Character of Service
4.0.0	Fourth Revised Sheet No. 127	Rate Schedule PAL – Rate
2.0.0	Second Revised Sheet No. 128	Rate Schedule PAL – Allocation & Restrictions and Penalties
2.0.0	Second Revised Sheet No. 129	Rate Schedule PAL – Evergreen Provisions
2.0.0	Second Revised Sheet No. 131	Rate Schedule TPAL – Character of Service
0.0.0	Original Sheet No. 131-A	Rate Schedule TPAL – Character of Service
0.0.0	Original Sheet No. 131-B	Rate Schedule TPAL – Character of Service
0.0.0	Original Sheet No. 131-C	Rate Schedule TPAL – Character of Service
0.0.0	Original Sheet No. 132	Rate Schedule TPAL – Rate
0.0.0	Original Sheet No. 132-A	Rate Schedule TPAL – Rate

Version	Description	Title
0.0.0	Original Sheet No. 132-B	Rate Schedule TPAL – Allocation of Service
0.0.0	Original Sheet No. 133	Rate Schedule TPAL- Restrictions and Penalties
0.0.0	Original Sheet No. 133-A	Rate Schedule TPAL- Restrictions and Penalties
4.0.0	Fourth Revised Sheet No. 220	GT&C - Scheduling Priorities and Curtailment
3.0.0	Third Sheet No. 221	GT&C - Scheduling Priorities and Curtailment
2.0.0	Second Revised Sheet No. 222	GT&C - Scheduling Priorities and Curtailment
5.0.0	Fifth Revised Sheet No. 222-A	GT&C - Scheduling Priorities and Curtailment
6.0.0	Sixth Sheet No. 222-B	GT&C - Scheduling Priorities and Curtailment
3.0.0	Third Revised Sheet No. 222-C	GT&C - Scheduling Priorities and Curtailment
3.0.0	Third Revised Sheet No. 222-D	GT&C - Scheduling Priorities and Curtailment
4.0.0	Fourth Revised Sheet No. 231-A	GT&C - Operating Conditions
4.0.0	Fourth Revised Sheet No. 298	GT&C - Sales of Excess Gas
3.0.0	Third Revised Sheet No. 299	GT&C - Sales of Excess Gas
4.0.0	Fourth Revised Sheet No. 300	Forms of Service Agreement - Index
5.0.0	Fifth Revised Sheet No. 359	DEX-1 Form of Service Agreement
2.0.0	Second Revised Sheet No. 368	TPAL Form of Service Agreement
0.0.0	Original Sheet No. 368-A	TPAL Form of Service Agreement
0.0.0	Original Sheet No. 368-B	TPAL Form of Service Agreement-Exhibit A
0.0.0	Original Sheet No. 368-C	TPAL Form of Service Agreement-Exhibit B
0.0.0	Original Sheet No. 368-D	TPAL Form of Service Agreement-Exhibit D

The tariff records are proposed to be effective on April 1, 2021.

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

This filing proposes to (1) add new Rate Schedule TPAL, and related tariff provisions, to Northwest's Tariff to establish a new interruptible term park and loan ("TPAL") service; (2) modify the existing Rate Schedule PAL ("PAL") park and loan service to (a) allow shippers to use mutually agreeable non-storage park and loan points, (b) modify language surrounding transfers, and (c) state Northwest will post minimum PAL rates required for daily service at each point on Northwest's Designated Site; and (3) update other park and loan service-related tariff records to include a reference to the new Rate Schedule TPAL.

<sup>&</sup>lt;sup>1</sup>Northwest's current Rate Schedule PAL service offers interruptible park and loan services at Northwest's Clay Basin PAL and Jackson Prairie PAL points, and the service rendered under this rate schedule is billed a charge equal to the product of the PAL interruptible recourse rate and the maximum Parked or Loaned Quantity, as applicable, on such day.

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#### Rate Schedule TPAL

### A. Purpose of Proposed TPAL Service

Currently, Northwest provides its shippers firm and interruptible transportation service and storage service, including interruptible PAL service. After evaluating these services and receiving multiple requests from Shippers for added park and loan flexibility, Northwest has chosen to complement its current service portfolio by proposing an additional interruptible park and loan service. The proposed TPAL service is an interruptible park and loan service that is designed to provide tangible market benefits to all shippers on the Northwest system. The design of the TPAL service provides the market with more flexibility and a tool to manage imbalances.

### **B.** Description of the TPAL Service

Northwest's proposed TPAL service is structured similar to park and loan service that the Commission has approved for other pipelines<sup>2</sup> and is consistent with the spirit of Order No. 637 in which the Commission announced that pipelines should provide shippers with additional balancing tools, including park and loan services, to the extent operationally practicable.<sup>3</sup>

The proposed TPAL rate schedule service is an interruptible service. TPAL will be scheduled in accordance with the priority of service provisions delineated in Section 12 of the General Terms and Conditions ("GT&C") of the Tariff, and only to the extent that Transporter (Northwest), in its reasonable discretion, determines it has sufficient operational flexibility to temporarily utilize a portion of its line pack, storage service rights at the Jackson Prairie Storage Project, and/or contracted Clay Basin storage to provide such service without adversely affecting its ability to accommodate its system balancing requirements or higher priority services.

As further delineated in Section 12 of the GT&C, the proposed TPAL rate schedule service will have the same priority as other interruptible services Northwest offers. In the event that all interruptible nominations at Jackson Prairie, Clay Basin or at non-storage points cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For TPAL services at the same rate, any necessary allocations of available capacity will be based on contract date, with the newest contracts receiving the lowest priority.

To preserve Northwest's system integrity, firm system balancing capability or ability to accommodate higher priority services, Northwest may require TPAL shippers to remove parked gas or return loaned gas upon a minimum of three days' request. Noncompliance may result in Northwest taking title to parked gas, or shipper being required to pay for loaned gas at 150% of

<sup>2</sup> See Wyoming Interstate Company, L.L.C., 146 F.E.R.C. ¶ 61,010 (2014); TransColorado Gas Transmission Company, 97 F.E.R.C. ¶ 61,106 (2001). Kinder Morgan Interstate Gas Transmission LLC, 95 F.E.R.C. ¶ 61,479 (2001).

<sup>&</sup>lt;sup>3</sup> Order No. 637, Regulation of Short-Term Natural Gas Transportation Services and Regulation of Interstate Natural Gas Transportation Services, FERC Stats. &. Regs. Regulations Preambles (July 1996-December 2000) ¶ 31,091 (2000), order on reh'g, Order No. 637-A, FERC Stats. &. Regs. Regulations Preambles (July 1996-December 2000) ¶ 31,099 (2000); and Order No. 637-B, 92 F.E.R.C. ¶ 61,062 (2000).

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the highest weekly weighted average price reflected in the Daily Price Survey published in Gas Daily for one of the following liquid trading points: NW Wyoming Pool, NW south of Green River, Stanfield, Oregon, NW Canadian border (Sumas), or El Paso Bondad. Similar treatment will apply to any parked or loaned gas remaining at the termination of a service agreement. Any net gas quantities or net revenues resulting from these provisions will be returned to Northwest's customers, either through an adjustment to the system fuel reimbursement factor, or through the sales revenue crediting provision, as applicable.

The proposed TPAL service does not provide for any transportation between designated park and loan points. Northwest's shippers desiring to move gas to any points other than the designated park and loan point where the park or loan transaction originated must enter into a separate agreement to effectuate such transportation. Since no transportation service is provided as part of a TPAL transaction, Northwest will not assess any fuel or lost and unaccounted for charges or Annual Charge Adjustment surcharges on TPAL service.

The proposed TPAL service agreements will have (a) defined quantities and fixed terms of when and where parking or loaning activity can occur, which may include restrictions of when park and loan activity can occur, and (b) will be subject to a competitive bid process utilizing the bidding process as outlined in GT&C Section 25.5 for available capacity, except all competitive bid posting periods for service under Rate Schedule TPAL will be for a bid period of no less than one hour. Northwest will notify Shippers of any TPAL competitive bid posting via its electronic bulletin board ("Designated Site").

### C. Rate Structure of the TPAL Service

Northwest will utilize a three-part rate for service under Rate Schedule TPAL which is intended to provide both negotiation and billing flexibility. The three-part rate is composed of a park or loan rate, a park/loan balance rate, and an unpark/loan payback rate. The park or loan rate will be charged for each dekatherm of natural gas tendered to Northwest as part of a park transaction or for natural gas tendered to Shippers as part of a loan transaction. For each day the natural gas quantities remain either parked or loaned to the Shipper pursuant to the terms of the agreement, Northwest will charge a park/loan balance rate for each dekatherm either parked or loaned at the end of each day. The unpark/loan payback rate will be charged for each dekatherm of gas received by Shipper of parked gas or for each dekatherm of gas returned to Northwest of loaned gas. While the individual components of the TPAL rate will be separately charged based on the specific service provided under Rate Schedule TPAL, on any given day, the sum of the park or loan rate, the park/loan balance rate, and the unpark/loan payback rate assessed for any park or loan dekatherm may not exceed the maximum base tariff rate on a per unit basis, unless Northwest and interested Shippers agree to a Rate Schedule TPAL service agreement priced at a negotiated rate pursuant to Section 19 of the GT&C, and the applicable provisions found in the Service Agreement.

Similar to Northwest's existing PAL rate, the proposed maximum and minimum tariff rate of each component of the proposed three-part rate for the TPAL service is derived from the applicable

<sup>&</sup>lt;sup>4</sup> Bid periods will begin during Transporter's normal business hours.

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Commission approved interruptible transportation rate currently in effect for Rate Schedule TI-1.<sup>5</sup> The Commission has approved similar multi-part rate structures for park and loan services and maximum park and loan rates that are equal to the pipeline's system average interruptible transportation rate or the daily maximum interruptible transportation rate.<sup>6</sup> Accordingly, Northwest's proposed rate structure for TPAL service is reasonable in relation to the rate structures approved for other pipelines, and Northwest respectfully seeks approval of the proposed three-part rate structure for its proposed TPAL service.

Due to the interruptible nature of the TPAL service and the uncertainty of demand for such new interruptible service, Northwest is not proposing to credit any interruptible TPAL revenues back to its customers between rate cases but will allocate appropriate costs during the next rate case, which in turn, will benefit Northwest's shippers.<sup>7</sup>

### Rate Schedule PAL - Proposed Changes

Similar to Northwest's proposed TPAL service, Northwest proposes to give Rate Schedule PAL shippers the option to request, in addition to the existing storage-related park and loan points, other mutually agreeable non-storage park and loan points on a non-discriminatory basis. This will provide Northwest with additional flexibility in utilizing available operational capacity to meet its shippers' park and loan needs.

Northwest proposes to modify Section 2.6 of Rate Schedule PAL, which discusses transfers. Northwest proposes to add language to allow transfers between Rate Schedules PAL and TPAL at the same mutually agreed upon non-storage points. Additionally, Northwest proposes to rearrange the transfer language to make it clearer on when and how transfers can be made at the various park and loan points. These proposed changes will provide more transparency and will give Northwest more flexibility to meet its shippers' park and loan needs.

<sup>&</sup>lt;sup>5</sup> See Northwest Pipeline LLC, 160 F.E.R.C. ¶ 61,008 (2017).

<sup>&</sup>lt;sup>6</sup> See Transwestern Pipeline Company, 80 F.E.R.C. ¶ 61,251 (1997); Wyoming Interstate Company, L.L.C., 146 F.E.R.C. ¶ 61,010 (2014); TransColorado Gas Transmission Company, 97 F.E.R.C. ¶ 61,106 (2001). Kinder Morgan Interstate Gas Transmission LLC, 95 F.E.R.C. ¶ 61,479 (2001).

<sup>&</sup>lt;sup>7</sup> Commission "policy does not require the crediting of revenues obtained from new services that become available between a pipeline's rate cases, particularly when the demand for the service and the level of the resulting revenues are uncertain." *Northern Natural Gas Company*, 143 F.E.R.C. ¶ 61,244 (2013). The Commission's rationale is "that requiring pipelines to credit revenues from new services could discourage pipeline creativity in developing beneficial new services. The pipeline would have little to gain from undertaking new services for which demand is speculative if revenue crediting were required." *Mojave Pipeline Company*, 79 F.E.R.C. ¶ 61,347 (1997). The Commission has acknowledged pipeline arguments in previous park and loan orders "that both the proposed PALS service and IT service are interruptible and use the same facilities, and it was impossible to accurately forecast the revenues which the new PALS service would produce." *Kinder Morgan Interstate Gas Transmission LLC*, 95 F.E.R.C. ¶ 61,479 (2001).

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To memorialize Northwest's longstanding business practice in its Tariff, Northwest is proposing to add Section 3.3 to Rate Schedule PAL stating that Northwest will post on its Designated Site the minimum acceptable PAL rates and quantities available for park and loan activity at the various park and loan points. When minimal park and loan capacity is available at a given PAL point and multiple shippers are competing for the capacity, Section 12 of the GT&C states that "if all such storage nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest." To provide shippers with the utmost flexibility to compete on available PAL capacity, Northwest's business practice allows shippers to have multiple active PAL service agreements under differing discount and maximum rate structures. so that they can effortlessly use them as market conditions change.

### **Filings Pending Before the Commission**

In compliance with Section 154.204(f) of the Commission's regulations, Northwest states that it has no other tariff filings pending before the Commission that may significantly impact this filing.

### **Effective Date and Waiver Request**

Northwest requests that the proposed tariff records submitted herein be made effective April 1, 2021. In the event the Commission elects to accept and suspend the revised tariff records, in accordance with the provision of Section 154.7(a)(9) of the Commission's regulations, Northwest reserved the right to file a later motion to place such tariff records into effect. Northwest requests that the Commission grant any waivers it may deem necessary for the acceptance of this filing.

### **Materials Submitted Herewith**

Pursuant to the applicable provisions in Section 154(a)(1) of the Commission's regulations, the following material is submitted herewith:

An eTariff .xml filing package, filed as a zip (compressed) file, containing:

- (1) The tariff records in RTF format with metadata attached;
- (2) A transmittal letter in PDF format;
- (3) A clean version of the tariff records in PDF format for publishing in eLibrary;
- (4) A marked version of the tariff records in accordance with Section 154.201(a) of the regulations; and
- (5) A copy of the completed filing in PDF format for publishing in eLibrary.

### **Posting and Certification of Service**

In accordance with the provisions of Section 154.2(d) of the regulations, copies of this filing are available for public inspection, during regular business hours, in a convenient form and place at Northwest's main office at 2800 Post Oak Boulevard in Houston, Texas. In addition, in compliance with Section 154.7(b) of the Commission's regulations, Northwest certifies that copies of this filing will be served electronically upon Northwest's customers and upon interested state regulatory commissions.

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Any communications regarding this filing should be served by email to:

Bela Patel Manager, Rates & Regulatory (713) 215-2659 Northwest Pipeline LLC P.O. Box 1396 Houston, Texas 77251-1396 bela.patel@williams.com Bruce Reemsnyder Senior Counsel (801) 584-6742 Northwest Pipeline LLC P.O. Box 58900 Salt Lake City, Utah 84158-0900

bruce.reemsnyder@williams.com

The undersigned certifies that the contents of this filing are true and correct to the best of her knowledge and belief and she possesses full power and authority to sign this filing.

Respectfully submitted,

### NORTHWEST PIPELINE LLC

Bela Patel

Manager, Rates & Regulatory

**Enclosures** 

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#### STATEMENT OF RATES (Continued)

Effective Rates Applicable to Rate Schedules DEX-1, TPAL, and PAL

(Dollars per Dth)

	Base Tariff Rate (1),(3)
Type of Rate	Minimum Maximum
Rate Schedule DEX-1 (2),(4)	
Deferred Exchange	.00000 .39865
Rate Schedule TPAL	
Park/Loan Park/Loan Balance Unpark/Loan Payback	.00000 .39865 .00000 .39865 .00000 .39865
Rate Schedule PAL	
Park and Loan	.00000 .39865

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#### Footnotes

- (1) Rate excludes surcharges approved by the Commission.
- (2) ACA surcharge may be applicable. Section 16 of the General Terms and Conditions describes the basis and applicability of the ACA surcharge.
- (3) To the extent Transporter discounts the maximum currently effective tariff rate, such discounts will be applied on a non-discriminatory basis, subject to the policies of Order No. 497.
- (4) Shippers receiving service under this rate schedule are required to furnish fuel reimbursement in-kind at the rates specified in the Statement of Rates, except as provided in Section 4 of Rate Schedule DEX-1.

### RATE SCHEDULES

### INDEX

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### RATE SCHEDULE SGS-2F Storage Gas Service - Firm (Continued)

#### 14. TRANSFER OF WORKING GAS INVENTORY

Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Working Gas Inventories to any capacity holder in the Jackson Prairie Storage facility under Rate Schedules SGS-2F, SGS-2I, TPAL, and PAL. Participating Shippers must notify Transporter's Marketing Services personnel of their intent to transfer such inventory, in writing. Transfers of Working Gas Inventory may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights.

Pursuant to the January 15, 1998 Gas Storage Project Agreement, owners of the Jackson Prairie Storage Project may transfer portions of their respective available working gas inventories, as defined in the Project Agreement, to each other. Upon agreement of the parties, and subject to the terms of the Project Agreement, Transporter may utilize its ownership account on behalf of a Rate Schedule SGS-2F Shipper to transfer such Shipper's Working Gas Inventory to an owner's available working gas inventory account. Conversely, an owner may transfer its available working gas inventory to a Rate Schedule SGS-2F Shipper's Working Gas Inventory account.

Transfers from a SGS-2F to SGS-2I, TPAL, and PAL contracts will be scheduled pursuant to the priority of service provisions and curtailment policy in Section 12 of the General Terms and Conditions.

# RATE SCHEDULE SGS-2I Storage Gas Service - Interruptible (Continued)

- 7. INJECTIONS FOR SHIPPER'S ACCOUNT (Continued)
  - 7.2 Injection Limitation. Injections may be scheduled only to the extent that injection and storage capacity is available to Transporter which is not being utilized for Rate Schedule SGS-2F service or for Transporter's balancing requirements.

In no event shall injections result in the balance of gas stored in Shipper's account exceeding Shipper's Interruptible Storage Capacity.

#### 8. TRANSFER OF WORKING GAS INVENTORY

Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Working Gas Inventories to any capacity holder in the Jackson Prairie Storage facility under Rate Schedule SGS-2F, SGS-2I, PAL, and TPAL whose contractual rate is equal to or greater than the transferring capacity holder's contractual rate. Participating Shippers must notify Transporter's Marketing Services personnel of their intent to transfer such inventory, in writing, prior to the beginning of the gas day in which such transfer will occur. Transfers of Working Gas Inventory may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights.

Pursuant to the January 15, 1998 Gas Storage Project Agreement, owners of the Jackson Prairie Storage Project may transfer portions of their respective available working gas inventories, as defined in the Project Agreement, to each other. Upon agreement of the parties, and subject to the terms of the Project Agreement, Transporter may utilize its ownership account on behalf of a Rate Schedule SGS-2I Shipper to transfer such Shipper's Working Gas Inventory to an owner's available working gas inventory account. Conversely, an owner may transfer its available working gas inventory to a Rate Schedule SGS-2I Shipper's Working Gas Inventory account.

# RATE SCHEDULE DEX-1 Deferred Exchange of Storage Gas

#### 1. AVAILABILITY

This Rate Schedule is available as provided herein to any party (Shipper) for the deferred exchange of natural gas in storage under the following conditions:

- (a) Shipper has Working Gas Inventory in the Target Storage Facility;
- (b) Transporter needs to increase the quantity of gas available to it for system balancing in the Target Storage Facility; and
- (c) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Applicability. This Rate Schedule will apply to the deferred exchange of storage gas, consisting of a transfer by Shipper to Transporter of some or all of Shipper's Working Gas Inventory in the Target Storage Facility and the delivery by Transporter to Shipper during a future time period of the Deferred Exchange Quantity at the Deferred Exchange Storage Facility. At Shipper's option, Transporter will deliver the Deferred Exchange Quantity either by performing a transfer to Shipper's account in the Deferred Exchange Storage Facility or by making the Deferred Exchange Quantity available to Shipper at the Deferred Exchange Storage Facility receipt point on Transporter's system.
- 2.2 Character of Service. Service rendered to Shipper under this Rate Schedule will be firm up to Shipper's Deferred Exchange Quantity and shall not be subject to curtailment except as expressly provided in the General Terms and Conditions. Rate Schedule DEX-1 service will be offered when Transporter, in its sole discretion, determines that it needs to increase the level of storage gas available to it for system balancing at the Target Storage Facility in order to enhance or maintain the operational integrity of its system. Service rendered under this Rate Schedule in excess of Shipper's Deferred Exchange Quantity is not firm.

# RATE SCHEDULE PAL Park and Loan Service

#### 1. AVAILABILITY

- 1.1 This Rate Schedule is available to any party (hereinafter called "Shipper") for the parking and loaning of natural gas under the following conditions:
  - (a) Shipper has made a valid request for service under this Rate Schedule by establishing a credit limit satisfactory to Transporter pursuant to Section 5.10 of the General Terms and Conditions and by providing Transporter with the information necessary to fill in the blanks in the Form of Service Agreement for service under this Rate Schedule; and
  - (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule applies to all park and loan service rendered by Transporter for Shipper pursuant to Transporter's blanket certificate under Part 284 of the regulations of the Commission and the executed Service Agreement for service under this Rate Schedule.
- 2.2 Service under this Rate Schedule is interruptible and will be scheduled in accordance with the priority of service provisions delineated in Section 12 of the General Terms and Conditions and only to the extent that Transporter, in its reasonable discretion, determines it has sufficient operational flexibility to temporarily utilize a portion of its line pack, storage service rights at the Jackson Prairie Storage Project and/or contracted Clay Basin storage to provide such service without adversely affecting its ability to accommodate its system balancing requirements.

#### 2.3 Park Service under this Rate Schedule consists of:

(a) Transporter's receipt of gas (Parked Quantity) for Shipper's account at the logical point (Park Point) designated in the executed Service Agreement, either at the Clay Basin Park Point adjacent to Transporter's physical Clay Basin Receipt/Delivery Point, at the Jackson Prairie Park Point adjacent to Transporter's physical Jackson Prairie Receipt/Delivery Point, or any other mutually agreeable non-storage Park Point, up to the Maximum Park Quantity specified in the executed Service Agreement; and

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - (b) Transporter's subsequent delivery of the Parked Quantity of gas to Shipper at the Park Point designated in the executed Service Agreement.
  - 2.4 Loan service under this Rate Schedule consists of:
    - (a) Transporter's delivery of gas (Loaned Quantity) for Shipper's account at the logical point (Loan Point) designated in the executed Service Agreement, either at the Clay Basin Loan Point adjacent to Transporter's physical Clay Basin Receipt/Delivery Point, at the Jackson Prairie Loan Point adjacent to Transporter's physical Jackson Prairie Receipt/Delivery Point, or any other mutually agreeable non-storage Loan point, up to the Maximum Loan Quantity specified in the executed Service Agreement; and
    - (b) Transporter's subsequent receipt of the Loaned Quantity from Shipper at the Loan Point designated in the executed Service Agreement.
  - 2.5 Transportation of gas for or on behalf of Shipper to or from the Park Point or Loan Point will not be performed under this Rate Schedule. Shipper is obligated to make arrangements with Transporter or other parties for the related transportation services to and from the Park Point or Loan Point. Transporter's receipts or deliveries of gas for Shipper's account at the Park Point or Loan Point under this Rate Schedule will be scheduled only for quantities that are matched by Scheduled Quantities for the related transportation services to or from the Park Point or Loan Point or for quantities that are matched by a confirmed transfer (a) between Transporter's storage account and Shipper's storage account in the storage field adjacent to the Park Point or Loan Point or (b) between Shippers at the same non-storage Park or Loan Point.

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - 2.6 Transfers: Shippers must notify Transporter's Marketing Services personnel, via email, of their intent to transfer such inventory. Transfers of quantities may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights under this or other Rates Schedules.
    - (a) Non-Storage Points: Shippers that are subject to this Rate Schedule may agree to transfer their respective Park Quantity or Loan Quantity to another PAL or TPAL contract at the same non-storage point. Transfers to a PAL or TPAL contract can only occur if the receiving contract rate is equal to or greater than the transferring Shipper's contractual rate.
    - (b) Clay Basin Storage Point: Shippers that are subject to this Rate Schedule may agree to transfer their respective Park Quantity or Loan Quantity at the Clay Basin storage facility to another Shipper with a Clay Basin Park Quantity or Loan Quantity under Rates Schedules PAL or TPAL, or to any capacity holder in the Clay Basin storage facility. Transfers to PAL or TPAL contract can only occur if the receiving contract rate is equal to or greater than the transferring Shipper's contractual rate. Transfers between PAL and another Clay Basin capacity holder requires an agreement among the PAL Shipper, Transporter and the other Clay Basin capacity holder. Upon agreement of the parties, Transporter may utilize its Clay Basin contracted capacity on behalf of a Rate Schedule PAL Shipper to transfer such Shipper's PAL quantity to or from the other Clay Basin capacity holder's inventory account.
    - (c) Jackson Prairie Storage Point: Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Park or Loan Quantities to any capacity holder in the Jackson Prairie Storage facility under Rate Schedules SGS-2F, SGS-2I, TPAL, and PAL whose contractual rate is equal to or greater than the transferring Shipper's contractual rate.

Pursuant to the January 15, 1998 Gas Storage Project Agreement, owners of the Jackson Prairie Storage Project may transfer portions of their respective available working gas inventories, as defined in the Project Agreement, to each other. Upon agreement of the parties, and subject to the terms of the Project Agreement, Transporter may utilize its ownership account on behalf of a Rate Schedule PAL Shipper to transfer such Shipper's PAL quantity to an owner's available working gas

inventory account. Conversely, an owner may transfer its available working gas inventory to a Rate Schedule PAL Shipper's PAL contract.

#### 3. RATE

- 3.1 Transporter's Maximum Base Tariff Rate, as set forth on the Statement of Rates, will apply to all service rendered under this Rate Schedule unless Transporter agrees to discount its Recourse Rate as described below or unless Shipper and Transporter mutually agree to a Negotiated Rate pursuant to Section 19 of the General Terms and Conditions.
- 3.2 Discounted Recourse Rates.
  - (a) Transporter reserves the right to discount, on a non-discriminatory basis, the Recourse Rate for any individual Shipper under any Service Agreement without discounting any other Recourse Rate for that or another Shipper, provided, however, that such discounted Recourse Rate will not be less than the minimum base rate set forth on the Statement of Rates in this Tariff. Such discounted Recourse Rates may apply to specific quantities of gas (such as quantities above or below a certain level or all quantities if quantities exceed a certain level) or service during specific time periods.
  - (b) Discounted Recourse Rates also may be calculated using a formula based on index prices for specific receipt and/or delivery points or other agreed-upon published pricing reference points. Index-based, discounted rates will be no lower than the minimum and no higher than the Maximum Base Tariff Rate.
- 3.3 Transporter will establish on its Designated Site quantities and rates that Transporter will accept for new PAL service. Posted minimum rates apply to new service only. For quantities previously parked/loaned, Transporter will schedule in accordance with the priority of service provisions and curtailment policy in Section 12 of the General Terms and Conditions based on maximum/minimum quantities established on its Designated Site.
- 3.4 For each billing period for service under a Service Agreement, Shipper will pay Transporter a total amount equal to the sum of the daily products of (1) the Daily Rate set forth in the executed Service Agreement and (2) the maximum Parked or Loaned Quantity, as applicable, on such day.
- 3.5 ACA surcharges and fuel reimbursement will not apply to service under this Rate Schedule.

#### 4. ALLOCATION OF SERVICE

In allocating or interrupting service among Shippers under this Rate Schedule, Transporter will adhere to the priority of service provisions in Section 12 of the General Terms and Conditions.

#### 5. SERVICE RESTRICTIONS AND PENALTIES

- 5.1 Shipper may be required to remove some or all of the Parked Quantity or return some or all of the Loaned Quantity prior to termination of its Service Agreement if Transporter, in its reasonable discretion, determines such action is necessary to accommodate higher priority services, maintain system integrity or to accommodate system balancing requirements for firm services. Notification of any such requirements will be made to Shipper by posting on Transporter's Designated Site and, if specified by Shipper on the Business Associate Information form, via an E-mail to the Shipper. Transporter's notification will indicate the time within which specified Parked Quantities shall be removed by Shipper and/or specified Loaned Quantities shall be returned to Transporter, consistent with Transporter's operating conditions. In no event will the specified time frame be less than three (3) gas days from the date of Transporter's notification.
- 5.2 Any Parked Quantity not removed within the time frame specified by Transporter's notice and any Parked Quantity not removed by the termination date of the Service Agreement will become the property of Transporter at no cost to Transporter, free and clear of any adverse claims. Any Loaned Quantity not returned within the time frame specified by Transporter's notice and any Loaned Quantity not returned by the termination date of the Service Agreement will be deemed sold to Shipper under Section 32 of the General Terms and Conditions at 150% of the highest weekly weighted average price at NW Wyoming Pool, NW south of Green River, NW Stanfield, NW Sumas, or El Paso Bondad as reflected in the Daily Price Survey as published in "Gas Daily" for the week in which the Shipper failed to comply.

Notwithstanding the above, Transporter may allow additional time to comply following notification to remove the Parked Quantity or return the Loaned Quantity when operational conditions permit and such additional time does not impair Transporter's ability to provide reliable firm service. Furthermore, if Shipper makes a timely nomination to comply with a notification to remove the Parked Quantity or return the Loaned Quantity and such nomination is not scheduled and confirmed due to Transporter's lack of capacity to schedule and confirm a matching nomination by Shipper of firm transportation service within the Shipper's primary path, then the specified compliance time frame will be extended by one day for each day Transporter is unable to render such transportation. Transporter will not extend the specified compliance time frame if Transporter is unable to provide the related

#### 5. SERVICE RESTRICTIONS AND PENALTIES (Continued)

transportation under a firm Service Agreement outside of Shipper's primary path or on an overrun basis or under a Rate Schedule TI-1 Service Agreement.

- 5.3 Revenue received by Transporter resulting from the deemed sale of Loaned Quantities will be used by Transporter to purchase gas to replace the gas deemed sold to the Shipper, after first taking into account any offsetting confiscated Parked Quantities that have not been reflected in Transporter's fuel reimbursement factor. Any excess revenues will be refunded to Shippers after March 1 of the applicable calendar year using the refund methodology specified in Section 32.2 of the General Terms and Conditions. Any confiscated Parked Quantities in excess of those used to offset Loaned Quantities that are deemed sold will be refunded to customers through Transporter's fuel reimbursement factor pursuant to Section 14.12 of the General Terms and Conditions that goes into effect April 1 of each year.
- 6. RESERVED FOR FUTURE USE
- 7. EVERGREEN PROVISION
  - 7.1 Evergreen Provision. If Transporter and Shipper agree to include an evergreen provision as indicated on Exhibit A of the Service Agreement, the following conditions will apply:
    - (a) The established rollover period will be one day.
    - (b) Either Transporter or Shipper may terminate the Service Agreement in its entirety upon the primary term end date or upon the conclusion of any evergreen rollover period thereafter by giving the other party termination notice at least three days before the termination date.
    - (c) Termination notice under Section 7.1(b) will be deemed given when posted on Transporter's Designated Site. If Transporter gives termination notice, such termination notice also will be given via Internet E-mail or fax if specified by Shipper on the Business Associate Information form.

# RATE SCHEDULE TPAL Term Park and Loan Service

#### 1. AVAILABILITY

- 1.1 This Rate Schedule is available to any party (hereinafter called "Shipper") for the parking and loaning of natural gas under the following conditions:
  - (a) Shipper has made a valid request for service under this Rate Schedule by establishing a credit limit satisfactory to Transporter pursuant to Section 5.10 of the General Terms and Conditions and by providing Transporter with the information necessary to fill in the blanks in the Form of Service Agreement for service under this Rate Schedule; and
  - (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule applies to all park and loan service rendered by Transporter for Shipper pursuant to Transporter's blanket certificate under Part 284 of the regulations of the Commission and the executed Service Agreement for service under this Rate Schedule.
- 2.2 Service under this Rate Schedule is interruptible and will be scheduled in accordance with the priority of service provisions delineated in Section 12 of the General Terms and Conditions and only to the extent that Transporter, in its reasonable discretion, determines it has sufficient operational flexibility to temporarily utilize a portion of its line pack, storage service rights at the Jackson Prairie Storage Project and/or contracted Clay Basin storage to provide such service without adversely affecting its ability to accommodate its system balancing requirements.

#### 2.3 Park Service under this Rate Schedule consists of:

(a) Transporter's receipt of gas (Parked Quantity) for Shipper's account at the logical point (Park Point) designated in the executed Service Agreement, either at the Clay Basin Park Point adjacent to Transporter's physical Clay Basin Receipt/Delivery Point, at the Jackson Prairie Park Point adjacent to Transporter's physical Jackson Prairie Receipt/Delivery Point, or any other mutually agreeable non-storage Park Point, up to the Maximum Parked Quantity specified in the executed Service Agreement; and

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - (b) Transporter's subsequent delivery of the Parked Quantity of gas to Shipper at the Park Point designated in the executed Service Agreement.
  - 2.4 Loan service under this Rate Schedule consists of:
    - (a) Transporter's delivery of gas (Loaned Quantity) for Shipper's account at the logical point (Loan Point) designated in the executed Service Agreement, either at the Clay Basin Loan Point adjacent to Transporter's physical Clay Basin Receipt/Delivery Point, at the Jackson Prairie Loan Point adjacent to Transporter's physical Jackson Prairie Receipt/Delivery Point, or any other mutually agreeable non-storage Loan Point, up to the Maximum Loaned Quantity specified in the executed Service Agreement; and
    - (b) Transporter's subsequent receipt of the Loaned Quantity from Shipper at the Loan Point designated in the executed Service Agreement.
  - 2.5 Service under this Rate Schedule will have defined quantities and a fixed term of when and where parking or loaning activity can occur. If, due to operating conditions, Transporter is unable to schedule Shipper's nominations, within the park/loan schedule limits identified in the Service Agreement Transporter and Shipper may mutually agree to amend the Service Agreement with a revised park/loan activity schedule when operating conditions permit, if Transporter, in its reasonable discretion, determines such action will not prevent Transporter from accommodating higher priority services, maintaining its system integrity or accommodating system balancing requirements for firm services.
  - 2.6 If Transporter determines quantities are available to be parked or loaned under this Rate Schedule, such quantities will be subject to the competitive bid procedures described in Section 25.5 of the General Terms and Conditions, except that the competitive bid timelines described in Section 25.5(b) of the General Terms and Conditions shall not apply. All competitive bid postings for service under Rate Schedule TPAL will be for a bid period of no less than one hour, provided the bid period will begin during Transporter's normal business hours. Transporter will notify Shippers of the TPAL competitive bid posting via its Designated Site.

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - 2.7 Transportation of gas for or on behalf of Shipper to or from the Park Point or Loan Point will not be performed under this Rate Schedule. Shipper is obligated to make arrangements with Transporter or other parties for the related transportation services to and from the Park Point or Loan Point. Transporter's receipts or deliveries of gas for Shipper's account at the Park Point or Loan Point under this Rate Schedule will be scheduled only for quantities that are matched by Scheduled Quantities for the related transportation services to or from the Park Point or Loan Point or for quantities that are matched by a confirmed transfer (a) between Transporter's storage account and Shipper's storage account in the storage field adjacent to the Park Point or Loan Point or (b) between Shippers at the same non-storage Park or Loan Point.

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - 2.8 Transfers: Transporter will post on Transporter's Designated Site whether TPAL transfers will be allowed. If allowed at a given Park Point or Loan Point, participating Shippers must notify Transporter's Marketing Services personnel, via email, of their intent to transfer such inventory. Transfers of quantities may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights under this or other Rates Schedules.
    - (a) Non-Storage Points: Shippers that are subject to this Rate Schedule may agree to transfer their respective Parked Quantity or Loaned Quantity to another PAL or TPAL contract at the same non-storage point.
    - (b) Clay Basin Storage Point: Shippers that are subject to this Rate Schedule may agree to transfer their respective Parked Quantity or Loaned Quantity at the Clay Basin storage facility to another Shipper with a Clay Basin Parked Quantity or Loaned Quantity under Rates Schedules PAL or TPAL, or to any capacity holder in the Clay Basin storage facility. Transfers between TPAL and another Clay Basin capacity holder requires an agreement among the TPAL Shipper, Transporter and the other Clay Basin capacity holder. Upon agreement of the parties, Transporter may utilize its Clay Basin contracted capacity on behalf of a Rate Schedule TPAL Shipper to transfer such Shipper's TPAL quantity to or from the other Clay Basin capacity holder's inventory account.
    - (c) Jackson Prairie Storage Point: Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Park or Loan Quantities to any capacity holder in the Jackson Prairie Storage facility under Rate Schedules SGS-2F, SGS-2I, TPAL, and PAL.

Pursuant to the January 15, 1998 Gas Storage Project Agreement, owners of the Jackson Prairie Storage Project may transfer portions of their respective available working gas inventories, as defined in the Project Agreement, to each other. Upon agreement of the parties, and subject to the terms of the Project Agreement, Transporter may utilize its ownership account on behalf of a Rate Schedule TPAL Shipper to transfer such Shipper's TPAL quantity to an owner's available working gas inventory account. Conversely, an owner may transfer its available working gas inventory to a Rate Schedule TPAL Shipper's TPAL contract.

#### 3. RATE

3.1 Transporter's Maximum Base Tariff Rate for Rate Schedule TPAL, as set forth on Statement of Rates of this Tariff, will apply to all service rendered under this Rate Schedule unless Transporter agrees to discount its Recourse Rate as described below or unless Shipper and Transporter mutually agree to a Negotiated Rate pursuant to Section 19 of the General Terms and Conditions.

#### 3.2 Discounted Recourse Rates.

- (a) Transporter reserves the right to discount, on a non-discriminatory basis, the Recourse Rate for any individual Shipper under any Service Agreement without discounting any other Recourse Rate for that or another Shipper, provided, however, that such discounted Recourse Rate will not be less than the minimum base rate set forth on the Statement of Rates in this Tariff. Such discounted Recourse Rates may apply to specific quantities of gas (such as quantities above or below a certain level or all quantities if quantities exceed a certain level) or service during specific time periods.
- (b) Discounted Recourse Rates also may be calculated using a formula based on index prices for specific receipt and/or delivery points or other agreed-upon published pricing reference points. Index-based, discounted rates will be no lower than the minimum and no higher than the Maximum Base Tariff Rate.
- 3.3 For each billing period for service under a TPAL Service Agreement, Shipper will pay Transporter a total amount equal to the sum of the following charges described below:
  - (a) The sum of the daily product of (1) the daily Park/Loan Rate set forth in the executed Service Agreement and (2) the daily scheduled quantity (including transfers) of gas parked or loaned;
  - (b) The sum of the daily products of (1) the daily Park/Loan Balance Rate set forth in the executed Service Agreement and (2) the daily quantity of gas parked or loaned at the end of the Gas Day (such charge shall be calculated based on the end of the Gas Day balances for each Gas Day less any new gas parked or loaned on that Gas Day); and
  - (c) The sum of the daily products of (1) the daily UnPark/Loan Payback Rate set forth in the executed Service Agreement and (2) the daily scheduled quantity (including transfers) of park gas delivered to Shipper or loaned gas received from Shipper.

### 3. RATE (Continued)

Except for Negotiated Rates, on any Gas Day, the sum of the daily Park/Loan Rate, the Park/Loan Balance Rate and the UnPark/Loan Payback Rate assessed for any park or loan may not exceed the Maximum Base Tariff Park/Loan Rate on a per unit basis.

3.4  $\ \$ ACA surcharges and fuel reimbursement will not apply to service under this Rate Schedule.

### 4. ALLOCATION OF SERVICE

In allocating or interrupting service among Shippers under this Rate Schedule, Transporter will adhere to the priority of service provisions in Section 12 of the General Terms and Conditions.

#### 5. SERVICE RESTRICTIONS AND PENALTIES

- 5.1 Shipper may be required to remove some or all of the Parked Quantity or return some or all of the Loaned Quantity prior to termination of its Service Agreement if Transporter, in its reasonable discretion, determines such action is necessary to accommodate higher priority services, maintain system integrity or to accommodate system balancing requirements for firm services. Notification of any such requirements will be made to Shipper by posting on Transporter's Designated Site and, if specified by Shipper on the Business Associate Information form, via an e-mail to the Shipper. Transporter's notification will indicate the time within which specified Parked Quantities shall be removed by Shipper and/or specified Loaned Quantities shall be returned to Transporter, consistent with Transporter's operating conditions. In no event will the specified time frame be less than three (3) gas days from the date of Transporter's notification.
- 5.2 Any Parked Quantity not removed within the time frame specified by Transporter's notice and any Parked Quantity not removed by the termination date of the Service Agreement will become the property of Transporter at no cost to Transporter, free and clear of any adverse claims. Any Loaned Quantity not returned within the time frame specified by Transporter's notice and any Loaned Quantity not returned by the termination date of the Service Agreement will be deemed sold to Shipper under Section 32 of the General Terms and Conditions at 150% of the highest weekly average price of the following trading points: the NW Wyoming Pool, NW south of Green River, Stanfield, Oregon, NW Canadian Border (Sumas), or El Paso Bondad as reflected in the Daily Price Survey as published in "Gas Daily" for the week in which the Shipper failed to comply.

Notwithstanding the above, Transporter may allow additional time to comply following notification to remove the Parked Quantity or return the Loaned Quantity when operational conditions permit and such additional time does not impair Transporter's ability to provide reliable firm service. Furthermore, if Shipper makes a timely nomination to comply with a notification to remove the Parked Quantity or return the Loaned Quantity and such nomination is not scheduled and confirmed due to Transporter's lack of capacity to schedule and confirm a matching nomination by Shipper of firm transportation service within the Shipper's primary path, then the specified compliance time frame will be extended by one day for each day Transporter is unable to render such transportation. Transporter will not extend the specified compliance time frame if Transporter is unable to provide the related transportation under a firm Service Agreement outside of Shipper's primary path or on an overrun basis or under a Rate Schedule TI-1 Service Agreement.

#### 5. SERVICE RESTRICTIONS AND PENALTIES (Continued)

5.3 Revenue received by Transporter resulting from the deemed sale of Loaned Quantities will be used by Transporter to purchase gas to replace the gas deemed sold to the Shipper, after first taking into account any offsetting confiscated Parked Quantities that have not been reflected in Transporter's fuel reimbursement factor. Any excess revenues will be refunded to Shippers after March 1 of the applicable calendar year using the refund methodology specified in Section 32.2 of the General Terms and Conditions. Any confiscated Parked Quantities in excess of those used to offset Loaned Quantities that are deemed sold will be refunded to customers through Transporter's fuel reimbursement factor pursuant to Section 14.12 of the General Terms and Conditions that goes into effect April 1 of each year.

#### 6. QUANTITY

Each Service Agreement shall specify the maximum quantities to be parked or loaned and a schedule of park or loan quantities under a specific transaction. The Service Agreement may provide for flexibility in total volumes and in the daily volumes parked or loaned, in the timing of the park or the loan (or any portion thereof), in the duration of the park or loan (or portion thereof), and/or in the timing of the completion of the park or loan (or portion thereof) by the return of gas to the Shipper or to Transporter, and shall specify the limits of the flexibility allowed.

#### 7. GENERAL TERMS AND CONDITIONS

This Rate Schedule incorporates the General Terms and Conditions contained in this Tariff.

### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

iii) All other Nominations for Secondary Firm Service.

If all such Nominations cannot be accommodated, available capacity will be allocated pro rata based on nominating Shippers' Contract Demand.

- (c) Third, Nominations for interruptible services and overrun services will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated based on the rates that apply to such services, from the highest to the lowest. For services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations. Interruptible and overrun services are subject to bumping, as described in Section 12.7. For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.6.
  - (i) Shippers that are not nominating at the Maximum Base Tariff Rates and desire to elevate their scheduling priority by agreeing to pay a higher rate, not to exceed the Maximum Base Tariff Rate, in the event such higher rate is necessary to allow an otherwise acceptable and confirmable Nomination to be scheduled, must indicate their willingness to do so at the time of Nomination.
- (d) Fourth, Nominations for Makeup and Payback will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated pro rata based on such Nominations.

#### 12.2 Scheduling Priorities for Jackson Prairie Storage

If Transporter determines that its operationally available injection, withdrawal and storage capacities at the Jackson Prairie storage facility are insufficient to accommodate Transporter's balancing needs as well as all otherwise acceptable new Nominations for services under Rate Schedules SGS-2F, SGS-2I, DEX-1, TPAL, and PAL in any Nomination cycle, Transporter will schedule

### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

its operationally available capacity for Nominations that have not already been scheduled for a given Gas Day in accordance with the following priorities of service:

- (a) First, Nominations for firm service under Rate Schedule SGS-2F and Transporter's firm balancing rights will be scheduled. If all such Nominations cannot be accommodated, available capacity for injections will be allocated pro rata based on Transporter's and Shipper's Storage Capacities and available capacity for withdrawals will be allocated pro rata based on Transporter's and Shipper's Storage Demand, which is subject to the limitations in Rate Schedule SGS-2F, Section 9.2.
- (b) Second, Nominations for deliveries of Deferred Exchange Quantities at Jackson Prairie under Rate Schedule DEX-1, up to the Daily Delivery Quantity, will be scheduled. If all such Nominations cannot be accommodated, capacity will be allocated based on rate, highest to lowest. For services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations.
- (c) Third, Nominations for Transporter's best-efforts system balancing requirements will be scheduled.
- Fourth, Nominations (including Shipper's requests for inground storage transfers) for interruptible storage capacity under Rate Schedules SGS-2F (as best-efforts), SGS-2I, PAL and/or TPAL will be scheduled. If all such storage capacity Nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For Rate Schedules SGS-2F (as best-efforts), SGS-2I, and/or PAL services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations. For Rate Schedule TPAL services at the same rate, any necessary allocations of available capacity will be based on contract date, with the newest contracts receiving the lowest priority. To the extent there is more storage capacity than there is injection and/or withdrawal capacity, Transporter will separately and subsequently allocate capacity for in-ground transfer requests using the methodologies herein.

### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

After scheduling interruptible storage capacity, Nominations for injections/withdrawals for interruptible service under Rate Schedules SGS-2I, SGS-2F (best-efforts), DEX-1 (Deferred Exchange Quantities that exceed the Daily Delivery Quantity), and PAL will be scheduled. If all such injection and/or withdrawal Nominations cannot be accommodated, available capacity will be allocated pro rata based on otherwise acceptable and confirmable Nominations.

For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.6.

#### 12.3 Scheduling Priorities for Clay Basin Storage

If Transporter determines that its operationally available injection, withdrawal, and storage capacities at the Clay Basin storage facility are insufficient to accommodate all otherwise acceptable new Nominations related to system balancing and/or, for services under Rate Schedules DEX-1, TPAL, and PAL in any Nomination cycle, Transporter will schedule the operationally available capacity for Nominations that have not already been scheduled for a given Gas Day in accordance with the following priorities of service:

- (a) First, Nominations for Transporter's system-balancing requirements will be scheduled.
- (b) Second, Nominations for deliveries of Deferred Exchange Quantity under Rate Schedule DEX-1, up to the Daily Delivery Quantity, will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations.
- (c) Third, Nominations (including Shipper's requests for in-ground storage transfers) for interruptible storage capacity under Rate Schedules PAL and/or TPAL will be scheduled. If all such storage

#### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

capacity Nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For Rate Schedule PAL services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations. For Rate Schedule TPAL services at the same rates, any necessary allocations of available capacity will be based on contract date, with newest contracts receiving the lowest priority. To the extent there is more storage capacity than there is injection and/or withdrawal capacity, Transporter will separately and subsequently allocate capacity for in-ground transfer requests using the methodologies herein.

After scheduling interruptible storage capacity, Nominations for injections/withdrawals for interruptible service under Rate Schedules DEX-1 (Deferred Exchange Quantities that exceed the Daily Delivery Quantity) and PAL will be scheduled. If all such injection and/or withdrawal Nominations cannot be accommodated, available capacity will be allocated pro rata based on otherwise acceptable and confirmable Nominations.

For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.6.

#### 12.4 Scheduling Priorities for Plymouth LNG Facilities

If Transporter determines that its operationally available liquefaction, vaporization and/or LNG delivery capacities at the Plymouth LNG Facility are insufficient to accommodate all otherwise acceptable new Nominations for services under Rate Schedules LS-2F, LS-3F, LS-2I and LD-4I in any Nomination cycle, Transporter will schedule its operationally available capacity for Nominations that have not already been scheduled for a given Gas Day in accordance with the following priorities of service:

(a) First, Nominations for firm service under Rate Schedules LS-2F and LS-3F will be scheduled. If all such Nominations cannot be accommodated, available liquefaction capacity and available LNG delivery capacity will be allocated pro rata based on Shipper's Storage Capacities and available vaporization capacity will be allocated based on Shipper's Storage Demand.

#### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

- (b) Second, Nominations for interruptible service under Rate Schedules LS-2I and LD-4I, and Nominations for overrun service under Rate Schedules LS-2F and LS-3F will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated according to the rates applicable to the service, from highest to lowest. For services at the same rates, any necessary allocations will be pro rata based on Nominations. For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.6.
- 12.5 Scheduling Priorities for Park and Loan at Non-Storage Points

Nominations (including Shipper's requests for transfers) for interruptible service under Rate Schedule PAL and/or TPAL will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For Rate Schedule PAL service at the same rate, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations. For Rate Schedule TPAL service at the same rate, any necessary allocations of available capacity will be allocated based on contract date, with the newest contracts receiving the lowest priority.

For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.6.

#### 12.6 Negotiated Rate Used to Establish Priority

For non-firm services subject to Negotiated Rates, the rate used for scheduling priorities will be:

- (1) the lower of the Negotiated Rate or the corresponding Recourse Rate, if the Negotiated Rate is a stated rate;
- (2) the lower of the minimum Negotiated Rate or the corresponding Recourse Rate, if the Negotiated Rate is a formula rate with a specified minimum; or
- (3) the corresponding minimum base rate set forth on the Statement of Rates, if the Negotiated Rate is a formula rate without a specified minimum.

### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

#### 12.7 Bumping

Previously Scheduled Quantities for interruptible, overrun or bestefforts, and park and loan services may be bumped in accordance with the following procedures:

- (a) Transporter will give scheduling priority to Firm Nominations submitted during the evening Nomination, Intraday 1 and Intraday 2 Nomination Cycles over previously Scheduled Quantities for interruptible, overrun or best-efforts, and park and loan services. The elapsed-prorated-scheduled quantity process will apply to previously Scheduled Quantities bumped in the Intraday 1 and Intraday 2 Nomination Cycles.
- (b) If previously Scheduled Quantities will be reduced as a result of bumping, Transporter will report such reductions on its Designated Site .
- 12.8 Previously Scheduled Quantities at the Agreement Level

To the extent that a Shipper, by nomination, revises Scheduled Quantities on a service agreement through a receipt or delivery point, on the mainline or on a lateral in subsequent Nomination cycles, the quantity that remains scheduled on such Agreement through such point after the revision will not be considered a new Nomination through the point.

#### 12.9 Curtailment Policy

If Transporter determines that operationally available capacity through any constraint point on its system has been reduced for any reason whatsoever to a level insufficient to accommodate all previously Scheduled Quantities, in the next scheduling cycle, Transporter will fill the reduced operationally available capacity as follows:

- i) Elapsed-Prorated Scheduled Quantities will be scheduled first;
- ii) Previously Scheduled Quantities will be scheduled second and will be scheduled using the priority levels delineated in Sections 12.1, 12.2, 12.3, 12.4 or 12.5 above, except that Transporter will use the Contract Demand of the Firm Service Agreement as the basis for filling the reduced operationally available capacity (once scheduled in a NAESB cycle, Secondary Firm Nominations are deemed Primary Firm Nominations).

### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

### 12.10 Shipper Notice Responsibility

Upon receipt of Transporter's notification of Scheduled Quantities under Section 12, Shipper will have the responsibility to inform its end-users, suppliers and all others involved in the affected transaction, except parties that interconnect with Transporter.

#### 12.11 Operating Limitations

Notwithstanding the other provisions of this Section 12, Transporter will not be required to interrupt service to any Shipper served from those locations on Transporter's system where, due to operational or capacity limitations, Transporter's ability to maintain the priorities provided herein would not be improved. Transporter will not be obligated to modify its system operations or its operating procedures related to firm service in order to ameliorate specific operating and capacity limitations which result in interruptible service curtailment.

#### 12.12 Curtailment / Allocation Liability

If Transporter is required to curtail Scheduled Quantities or allocate available capacity during the term of the Service Agreement and if the curtailment or an allocation is implemented for any reason, Transporter will not be liable for any damages caused by implementation of curtailment and/or allocation procedures as set forth herein except to the extent that such curtailment and/or allocation is shown to be the result of negligence or misfeasance by Transporter.

#### 12.13 Nominations Subsequent to the Intraday 3 Nomination Cycle

To the extent Transporter's existing transportation and storage obligations are not compromised, Shipper may request changes in Scheduled Quantities following the Intraday 3 Nomination Cycle. All Nominations must be confirmed by the upstream/downstream operators and Transporter.

#### 14. OPERATING CONDITIONS (Continued)

- (c) For the six months ending December 31 (to be included in the applicable April 1 calculations) or for the six months ending June 30 (to be included in the applicable October 1 calculations), Transporter will determine the net increase or decrease in volumes to Transporter's system pursuant to Sections 15.10(b), 15.11 and 22.2(b) of the General Terms and Conditions, Section 2.2 of Rate Schedule SGS-2I, Section 2.4 of Rate Schedule LS-2I, Section 5.2 of Rate Schedule DEX-1, Section 5.3 of Rate Schedule TPAL, and Section 5.3 of Rate Schedule PAL. Those volumes under Sections 15.10(b) and 15.11 associated with service on a Designated Lateral will be incorporated in the Factor calculation for such Designated Lateral.
- (d) Projected volumes to be nominated for receipt by Transporter will be determined for services under the Transportation Rate Schedules and for services on each separate Designated Lateral under the Lateral Rate Schedules for the upcoming six months beginning April 1 or October 1. Projected volumes to be nominated for injection by Transporter for services under the Underground Storage Rate Schedules and for liquefaction and vaporization by Transporter for services under the LNG Rate Schedules will be determined for the upcoming twelve months beginning April 1.
- The sum of the projected volumes determined pursuant to Sections 14.12(a) and (b) that apply to services under the Transportation Rate Schedules and the volumes determined pursuant to Section 14.12(c), except such volumes associated with service on Designated Laterals, will be divided by the projected receipt volumes determined pursuant to Section 14.12(d) that apply to services under the Transportation Rate Schedules to derive the Factor for the Transportation Rate Schedules. The sum of the projected volumes determined pursuant to Sections 14.12(a) and (b) that apply to Transporter's services on each Designated Lateral and the volumes determined pursuant to Section 14.12(c) associated with service on each Designated Lateral will be divided by the projected receipt volumes determined pursuant to Section 14.12(d) that apply to services on each Designated Lateral to derive the Factor for each Designated Lateral under the Lateral Rate Schedules.

#### 32. SALES OF EXCESS GAS (Continued)

- (g) as system operations dictate, Transporter may buy and sell gas in equivalent Dth amounts for the purpose of moving gas between the Jackson Prairie and Clay Basin storage facilities;
- (h) pursuant to Section 14.12, Transporter may recover gas through its fuel use requirements factors as reimbursement for volumes purchased by Transporter to fund lost and unaccounted-for gas;
- (i) pursuant to Rate Schedule DEX-1, Transporter will take title to any Deferred Exchange Quantity not delivered to Shipper at the end of the Deferred Exchange Period or any extension thereof due to Shipper's failure to arrange for receipt of such gas;
- (j) pursuant to Section 5 of Rate Schedule TPAL and Section 5 of Rate Schedule PAL, any Parked Quantity not removed within the time frame specified by Transporter's notice and any Parked Quantity not removed by the termination date of the Service Agreement will be deemed as a sale to Shipper; and
- (k) pursuant to Section 15.14, any excess LNG Boil-off Balance not brought within tolerance levels within 45 non-entitlement Balancing Approved Days from the date of Transporter's notice becomes the property of Transporter.
- (1) Pursuant to Section 14.14, if, as part of its integrity management program to perform inline inspections, Transporter requires minimum flow levels where scheduled quantities, and balancing flexibility related to line-pack, system storage, and interconnect agreements are insufficient to provide the required flow levels, Transporter may buy and sell gas to create such flows. If, due to market conditions, the purchased gas is sold at a loss, Transporter may recover the loss by selling gas in excess of the purchased gas. If, due to market conditions, the purchased gas is sold at a gain, Transporter will only sell sufficient gas to cover the cost of the gas purchased. Transporter will pass any difference in the quantities purchased verses sold through the fuel use requirements factors as reimbursement.

#### 32. SALES OF EXCESS GAS (Continued)

- 32.2 Revenue Crediting. One hundred percent (100%) of all sales revenues received by Transporter pursuant to Sections 32.1(a) through (d) and Section 32.1(i), and one hundred percent (100%) of all net sales revenues received by Transporter pursuant to Section 32.1(j), Section 5.3 of Rate Schedule TPAL, and Section 5.3 of Rate Schedule PAL, will be credited to firm transportation Shippers. Credits due pursuant to Section 32.2 will be allocated to all firm transportation Shippers under Rate Schedule TF-1(Large Customer), excluding discounted firm transportation service and Shippers receiving service under a capacity release Service Agreement, Rate Schedule TF-1(Small Customer) for the months they paid a reservation charge due to conversion to Rate Schedule TF-1 (Large Customer) service, Rate Schedule TF-2 and Rate Schedule T-1 who received service prior to the cancellation of Rate Schedule T-1 (collectively, the specified Shippers). The credits will be allocated to the specified Shippers pro rata in proportion to reservation revenue (total revenue, net of credits from capacity releases as described in Section 23 of the General Terms and Conditions, less variable cost charges and all surcharges) received by Transporter from each and all of the specified Shippers for each applicable month. Such credits shall be reflected as a credit billing adjustment to each March billing for credits accrued during the prior calendar year.
- 32.3 Reporting Requirements. Transporter will post on its Designated Site any quantities of gas available for sale pursuant to Section 32. In the event gas is sold, completed transactions will be posted on the Designated Site within thirty (30) days of the sales transaction detailing the quantity of gas sold, the sales price and whether or not the gas was sold to an affiliate. Transporter will file an annual report with the Commission by March 1 of each year describing for each sales transaction for the preceding calendar year the identities of the parties, the type of service provided, the total volumes sold, and the total revenues received.

#### FORMS OF SERVICE AGREEMENT

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<sup>\*</sup> Applicable to all rate schedules.

Fifth Revised Sheet No. 359 Superseding Fourth Revised Sheet No. 359

#### FORM OF RATE SCHEDULE DEX-1 SERVICE AGREEMENT

Rate Schedule DEX-1 Service Agreement Contract No
THIS SERVICE AGREEMENT (Agreement) by and between Northwest Pipeline LLC (Transporter) and (Shipper) is made and entered into on [.] (or) [and restates the Service Agreement made and entered
into on]
WHEREAS:

A. [Insert recitals as appropriate to memorialize the context of the Agreement.]

THEREFORE, in consideration of the premises and mutual covenants set forth herein, Transporter and Shipper agree as follows:

- 1. Tariff Incorporation. Rate Schedule DEX-1 and the General Terms and Conditions (GT&C) that apply to Rate Schedule DEX-1, as such may be revised from time to time in Transporter's FERC Gas Tariff (Tariff), are incorporated by reference as part of this Agreement, except to the extent that any provisions thereof may be modified by non-conforming provisions herein.
- 2. Deferred Storage Exchange Service. Subject to the terms, conditions, and limitations hereof and of Rate Schedule DEX-1, Shipper agrees to deliver to Transporter, and Transporter agrees to deliver to Shipper, the Deferred Exchange Quantity listed on Exhibit A. Shipper will deliver the Deferred Exchange Quantity to Transporter on a date mutually agreed to by Shipper and Transporter at the Target Storage Facility shown on Exhibit A. Transporter will deliver the Deferred Exchange Quantity to Shipper during the Deferred Exchange Period at the Daily Delivery Quantity and at the Deferred Exchange Storage Facility as shown on Exhibit A.
- 3. Deferred Exchange Rates. Shipper agrees to pay Transporter for all services rendered under this Agreement at the rates set forth or referenced herein. The Maximum Base Tariff Rates (Recourse Rates) set forth in the Statement of Rates in the Tariff, as revised from time to time, that apply to Rate Schedule DEX-1 will apply to service hereunder unless and to the extent that discounted Recourse Rates apply as set forth on Exhibit A or negotiated rates apply as set forth on Exhibit D.
- 4. Service Term. This Agreement becomes effective on the effective date set forth on Exhibit A and terminates upon the termination date set forth on Exhibit A. The schedule for the deferred exchange of storage gas hereunder is set forth on Exhibit A.

Second Revised Sheet No. 368
Superseding
First Revised Sheet Nos. 368 Through 369

#### FORM OF RATE SCHEDULE TPAL SERVICE AGREEMENT

	Rate Schedule TPAL Service Agreement Contract No
	SERVICE AGREEMENT (Agreement) by and between Northwest Pipeline LLC nsporter) and (Shipper) is made and entered into on [.] (or) [and restates the Service Agreement made and entered
into	on]
WHER	EAS:
Α.	[Insert recitals as appropriate to memorialize the context of the

Agreement.]

THEREFORE, in consideration of the premises and mutual covenants set forth herein, Transporter and Shipper agree as follows:

- 1. Tariff Incorporation. Rate Schedule TPAL and the General Terms and Conditions (GT&C) that apply to Rate Schedule TPAL, as such may be revised from time to time in Transporter's FERC Gas Tariff (Tariff), are incorporated by reference as part of this Agreement, except to the extent that any provisions thereof may be modified by non-conforming provisions herein.
- 2. Service. Subject to the terms and conditions that apply to service under this Agreement, Transporter agrees to provide [Park] (or) [Loan] Service for Shipper up to a Maximum [Parked] (or) [Loaned] Quantity set forth on Exhibit A at Transporter's [Park] (or) [Loan] Point set forth on Exhibit A.
- 3. Rates. Shipper agrees to pay Transporter for all services rendered under this Agreement at the rates set forth or referenced herein. The Maximum Base Tariff Rates (Recourse Rates) set forth in the Statement of Rates in the Tariff, as revised from time to time, that apply to Rate Schedule TPAL will apply to service hereunder unless and to the extent that discounted Recourse Rates apply as set forth on Exhibit A or negotiated rates apply as set forth on Exhibit D.
- 4. Term. This Agreement becomes effective on the effective date set forth on Exhibit A. The primary term begin date for the transportation service hereunder is set forth on Exhibit A. This Agreement will remain in full force and effect through the primary term end date set forth on Exhibit A.

# FORM OF RATE SCHEDULE TPAL SERVICE AGREEMENT (Continued)

Rate Schedule TPAL Service Agreement (Continued)

- 5. Non-Conforming Provisions. All aspects in which this Agreement deviates from the Tariff, if any, are set forth as non-conforming provisions on Exhibit B. If Exhibit B includes any material non-conforming provisions, Transporter will file the Agreement with the Federal Energy Regulatory Commission (Commission) and the effectiveness of such non-conforming provisions will be subject to the Commission acceptance of Transporter's filing of the non-conforming Agreement.
- 6. Exhibit / Addendum to Service Agreement Incorporation. Exhibit A is attached hereto and incorporated as part of this Agreement. If any other Exhibits apply, as noted on Exhibit A to this Agreement, then such Exhibits also are attached hereto and incorporated as part of this Agreement. If an Addendum to Service Agreement has been generated pursuant to Section 11.5 of the GT&C of the Tariff, it also is attached hereto and incorporated as part of this Agreement.
- 7. Superseded Agreements. When this Agreement takes effect, it supersedes, cancels and terminates the following agreement(s): [None] (or) [(List agreement(s))] but the following Amendments and/or Addendum to Service Agreement which have been executed but are not yet effective are not superseded and are added to and become an Amendment and/or Addendum to this agreement: [None] (or) [List Amendments and/or Addendum to Service Agreement]

IN WITNESS WHEREOF, Transporter and Shipper have executed this Agreement as of the date first set forth above.

	Northwest Pipeline LLC
Ву:	Ву:
Name:	Name:
Title:	Title:

FORM OF F	RATE SCHEDULI (Con	E TPAL SERV: tinued)	ICE AGREEME	INT	
[Dated Rate be	d and Effect , to Schedule TP2	(or) Effective the AL Service A No. west Pipelin	Agreement _) ne LLC	]	
	SERVIC	E DETAILS			
. Maximum [Parked] (or)	) [Loaned] Q	uantity: _	Dth		
. [Park] or [Loan] Poir (or) [		asin] (or)	[Jackson Pr	cairie],	
. [Park] or [Loan] Sche Dth) (rows inserted as (Show "Not Applicable)	s needed):			Recourse Rat	e (per
Service	From Date	To Date	Min Daily Qty	Max Daily Qty	Rate
Park / Loan			201	2.01	
Service	From Date	To Date	Min Qty	Max Qty	Rate
Park / Loan Balance					
Service	From Date	To Date	Min Daily Qty	Max Daily Qty	Rate
Unpark / Loan Payback					
<ul> <li>b. Rate Discount C Schedule TPAL:</li> <li>Term: <ul> <li>a. Primary Term Be</li> </ul> </li> <li>b. Primary Term En</li> </ul>	[Not Applic	(Date)]			<b>;</b>
. Additional Exhibits:	Exhibit B				

FORM OF RATE SCHEDULE T	
(Conti	nuea)
EXHIB	IT B
[(Dated and Effective,	(subject to Commission acceptance)]
(or	·)
[Dated, E	ffective,
(subject to Commiss	sion acceptance)]
to t	he
Rate Schedule TPAL	Service Agreement
(Contract No	)
between Northwes	t Pipeline LLC
and	

NON-CONFORMING PROVISIONS

FORM OF	RATE SCHEDULE TPAL SERVICE AGREEMENT		
(Continued)			
	EXHIBIT D		
[(Dated and Effective	, (subject to Commission a	acceptance)]	
	(or)		
[Dated	, Effective	,	
(suk	oject to Commission acceptance)]		
	to the		
Rate Schedule TPAL Service Agreement			
(Contract No. )			
b	etween Northwest Pipeline LLC		
and	l		
	NEGOTIATED RATE PROVISIONS		

(Pursuant to Section 3.1 of Rate Schedule TPAL)

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#### STATEMENT OF RATES (Continued)

Effective Rates Applicable to Rate Schedules DEX-1, TPAL, and PAL

(Dollars per Dth)

		Base Tariff Rate (1),(3)	
Type of Rate	Minimum		
<del></del>		<del></del>	
Rate Schedule DEX-1 (2),(4)			
Deferred Exchange	.00000	.39865	
Rate Schedule TPAL			
Park/Loan	.00000	.39865	
Park/Loan Balance	.00000	.39865	
Unpark/Loan Payback	.00000	.39865	
Rate Schedule PAL			
Park and Loan	.00000	.39865	

#### Footnotes

(1) Rate excludes surcharges approved by the Commission.

- (2) ACA surcharge may be applicable. Section 16 of the General Terms and Conditions describes the basis and applicability of the ACA surcharge.
- (3) To the extent Transporter discounts the maximum currently effective tariff rate, such discounts will be applied on a non-discriminatory basis, subject to the policies of Order No. 497.
- (4) Shippers receiving service under this rate schedule are required to furnish fuel reimbursement in-kind at the rates specified in the Statement of Rateson Sheet No. 14, except as provided in Section 4 of Rate Schedule DEX-1.

#### RATE SCHEDULES

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LS-3F	Liquefaction-Storage, Vaporization and LNG Delivery Service - Firm	97
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#### RATE SCHEDULE SGS-2F Storage Gas Service - Firm (Continued)

#### 14. TRANSFER OF WORKING GAS INVENTORY

Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Working Gas Inventories to any capacity holder in the Jackson Prairie Storage facility under Rate Schedules SGS-2F, SGS-2I, TPAL, and PAL. Participating Shippers must notify Transporter's Marketing Services personnel of their intent to transfer such inventory, in writing, prior to the beginning of the gas day in which such transfer will occur. Transfers of Working Gas Inventory may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights.

Pursuant to the January 15, 1998 Gas Storage Project Agreement, owners of the Jackson Prairie Storage Project may transfer portions of their respective available working gas inventories, as defined in the Project Agreement, to each other. Upon agreement of the parties, and subject to the terms of the Project Agreement, Transporter may utilize its ownership account on behalf of a Rate Schedule SGS-2F Shipper to transfer such Shipper's Working Gas Inventory to an owner's available working gas inventory account. Conversely, an owner may transfer its available working gas inventory to a Rate Schedule SGS-2F Shipper's Working Gas Inventory account.

Transfers from a SGS-2F to SGS-2I, <u>TPAL</u>, <u>and PAL</u> contracts will be scheduled pursuant to the priority of service provisions and curtailment policy in Section 12 of the General Terms and Conditions.

# RATE SCHEDULE SGS-2I Storage Gas Service - Interruptible (Continued)

#### 7. INJECTIONS FOR SHIPPER'S ACCOUNT (Continued)

7.2 Injection Limitation. Injections may be scheduled only to the extent that injection and storage capacity is available to Transporter which is not being utilized for Rate Schedule SGS-2F service or for Transporter's balancing requirements.

In no event shall injections result in the balance of gas stored in Shipper's account exceeding Shipper's Interruptible Storage Capacity.

#### 8. TRANSFER OF WORKING GAS INVENTORY

Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Working Gas Inventories to any capacity holder in the Jackson Prairie Storage facility under Rate Schedule SGS-2F, SGS-2I, and PAL, and TPAL whose contractual rate is equal to or greater than the transferring capacity holder's contractual rate. Participating Shippers must notify Transporter's Marketing Services personnel of their intent to transfer such inventory, in writing, prior to the beginning of the gas day in which such transfer will occur. Transfers of Working Gas Inventory may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights.

Pursuant to the January 15, 1998 Gas Storage Project Agreement, owners of the Jackson Prairie Storage Project may transfer portions of their respective available working gas inventories, as defined in the Project Agreement, to each other. Upon agreement of the parties, and subject to the terms of the Project Agreement, Transporter may utilize its ownership account on behalf of a Rate Schedule SGS-2I Shipper to transfer such Shipper's Working Gas Inventory to an owner's available working gas inventory account. Conversely, an owner may transfer its available working gas inventory to a Rate Schedule SGS-2I Shipper's Working Gas Inventory account.

# RATE SCHEDULE DEX-1 Deferred Exchange of Storage Gas

#### 1. AVAILABILITY

This Rate Schedule is available as provided herein to any party (Shipper) for the deferred exchange of natural gas in storage under the following conditions:

- (a) Shipper has Working Gas Inventory in the Target Storage Facility;
- (b) Transporter needs to increase the quantity of gas available to it for system balancing in the Target Storage Facility; and
- (c) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Applicability. This Rate Schedule will apply to the deferred exchange of storage gas, consisting of the in-ground a transfer by Shipper to Transporter of some or all of Shipper's Working Gas Inventory in the Target Storage Facility and the delivery by Transporter to Shipper during a future time period of the Deferred Exchange Quantity at the Deferred Exchange Storage Facility. At Shipper's option, Transporter will deliver the Deferred Exchange Quantity either by performing an in-ground transfer to Shipper's account in the Deferred Exchange Storage Facility or by making the Deferred Exchange Quantity available to Shipper at the Deferred Exchange Storage Facility receipt point on Transporter's system.
- 2.2 Character of Service. Service rendered to Shipper under this Rate Schedule will be firm up to Shipper's Deferred Exchange Quantity and shall not be subject to curtailment except as expressly provided in the General Terms and Conditions. Rate Schedule DEX-1 service will be offered when Transporter, in its sole discretion, determines that it needs to increase the level of storage gas available to it for system balancing at the Target Storage Facility in order to enhance or maintain the operational integrity of its system. Service rendered under this Rate Schedule in excess of Shipper's Deferred Exchange Quantity is not firm.

# RATE SCHEDULE PAL Park and Loan Service

#### 1. AVAILABILITY

- 1.1 This Rate Schedule is available to any party (hereinafter called "Shipper") for the parking and loaning of natural gas under the following conditions:
  - (a) Shipper has made a valid request for service under this Rate Schedule by establishing a credit limit satisfactory to Transporter pursuant to Section 5.10 of the General Terms and Conditions and by providing Transporter with the information necessary to fill in the blanks in the Form of Service Agreement for service under this Rate Schedule; and
  - (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule applies to all park and loan service rendered by Transporter for Shipper pursuant to Transporter's blanket certificate under Part 284 of the regulations of the Commission and the executed Service Agreement for service under this Rate Schedule.
- 2.2 Service under this Rate Schedule is interruptible and will be scheduled in accordance with the priority of service provisions delineated in Section 12 of the General Terms and Conditions and only to the extent that Transporter, in its reasonable discretion, determines it has sufficient operational flexibility to temporarily utilize a portion of its line pack, storage service rights at the Jackson Prairie Storage Project and/or contracted Clay Basin storage to provide such service without adversely affecting its ability to accommodate its system balancing requirements.

#### 2.3 Park Service under this Rate Schedule consists of:

(a) Transporter's receipt of gas (Parked Quantity) for Shipper's account at the logical point (Park Point) designated in the executed Service Agreement, either at the Clay Basin Park Point adjacent to Transporter's physical Clay Basin Receipt/Delivery Point, or at the Jackson Prairie Park Point adjacent to Transporter's physical Jackson Prairie Receipt/Delivery Point, or any other mutually agreeable non-storage Park Point, up to the Maximum Park Quantity specified in the executed Service Agreement; and

# RATE SCHEDULE PAL Park and Loan Service (Continued)

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - (b) Transporter's subsequent delivery of the Parked Quantity of gas to Shipper at the Park Point designated in the executed Service Agreement.
  - 2.4 Loan service under this Rate Schedule consists of:
    - (a) Transporter's delivery of gas (Loaned Quantity) for Shipper's account at the logical point (Loan Point) designated in the executed Service Agreement, either at the Clay Basin Loan Point adjacent to Transporter's physical Clay Basin Receipt/Delivery Point, or at the Jackson Prairie Loan Point adjacent to Transporter's physical Jackson Prairie Receipt/Delivery Point, or any other mutually agreeable nonstorage Loan point, up to the Maximum Loan Quantity specified in the executed Service Agreement; and
    - (b) Transporter's subsequent receipt of the Loaned Quantity from Shipper at the Loan Point designated in the executed Service Agreement.
  - 2.5 Transportation of gas for or on behalf of Shipper to or from the Park Point or Loan Point will not be performed under this Rate Schedule. Shipper is obligated to make arrangements with Transporter or other parties for the related transportation services to and from the Park Point or Loan Point. Transporter's receipts or deliveries of gas for Shipper's account at the Park Point or Loan Point under this Rate Schedule will be scheduled only for quantities that are matched by Scheduled Quantities for the related transportation services to or from the Park Point or Loan Point or for quantities that are matched by a confirmed in ground transfer (a) between Transporter's storage account and Shipper's storage account in the storage field adjacent to the Park Point or Loan Point or (b) between Shippers at the same non-storage Park or Loan Point.

### RATE SCHEDULE PAL Park and Loan Service (Continued)

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - 2.6 Transfers: Shippers must notify Transporter's Marketing Services personnel, via email, of their intent to transfer such inventory.

    Transfers of quantities may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights under this or other Rates Schedules.
    - (a) Non-Storage Points: Shippers that are subject to this Rate
      Schedule may agree to transfer their respective Park Quantity
      or Loan Quantity to another PAL or TPAL contract at the same
      non-storage point. Transfers to a PAL or TPAL contract can only
      occur if the receiving contract rate is equal to or greater
      than the transferring Shipper's contractual rate.
    - Rate Schedule may agree to transfer their respective Park
      Quantity or Loan Quantity at the Clay Basin storage facility to
      another Shipper with a Clay Basin Park Quantity or Loan
      Quantity under Rates Schedules PAL or TPAL, or to any capacity
      holder in the Clay Basin storage facility. Transfers to PAL or
      TPAL contract can only occur if the receiving contract rate is
      equal to or greater than the transferring Shipper's contractual
      rate. Transfers between PAL and another Clay Basin capacity
      holder requires an agreement among the PAL Shipper, Transporter
      and the other Clay Basin capacity holder. Upon agreement of the
      parties, Transporter may utilize its Clay Basin contracted
      capacity on behalf of a Rate Schedule PAL Shipper to transfer
      such Shipper's PAL quantity to or from the other Clay Basin
      capacity holder's inventory account.
    - (c) Jackson Prairie Storage Point: Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Park or Loan Quantities to any capacity holder in the Jackson Prairie Storage facility under Rate Schedules SGS-2F, SGS-2I, TPAL, and PAL whose contractual rate is equal to or greater than the transferring Shipper's contractual rate.

Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Park or Loan Quantities to any capacity holder in the Jackson Prairie Storage facility under Rate Schedules SCS-2F, SCS-2I, and PAL whose contractual rate is equal to or greater than the transferring Shipper's contractual rate. Participating Shippers must notify Transporter's Marketing Services personnel of their intent to transfer such inventory, in writing, prior to the beginning of the gas day in which such transfer will occur. Transfers of PAL quantities may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights.

Pursuant to the January 15, 1998 Gas Storage Project Agreement, owners of the Jackson Prairie Storage Project may transfer portions of their respective available working gas inventories, as defined in the

Northwest Pipeline LLC FERC Gas Tariff Fifth Revised Volume No. 1

Third Revised Sheet No. 126-A Superseding Second Revised Sheet No. 126-A

Project Agreement, to each other. Upon agreement of the parties, and subject to the terms of the Project Agreement, Transporter may utilize its ownership account on behalf of a Rate Schedule PAL Shipper to transfer such Shipper's PAL quantity to an owner's available working gas

# RATE SCHEDULE PAL Park and Loan Service (Continued)

inventory account. Conversely, an owner may transfer its available working gas inventory to a Rate Schedule PAL Shipper's PAL contract.

Transfers between PAL contracts, from a PAL contract to an SGS-2I contract, or from an owner's working gas inventory account to a PAL contract will be scheduled pursuant to the priority of service provisions and curtailment policy in Section 12 of the General Terms and Conditions.

#### 3. RATE

3.1 Transporter's Maximum Base Tariff Rate, as set forth on the Statement of Rates Sheet No. 6, will apply to all service rendered under this Rate Schedule unless Transporter agrees to discount its Recourse Rate as described below or unless Shipper and Transporter mutually agree to a Negotiated Rate pursuant to Section 19 of the General Terms and Conditions.

#### 3.2 Discounted Recourse Rates.

- (a) Transporter reserves the right to discount, on a non-discriminatory basis, the Recourse Rate for any individual Shipper under any Service Agreement without discounting any other Recourse Rate for that or another Shipper, provided, however, that such discounted Recourse Rate will not be less than the minimum base rate set forth on the Statement of Rates in this Tariff. Such discounted Recourse Rates may apply to specific quantities of gas (such as quantities above or below a certain level or all quantities if quantities exceed a certain level) or service during specific time periods.
- (b) Discounted Recourse Rates also may be calculated using a formula based on index prices for specific receipt and/or delivery points or other agreed-upon published pricing reference points. Index-based, discounted rates will be no lower than the minimum and no higher than the Maximum Base Tariff Rate.
- 3.3 Transporter will establish on its Designated Site quantities and rates that Transporter will accept for new PAL service. Posted minimum rates apply to new service only. For quantities previously parked/loaned, Transporter will schedule in accordance with the priority of service provisions and curtailment policy in Section 12 of the General Terms and Conditions based on maximum/minimum quantities established on its Designated Site.
- 3.43 For each billing period for service under a Service Agreement, Shipper will pay Transporter a total amount equal to the sum of the daily products of (1) the Daily Rate set forth in the executed Service Agreement and (2) the maximum Parked or Loaned Quantity, as applicable, on such day.

 $3.\underline{54}$  ACA surcharges and fuel reimbursement will not apply to service under this Rate Schedule.

4. ALLOCATION OF SERVICE

In allocating or interrupting service among Shippers under this Rate Schedule,

Transporter will adhere to the priority of service provisions in

Section 12 of the General Terms and Conditions.

# RATE SCHEDULE PAL Park and Loan Service (Continued)

#### 4. ALLOCATION OF SERVICE

In allocating or interrupting service among Shippers under this Rate Schedule, Transporter will adhere to the priority of service provisions in Section 12 of the General Terms and Conditions.

#### 5. SERVICE RESTRICTIONS AND PENALTIES

- 5.1 Shipper may be required to remove some or all of the Parked Quantity or return some or all of the Loaned Quantity prior to termination of its Service Agreement if Transporter, in its reasonable discretion, determines such action is necessary to accommodate higher priority services, maintain system integrity or to accommodate system balancing requirements for firm services. Notification of any such requirements will be made to Shipper by posting on Transporter's Designated Site and, if specified by Shipper on the Business Associate Information form, via an Internet—E-mail or fax to the Shipper. Transporter's notification will indicate the time within which specified Parked Quantities shall be removed by Shipper and/or specified Loaned Quantities shall be returned to Transporter, consistent with Transporter's operating conditions. In no event will the specified time frame be less than three (3) gas days from the date of Transporter's notification.
- Any Parked Quantity not removed within the time frame specified by Transporter's notice and any Parked Quantity not removed by the termination date of the Service Agreement will become the property of Transporter at no cost to Transporter, free and clear of any adverse claims. Any Loaned Quantity not returned within the time frame specified by Transporter's notice and any Loaned Quantity not returned by the termination date of the Service Agreement will be deemed sold to Shipper under Section 32 of the General Terms and Conditions at 150% of the highest ₩weekly ₩weighted Aaverage Pprice at NW<sub>T</sub> Wyoming Pool, NW south of Green River, NW Stanfield, NW Sumas, or El Paso Bondad as reflected in the Daily Price Survey if the Loaned Quantity was delivered for Shipper's account at the Clay Basin Loan Point, or at 150% of the Weekly Weighted Average Price at NW Sumas if the Loaned Quantity was delivered for Shipper's account at the Jackson Prairie Loan Point, as published in "Gas Daily" for the week in which the Shipper failed to comply.

Notwithstanding the above, Transporter may allow additional time to comply following notification to remove the Parked Quantity or return the Loaned Quantity when operational conditions permit and such additional time does not impair Transporter's ability to provide reliable firm service. —Furthermore, if Shipper makes a timely nomination to comply with a notification to remove the Parked Quantity or return the Loaned Quantity and such nomination is not scheduled and confirmed due to Transporter's lack of capacity to schedule and confirm a matching nomination by Shipper of firm transportation service within

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the Shipper's primary path, then the specified compliance time frame will be extended by one day for each day Transporter is unable to render such transportation. Transporter will not extend the specified compliance time frame if Transporter is unable to provide the related transportation under a firm Service Agreement outside of Shipper's primary path or on an overrun basis or under a Rate Schedule TI-1 Service Agreement.

# RATE SCHEDULE PAL Park and Loan Service (Continued)

5. SERVICE RESTRICTIONS AND PENALTIES (Continued)

transportation under a firm Service Agreement outside of Shipper's primary path or on an overrun basis or under a Rate Schedule TI-1 Service Agreement.

- 5.3 Revenue received by Transporter resulting from the deemed sale of Loaned Quantities will be used by Transporter to purchase gas to replace the gas deemed sold to the Shipper, after first taking into account any offsetting confiscated Parked Quantities that have not been reflected in Transporter's fuel reimbursement factor. Any excess revenues will be refunded to Shippers after March 1 of the applicable calendar year using the refund methodology specified in Section 32.2 of the General Terms and Conditions. Any confiscated Parked Quantities in excess of those used to offset Loaned Quantities that are deemed sold will be refunded to customers through Transporter's fuel reimbursement factor pursuant to Section 14.12 of the General Terms and Conditions that goes into effect April 1 of each year.
- 6. RESERVED FOR FUTURE USE
- 7. EVERGREEN PROVISION
  - 7.1 Evergreen Provision. If Transporter and Shipper agree to include an evergreen provision as indicated on Exhibit A of the Service Agreement, the following conditions will apply:
    - (a) The established rollover period will be one day.
    - (b) Either Transporter or Shipper may terminate the Service Agreement in its entirety upon the primary term end date or upon the conclusion of any evergreen rollover period thereafter by giving the other party termination notice at least three days before the termination date.
    - (c) Termination notice under Section 7.1(b) will be deemed given when posted on Transporter's Designated Site. If Transporter gives termination notice, such termination notice also will be given via Internet E-mail or fax if specified by Shipper on the Business Associate Information form.

# RATE SCHEDULE TPAL Term Park and Loan Service

#### 1. AVAILABILITY

- 1.1 This Rate Schedule is available to any party (hereinafter called "Shipper") for the parking and loaning of natural gas under the following conditions:
  - (a) Shipper has made a valid request for service under this Rate Schedule by establishing a credit limit satisfactory to Transporter pursuant to Section 5.10 of the General Terms and Conditions and by providing Transporter with the information necessary to fill in the blanks in the Form of Service Agreement for service under this Rate Schedule; and
  - (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule applies to all park and loan service rendered by Transporter for Shipper pursuant to Transporter's blanket certificate under Part 284 of the regulations of the Commission and the executed Service Agreement for service under this Rate Schedule.
- 2.2 Service under this Rate Schedule is interruptible and will be scheduled in accordance with the priority of service provisions delineated in Section 12 of the General Terms and Conditions and only to the extent that Transporter, in its reasonable discretion, determines it has sufficient operational flexibility to temporarily utilize a portion of its line pack, storage service rights at the Jackson Prairie Storage Project and/or contracted Clay Basin storage to provide such service without adversely affecting its ability to accommodate its system balancing requirements.

#### 2.3 Park Service under this Rate Schedule consists of:

(a) Transporter's receipt of gas (Parked Quantity) for Shipper's account at the logical point (Park Point) designated in the executed Service Agreement, either at the Clay Basin Park Point adjacent to Transporter's physical Clay Basin Receipt/Delivery Point, at the Jackson Prairie Park Point adjacent to Transporter's physical Jackson Prairie Receipt/Delivery Point, or any other mutually agreeable non-storage Park Point, up to the Maximum Parked Quantity specified in the executed Service Agreement; and

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - (b) Transporter's subsequent delivery of the Parked Quantity of gas to Shipper at the Park Point designated in the executed Service Agreement.
  - 2.4 Loan service under this Rate Schedule consists of:
    - (a) Transporter's delivery of gas (Loaned Quantity) for Shipper's account at the logical point (Loan Point) designated in the executed Service Agreement, either at the Clay Basin Loan Point adjacent to Transporter's physical Clay Basin Receipt/Delivery Point, at the Jackson Prairie Loan Point adjacent to Transporter's physical Jackson Prairie Receipt/Delivery Point, or any other mutually agreeable non-storage Loan Point, up to the Maximum Loaned Quantity specified in the executed Service Agreement; and
    - (b) Transporter's subsequent receipt of the Loaned Quantity from Shipper at the Loan Point designated in the executed Service Agreement.
  - 2.5 Service under this Rate Schedule will have defined quantities and a fixed term of when and where parking or loaning activity can occur. If, due to operating conditions, Transporter is unable to schedule Shipper's nominations, within the park/loan schedule limits identified in the Service Agreement Transporter and Shipper may mutually agree to amend the Service Agreement with a revised park/loan activity schedule when operating conditions permit, if Transporter, in its reasonable discretion, determines such action will not prevent Transporter from accommodating higher priority services, maintaining its system integrity or accommodating system balancing requirements for firm services.
  - 2.6 If Transporter determines quantities are available to be parked or loaned under this Rate Schedule, such quantities will be subject to the competitive bid procedures described in Section 25.5 of the General Terms and Conditions, except that the competitive bid timelines described in Section 25.5(b) of the General Terms and Conditions shall not apply. All competitive bid postings for service under Rate Schedule TPAL will be for a bid period of no less than one hour, provided the bid period will begin during Transporter's normal business hours. Transporter will notify Shippers of the TPAL competitive bid posting via its Designated Site.

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - 2.7 Transportation of gas for or on behalf of Shipper to or from the Park Point or Loan Point will not be performed under this Rate Schedule. Shipper is obligated to make arrangements with Transporter or other parties for the related transportation services to and from the Park Point or Loan Point. Transporter's receipts or deliveries of gas for Shipper's account at the Park Point or Loan Point under this Rate Schedule will be scheduled only for quantities that are matched by Scheduled Quantities for the related transportation services to or from the Park Point or Loan Point or for quantities that are matched by a confirmed transfer (a) between Transporter's storage account and Shipper's storage account in the storage field adjacent to the Park Point or Loan Point or (b) between Shippers at the same non-storage Park or Loan Point.

- 2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)
  - 2.8 Transfers: Transporter will post on Transporter's Designated Site whether TPAL transfers will be allowed. If allowed at a given Park Point or Loan Point, participating Shippers must notify Transporter's Marketing Services personnel, via email, of their intent to transfer such inventory. Transfers of quantities may not result in any Shipper taking title to quantities that exceed such Shipper's contractual rights under this or other Rates Schedules.
    - (a) Non-Storage Points: Shippers that are subject to this Rate

      Schedule may agree to transfer their respective Parked Quantity
      or Loaned Quantity to another PAL or TPAL contract at the same
      non-storage point.
    - Rate Schedule may agree to transfer their respective Parked Quantity or Loaned Quantity at the Clay Basin storage facility to another Shipper with a Clay Basin Parked Quantity or Loaned Quantity under Rates Schedules PAL or TPAL, or to any capacity holder in the Clay Basin storage facility. Transfers between TPAL and another Clay Basin capacity holder requires an agreement among the TPAL Shipper, Transporter and the other Clay Basin capacity holder. Upon agreement of the parties, Transporter may utilize its Clay Basin contracted capacity on behalf of a Rate Schedule TPAL Shipper to transfer such Shipper's TPAL quantity to or from the other Clay Basin capacity holder's inventory account.
    - (c) Jackson Prairie Storage Point: Shippers that are subject to this Rate Schedule may agree to transfer their respective Jackson Prairie Park or Loan Quantities to any capacity holder in the Jackson Prairie Storage facility under Rate Schedules SGS-2F, SGS-2I, TPAL, and PAL.

Pursuant to the January 15, 1998 Gas Storage Project Agreement, owners of the Jackson Prairie Storage Project may transfer portions of their respective available working gas inventories, as defined in the Project Agreement, to each other. Upon agreement of the parties, and subject to the terms of the Project Agreement, Transporter may utilize its ownership account on behalf of a Rate Schedule TPAL Shipper to transfer such Shipper's TPAL quantity to an owner's available working gas inventory account. Conversely, an owner may transfer its available working gas inventory to a Rate Schedule TPAL Shipper's TPAL contract.

#### 3. RATE

3.1 Transporter's Maximum Base Tariff Rate for Rate Schedule TPAL, as set forth on Statement of Rates of this Tariff, will apply to all service rendered under this Rate Schedule unless Transporter agrees to discount its Recourse Rate as described below or unless Shipper and Transporter mutually agree to a Negotiated Rate pursuant to Section 19 of the General Terms and Conditions.

#### 3.2 Discounted Recourse Rates.

- (a) Transporter reserves the right to discount, on a non-discriminatory basis, the Recourse Rate for any individual Shipper under any Service Agreement without discounting any other Recourse Rate for that or another Shipper, provided, however, that such discounted Recourse Rate will not be less than the minimum base rate set forth on the Statement of Rates in this Tariff. Such discounted Recourse Rates may apply to specific quantities of gas (such as quantities above or below a certain level or all quantities if quantities exceed a certain level) or service during specific time periods.
- (b) Discounted Recourse Rates also may be calculated using a formula based on index prices for specific receipt and/or delivery points or other agreed-upon published pricing reference points. Index-based, discounted rates will be no lower than the minimum and no higher than the Maximum Base Tariff Rate.
- 3.3 For each billing period for service under a TPAL Service Agreement, Shipper will pay Transporter a total amount equal to the sum of the following charges described below:
  - (a) The sum of the daily product of (1) the daily Park/Loan Rate set forth in the executed Service Agreement and (2) the daily scheduled quantity (including transfers) of gas parked or loaned;
  - (b) The sum of the daily products of (1) the daily Park/Loan Balance Rate set forth in the executed Service Agreement and (2) the daily quantity of gas parked or loaned at the end of the Gas Day (such charge shall be calculated based on the end of the Gas Day balances for each Gas Day less any new gas parked or loaned on that Gas Day); and
  - (c) The sum of the daily products of (1) the daily UnPark/Loan Payback Rate set forth in the executed Service Agreement and (2) the daily scheduled quantity (including transfers) of park gas delivered to Shipper or loaned gas received from Shipper.

#### 3. RATE (Continued)

Except for Negotiated Rates, on any Gas Day, the sum of the daily Park/Loan Rate, the Park/Loan Balance Rate and the UnPark/Loan Payback Rate assessed for any park or loan may not exceed the Maximum Base Tariff Park/Loan Rate on a per unit basis.

 $\frac{3.4}{\text{ACA}}$  Surcharges and fuel reimbursement will not apply to service under this Rate Schedule.

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#### 4. ALLOCATION OF SERVICE

In allocating or interrupting service among Shippers under this Rate Schedule, Transporter will adhere to the priority of service provisions in Section 12 of the General Terms and Conditions.

# RATE SCHEDULE TPAL Term Park and Loan Service (Continued)

#### 5. SERVICE RESTRICTIONS AND PENALTIES

- Shipper may be required to remove some or all of the Parked Quantity or return some or all of the Loaned Quantity prior to termination of its Service Agreement if Transporter, in its reasonable discretion, determines such action is necessary to accommodate higher priority services, maintain system integrity or to accommodate system balancing requirements for firm services. Notification of any such requirements will be made to Shipper by posting on Transporter's Designated Site and, if specified by Shipper on the Business Associate Information form, via an e-mail to the Shipper. Transporter's notification will indicate the time within which specified Parked Quantities shall be removed by Shipper and/or specified Loaned Quantities shall be returned to Transporter, consistent with Transporter's operating conditions. In no event will the specified time frame be less than three (3) gas days from the date of Transporter's notification.
- 5.2 Any Parked Quantity not removed within the time frame specified by Transporter's notice and any Parked Quantity not removed by the termination date of the Service Agreement will become the property of Transporter at no cost to Transporter, free and clear of any adverse claims. Any Loaned Quantity not returned within the time frame specified by Transporter's notice and any Loaned Quantity not returned by the termination date of the Service Agreement will be deemed sold to Shipper under Section 32 of the General Terms and Conditions at 150% of the highest weekly average price of the following trading points: the NW Wyoming Pool, NW south of Green River, Stanfield, Oregon, NW Canadian Border (Sumas), or El Paso Bondad as reflected in the Daily Price Survey as published in "Gas Daily" for the week in which the Shipper failed to comply.

Notwithstanding the above, Transporter may allow additional time to comply following notification to remove the Parked Quantity or return the Loaned Quantity when operational conditions permit and such additional time does not impair Transporter's ability to provide reliable firm service. Furthermore, if Shipper makes a timely nomination to comply with a notification to remove the Parked Quantity or return the Loaned Quantity and such nomination is not scheduled and confirmed due to Transporter's lack of capacity to schedule and confirm a matching nomination by Shipper of firm transportation service within the Shipper's primary path, then the specified compliance time frame will be extended by one day for each day Transporter is unable to render such transportation. Transporter will not extend the specified compliance time frame if Transporter is unable to provide the related transportation under a firm Service Agreement outside of Shipper's primary path or on an overrun basis or under a Rate Schedule TI-1 Service Agreement.

#### 5. SERVICE RESTRICTIONS AND PENALTIES (Continued)

5.3 Revenue received by Transporter resulting from the deemed sale of Loaned Quantities will be used by Transporter to purchase gas to replace the gas deemed sold to the Shipper, after first taking into account any offsetting confiscated Parked Quantities that have not been reflected in Transporter's fuel reimbursement factor. Any excess revenues will be refunded to Shippers after March 1 of the applicable calendar year using the refund methodology specified in Section 32.2 of the General Terms and Conditions. Any confiscated Parked Quantities in excess of those used to offset Loaned Quantities that are deemed sold will be refunded to customers through Transporter's fuel reimbursement factor pursuant to Section 14.12 of the General Terms and Conditions that goes into effect April 1 of each year.

#### 6. QUANTITY

Each Service Agreement shall specify the maximum quantities to be parked or loaned and a schedule of park or loan quantities under a specific transaction. The Service Agreement may provide for flexibility in total volumes and in the daily volumes parked or loaned, in the timing of the park or the loan (or any portion thereof), in the duration of the park or loan (or portion thereof), and/or in the timing of the completion of the park or loan (or portion thereof) by the return of gas to the Shipper or to Transporter, and shall specify the limits of the flexibility allowed.

#### 7. GENERAL TERMS AND CONDITIONS

This Rate Schedule incorporates the General Terms and Conditions contained in this Tariff.

- 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)
  - iii) All other Nominations for Secondary Firm Service.

If all such Nominations cannot be accommodated, available capacity will be allocated pro rata based on nominating Shippers' Contract Demand.

- (c) Third, Nominations for interruptible services and overrun services will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated based on the rates that apply to such services, from the highest to the lowest. For services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations. Interruptible and overrun services are subject to bumping, as described in Section 12.76. For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.65.
  - (i) Shippers that are not nominating at the Maximum Base Tariff Rates and desire to elevate their scheduling priority by agreeing to pay a higher rate, not to exceed the Maximum Base Tariff Rate, in the event such higher rate is necessary to allow an otherwise acceptable and confirmable Nomination to be scheduled, must indicate their willingness to do so at the time of Nomination.
- (d) Fourth, Nominations for Makeup and Payback will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated pro rata based on such Nominations.
- 12.2 Scheduling Priorities for Jackson Prairie Storage

If Transporter determines that its operationally available injection, withdrawal and storage capacities at the Jackson Prairie storage facility are insufficient to accommodate Transporter's balancing needs as well as all otherwise acceptable new Nominations for services under Rate Schedules SGS-2F, SGS-2I, DEX-1, TPAL, and PAL in any Nomination cycle, Transporter will schedule

#### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

its operationally available capacity for Nominations that have not already been scheduled for a given Gas Day in accordance with the following priorities of service:

- (a) First, Nominations for firm service under Rate Schedule SGS-2F and Transporter's firm balancing rights will be scheduled. If all such Nominations cannot be accommodated, available capacity for injections will be allocated pro rata based on Transporter's and Shipper's Storage Capacities and available capacity for withdrawals will be allocated pro rata based on Transporter's and Shipper's Storage Demand, which is subject to the limitations in Rate Schedule SGS-2F, Section 9.2.
- (b) Second, Nominations for deliveries of Deferred Exchange Quantities at Jackson Prairie under Rate Schedule DEX-1, up to the Daily Delivery Quantity, will be scheduled. If all such Nominations cannot be accommodated, capacity will be allocated based on rate, highest to lowest. For services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations.
- (c) Third, Nominations for Transporter's best-efforts system balancing requirements will be scheduled.
- Fourth, Nominations (including Shipper's requests for inground storage transfers) for interruptible storage capacity under Rate Schedules SGS-2F (as best-efforts), SGS-2I, PAL and/or TPALPAL will be scheduled. If all such storage capacity Nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For Rate Schedules SGS-2F (as best-efforts), SGS-2I, and/or PAL services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations. For Rate Schedule TPAL services at the same rate, any necessary allocations of available capacity will be based on contract date, with the newest contracts receiving the lowest priority. To the extent there is more storage capacity than there is injection and/or withdrawal capacity, Transporter will separately and subsequently allocate capacity for in-ground transfer requests using the methodologies herein.

#### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

After scheduling interruptible storage capacity, Nominations for injections/withdrawals for interruptible service under Rate Schedules SGS-2I, SGS-2F (best-efforts), DEX-1 (Deferred Exchange Quantities that exceed the Daily Delivery Quantity), and PAL will be scheduled. If all such injection and/or withdrawal Nominations cannot be accommodated, available capacity will be allocated pro rata based on otherwise acceptable and confirmable Nominations.

For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.65.

#### 12.3 Scheduling Priorities for Clay Basin Storage

If Transporter determines that its operationally available injection, withdrawal, and storage capacities at the Clay Basin storage facility are insufficient to accommodate all otherwise acceptable new Nominations related to system balancing and/or, for services under Rate Schedules DEX-1, TPAL, and PAL in any Nomination cycle, Transporter will schedule the operationally available capacity for Nominations that have not already been scheduled for a given Gas Day in accordance with the following priorities of service:

- (a) First, Nominations for Transporter's system-balancing requirements will be scheduled.
- (b) Second, Nominations for deliveries of Deferred Exchange Quantity under Rate Schedule DEX-1, up to the Daily Delivery Quantity, will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations.
- (c) Third, Nominations (including Shipper's requests for in-ground storage transfers) for interruptible storage capacity under Rate Schedules PAL and/or TPAL will be scheduled. If all such storage

### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

capacity Nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For <a href="Rate">Rate</a>
<a href="Schedule PAL">Schedule PAL</a>
services at the same rates, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations. <a href="For Rate">For Rate</a>
<a href="Schedule TPAL">Schedule TPAL</a>
services at the same rates, any necessary allocations of available capacity will be based on contract date, with newest contracts receiving the lowest priority. To the extent there is more storage capacity than there is injection and/or withdrawal capacity, Transporter will separately and subsequently allocate capacity for in-ground transfer requests using the methodologies herein.

After scheduling interruptible storage capacity, Nominations for injections/withdrawals for interruptible service under Rate Schedules DEX-1 (Deferred Exchange Quantities that exceed the Daily Delivery Quantity) and PAL will be scheduled. If all such injection and/or withdrawal Nominations cannot be accommodated, available capacity will be allocated pro rata based on otherwise acceptable and confirmable Nominations.

For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.65.

#### 12.4 Scheduling Priorities for Plymouth LNG Facilities

If Transporter determines that its operationally available liquefaction, vaporization and/or LNG delivery capacities at the Plymouth LNG Facility are insufficient to accommodate all otherwise acceptable new Nominations for services under Rate Schedules LS-2F, LS-3F, LS-2I and LD-4I in any Nomination cycle, Transporter will schedule its operationally available capacity for Nominations that have not already been scheduled for a given Gas Day in accordance with the following priorities of service:

(a) First, Nominations for firm service under Rate Schedules LS-2F and LS-3F will be scheduled. If all such Nominations cannot be accommodated, available liquefaction capacity and available LNG delivery capacity will be allocated pro rata based on Shipper's Storage Capacities and available vaporization capacity will be allocated based on Shipper's Storage Demand.

### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

(b) Second, Nominations for interruptible service under Rate Schedules LS-2I and LD-4I, and Nominations for overrun service under Rate Schedules LS-2F and LS-3F will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated according to the rates applicable to the service, from highest to lowest. For services at the same rates, any necessary allocations will be pro rata based on Nominations. For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.65.

### 12.5 Scheduling Priorities for Park and Loan at Non-Storage Points

Nominations (including Shipper's requests for transfers) for interruptible service under Rate Schedule PAL and/or TPAL will be scheduled. If all such Nominations cannot be accommodated, available capacity will be allocated based on rate, highest to lowest. For Rate Schedule PAL service at the same rate, any necessary allocations of available capacity will be pro rata based on otherwise acceptable and confirmable Nominations. For Rate Schedule TPAL service at the same rate, any necessary allocations of available capacity will be allocated based on contract date, with the newest contracts receiving the lowest priority.

For services with Negotiated Rates, the rates used for scheduling priorities are delineated in Section 12.6.

### 12.65 Negotiated Rate Used to Establish Priority

For non-firm services subject to Negotiated Rates, the rate used for scheduling priorities will be:

- -(1) the lower of the Negotiated Rate or the corresponding Recourse Rate, if the Negotiated Rate is a stated rate;
- (2) the lower of the minimum Negotiated Rate or the corresponding Recourse Rate, if the Negotiated Rate is a formula rate with a specified minimum; or
- (3) the corresponding minimum base rate set forth on the Statement of Rates, if the Negotiated Rate is a formula rate without a specified minimum.

### 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

### 12.76 Bumping

Previously Scheduled Quantities for interruptible, overrun or bestefforts, and park and loan services may be bumped in accordance with the following procedures:

- (a) Transporter will give scheduling priority to Firm Nominations submitted during the evening Nomination, Intraday 1 and Intraday 2 Nomination Cycles over previously Scheduled Quantities for interruptible, overrun or best-efforts, and park and loan services. The elapsed-prorated-scheduled quantity process will apply to previously Scheduled Quantities bumped in the Intraday 1 and Intraday 2 Nomination Cycles.
- (b) If previously Scheduled Quantities will be reduced as a result of bumping, Transporter will report such reductions on its Designated Site .  $\,$
- 12.87 Previously Scheduled Quantities at the Agreement Level

To the extent that a Shipper, by nomination, revises Scheduled Quantities on a service agreement through a receipt or delivery point, on the mainline or on a lateral in subsequent Nomination cycles, the quantity that remains scheduled on such Agreement through such point after the revision will not be considered a new Nomination through the point.

### 12.98 Curtailment Policy

If Transporter determines that operationally available capacity through any constraint point on its system has been reduced for any reason whatsoever to a level insufficient to accommodate all previously Scheduled Quantities, in the next scheduling cycle, Transporter will fill the reduced operationally available capacity as follows:

- i) Elapsed-Prorated Scheduled Quantities will be scheduled first;
- ii) Previously Scheduled Quantities will be scheduled second and will be scheduled using the priority levels delineated in Sections 12.1, 12.2, 12.3, 12.4 or 12.54 above, except that Transporter will use the Contract Demand of the Firm Service Agreement as the basis for filling the reduced operationally available capacity (once scheduled in a NAESB cycle, Secondary Firm Nominations are deemed Primary Firm Nominations).

## 12. SCHEDULING PRIORITIES AND CURTAILMENT POLICY (Continued)

## 12.109 Shipper Notice Responsibility

Upon receipt of Transporter's notification of Scheduled Quantities under Section 12, Shipper will have the responsibility to inform its end-users, suppliers and all others involved in the affected transaction, except parties that interconnect with Transporter.

#### 12.110 Operating Limitations

Notwithstanding the other provisions of this Section 12, Transporter will not be required to interrupt service to any Shipper served from those locations on Transporter's system where, due to operational or capacity limitations, Transporter's ability to maintain the priorities provided herein would not be improved. Transporter will not be obligated to modify its system operations or its operating procedures related to firm service in order to ameliorate specific operating and capacity limitations which result in interruptible service curtailment.

### 12.12+ Curtailment / Allocation Liability

If Transporter is required to curtail Scheduled Quantities or allocate available capacity during the term of the Service Agreement and if the curtailment or an allocation is implemented for any reason, Transporter will not be liable for any damages caused by implementation of curtailment and/or allocation procedures as set forth herein except to the extent that such curtailment and/or allocation is shown to be the result of negligence or misfeasance by Transporter.

### 12.132 Nominations Subsequent to the Intraday 3 Nomination Cycle

To the extent Transporter's existing transportation and storage obligations are not compromised, Shipper may request changes in Scheduled Quantities following the Intraday 3 Nomination Cycle. All Nominations must be confirmed by the upstream/downstream operators and Transporter.

### 14. OPERATING CONDITIONS (Continued)

- (c) For the six months ending December 31 (to be included in the applicable April 1 calculations) or for the six months ending June 30 (to be included in the applicable October 1 calculations), Transporter will determine the net increase or decrease in volumes to Transporter's system pursuant to Sections 15.10(b), 15.11 and 22.2(b) of the General Terms and Conditions, Section 2.2 of Rate Schedule SGS-2I, Section 2.4 of Rate Schedule LS-2I, Section 5.2 of Rate Schedule DEX-1, Section 5.3 of Rate Schedule TPAL, and Section 5.3 of Rate Schedule PAL. Those volumes under Sections 15.10(b) and 15.11 associated with service on a Designated Lateral will be incorporated in the Factor calculation for such Designated Lateral.
- (d) Projected volumes to be nominated for receipt by Transporter will be determined for services under the Transportation Rate Schedules and for services on each separate Designated Lateral under the Lateral Rate Schedules for the upcoming six months beginning April 1 or October 1. Projected volumes to be nominated for injection by Transporter for services under the Underground Storage Rate Schedules and for liquefaction and vaporization by Transporter for services under the LNG Rate Schedules will be determined for the upcoming twelve months beginning April 1.
- The sum of the projected volumes determined pursuant to Sections 14.12(a) and (b) that apply to services under the Transportation Rate Schedules and the volumes determined pursuant to Section 14.12(c), except such volumes associated with service on Designated Laterals, will be divided by the projected receipt volumes determined pursuant to Section 14.12(d) that apply to services under the Transportation Rate Schedules to derive the Factor for the Transportation Rate Schedules. The sum of the projected volumes determined pursuant to Sections 14.12(a) and (b) that apply to Transporter's services on each Designated Lateral and the volumes determined pursuant to Section 14.12(c) associated with service on each Designated Lateral will be divided by the projected receipt volumes determined pursuant to Section 14.12(d) that apply to services on each Designated Lateral to derive the Factor for each Designated Lateral under the Lateral Rate Schedules.

### 32. SALES OF EXCESS GAS (Continued)

- (g) as system operations dictate, Transporter may buy and sell gas in equivalent Dth amounts for the purpose of moving gas between the Jackson Prairie and Clay Basin storage facilities;
- (h) pursuant to Section 14.12, Transporter may recover gas through its fuel use requirements factors as reimbursement for volumes purchased by Transporter to fund lost and unaccounted-for gas;
- (i) pursuant to Rate Schedule DEX-1, Transporter will take title to any Deferred Exchange Quantity not delivered to Shipper at the end of the Deferred Exchange Period or any extension thereof due to Shipper's failure to arrange for receipt of such gas;
- (j) pursuant to <u>Section 5 of Rate Schedule TPAL and Section 5</u> of Rate Schedule PAL, any Parked Quantity not removed within the time frame specified by Transporter's notice and any Parked Quantity not removed by the termination date of the Service Agreement will be deemed as a sale to Shipper; and
- (k) pursuant to Section 15.14, any excess LNG Boil-off Balance not brought within tolerance levels within 45 non-entitlement Balancing Approved Days from the date of Transporter's notice becomes the property of Transporter.
- (1) Pursuant to Section 14.14, if, as part of its integrity management program to perform inline inspections, Transporter requires minimum flow levels where scheduled quantities, and balancing flexibility related to line-pack, system storage, and interconnect agreements are insufficient to provide the required flow levels, Transporter may buy and sell gas to create such flows. If, due to market conditions, the purchased gas is sold at a loss, Transporter may recover the loss by selling gas in excess of the purchased gas. If, due to market conditions, the purchased gas is sold at a gain, Transporter will only sell sufficient gas to cover the cost of the gas purchased. Transporter will pass any difference in the quantities purchased verses sold through the fuel use requirements factors as reimbursement.

- 32. SALES OF EXCESS GAS (Continued)
  - 32.2 Revenue Crediting. One hundred percent (100%) of all sales revenues received by Transporter pursuant to Sections 32.1(a) through (d) and Section 32.1(i), and one hundred percent (100%) of all net sales revenues received by Transporter pursuant to Section 32.1(j), Section 5.3 of Rate Schedule TPAL, and Section 5.3 of Rate Schedule PAL, will be credited to firm transportation Shippers. -Credits due pursuant to Section 32.2 will be allocated to all firm transportation Shippers under Rate Schedule TF-1(Large Customer), excluding discounted firm transportation service and Shippers receiving service under a capacity release Service Agreement, Rate Schedule TF-1(Small Customer) for the months they paid a reservation charge due to conversion to Rate Schedule TF-1 (Large Customer) service, Rate Schedule TF-2 and Rate Schedule T-1 who received service prior to the cancellation of Rate Schedule T-1 (collectively, the specified Shippers). -The credits will be allocated to the specified Shippers pro rata in proportion to reservation revenue (total revenue, net of credits from capacity releases as described in Section 23 of the General Terms and Conditions, less variable cost charges and all surcharges) received by Transporter from each and all of the specified Shippers for each applicable month. Such credits shall be reflected as a credit billing adjustment to each March billing for credits accrued during the prior calendar year.
  - 32.3 Reporting Requirements. Transporter will post on its Designated Site any quantities of gas available for sale pursuant to Section 32. In the event gas is sold, completed transactions will be posted on the Designated Site within thirty (30) days of the sales transaction detailing the quantity of gas sold, the sales price and whether or not the gas was sold to an affiliate. Transporter will file an annual report with the Commission by March 1 of each year describing for each sales transaction for the preceding calendar year the identities of the parties, the type of service provided, the total volumes sold, and the total revenues received.

### FORMS OF SERVICE AGREEMENT

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<sup>\*</sup> Applicable to all rate schedules.

#### FORM OF RATE SCHEDULE DEX-1 SERVICE AGREEMENT

Rate Schedule DEX-1 Se Contract No	ervice Agreement
THIS SERVICE AGREEMENT (Agreement) by and b (Transporter) and (Shipper)	is made and entered into on
	rvice Agreement made and entered
into on]	
WHEREAS:	
Tracet resitals as appropriate to man	envialing the contact of the

A. [Insert recitals as appropriate to memorialize the context of the Agreement.]

THEREFORE, in consideration of the premises and mutual covenants set forth herein, Transporter and Shipper agree as follows:

- 1. Tariff Incorporation. Rate Schedule DEX-1 and the General Terms and Conditions (GT&C) that apply to Rate Schedule DEX-1, as such may be revised from time to time in Transporter's FERC Gas Tariff (Tariff), are incorporated by reference as part of this Agreement, except to the extent that any provisions thereof may be modified by non-conforming provisions herein.
- 2. Deferred Storage Exchange Service. Subject to the terms, conditions, and limitations hereof and of Rate Schedule DEX-1, Shipper agrees to deliver to Transporter, and Transporter agrees to deliver to Shipper, the Deferred Exchange Quantity listed on Exhibit A. Shipper will deliver the Deferred Exchange Quantity to Transporter by an in-ground transfer on a date mutually agreed to by Shipper and Transporter at the Target Storage Facility shown on Exhibit A. Transporter will deliver the Deferred Exchange Quantity to Shipper during the Deferred Exchange Period at the Daily Delivery Quantity and at the Deferred Exchange Storage Facility as shown on Exhibit A.
- 3. Deferred Exchange Rates. Shipper agrees to pay Transporter for all services rendered under this Agreement at the rates set forth or referenced herein. The Maximum Base Tariff Rates (Recourse Rates) set forth in the Statement of Rates in the Tariff, as revised from time to time, that apply to Rate Schedule DEX-1 will apply to service hereunder unless and to the extent that discounted Recourse Rates apply as set forth on Exhibit A or negotiated rates apply as set forth on Exhibit D.
- 4. Service Term. This Agreement becomes effective on the effective date set forth on Exhibit A and terminates upon the termination date set forth on Exhibit A. The schedule for the deferred exchange of storage gas hereunder is set forth on Exhibit A.

#### FORM OF RATE SCHEDULE TPAL SERVICE AGREEMENT

Rate Schedule TPAL Service Agreement Contract No.

THIS SERVICE	AGREE	CMENT	(Agre	eement) b	y and	d betwe	een i	Northwes	t Pip	eline	e LLC
(Transporter)	and			(Sh	ippeı	r) is 1	made	and ent	ered	into	on
	[.]	(or)	[and	restates	the	Servi	ce A	greement	made	and	entered
into on			. ]								

#### WHEREAS:

A. [Insert recitals as appropriate to memorialize the context of the Agreement.]

THEREFORE, in consideration of the premises and mutual covenants set forth herein, Transporter and Shipper agree as follows:

- 1. Tariff Incorporation. Rate Schedule TPAL and the General Terms and Conditions (GT&C) that apply to Rate Schedule TPAL, as such may be revised from time to time in Transporter's FERC Gas Tariff (Tariff), are incorporated by reference as part of this Agreement, except to the extent that any provisions thereof may be modified by non-conforming provisions herein.
- 2. Service. Subject to the terms and conditions that apply to service under this Agreement, Transporter agrees to provide [Park] (or) [Loan] Service for Shipper up to a Maximum [Parked] (or) [Loaned] Quantity set forth on Exhibit A at Transporter's [Park] (or) [Loan] Point set forth on Exhibit A.
- 3. Rates. Shipper agrees to pay Transporter for all services rendered under this Agreement at the rates set forth or referenced herein. The Maximum Base Tariff Rates (Recourse Rates) set forth in the Statement of Rates in the Tariff, as revised from time to time, that apply to Rate Schedule TPAL will apply to service hereunder unless and to the extent that discounted Recourse Rates apply as set forth on Exhibit A or negotiated rates apply as set forth on Exhibit D.
- 4. Term. This Agreement becomes effective on the effective date set forth on Exhibit A. The primary term begin date for the transportation service hereunder is set forth on Exhibit A. This Agreement will remain in full force and effect through the primary term end date set forth on Exhibit A.

# FORM OF RATE SCHEDULE TPAL SERVICE AGREEMENT (Continued)

### Rate Schedule TPAL Service Agreement (Continued)

- 5. Non-Conforming Provisions. All aspects in which this Agreement deviates from the Tariff, if any, are set forth as non-conforming provisions on Exhibit B. If Exhibit B includes any material non-conforming provisions, Transporter will file the Agreement with the Federal Energy Regulatory Commission (Commission) and the effectiveness of such non-conforming provisions will be subject to the Commission acceptance of Transporter's filing of the non-conforming Agreement.
- 6. Exhibit / Addendum to Service Agreement Incorporation. Exhibit A is attached hereto and incorporated as part of this Agreement. If any other Exhibits apply, as noted on Exhibit A to this Agreement, then such Exhibits also are attached hereto and incorporated as part of this Agreement. If an Addendum to Service Agreement has been generated pursuant to Section 11.5 of the GT&C of the Tariff, it also is attached hereto and incorporated as part of this Agreement.
- 7. Superseded Agreements. When this Agreement takes effect, it supersedes, cancels and terminates the following agreement(s): [None] (or) [(List agreement(s))] but the following Amendments and/or Addendum to Service Agreement which have been executed but are not yet effective are not superseded and are added to and become an Amendment and/or Addendum to this agreement: [None] (or) [List Amendments and/or Addendum to Service Agreement]

IN WITNESS WHEREOF, Transporter and Shipper have executed this Agreement as of the date first set forth above.

	Northwest Pipeline LLC	
By:	By:	
Nama	Nama	
Name:	Name:	_
Title:	Title:	

FORM OF RATE SCHEDULE TPAL SERVICE AGREEMENT (Continued)						
		(COII	cinded)			
EXHIBIT A						
[Dated and Effective ]						
	[Dated	_	<u>(or)</u> Effective		1	
	[Dated		the the			
	Rate Sc		AL Service A	Agreement		
		(Contract 1	No.	)		
	·	ween Northw	est Pipelir	ne LLC		
	and _					
		SERVIC	E DETAILS			
1.	Maximum [Parked] (or)	[Loaned] Qı	uantity:	Dth		
2	[Double on [Loop] Doint	. [C] D-		[Toolson De	ainia1	
2.	[Park] or [Loan] Point: (or) [	CLAY Ba	isinj (or)	[Jackson Pr	airie],	
	(01) [					
3.	[Park] or [Loan] Schedu	le and Red	course or D	iscounted F	decourse Rat	te (per
	Dth) (rows inserted as r	needed):				
	(Show "Not Applicable"	if Exhibit	- D is atta	ched )		
	(Silow iver implification)		2 2 15 4004			
	a.					
	<u>Service</u>	From	To Date	<u>Min</u>	<u>Max</u>	<u>Rate</u>
		Date		Daily	<u>Daily</u>	
	Deals / Teas			Qty	<u>Qty</u>	
	<u>Park / Loan</u>					
	Service	From	To Date	Min Qty	May Otu	Rate
	<u> </u>	Date	10 Date	MIN QCY	Max Qty	Nace
	Park / Loan Balance	<u> </u>				
			1			
	Service	From	To Date	Min	Max	Rate
		Date		Daily	Daily	
				<u>Qty</u>	<u>Qty</u>	
	<u>Unpark / Loan Payback</u>					
	 b. Rate Discount Con-	ditions Co	nsistent wi	th Section	3 2 of Rati	<b>a</b>
b. Rate Discount Conditions Consistent with Section 3.2 of Rate Schedule TPAL: [Not Applicable] (or) [(Description)]						
		11				
4.	Term:					
	a. Primary Term Begi	n Date: [	(Date)]			
	b. Primary Term End	Date: [(Da	te) 1			
	D. IIIMOLY TELM BIIO	Ducc. [(Da				
5.			[No] (or) [	<u>res]</u>		
Exhibit D [No] (or) [Yes]						

FORM	OF RATE SCHEDULE TPAL SERVIC	E AGREEMENT
	(Continued)	
	EXHIBIT B	
[(Dated and Effect	lve , (subject t	co Commission acceptance)
	(or)	
[Dated	, Effective	,
	(subject to Commission accept	ance)]
	to the	
	Rate Schedule TPAL Service Ag	reement
	(Contract No. )	
	between Northwest Pipeline	LLC
	and	
		<del></del>
	NON-CONFORMING PROVISION	IS

FORM OF	RATE SCHEDULE TPAL SERVICE AGRI	EEMENT
	(Continued)	
	EXHIBIT D	
[(Dated and Effective	, (subject to Com	mission acceptance)]
	(or)	
_[Dated	, Effective	
(sul	oject to Commission acceptance)	]
	to the	
Rate	Schedule TPAL Service Agreemer	nt
	(Contract No. )	
<u>b</u>	etween Northwest Pipeline LLC	
and	d	_
		-

NEGOTIATED RATE PROVISIONS

(Pursuant to Section 3.1 of Rate Schedule TPAL)