



PINE PRAIRIE
ENERGY CENTER
A PAA Natural Gas Storage Company

July 27, 2016

VIA ELECTRONIC FILING

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

Re: Pine Prairie Energy Center, LLC
Proposed Revisions to FERC Gas Tariff,
Docket No. RP16-____-000

Dear Secretary Bose:

Pine Prairie Energy Center, LLC (“Pine Prairie”) proposes to modify its FERC Gas Tariff to make certain minor changes. Accordingly, pursuant to Section 4 of the Natural Gas Act, 15 U.S.C. § 717c (2012), and Part 154 of the Commission’s Regulations, 18 C.F.R. Part 154 (2015), Pine Prairie tenders for filing and acceptance for inclusion in its FERC Gas Tariff, First Revised Volume No. 1, the revised tariff sections listed in Appendix A hereto. Pine Prairie respectfully requests that the revised tariff sections be accepted for filing and made effective as of August 27, 2016.

Statement of Nature, Reasons and Basis for Proposed Modifications

Over the course of the past year, Pine Prairie’s parent company, PAA Natural Gas Storage, LLC, has conducted a review of the FERC Gas Tariffs of its three jurisdictional storage subsidiaries, Pine Prairie, Bluewater Gas Storage, LLC, and SG Resources Mississippi, L.L.C., with the goal of ensuring that the tariffs better match industry practices regarding natural gas storage services and to conform the three tariffs to the greatest degree possible to achieve administrative efficiencies. To those ends, Pine Prairie proposed extensive changes to its tariff in Docket Nos. RP16-194-000 and RP15-1260-000, which the Commission has accepted.¹

Pine Prairie has continued to review its tariff and now proposes to make a number of minor changes, including editorial changes and changes to promote more consistent use of defined terms. These changes, which occur throughout the tariff, are generally self-explanatory

¹ *Pine Prairie Energy Ctr., LLC*, Docket No. RP16-194-000 (unpublished delegated letter order issued Dec. 3, 2015); *Pine Prairie Energy Ctr., LLC*, Docket No. RP15-1260-000 (unpublished delegated letter order issued Oct. 1, 2015).

and are not intended to effect substantive changes. A relatively small portion of the proposed changes, although primarily intended as clarifications or housekeeping, could be viewed as having minor substantive impacts. These changes are discussed below:

- *Elimination of references to facsimile communications.* The overwhelming majority of Pine Prairie's communications with its customers take place using e-mail or via Pine Prairie's Internet Web Site. Pine Prairie has received only sporadic fax communications during the past year. Further, Pine prairie has learned that some of its customers do not routinely monitor their fax machines. Pine Prairie's elimination of references to fax communications is intended to eliminate the possibility of redundant or missed communications, and to standardize on the use of e-mail and website communications. Examples of Pine Prairie's elimination of references to facsimile communications appear on the Cover Page and in the Notices provisions (Section 0.0 and 6.18) of the *pro forma* service agreements.
- *Clarify tax provisions to allow Customer to make payment directly to the taxing authority.* Tax provisions appear throughout Pine Prairie's tariff (e.g., Rate Schedules and *pro forma* Service agreements) which require the Customer to reimburse Pine Prairie for taxes paid by Pine Prairie that are the Customer's responsibility. Pine Prairie proposes to clarify these provisions to recognize that, instead of Pine Prairie paying such taxes, subject to Customer reimbursement, Customer may pay the taxes directly to the taxing authority.
- *Clarify Firm and Interruptible Parking Service Withdrawal Obligation.* Pine Prairie proposes to Modify Rate Schedules FP and IP (Sections 5.3 and 5.7) and the corresponding service agreement forms (Sections 7.3 and 7.6) to clarify that Customer must nominate withdrawals to effect a zero storage balance at the end of the term.
- *Modify Interruptible Services Rate Schedules to clarify interruption procedure.* Pine Prairie proposes of modify the provisions governing service interruption in its interruptible services Rate Schedules (Section 2 within Rate Schedules ISS, IP, IL and IB) to provide greater clarity and consistency among the services.
- *Eliminate Interruptible Loan Service Extended Withdrawal Period.* Pine Prairie proposes to eliminate provisions from Rate Schedule IL (Section 2.1(b)) that would afford Customer an extended withdrawal period in the event Customer's withdrawals are interrupted during the withdrawal period specified in its service agreement. Customer seeking an extended withdrawal period may negotiate an additional interruptible loan service agreement with Pine Prairie.
- *Add definition of "Henry Hub."* Pine Prairie proposes to add a definition of "Henry Hub" to Section 6.2. The Henry Hub index price is used for penalty charge calculations in Section 6.5 (see 5.5(i)) of Pine Prairie's tariff. Addition of the new definition requires adjustments to the sections referenced where NAESB Standards are incorporated in the tariff (see Section 6.23).

- *Clarify use of Capacity Release Umbrella Agreement.* Pine Prairie proposes to modify its Capacity Release provisions (Section 6.4 at 4.14, *see also* Section 7.9, Article V) to recognize that, in addition to using the Umbrella Agreement to recognize a release of capacity, the Replacement Customer must enter into a service agreement with Pine Prairie under the affected Rate Schedule.
- *Modify Service Curtailment Provisions.* Pine Prairie proposes to modify the service curtailment provisions (Section 6.5) to prorate available firm service capability using Customers' nominations rather than contract quantities.²
- *Modify Billing and Payments (Section 6.14).* Pine Prairie proposes several minor changes to the Billing and Payments section of its General Terms and Conditions ("GT&C") to: (1) provide for posting of Customer invoices on Pine Prairie's Internet Web Site (such posting will occur in the password protected portion of the website only accessible by the individual customer); (2) change the payment due date to the later of the 25th day of the month or fifteen (15) days following the invoice date, consistent with industry practice; (3) relocate the "Billing Error" provisions to provide for better flow; and (4) provide that Pine Prairie may waive de minimis payment obligations or late payment charges.³
- *Clarify use of e-mail notices.* Pine Prairie proposes to clarify the use of e-mail notices in GT&C Section 6.18 (Notices). The proposed language is relocated from GT&C Section 6.34.
- *Clarify Title Transfer Terminology.* Pine Prairie proposes to modify GT&C Section 6.20 (Gas Title Transfers) to eliminate unnecessary wording and for more consistent use of terms.
- *Clarify Creditworthiness Provisions (Section 6.31).* Pine Prairie proposes to clarify its Creditworthiness provisions to: (1) allow Pine Prairie to consider alternate financial information that may be available for a Customer; (2) allow Pine Prairie to consider the issuer ratings of an entity that is not publicly traded; and (3) to allow Pine Prairie to consider financial information specific to non-public entities.⁴

² The Commission has previously accepted a similar approach to allocation of limited firm storage capabilities. *See* Egan Hub Storage, LLC, FERC Gas Tariff, Second Revised Volume 1, Part 6, Section 5.

³ The Commission has previously accepted similar waivers of de minimis amounts in other FERC Gas Tariffs. *See* Vector Pipeline, L.P. FERC Gas Tariff, First Revised Volume No. 1, Original Sheet 126A.

⁴ The Commission accepted the tariff language related to entities that are not publicly traded for inclusion in the FERC Gas Tariff of Pine Prairie's affiliate, SG Resources Mississippi, L.L.C. *SG Resources Miss., L.L.C.*, Docket Nos. RP16-233-001 and 002 (unpublished delegated letter order issued Feb. 11, 2016).

- *Modify Disposition of Retained Quantities (GT&C Section 6.32).* Pine Prairie proposes to remove references to specific sections within the affected Rate Schedules to provide a more concise presentation and avoid the possibility of omissions.
- *Modify pro forma Service Agreements.*
 - *Add identifying headers and footers.* Pine Prairie proposes to modify each service agreement form to provide for headers and footers that allow for inclusion of identifying information (e.g., contract number) on each page of an executed contract.⁵
 - *Delete Operational Notices Information.* Pine Prairie proposes to delete the Operation Notices section from the Notices article of each form of service agreement because operational notices between Pine Prairie and its customers have not been used in practice and the information is redundant of other notice information provided in the agreements.
 - *Eliminate specification of Receipt and Delivery Points from No-Notice Service Agreement.* Under Pine Prairie's tariff, No-Notice Service is available to add flexibility to Customer's Firm Storage Service. Accordingly, there is no need to specify receipt and delivery points under a No-Notice-Service Agreement; such points will already be specified in the underlying Firm Storage Service Agreement.
 - *Reformat Exhibits.* Pine Prairie proposes to reformat certain exhibits, including providing a side-by-side presentation of information which is intended to result in more concise exhibits.
 - *Eliminate references to "Primary" Term.* "Primary" Term is generally used in storage and transportation service agreements to distinguish the initial term from any subsequent extension terms that may result under rights of first refusal or rollover provisions. Pine Prairie's tariff does not include any such term extension provisions. Accordingly, Pine Prairie proposes to replace "Primary Term" with "Term" in each of its service agreement forms.

Motion to Place Tariff Sections into Effect

Pursuant to Section 154.7(a)(9) of the Commission's Regulations, 18 C.F.R. § 154.7(a)(9), Pine Prairie moves to place the aforementioned revised tariff sections into effect on August 27, 2016. Pine Prairie hereby reserves its right to file a motion to place the tariff sections referenced herein into effect as of the end of any suspension period ordered by the Commission.

⁵ The Commission has previously accepted use of headers and footers in another FERC Gas Tariff. See Texas Gas Transmission, LLC, Fourth Revised Volume 1, Section 7.1.

List of Materials Enclosed

In accordance with Section 154.7(a)(1) of the Commission's Regulations, 18 C.F.R. § 154.7(a)(1), the following material is submitted herewith:

- (a) a Statement of the Nature, Reasons and Basis for the filing (contained in this transmittal letter);
- (b) an enumeration herein of the revised tariff sections being filed;
- (c) the revised tariff sections in XML Schema format;
- (d) a clean copy of the revised tariff sections in .pdf format for posting in the Commission's eLibrary; and
- (e) a redline version of the revised tariff sections in accordance with the provisions of Section 154.201(a) of the Commission's Regulations, 18 C.F.R. § 154.201(a).

Waivers

Pine Prairie respectfully requests that the Commission grant any waivers that the Commission may deem necessary in order that the Commission accept the tariff sections filed herewith and make them effective as of August 27, 2016.

Posting and Certification of Service

In accordance with the provisions of Section 154.2(d) of the Commission's Regulations, 18 C.F.R. § 154.2(d), copies of this filing are available for public inspection during regular business hours in a convenient form and place at Pine Prairie's offices in Houston, Texas and at the Pine Prairie storage facility in Louisiana. In addition, Pine Prairie is serving copies of the instant filing on its customers and on the Louisiana Public Service Commission. Such service meets the requirements of Section 154.208 of the Commission's Regulations, 18 C.F.R. § 154.208.

Communications

Questions concerning this filing and all Commission orders and correspondence, as well as pleadings and correspondence from persons concerning this filing, should be served upon each of the following:

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APPENDIX A
Modified Tariff Sections

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7.9	Capacity Release Umbrella Agreement	4.0.0

CLEAN TARIFF

FERC GAS TARIFF
FIRST REVISED VOLUME NO. 1
of
PINE PRAIRIE ENERGY CENTER, LLC
Filed with the
FEDERAL ENERGY REGULATORY COMMISSION

Any communications regarding this Tariff should be addressed to:

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FERC GAS TARIFF
FIRST REVISED VOLUME NO. 1
OF PINE PRAIRIE ENERGY CENTER, LLC
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4.5 EW RATE STATEMENT - ENHANCED WHEELING SERVICE

	RATE	UNITS
Enhanced Wheeling Reservation Charge	Market Based/ Negotiable	\$/Dth/Day
Enhanced Wheeling Charge	Market Based/ Negotiable	\$/Dth
Fuel Reimbursement	Market Based/ Negotiable	\$/Dth and/or in-kind %

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in the General Terms and Conditions of PPEC's Tariff and Customer's Hub Services Agreement and all applicable surcharges, including, but not limited to, ACA charges.

5.1 FSS RATE SCHEDULE - FIRM STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of firm storage service from PPEC, provided that:

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Firm Storage Service, pursuant to a Firm Storage Service Agreement, rendered by PPEC to Customer.

2.1 Firm Storage Service rendered to Customer under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's Maximum Daily Injection Quantity ("MDIQ") as stated in Customer's Firm Storage Service Agreement, plus Fuel Reimbursement, at the Point(s) of Receipt and the injection of Gas so received into storage, provided that Customer's FSS Storage Inventory has not exceeded Customer's Maximum Storage Quantity ("MSQ"), as set forth in Customer's Firm Storage Service Agreement; subject to injection ratchets, if any, set forth in Customer's Firm Storage Service Agreement;
- (b) The storage of Gas in amounts up to Customer's MSQ, as stated in Customer's Firm Storage Service Agreement;
- (c) The withdrawal from storage on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in Customer's Firm Storage Service Agreement, and the delivery of such Gas to the Point(s) of Delivery, provided that Customer has a quantity of Gas in Customer's FSS Storage Inventory account not less than the quantity Customer shall have nominated for withdrawal on such Day, subject to withdrawal ratchets, if any, set forth in Customer's Firm Storage Service Agreement; and

- (d) Customer's right to utilize Points of Receipt and Points of Delivery as primary points shall be specified in Customer's Firm Storage Service Agreement as a Maximum Daily Receipt Quantity ("MDRQ") or Maximum Daily Delivery Quantity ("MDDQ") applicable to each such point. PPEC shall afford Customer the opportunity to negotiate to include in its Firm Storage Service Agreement the right to use additional Point(s) of Receipt or Point(s) of Delivery, or primary points in excess of MDRQ or MDDQ, on a secondary basis, subject to Customer's MDIQ and MDWQ.
- 2.2 Provided that the receipt of Gas from Customer and the injection of such Gas into storage can be accomplished by PPEC without detriment to PPEC's system and/or PPEC's ability to meet its higher priority obligations to other Customers, PPEC may, upon Customer's request and after confirmation by Customer's Transporter, schedule and inject on an Interruptible basis quantities of Gas in excess of Customer's MDRQ at a Point of Receipt, or total injections in excess of Customer's MDIQ, provided that Customer's FSS Storage Inventory has not exceeded Customer's MSQ. Such excess quantities shall be deemed to be "Excess Injection Gas."
- 2.3 Provided that such withdrawal of Gas from storage and delivery of such Gas to Customer can be accomplished by PPEC without detriment to PPEC's system and/or PPEC's ability to meet its higher priority obligations to other Customers, PPEC may, upon Customer's request and after confirmation by Customer's Transporter, schedule and withdraw on an Interruptible basis quantities of Gas in excess of Customer's MDDQ at a Point of Delivery, or total withdrawals in excess of Customer's MDWQ, provided that Customer has a quantity of Gas in Customer's FSS Storage Inventory account not less than the quantities Customer shall have nominated for withdrawal on such Day. Such excess quantities shall be deemed to be "Excess Withdrawal Gas."

3. RATES AND CHARGES

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

- (a) Firm Storage Reservation Charge. A Monthly charge for each Dth of Customer's MSQ, as set forth in Customer's Firm Storage Service Agreement.
- (b) Firm Injection Reservation Charge. A Monthly charge for each Dth of Customer's MDIQ, as set forth in Customer's Firm Storage Service Agreement.
- (c) Firm Withdrawal Reservation Charge. A Monthly charge for each Dth of Customer's MDWQ, as set forth in Customer's Firm Storage Service Agreement.
- (d) Firm Storage Injection Charge. A usage charge for each Dth of Customer's Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Storage Service Agreement.
- (e) Firm Storage Withdrawal Charge. A usage charge for each Dth of Customer's Gas withdrawn pursuant to Section 2.1(c) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Storage Service Agreement.
- (f) Excess Injection Charge. A usage charge for each Dth of Excess Injection Gas tendered for injection pursuant to Section 2.2 of this Rate Schedule for each Day during a given Month, as set forth in Customer's Hub Services Agreement.
- (g) Excess Withdrawal Charge. A usage charge for each Dth of Excess Withdrawal Gas withdrawn pursuant to Section 2.3 of this Rate Schedule for each Day during a given Month, as set forth in Customer's Hub Services Agreement.

- (h) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Firm Storage Service Agreement and Customer's Hub Services Agreement as a usage charge per Dth and/or an in-kind percentage.
- (i) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Firm Storage Service Agreement.
- (j) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Firm Storage Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Firm Storage Service Agreement(s).

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Firm Storage Service Agreement(s).

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

7. EXPIRATION OF TERM

- 7.1 Upon expiration without renewal or upon termination of Customer's Firm Storage Service Agreement, title to any quantity of Customer's Gas remaining in Customer's FSS Storage Inventory account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's FSS Storage Inventory account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's FSS Storage Inventory account within a reasonable period following the end of the contract term.
- 7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the

difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. STORAGE RATCHETS

MDIQ and MDWQ under Customer’s Firm Storage Service Agreement may be subject to reduction based on the current level of Customer’s FSS Storage Inventory account pursuant to ratchets. Customer under this Rate Schedule FSS must choose from the options listed below with regard to injection and withdrawal ratchets.

8.1 Injection Ratchets: When Customer’s FSS Storage Inventory account balance reaches the levels set forth below, Customer’s MDIQ will be multiplied by the following storage ratchet percentages to arrive at Customer’s adjusted MDIQ.

	Level of MSQ	MDIQ Multiplier
1.	0% - 40%	100%
	Greater than 40% up to 63%	66.7%
	Greater than 63% up to 75%	33.3%
	Greater than 75% up to 87%	25%
	Greater than 87% up to 100%	17%
2.	0% - 40%	100%
	Greater than 40% up to 65%	50%
	Greater than 65% up to 100%	25%
3.	0% - 70%	100%
	Greater than 70% up to 100%	25%
4.	0% - 60%	100%
	Greater than 60% up to 80%	80%
	Greater than 80% up to 100%	60%
5.	0% - 80%	100%
	Greater than 80% up to 90%	80%
	Greater than 90% up to 100%	65%
6.	No Injection Ratchets	

8.2 Withdrawal Ratchets: When Customer’s FSS Storage Inventory account balance reaches the levels set forth below, Customer’s MDWQ will be multiplied by the following storage ratchet percentages to arrive at Customer’s adjusted MDWQ.

	Level of MSQ	MDWQ Multiplier
1.	100% - 30%	100%
	Less than 30% down to 0%	25%
2.	100% - 40%	100%
	Less than 40% down to 20%	75%
	Less than 20% down to 0%	50%
3.	100% - 20%	100%
	Less than 20% down to 10%	75%

Less than 10% down to 0% 50%

4. No Withdrawal Ratchets

Subject to PPEC's determination that it has the capabilities required to provide Customer's requested injection and withdrawal ratchets, Customer's election as to injection and withdrawal ratchets shall be set forth in Customer's Firm Storage Service Agreement.

9. GENERAL TERMS AND CONDITIONS

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

10. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in primary Point(s) of Receipt and/or Point(s) of Delivery, provided that PPEC shall not be required to grant Customer's request unless (i) PPEC determines that it has adequate unsubscribed available capacity at the Point(s) of Receipt and/or Point(s) of Delivery to accommodate Customer's request, and (ii) Customer and PPEC reach agreement as to pricing applicable to Customer's Firm Storage Service reflecting the changes in primary Point(s) of Receipt and/or Point(s) of Delivery.

5.2 NNSS RATE SCHEDULE - NO-NOTICE STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of no-notice storage service from PPEC, provided that:

- (a) PPEC has determined that it has sufficient operationally available firm storage, injection, withdrawal, receipt and delivery capacity to provide the No-Notice flexibility Customer has requested;
- (b) Customer and PPEC have entered into a No-Notice Storage Service Agreement under this Rate Schedule and a Firm Storage Service Agreement under Rate Schedule FSS;
- (c) Customer accepts responsibility for arranging any upstream and/or downstream transportation service required for utilization of the service provided under this Rate Schedule;
- (d) Availability of service under this Rate Schedule shall be subject to a determination by PPEC that PPEC's performance of the service requested hereunder shall not cause a reduction in PPEC's ability to provide Firm Storage Services under currently effective Storage Service Agreements and that the services requested will not interfere with the efficient operation of PPEC's system; and
- (e) Service under this Rate Schedule may not be available to the extent that PPEC would be required to construct, modify, expand or acquire any facilities to enable PPEC to perform the requested services.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all no-notice service rendered by PPEC to Customer pursuant to a No-Notice Storage Service Agreement. No-notice service is combined with Customer's rights to Firm Storage Service under a Firm Storage Service Agreement for service under Rate Schedule FSS to allow Customer the added flexibility of automatically netting any deviations from Customer's nominations against Customer's Storage Inventory account.

2.1 No-notice storage service rendered to Customer under this Rate Schedule shall allow Customer to alter Customer's injections or withdrawals, at points specified in Customer's No-Notice Storage Service Agreement, of Gas from levels nominated by Customer, including a nomination of zero (0), by an amount, plus or minus, up to Customer's No-Notice Maximum Daily Quantity ("No-Notice MDQ"), as set forth in Customer's No-Notice Service Agreement, without complying with the deadlines for revised nominations under the GT&Cs; provided:

- (a) Customer's rights at primary Point(s) of Receipt shall at all times be subject to the Maximum Daily Receipt Quantity(ies) ("MDRQ") set forth in Customer's Firm Storage Service Agreement;
- (b) Customer may not use no-notice deviations from nominations to exceed Customer's MDRQ at any receipt point and/or Maximum Daily Injection Quantity ("MDIQ") set forth in Customer's Firm Storage Service Agreement unless PPEC agrees to Excess Injection Gas (as defined in FSS Rate Schedule 2.2);
- (c) Customer's rights at primary Point(s) of Delivery shall at all times be subject to the Maximum Daily Delivery Quantity(ies) ("MDDQ") set forth in Customer's Firm Storage Service Agreement;

- (d) Customer may not use no-notice deviations from nominations to exceed the MDDQ at any delivery point and/or Maximum Daily Withdrawal Quantity (“MDWQ”) set forth in Customer’s Firm Storage Service Agreement unless PPEC agrees to Excess Withdrawal Gas (as defined in FSS Rate Schedule 2.3); and
- (e) Customer may not use no-notice deviations from nominations to allow Customer’s Storage Inventory account to exceed Customer’s Maximum Storage Quantity (“MSQ”) set forth in Customer’s Firm Storage Service Agreement or to be less than zero (0).

3. RATES AND CHARGES

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

- (a) No-Notice Reservation Charge. A Monthly charge for each Dth of Customer’s No-Notice MDQ, as set forth in Customer’s No-Notice Storage Service Agreement.
- (b) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer’s No-Notice Storage Service Agreement.
- (c) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer’s No-Notice Storage Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer’s No-Notice Storage Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer’s No-Notice Storage Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

- 6.1 Customer’s No-Notice Storage Service Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PPEC to provide the storage service contemplated hereby and to construct and operate the facilities necessary to provide such service and for any connected pipeline to deliver Gas to the Point(s) of Receipt and/or receive Gas from the Point(s) of Delivery necessary to effect the service provided for herein.
- 6.2 PPEC shall have the right to propose to FERC or any other governing regulatory body such changes in its rates and terms of service as it deems necessary, and Customer’s No-Notice Storage Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer’s right to protest the same; provided however, that any market-based rates negotiated between PPEC and its Customer(s) shall remain in effect during the term of Customer’s No-Notice Storage Service Agreement.

7. GENERAL TERMS AND CONDITIONS

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

8. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in primary Point(s) of Receipt and/or Point(s) of Delivery, provided that PPEC shall not be required to grant Customer's request unless (i) PPEC determines that it has adequate unsubscribed available capacity at the Point(s) of Receipt and/or Point(s) of Delivery to accommodate Customer's request, and (ii) Customer and PPEC reach agreement as to pricing applicable to Customer's No-Notice Storage Service reflecting the changes in primary Point(s) of Receipt and/or Point(s) of Delivery.

5.3 FP RATE SCHEDULE - FIRM PARKING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Firm Storage Service rendered by PPEC to Customer pursuant to a Firm Parking Service Agreement.

2.1. Firm parking service rendered by PPEC to Customer under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day during the period for injection ("Injection Period"), as stated in Customer's Firm Parking Service Agreement, and injection into storage of Customer's Gas, upon nomination and confirmation, up to the Maximum Daily Injection Quantity ("MDIQ") stated in Customer's Firm Parking Service Agreement, provided that Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt and Customer's Park Balance has not exceeded Customer's Maximum Park Quantity ("MPQ"), as stated in Customer's Firm Parking Service Agreement;
- (b) The tender by Customer of sufficient quantities of Gas under Section 2.1(a) of this Rate Schedule to ensure that Customer's Park Balance equals Customer's MPQ at the end of the Injection Period, provided that, if Customer's injections during the Injection Period are curtailed by PPEC, Customer shall have a reasonable period of time immediately following the Injection Period to make injections as necessary for Customer's Park Balance to equal Customer's MPQ, as stated in Customer's Firm Parking Service Agreement;
- (c) The storage of Gas in amounts up to Customer's MPQ, as set forth in Customer's Firm Parking Service Agreement;

- (d) The withdrawal from storage on any Day during the period of withdrawal (“Withdrawal Period”) stated in Customer’s Firm Parking Service Agreement and delivery of Customer’s Gas, upon nomination and confirmation, to the Point(s) of Delivery up to the Maximum Daily Withdrawal Quantity (“MDWQ”) stated in Customer’s Firm Parking Service Agreement, provided, that Customer has a quantity of Gas in Customer’s Park Balance account not less than the quantity Customer shall have nominated for withdrawal on such Day; and
- (e) Customer's right to utilize Points of Receipt and Points of Delivery as primary points shall be specified in Customer's Firm Parking Service Agreement as a Maximum Daily Receipt Quantity (“MDRQ”) or Maximum Daily Delivery Quantity (“MDDQ”) applicable to each such point. PPEC shall afford Customer the opportunity to negotiate to include in its Firm Parking Service Agreement the right to use additional Point(s) of Receipt or Point(s) of Delivery, or primary points in excess of MDRQ or MDDQ, on a secondary basis, subject to Customer's MDIQ and MDWQ.

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

3. RATES AND CHARGES

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

- (a) Firm Parking Reservation Charge. A Monthly charge for each Dth of Customer’s MPQ, as set forth in Customer’s Firm Parking Service Agreement.
- (b) Firm Parking Injection Charge. A usage charge for each Dth of Customer’s Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule for each Day during a given Month, as set forth in Customer’s Firm Parking Service Agreement.
- (c) Firm Parking Withdrawal Charge. A usage charge for each Dth of Customer’s Gas withdrawn pursuant to Section 2.1(d) of this Rate Schedule for each Day during a given Month, as set forth in Customer’s Firm Parking Service Agreement.
- (d) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer’s Firm Parking Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer’s Firm Parking Service Agreement.
- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer’s Firm Parking Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer’s Firm Parking Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Firm Parking Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. EXPIRATION OF TERM

7.1 Upon expiration without renewal or upon termination of Customer's Firm Parking Service Agreement, title to any quantity of Customer's Gas remaining in Customer's Park Balance account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's Park Balance account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Park Balance account within a reasonable period following the end of the contract term.

7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. GENERAL TERMS AND CONDITIONS

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

9. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in primary Point(s) of Receipt and/or Point(s) of Delivery, provided that PPEC shall not be required to grant Customer's request unless (i) PPEC determines that it has adequate unsubscribed available capacity at the Point(s) of Receipt and/or Point(s) of Delivery to accommodate Customer's request, and (ii) Customer and PPEC reach agreement as to pricing

applicable to Customer's Firm Parking Service reflecting the changes in primary Point(s) of Receipt and/or Point(s) of Delivery.

5.4 FL RATE SCHEDULE - FIRM LOAN SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Firm Storage Service rendered by PPEC to Customer pursuant to a Firm Loan Service Agreement.

2.1 Firm loan service rendered by PPEC to Customer under this Rate Schedule shall consist of the following:

- (a) The withdrawal from storage on any Day during the period for withdrawal ("Withdrawal Period"), as stated in Customer's Firm Loan Service Agreement, and delivery of Gas, upon nomination and confirmation, to the Point(s) of Delivery, up to the Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in Customer's Firm Loan Service Agreement, provided that Customer's total withdrawals shall not exceed Customer's Maximum Loan Quantity ("MLQ"), as stated in Customer's Firm Loan Service Agreement;
- (b) The withdrawal by Customer of sufficient quantities of Gas under Section 2.1(a) of this Rate Schedule to ensure that Customer's Loan Balance equals Customer's MLQ at the end of the Withdrawal Period; provided that, if Customer's withdrawals during the Withdrawal Period are curtailed by PPEC, Customer shall have a reasonable period of time immediately following the Withdrawal Period to make withdrawals as necessary for Customer's Loan Balance to equal Customer's MLQ, as stated in Customer's Firm Loan Service Agreement;
- (c) The receipt on any Day during the period for injection ("Injection Period"), as stated in Customer's Firm Loan Service Agreement, and injection into storage of Gas, upon nomination and confirmation, up to the Maximum Daily Injection Quantity ("MDIQ"), stated in Customer's Firm Loan Service Agreement, provided that Customer delivers the

nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's total injections may not exceed Customer's MLQ, as stated in Customer's Firm Loan Service Agreement;

- (d) The tender by Customer of sufficient quantities of Gas under Section 2.1(c) of this Rate Schedule to ensure that Customer's Loan Balance equals zero (0) at the end of the Injection Period; and
- (e) Customer's right to utilize Points of Receipt and Points of Delivery as primary points shall be specified in Customer's Firm Loan Service Agreement as a Maximum Daily Receipt Quantity ("MDRQ") or Maximum Daily Delivery Quantity ("MDDQ") applicable to each such point. PPEC shall afford Customer the opportunity to negotiate to include in its Firm Loan Service Agreement the right to use additional Point(s) of Receipt or Point(s) of Delivery, or primary points in excess of MDRQ or MDDQ, on a secondary basis, subject to Customer's MDIQ and MDWQ.

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

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

3. RATES AND CHARGES

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

- (a) Firm Loan Reservation Charge. A Monthly charge for each Dth of Customer's MLQ, as set forth in Customer's Firm Loan Service Agreement.
- (b) Firm Loan Injection Charge. A usage charge for each Dth of Gas tendered for injection pursuant to Section 2.1(c) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Loan Service Agreement.
- (c) Firm Loan Withdrawal Charge. A usage charge for each Dth of Gas withdrawn pursuant to Section 2.1(a) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Loan Service Agreement.
- (d) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Firm Loan Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Firm Loan Service Agreement.

- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Firm Loan Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Firm Loan Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Firm Loan Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. GENERAL TERMS AND CONDITIONS

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

8. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in primary Point(s) of Receipt and/or Point(s) of Delivery, provided that PPEC shall not be required to grant Customer's request unless (i) PPEC determines that it has adequate unsubscribed available capacity at the Point(s) of Receipt and/or Point(s) of Delivery to accommodate Customer's request, and (ii) Customer and PPEC reach agreement as to pricing applicable to Customer's Firm Loan Service reflecting the changes in primary Point(s) of Receipt and/or Point(s) of Delivery.

5.5 EW RATE SCHEDULE - ENHANCED WHEELING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all enhanced wheeling service rendered by PPEC to Customer pursuant to a Hub Services Agreement. Service under this Rate Schedule shall be Interruptible.

- 2.1 Enhanced wheeling service rendered by PPEC to Customer under this Rate Schedule shall consist of the wheeling of Gas by PPEC for Customer between the Point(s) of Receipt and Point(s) of Delivery set forth in Customer's Hub Services Agreement.
- 2.2 PPEC shall receive for Customer at Point(s) of Receipt and shall deliver at the Point(s) of Delivery, less Fuel Reimbursement, daily quantities of Gas up to the Maximum Daily Wheeling Quantity ("MDTQ"), as specified in Customer's Hub Services Agreement; provided, however, PPEC shall not be obligated to receive and/or deliver quantities of Gas on any Day in excess of the quantity nominated and scheduled for that Day. Enhanced wheeling service shall be available only in the event that all higher priority services have been scheduled and system needs have been met.

3. RATES AND CHARGES

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

- (a) Enhanced Wheeling Reservation Charge. A Daily charge for each Dth of Customer's MDTQ, set forth in Customer's Hub Services Agreement.
- (b) Enhanced Wheeling Charge. A usage charge for each Dth of Customer's Gas wheeled by PPEC on any Day up to and including Customer's MDTQ, set forth in Customer's Hub Services Agreement.

- (c) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19 and set forth in Customer's Hub Services Agreement as a usage charge per Dth and/or an in-kind percentage.
- (d) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in the Hub Services Agreement.
- (e) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Hub Services Agreement.
- (f) In the event PPEC does not schedule all or any portion of Customer's nominated wheeling quantity in any Day, or such nominated wheeling quantity is scheduled but later curtailed, provided such nominated or scheduled quantity is within Customer's contractual entitlements, PPEC shall provide to Customer a credit on Customer's invoice for the relevant Day calculated pursuant to the following formula:

$$\text{Reservation Charge Credit} = \text{EWRC} \times \text{CQ}$$

Where:

EWRC = Enhanced Wheeling Reservation Charge

CQ = Customers nominated wheeling quantity curtailed or not scheduled on the relevant Day.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Hub Services Agreement.

5. TERM

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

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. GENERAL TERMS AND CONDITIONS

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

5.6 ISS RATE SCHEDULE - INTERRUPTIBLE STORAGE SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible storage service rendered by PPEC to Customer pursuant to an Interruptible Storage Service Agreement.

2.1 Interruptible storage service rendered to Customer under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's Maximum Daily Injection Quantity ("MDIQ"), as stated in Customer's Interruptible Storage Service Agreement, plus Fuel Reimbursement, at the Point(s) of Receipt and the injection of Gas so received into storage, provided that all higher priority injections have been satisfied and Customer's Storage Inventory has not exceeded Customer's Maximum Storage Quantity ("MSQ"), as set forth in Customer's Interruptible Storage Service Agreement;
- (b) The storage of Gas in amounts up to Customer's MSQ, as stated in Customer's Interruptible Storage Service Agreement, provided that all higher priority requests for storage have been satisfied; and
- (c) The withdrawal from storage on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in Customer's Interruptible Storage Service Agreement, and the delivery of such Gas to the Point(s) of Delivery, provided that all higher priority withdrawals have been satisfied and Customer has a quantity of Gas in Customer's ISS Storage Inventory account not less than the quantity Customer shall have nominated for withdrawal on such Day.

- 2.2 To the extent storage capacity which is being utilized by an Interruptible Customer hereunder is needed by PPEC in order to satisfy PPEC's higher priority obligations or to meet system needs, PPEC may at PPEC's reasonable judgment and upon giving notice to Customer, interrupt the continuation of any or all services hereunder and PPEC shall require Customer to withdraw all, or any portion of, the ISS Storage Inventory held in storage by PPEC for the account of Customer as specified by PPEC. PPEC's notice will specify the quantity required to be withdrawn and the date by which the withdrawal must be completed. Unless PPEC otherwise agrees, Customer shall be required to make ratable withdrawals.
- 2.3 If Customer fails to withdraw such ISS Storage Inventory from storage, at the agreed upon time as stated in Customer's Interruptible Storage Service Agreement or fails to withdraw in accordance with PPEC's notice as set forth in Section 2.2 above, PPEC may take, free and clear of any adverse claims, title to such ISS Storage Inventory as Customer was instructed to withdraw and PPEC shall dispose of such Gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of GT&C 32.

3. RATES AND CHARGES

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

- (a) **Interruptible Storage Inventory Charge.** A usage charge for each Dth of Gas in Customer's ISS Storage Inventory pursuant to Section 2.1(b) of this Rate Schedule at the end of each Day, for each Day during a given Month, as set forth in Customer's Interruptible Storage Service Agreement.
- (b) **Interruptible Storage Injection Charge.** A usage charge for each Dth of Customer's Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule for each Day in a given Month, as set forth in Customer's Interruptible Storage Service Agreement.
- (c) **Interruptible Storage Withdrawal Charge.** A usage charge for each Dth of Customer's Gas withdrawn pursuant to Section 2.1(c) of this Rate Schedule for each Day in a given Month, as set forth in Customer's Interruptible Storage Service Agreement.
- (d) **Fuel Reimbursement.** The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Interruptible Storage Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) **Regulatory Fees and Charges.** Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Interruptible Storage Service Agreement.
- (f) **Taxes.** Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Interruptible Storage Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Interruptible Storage Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Interruptible Storage Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. EXPIRATION OF TERM

7.1 Upon expiration without renewal or upon termination of Customer's Interruptible Storage Service Agreement, title to any quantity of Customer's Gas remaining in Customer's ISS Storage Inventory account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's ISS Storage Inventory account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's ISS Storage Inventory account within a reasonable period following the end of the contract term.

7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. GENERAL TERMS AND CONDITIONS

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

5.7 IP RATE SCHEDULE - INTERRUPTIBLE PARKING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible parking service rendered by PPEC to Customer pursuant to an Interruptible Parking Service Agreement.

2.1. Interruptible parking service rendered by PPEC to Customer under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day during the period for injection ("Injection Period"), as stated in Customer's Interruptible Parking Service Agreement, and injection into storage of Customer's Gas, upon nomination and confirmation, up to the Maximum Daily Injection Quantity ("MDIQ") stated in Customer's Interruptible Parking Service Agreement, provided that all higher priority injections have been satisfied and Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's Park Balance has not exceeded Customer's Maximum Park Quantity ("MPQ") as stated in Customer's Interruptible Parking Service Agreement;
- (b) The tender by Customer of sufficient quantities of Gas under Section 2.1(a) of this Rate Schedule to ensure that Customer's Interruptible Park Balance equals Customer's MPQ at the end of the Injection Period;
- (c) The storage of Gas in amounts up to Customer's MPQ, as set forth in Customer's Interruptible Parking Service Agreement, provided that all higher priority storage services have been satisfied;
- (d) The withdrawal from storage on any Day during the period of withdrawal ("Withdrawal Period"), as set forth in Customer's Interruptible Parking Service Agreement, and delivery of Customer's Gas, upon nomination and confirmation, to the Point(s) of Delivery up to the Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in

Customer's Interruptible Parking Service Agreement, provided that all higher priority withdrawals have been satisfied, and that Customer has a quantity of Gas in Customer's Park Balance account not less than the quantity Customer shall have nominated for withdrawal on such Day; and

- (e) The withdrawal by Customer of sufficient quantities of Gas under Section 2.1(d) of this Rate Schedule to ensure that Customer's Park Balance equals zero (0) at the end of the Withdrawal Period.

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

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

2.3 If Customer fails to withdraw such Interruptible Park Gas quantities from storage, at the agreed upon time as stated in Customer's Interruptible Parking Service Agreement or fails to withdraw in accordance with PPEC's notice as set forth in Section 2.2 above, PPEC may take, free and clear of any adverse claims, title to such Interruptible Park Gas quantities as Customer was instructed to withdraw and PPEC shall dispose of such Gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of GT&C 32.

3. RATES AND CHARGES

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

- (a) **Interruptible Parking Charge.** A charge for each Dth of Gas in Customer's Park Balance account at the end of each Day, for each Day during a given Month, as set forth in Customer's Interruptible Parking Service Agreement.
- (b) **Interruptible Parking Injection Charge.** A usage charge for each Dth of Customer's Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule during a given Month, as set forth in Customer's Interruptible Parking Service Agreement.
- (c) **Interruptible Parking Withdrawal Charge.** A usage charge for each Dth of Customer's Gas withdrawn pursuant to Section 2.1(d) of this Rate Schedule during a given Month, as set forth in Customer's Interruptible Parking Service Agreement.
- (d) **Fuel Reimbursement.** The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Interruptible Parking Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) **Regulatory Fees and Charges.** Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Interruptible Parking Service Agreement.

- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Interruptible Parking Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Interruptible Parking Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Interruptible Parking Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. EXPIRATION OF TERM

7.1 Upon expiration without renewal or upon termination of Customer's Interruptible Parking Service Agreement, title to any quantity of Customer's Gas remaining in Customer's Park Balance account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's Park Balance account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's Park Balance account within a reasonable period following the end of the contract term.

7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. GENERAL TERMS AND CONDITIONS

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

5.8 IW RATE SCHEDULE - INTERRUPTIBLE WHEELING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

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

- 2.1 Interruptible wheeling service rendered by PPEC to Customer under this Rate Schedule shall consist of the wheeling of Gas by PPEC for Customer between the Point(s) of Receipt and Point(s) of Delivery, as set forth in Customer's Hub Services Agreement.
- 2.2 PPEC shall receive for Customer at Point(s) of Receipt and shall deliver at the Point(s) of Delivery, less Fuel Reimbursement, daily quantities of Gas up to the Maximum Daily Wheeling Quantity ("MDTQ"), as specified in Customer's Hub Services Agreement; provided, however, PPEC shall not be obligated to receive and/or deliver quantities of Gas on any Day in excess of the quantity nominated and scheduled for that Day. Interruptible wheeling service shall be available only in the event that all higher priority services have been scheduled and system needs have been met.

3. RATES AND CHARGES

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

- (a) **Interruptible Wheeling Charge.** A usage charge for each Dth of Customer's Gas wheeled by PPEC on any Day up to and including Customer's MDTQ, as set forth in Customer's Hub Services Agreement.
- (b) **Fuel Reimbursement.** The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Hub Services Agreement as a usage charge per Dth and/or an in-kind percentage.

- (c) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Hub Services Agreement.
- (d) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Hub Services Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Hub Services Agreement.

5. TERM

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

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

7. GENERAL TERMS AND CONDITIONS

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

5.9 IL RATE SCHEDULE - INTERRUPTIBLE LOAN SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible loan service rendered by PPEC to Customer pursuant to an Interruptible Loan Service Agreement.

2.1 Interruptible loan service rendered by PPEC to Customer under this Rate Schedule shall consist of the following:

- (a) The withdrawal from storage on any Day during the period for withdrawal ("Withdrawal Period"), as stated in Customer's Interruptible Loan Service Agreement, and delivery of Gas, upon nomination and confirmation, to the Point(s) of Delivery, up to the Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in Customer's Interruptible Loan Service Agreement, provided that Customer's total withdrawals shall not exceed Customer's Maximum Loan Quantity ("MLQ"), as stated in Customer's Interruptible Loan Service Agreement, provided that all higher priority service nominations for withdrawal have been satisfied and system needs have been met;
- (b) The withdrawal by Customer of sufficient quantities of Gas under Section 2.1(a) of this Rate Schedule to ensure that Customer's Interruptible Loan Balance equals Customer's MLQ at the end of the Withdrawal Period;
- (c) The receipt on any Day during the period for injection ("Injection Period"), as stated in Customer's Interruptible Loan Service Agreement, and injection into storage of Gas, upon nomination and confirmation, up to the Maximum Daily Injection Quantity ("MDIQ"), as stated in Customer's Interruptible Loan Service Agreement, provided that Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's total injections may not exceed Customer's MLQ, as stated in Customer's Interruptible Loan Service Agreement, provided that all higher

priority service nominations for injection have been satisfied and system needs have been met; and

- (d) The tender by Customer of sufficient quantities of Gas under Section 2.1(c) of this Rate Schedule to ensure that Customer's Loan Balance equals zero (0) at the end of the Injection Period.

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

- 2.2 To the extent Gas which is advanced to an Interruptible Customer hereunder is needed by PPEC in order to satisfy PPEC's higher priority obligations or to meet system needs, PPEC may, at PPEC's reasonable judgment and upon giving notice to Customer, interrupt the continuation of any or all services hereunder and PPEC shall require Customer to replace all, or any portion, of the Interruptible Loan Gas quantities borrowed by Customer, as specified by PPEC. PPEC's notice will specify the quantity required to be returned and the date by which the injection must be completed. Unless PPEC otherwise agrees, Customer shall be required to make ratable injections.
- 2.3 If Customer fails to inject quantities of Gas to replace Gas advanced by PPEC to Customer under this Rate Schedule at the agreed upon time as stated in Customer's Interruptible Loan Service Agreement or fails to inject in accordance with PPEC's notice as set forth in Section 2.2 above, PPEC may purchase replacement Gas and Customer shall pay PPEC the cost of the replacement Gas, which shall include the cost of replacement Gas and any costs or penalties incurred by PPEC or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by PPEC to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

3. RATES AND CHARGES

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

- (a) **Interruptible Loan Charge.** A charge for each Dth of Gas in Customer's Loan Balance account at the end of each Day, for each Day during a given Month, as set forth in Customer's Interruptible Loan Service Agreement.
- (b) **Interruptible Loan Injection Charge.** A usage charge for each Dth of Gas tendered for injection pursuant to Section 2.1(c) of this Rate Schedule, as set forth in Customer's Interruptible Loan Service Agreement.
- (c) **Interruptible Loan Withdrawal Charge.** A usage charge for each Dth of Gas withdrawn pursuant to Section 2.1(a) of this Rate Schedule, as set forth in Customer's Interruptible Loan Service Agreement.
- (d) **Fuel Reimbursement.** The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Interruptible Loan Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) **Regulatory Fees and Charges.** Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Interruptible Loan Service Agreement.

- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Interruptible Loan Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Interruptible Loan Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Interruptible Loan Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. GENERAL TERMS AND CONDITIONS

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

5.10 IB RATE SCHEDULE - INTERRUPTIBLE BALANCING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

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

2.1 Storage Service rendered to Customer under this Rate Schedule shall consist of the following:

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

- 2.2 To the extent Interruptible storage capacity or Gas which is being utilized by an Interruptible Customer hereunder is needed by PPEC in order to satisfy PPEC's higher priority obligations or to meet system needs, PPEC may, at PPEC's reasonable judgment and upon giving notice to Customer, interrupt the continuation of any or all services hereunder and PPEC shall require Customer to withdraw or repay all, or any portion of, the Interruptible Balancing Gas quantities held or loaned by PPEC for the account of Customer, as specified by PPEC. PPEC's notice will specify the quantity required to be returned or withdrawn and the date by which the injection or withdrawal must be completed. Unless PPEC otherwise agrees, Customer shall be required to make ratable injections or withdrawals.
- 2.3 If Customer fails to withdraw such Interruptible Balancing Gas quantities from storage, at the agreed upon time as stated in Customer's Hub Service Agreement (Rate Schedule IB) or fails to withdraw in accordance with PPEC's notice as set forth in Section 2.2 above, PPEC may take, free and clear of any adverse claims, title to such IB Storage Inventory as Customer was instructed to withdraw and PPEC shall dispose of such Gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of GT&C 32.
- 2.4 If Customer fails to inject quantities of Gas to replace Gas advanced by PPEC to Customer under this Rate Schedule at the agreed upon time as stated in Customer's Hub Services Agreement (Rate Schedule IB) or fails to inject in accordance with PPEC's notice as set forth in Section 2.2 above, PPEC may purchase replacement Gas and Customer shall pay PPEC the cost of the replacement Gas, which shall include the cost of replacement Gas and any costs or penalties incurred by PPEC or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by PPEC to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

3. RATES AND CHARGES

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

- (a) **Interruptible Balancing Charge.** A charge for each Dth of Gas in Customer's IB Storage Inventory account or Loan Balance under this Rate Schedule at the end of each Day, for each Day during a given Month, as set forth in Customer's Hub Services Agreement.
- (b) **Interruptible Balancing Injection Charge.** A usage charge for each Dth of Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule, as set forth in Customer's Hub Services Agreement.
- (c) **Interruptible Balancing Withdrawal Charge.** A usage charge for each Dth of Gas withdrawn pursuant to Section 2.1(c) of this Rate Schedule, as set forth in Customer's Hub Services Agreement.
- (d) **Fuel Reimbursement.** The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Hub Services Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) **Regulatory Fees and Charges.** Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Hub Services Agreement.

- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Hub Services Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule at the rates and terms set forth in Customer's Hub Services Agreement.

5. TERM

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

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. TERMINATION OF AGREEMENT

7.1 Upon termination of Customer's Hub Services Agreement (IB Rate Schedule), title to any quantity of Customer's Gas remaining in Customer's IB Storage Inventory account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's IB Storage Inventory account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's IB Storage Inventory account within a reasonable period following the end of the contract term.

7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. GENERAL TERMS AND CONDITIONS

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

6.2 GENERAL TERMS AND CONDITIONS – DEFINITIONS

2. DEFINITIONS

- 2.1 “Bcf” means one billion (1,000,000,000) cubic feet.
- 2.2 “Btu” means one British Thermal Unit, and shall be the quantity of heat required to raise the temperature of one (1) pound of water from fifty-eight and five-tenths degrees (58.5 degrees) to fifty-nine and five-tenths degrees (59.5 degrees) Fahrenheit. The reporting basis for Btu is 14.73 psia at 60 degrees F (101.325 kPa at 15 degrees C) and dry.
- 2.3 “Business Day” means Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico.
- 2.4 “Central Clock Time” or “CCT” means the time of day in the Central Time Zone of the United States.
- 2.5 “Contract Year” means the twelve (12) month period beginning on the date storage service under a Storage Service Agreement commences and each subsequent twelve (12) month period thereafter during the term of the applicable Storage Service Agreement.
- 2.6 “Critical Notices” means information pertaining to PPEC conditions that affect scheduling or adversely affect scheduled Gas flow.
- 2.7 “Cubic foot of Gas” equals the volume of Gas that occupies one cubic foot at a temperature of 60 degrees Fahrenheit, a pressure of 14.73 psia, and dry. Mcf means one thousand (1,000) cubic feet and Mmcf means one million (1,000,000) cubic feet. The reporting basis for Gas volumes as Cubic feet is 14.73 psia at 60 degrees F and dry. For Gas volumes reported in cubic meters, the standard conditions are 101.325 kPa at 15 degrees C and dry.
- 2.8 “Customer” means the party that holds all lawful right and/or title to the Gas that is being stored, balanced, loaned, parked and/or wheeled and who enters into a Storage Service Agreement with PPEC. The term “Customer” includes potential customers and is synonymous with the terms “Shipper” and “Service Requester” in accordance with NAESB WGQ Standards.
- 2.9 “Day” or “Gas Day” means a period of twenty-four (24) consecutive hours, beginning and ending at 9:00 a.m. CCT.
- 2.10 “Dekatherm” or “Dth” means the quantity of heat energy which is equivalent to 1,000,000 Btu. One dekatherm of Gas means the quantity of Gas which contains one dekatherm of heat energy.
- 2.11 “Elapsed Prorata Capacity” or “ESC” means that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity.
- 2.12 “Elapsed-Prorated-Scheduled Quantity” means that portion of the scheduled quantity that would have theoretically flowed up to the effective time of the Intraday Nomination being confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected.
- 2.13 “FERC” or “Commission” means the Federal Energy Regulatory Commission or any successor agency.
- 2.14 “Firm Storage Service” means any service under Rate Schedules FSS, NNSS, FP or FL.

- 2.15 “Fuel Reimbursement” shall have the meaning set forth in GT&C 19.
- 2.16 “Gas” means natural gas in its natural state, produced from wells, including casinghead gas produced with crude oil, natural gas from gas wells and residue gas resulting from processing both casing head gas and gas well gas, and gas produced by the vaporization of liquefied natural gas and natural gas received from the regasification facilities of an LNG terminal.
- 2.17 “GT&C(s)” means the General Terms and Conditions of PPEC’s Tariff.
- 2.18 “Henry Hub” means the price listed in the “Daily Price Survey” of Platts Gas Daily under the MidPoint column opposite the Henry Hub reference line.
- 2.19 “Internet Web Site” means PPEC’s web site accessible via <http://www.gasnom.com/ip/pineprairie> or such other site as PPEC may designate.
- 2.20 “Interruptible” means that the storage, parking, wheeling, loaning or balancing service is subject to interruption at any time by PPEC.
- 2.21 “Intraday Nomination” means a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the Day and runs through the end of that Day.
- 2.22 “Loan Balance” means the quantity of Gas, expressed in Dths, that PPEC has loaned to Customer, provided that the Loan Balance shall never exceed Customer’s MLQ specified in Customer’s Storage Service Agreement.
- 2.23 “Maximum Daily Delivery Quantity” or “MDDQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PPEC shall deliver at a Point of Delivery, subject to GT&C 8.3.
- 2.24 “Maximum Daily Injection Quantity” or “MDIQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PPEC shall receive at all Point(s) of Receipt for injection into storage each Day, subject to GT&C 8.3.
- 2.25 “Maximum Daily Receipt Quantity” or “MDRQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PPEC shall receive at a Point of Receipt, subject to GT&C 8.3.
- 2.26 “Maximum Daily Wheeling Quantity” or “MDTQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Hub Services Agreement that Customer may nominate and that PPEC shall receive at Point(s) of Receipt and deliver to Point(s) of Delivery, subject to GT&C 8.3.
- 2.27 “Maximum Daily Withdrawal Quantity” or “MDWQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PPEC shall withdraw from storage and tender to Customer at all Point(s) of Delivery, subject to GT&C 8.3.
- 2.28 “Maximum Loan Quantity” or “MLQ” means the maximum quantity of Gas, expressed in Dths, that PPEC is obligated to loan to Customer as specified in Customer’s Storage Service Agreement.
- 2.29 “Maximum Park Quantity” or “MPQ” means the maximum quantity of Gas, expressed in Dths, that Customer is permitted to have in storage, at any given time as specified in Customer’s Storage Service Agreement.

- 2.30 “Maximum Storage Quantity” or “MSQ” means the maximum quantity of Gas, expressed in Dths, that Customer is permitted to have in storage, at any given time as specified in Customer’s Storage Service Agreement.
- 2.31 “Month” or “Monthly” means the period beginning at 9:00 a.m. CCT on the first Day of a calendar month and ending at 9:00 a.m. CCT on the first Day of the next succeeding month.
- 2.32 “No-Notice Maximum Daily Quantity” or “No-Notice MDQ” means the quantity of Gas, expressed in Dths, by which Customer may deviate from its nominations pursuant to its Firm Storage Service Agreement, as set forth in Customer’s No-Notice Service Agreement.
- 2.33 “NAESB” or “North American Energy Standards Board” means that accredited organization established to set standards for certain natural gas industry business practices and procedures. “NAESB Standards” means the standardized business practices, procedures and criteria which have been adopted and published by the Wholesale Gas Quadrant of the North American Energy Standards Board and which have been adopted by reference by the Commission.
- 2.34 “Operational Balancing Agreement” or “OBA” means an agreement between PPEC and another pipeline operator which specifies the procedures to manage operating variances at an interconnect.
- 2.35 “Operational Flow Order” or “OFO” means an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity of PPEC’s system or to maintain operations required to provide efficient and reliable firm service. Whenever PPEC experiences these conditions, any pertinent order will be referred to as an Operational Flow Order.
- 2.36 “Park Balance” means quantity of Gas, expressed in Dths, that Customer has in storage for Customer’s account, provided that the Park Balance shall never exceed Customer’s MPQ, as specified in Customer’s Storage Service Agreement.
- 2.37 “Point(s) of Delivery” means the point or points located on PPEC’s system, or a third party pipeline system used by PPEC to provide service to its Customers pursuant to GT&C 30, specified in Customer’s Storage Service Agreement at which PPEC shall tender Gas to Customer. “On-system” Point(s) of Delivery refers to points located on PPEC’s physical pipeline system while “Off-system” Point(s) of Delivery refers to points located on third party pipeline systems. “Pine_Prairie_Hub” refers to an On-system logical Point of Delivery at PPEC’s storage facility that Customers may nominate for Pooling purposes.
- 2.38 “Point(s) of Receipt” means the point or points located on PPEC’s system, or a third party pipeline system used by PPEC to provide service to its Customers pursuant to GT&C 30, specified in Customer’s Storage Service Agreement at which PPEC shall receive Gas from Customer. “On-system” Point(s) of Receipt refers to points located on PPEC’s physical pipeline system while “Off-system” Point(s) of Receipt refers to points located on third party pipeline systems. “Pine_Prairie_Hub” refers to an On-system logical Point of Receipt at PPEC’s storage facility that Customers may nominate for Pooling purposes.
- 2.39 “Pooling” means (1) the aggregation of Gas from multiple physical and/or logical points to a single physical or logical point, and/or (2) the dis-aggregation of Gas from a single physical or logical point to multiple physical and/or logical points.
- 2.40 “Psig” means pounds per square inch gauge.
- 2.41 “Releasing Customer” or “Releasing Shipper” means a Customer who has agreed to release some or all of its rights under its Storage Service Agreement to a Replacement Customer or Replacement Shipper.

- 2.42 “Replacement Customer” or “Replacement Shipper” means a Customer who has assumed any released rights to capacity of a Releasing Customer or Releasing Shipper.
- 2.43 “Storage Inventory” means the quantity of Gas, expressed in Dths, in Customer’s storage inventory account under any Rate Schedule.
- 2.44 “Storage Service Agreement” means a Firm Storage Service Agreement, a No-Notice Storage Service Agreement, a Firm Parking Service Agreement, a Firm Loan Service Agreement, an Interruptible Storage Service Agreement, an Interruptible Parking Service Agreement, an Interruptible Loan Service Agreement, a Hub Services Agreement or a Capacity Release Umbrella Agreement including the Exhibits to those agreements as set forth in PPEC’s Tariff.
- 2.45 “Title Transfer” means the change of title to Gas, expressed in Dths, between two (2) parties.
- 2.46 “Transporter” means Customer’s transporter designated to deliver Gas to the Point(s) of Receipt or Customer’s transporter designated to receive Gas from the Point(s) of Delivery.
- 2.47 “WGQ” means the Wholesale Gas Quadrant of NAESB.
- Note: Additional terms indicated by capitalization and used in this FERC Gas Tariff shall have the meaning ascribed to them where first utilized.

6.3 GENERAL TERMS AND CONDITIONS – REQUEST FOR SERVICE

3. REQUEST FOR SERVICE

3.1 Procedures for Sale of Capacity.

- (a) Offers to contract to provide Firm Storage Services. PPEC shall offer to contract with prospective Customers to provide firm storage services by means of capacity that will first become available to Customers for firm storage services as a result of the expansion of PPEC's storage capacity beyond its then applicable maximum certificated level of working gas capacity (any such capacity being herein referred to as "Expansion Capacity") through an open season process that is consistent with applicable FERC requirements and is described in an open season notice posted on PPEC's Internet Web Site. PPEC shall have the option to offer to contract with prospective Customers to provide firm storage services by means of any capacity other than Expansion Capacity that becomes available for the provision of firm storage services (such capacity being herein referred to as "Existing Capacity") through the open season procedures described in Sections 3.1(b) - (f) below or via the first-come, first-served procedures described in Section 3.1(g) below, with the selection of the procedures being at PPEC's sole option. For purposes of this Section 3.1, the term "firm storage services" is intended to include service pursuant to Rate Schedules FSS, NNSS, FP and FL.
- (b) Notice of open season. If PPEC elects to conduct an open season for Existing Capacity pursuant to Section 3.1(a) above, PPEC shall post notice of the open season on its Internet Web Site. Such notice shall set forth when the open season begins and ends, the type of service being offered, how and where interested parties may submit requests for service, the criteria that will be used to evaluate bids ("Bid Evaluation Procedures"), and additional details about the open season.
- (c) Duration. An open season held pursuant to Section 3.1(b) above shall be held for a period of not less than five (5) Business Days. During this time, PPEC will accept bids from potential Customers for the service identified in the notice of the open season.
- (d) At the conclusion of the open season, the value of each submitted bid will be determined according to the Bid Evaluation Procedures. PPEC reserves the right to reject any bid which (i) may detrimentally impact the operational integrity of PPEC's Facility, (ii) yields an economic value that is unacceptable to PPEC, (iii) does not satisfy all of the terms of a specific open season, (iv) does not contain all of the required information specified in the notice of the open season, (v) contains terms and conditions other than those contained in PPEC's FERC Gas Tariff, and/or (vi) does not meet PPEC's creditworthiness requirements set forth in GT&C 31. If PPEC rejects any request for available capacity posted pursuant to this Section 3.1(d), PPEC will notify the potential Customer that submitted the rejected bid of the reason(s) for such rejection via e-mail.
- (e) During the allocation process at the conclusion of an open season, storage capacity will be allocated to the acceptable bid(s) in accordance with the Bid Evaluation Procedures.
- (f) Execution of Agreements. A prospective Customer allocated storage capacity in an open season shall be required to execute one or more Storage Service Agreements for Firm Storage Service no later than thirty (30) consecutive days following the close of the open season or forfeit the service that has been allocated to it.
- (g) Existing Capacity for which PPEC determines, pursuant to Section 3.1(a) above, that an open season will not be held shall be posted on PPEC's Internet Web Site pursuant to

Section 284.13(d) (1) of the Commission's regulations and shall be allocated on a first-come, first-served basis to the first prospective Customer offering to pay a rate for service that PPEC finds acceptable. From time to time, PPEC may negotiate with Customers for prearranged storage service for a future period or for interim service. PPEC will post information regarding available storage capacity on its Internet Web Site before it provides such information to any potential Customer.

- 3.2 Requests for Service. Any Customer requesting new service from PPEC shall submit to PPEC a request for service that complies with the information requirements of GT&C 3.2. Each request for new service shall contain the information identified on a Request for Service Information List posted on PPEC's Internet Website, as such list may be amended from time to time, and such other information, if any, as may be required to comply with regulatory reporting or filing requirements. Such requests may be delivered in person or submitted by United States mail, overnight courier service, electronic transmission, e-mail, by telephone or by other mutually acceptable means as set forth in the Service Information List. PPEC shall evaluate and respond to Customer's request within five (5) Business Days of its receipt. If PPEC and Customer mutually agree to parameters of service and rates such Customer will pay for service, PPEC shall, subject to execution of a Storage Service Agreement, endeavor to provide service within the time specified in the request.
- 3.3 Additional Information.
- (a) After receipt of a request for service, PPEC may require that Customer furnish additional information as a prerequisite to PPEC offering to execute a Storage Service Agreement with such Customer. Such information may include proof of Customer's lawful right and/or title to cause the Gas to be delivered to PPEC for service under PPEC's Tariff and of Customer's contractual or physical ability to cause such Gas to be delivered to and received from such Customer's designated Point(s) of Delivery and/or Receipt.
- (b) Should Customer desire PPEC to provide service pursuant to Section 311 of the Natural Gas Policy Act, it shall provide to PPEC a statement warranting that it complies with all requirements for receiving service pursuant to Section 311 and FERC's regulations thereunder, including, but not limited to, compliance with the "on-behalf-of" requirement then in effect.
- 3.4 Request Validity. If PPEC has tendered a Storage Service Agreement for execution to Customer and such Customer fails to execute the agreement as tendered within thirty (30) consecutive days from the date it receives the agreement, PPEC may consider Customer's service request void. For service under Rate Schedule FSS, NNSS, FP, or FL, PPEC will not be required to tender a Storage Service Agreement to Customer for execution that relates to requests for service for which PPEC does not have sufficient available firm capacity.
- 3.5 Customer's Performance. Customer is required to provide to PPEC information identifying (1) the state or origin of the source of Gas that is to be stored and/or wheeled and (2) such other information if required in order for PPEC to comply with any FERC reporting or other requirements.
- 3.6 Complaints. In the event that Customer has a complaint relative to service under PPEC's Tariff, Customer shall provide a description of the complaint, including the identification of the service request (if applicable), and communicate it to:

Benjamin J. Reese
Senior Vice President
PINE PRAIRIE ENERGY CENTER, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-652-3678
E-mail: bjreese@pnglp.com

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

3.7 Information.

- (a) Any person may request information regarding service under PPEC's Tariff by contacting:

Benjamin J. Reese
Senior Vice President
PINE PRAIRIE ENERGY CENTER, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-652-3678
E-mail: bjreese@pnglp.com

- (b) Each Customer will be provided with a list of phone numbers for PPEC's Gas Schedulers, who are on-call twenty-four (24) hours a day.

3.8 Construction of Facilities. PPEC shall not be required to provide any requested service under any Rate Schedule which would require construction or acquisition by PPEC of new facilities, or expansion of existing facilities.

6.4 GENERAL TERMS AND CONDITIONS – CAPACITY RELEASE

4. CAPACITY RELEASE

Any Customer under Rate Schedules FSS, FP or FL may seek to release to others any or all of its firm service entitlements on a full Day or an intraday basis, on a permanent or a temporary basis, and on a firm or recallable basis (i.e., for a stated period of time), subject to the following terms and conditions:

4.1 Notice of Offer. Customer offering to release service entitlements shall post the terms of its proposed release on PPEC's Internet Web Site by the posting deadline as determined pursuant to Section 4.3 herein. If Customer is unable to post such information on PPEC's Internet Web Site, Customer shall notify PPEC of the terms of its offer, by the posting deadline as determined pursuant to Section 4.3 herein, and PPEC will post this information on the Internet Web Site. Customer may propose a designated Prearranged Replacement Customer to which the capacity would be released. Offers shall be binding unless written or electronic notice of withdrawal is received by PPEC prior to the close of the applicable bid period; provided, however, such withdrawal shall only be valid if such Customer has an unanticipated requirement for such capacity and no minimum bid has been made. The notice must contain the reason for withdrawal which PPEC shall post on the Internet Web Site. The offer shall contain the following minimum information:

- (a) Customer's legal name and the name/title of individual who has authorized the offer to release;
- (b) PPEC's Storage Service Agreement number;
- (c) A description of the capacity to be released, including the Maximum Storage Quantity, Maximum Park Quantity or Maximum Loan Quantity, as applicable, and Maximum Daily Receipt Quantity, Maximum Daily Delivery Quantity, Maximum Daily Injection Quantity, Maximum Daily Withdrawal Quantity, and the associated Point(s) of Receipt and Point(s) of Delivery (Replacement Customer may request changes to such Receipt and Delivery Point(s) subject to the proposed release and subject to the daily quantity limitations described in Section 4.2 below);
- (d) The proposed effective date and term of the release;
- (e) The identity of any designated Prearranged Replacement Customer (pursuant to Section 4.4), a statement as to whether Prearranged Replacement Customer is an asset manager (as defined by FERC regulations at 18 C.F.R. § 284.8(h) (3)) or marketer participating in a state-regulated retail access program (as defined by FERC regulations at 18 C.F.R. § 284.8(h) (4)), and the full terms of such prearranged release;
- (f) The method to be applied in evaluating bids, allocating capacity and breaking ties, as described below;
- (g) Whether, to what extent, and the conditions pursuant to which capacity will be subject to recall for a full Day or an intraday basis; if recallable, (1) whether Releasing Customer's recall notification must be provided exclusively on a Business Day, and (2) any reput methods and rights associated with returning the previously released capacity to Replacement Customer;
- (h) Whether bids on a volumetric rate basis may be submitted, and, if so, the method for evaluating any such bids, including how to rank bids if bids are also to be accepted on a demand charge basis, and any other special conditions;

- (i) Whether contingent bids that extend beyond the bid period may be submitted, how to evaluate and prioritize such bids against non-contingent bids, and the terms and conditions under which, and/or for what time period, the next highest bidder will be obligated to acquire the capacity should the winning contingent bidder withdraw its bid;
- (j) Any extensions of the minimum posting/bid periods;
- (k) Whether Releasing Customer desires to utilize the first-come, first-served option for short-term releases described in Section 4.6 below and any minimum terms applicable thereto;
- (l) Other special terms and conditions Releasing Customer imposes on the release of its capacity, including, but not limited to, minimum rates, term and quantity;
- (m) For a non-index based release, whether to specify dollars and cents or percents of rates in the denomination of bids or, for an index-based release, the offer shall specify the index-based formula;
- (n) Whether the release is on a permanent or a temporary basis;
- (o) An e-mail address for Releasing Customer's contact person. It is Releasing Customer's responsibility to update e-mail address information provided to PPEC, as necessary;
- (p) The recall notification period(s), as identified in Section 4.13(e) below, that will be available for use by the parties; and
- (q) For releases of storage capacity, a detailed description of any Storage Inventory that must be transferred with the storage capacity.

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

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

This allocated daily contractual entitlement shall be used for purposes of nominations, billing, and if applicable, for overrun calculations.

The Maximum Storage Quantity, Maximum Park Quantity or Maximum Loan Quantity that can be released by Releasing Customer for an intraday release is limited to a quantity not in excess of Releasing Customer's Maximum Storage Quantity, Maximum Park Quantity or Maximum Loan Quantity, less Releasing Customer's Storage Inventory, Park Balance or Loan Balance.

4.3 Posting and Bidding Timeline. For the capacity release business process timing model, only the following methodologies shall be supported by PPEC and provided to Releasing Customers as choices from which they may select and, once chosen, shall be used in determining the awards from the bid(s) submitted. They are: (1) highest rate, (2) net revenue and (3) present value. For index-based capacity release transactions, Releasing Customer should provide the necessary information and instructions to support the chosen methodology. Other choices of bid evaluation methodology (including other Releasing Customer defined evaluation methodologies) can be

accorded similar timeline evaluation treatment at PPEC's discretion; however, PPEC is not required to offer other choices or similar timeline treatment for other choices. Further, PPEC shall not be held to the timeline specified in Sections 4.3(a) and 4.3(b) below should Releasing Customer elect another method of evaluation. Should Releasing Customer elect another method of evaluation, the timeline specified in Section 4.3(c) below shall apply. The proposed duration of Customer's release determines the minimum bid period for Customer's offer pursuant to this Section 4. The Capacity Release timeline is applicable to all parties involved in the capacity release process provided that: (i) all information provided by the parties to the transaction is valid and Replacement Customer has been determined to be creditworthy before the capacity release bid is tendered, (ii) for index-based capacity release transactions, Releasing Customer has provided PPEC with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (iii) there are no special terms or conditions of the release. Further, PPEC may complete the capacity release process on a different timeline if the offer includes unfamiliar or unclear terms and conditions (e.g., designation of an index not supported by PPEC).

The Capacity Release timeline is as follows:

(a) For biddable releases (one (1) year or less):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season ends at 10:00 a.m. on the same or a subsequent Business Day.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.
- If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.

PPEC will issue a Storage Service Agreement within one (1) hour of the award posting (with a new agreement number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the Storage Service Agreement. Such nominations will be processed in accordance with the nomination and scheduling requirements of GT&C 8; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer.

(b) For biddable releases (more than one (1) year):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season shall include no less than three (3) 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.
- If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.

- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.

PPEC will issue a Storage Service Agreement within one (1) hour of the award posting (with a new agreement number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the Storage Service Agreement. Such nominations will be processed in accordance with the nomination and scheduling requirements of GT&C 8; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer.

- (c) **Timeline for Non-Standard Releases.** If Customer specifies a bid evaluation methodology other than those stated in Section 4.3 or specifies any special terms or conditions, the above timelines shall apply; provided, however, one (1) additional Business Day will be added to the evaluation period. Subsequent deadlines will be delayed by such additional Business Day, causing Gas flow to occur at least one (1) Day later than under the standard timelines set forth in Sections 4.3(a) and 4.3(b).
- (d) **Releases Not Subject to Bidding.** Prearranged capacity releases of a duration of thirty-one (31) Days or less, to an asset manager (as defined by FERC regulations at 18 C.F.R. § 284.8(h) (3)) or to a marketer participating in a state-regulated retail access program (as defined by FERC regulations at 18 C.F.R. § 284.8(h) (4)) are not required to be posted for bidding pursuant to Section 4.3. Nonetheless, Releasing Customer may elect to post one of the foregoing releases for bidding pursuant to Section 4.3. Releasing Customer shall notify PPEC of the foregoing releases by providing the information pursuant to Section 4.1, which information will be posted on the Internet Web Site (as required by Section 4.5).

For non-biddable releases: the posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:

- Timely Cycle 12:00 Noon
- Evening Cycle 5:00 p.m.
- Intraday 1 Cycle 9:00 a.m.
- Intraday 2 Cycle 1:30 p.m.
- Intraday 3 Cycle 6:00 p.m.

Prior to the nomination deadline for the chosen cycle for the begin date specified in Releasing Customer's notice, Prearranged Replacement Customer must initiate confirmation of prearranged deals electronically. PPEC will issue a Storage Service Agreement within one (1) hour of notification of the release (with a new agreement number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the Storage Service Agreement. Such nominations will be processed in accordance with the nomination and scheduling requirements of GT&C 8; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer. If a release of capacity is exempt from bidding because it is for a term of thirty-one (31) days or less, Releasing Customer may not roll-over, extend, or in any way continue the release to same Replacement Customer using the thirty-one (31) day or less bidding exemption, unless Releasing Customer complies with the posting and bidding requirements of Section 4.3 or not less than twenty-eight (28) days have elapsed since the conclusion of the prior release period.

PPEC shall post offers and bids, including prearranged deals, upon receipt, unless Releasing Customer requests otherwise. If Releasing Customer requests a posting time, PPEC shall support such request insofar as it comports with the standard timeline specified in WGQ 5.3.2. Releasing Customer cannot specify an extension of the original bid period or the prearranged deal match period, without posting a new release.

- 4.4 Prearranged Releases. Releasing Customer may designate an entity (a designated “Prearranged Replacement Customer”) to which it has agreed to release the capacity upon specified terms and conditions. Customer’s offer to release under such a prearranged transaction shall be subject to the prior posting and bidding procedures described in Sections 4.5 and 4.6, herein, with the designated Prearranged Replacement Customer being given a right to match the best bid submitted during the bid period; provided, however, if a prearranged transaction with a Prearranged Replacement Customer is for a period of thirty-one (31) Days or less, to an asset manager (as defined by FERC regulations at 18 C.F.R. § 284.8(h)(3)) or to a marketer participating in a state-regulated retail access program (as defined by FERC regulations at 18 C.F.R. § 284.8(h)(4)), Releasing Customer shall provide notice to PPEC in accordance with this Section and may implement the release without complying with such prior posting and bidding procedures. Notices of such exempted releases shall be posted on the Internet Web Site in accordance with Section 4.3 herein.
- 4.5 Posting. Following receipt of a notice of offer to release capacity which satisfies the requirements set forth in this Section, PPEC will post such information on its Internet Web Site in accordance with the timeline set forth in Section 4.3 herein. PPEC shall also post offers to purchase capacity from those who desire current Customers to release capacity upon receipt of the applicable information as set forth below.

Any party desiring to acquire released firm storage capacity pursuant to this Section 4.5 must submit its purchase offer information to PPEC in accordance with instructions posted on the Internet Web Site under Notices-Request to Purchase Releasable Capacity, by e-mail to the address specified in the instructions.

Such requests must include, at a minimum, the prospective Replacement Customer’s name and contact information, the effective date of the offer and the termination date of the offer; the Maximum Storage Quantity, Maximum Daily Injection Quantity, and Maximum Daily Withdrawal Quantity desired, the desired commencement date and term of service, the desired primary receipt and delivery points and the associated Maximum Daily Receipt Quantity and Maximum Daily Delivery Quantity for service; the rate(s) that Replacement Customer will offer to pay for the service; whether Replacement Customer will accept a release with recall rights, and if so, what recall rights would be acceptable, and whether Replacement Customer’s request is contingent, and if so, the basis for the contingency and other terms and conditions specified by the prospective Replacement Customer, and any additional information as required by PPEC. Upon receipt of a complete offer to purchase releasable capacity from a prospective Replacement Customer, PPEC will post the offer on the public Informational Postings section of its Internet Web Site under Notices – Request to Purchase Releasable Capacity. All Replacement Customers must satisfy PPEC’s creditworthy standards. PPEC shall maintain purchase offer postings for a minimum of thirty (30) days, until the offer is terminated or until a transaction is effected, whichever is shorter.

- 4.6 Bidding and Selection of Replacement Customer.
- (a) If Releasing Customer desires to solicit bids for releases of thirty-one (31) Days or less, it may direct PPEC to post notice of the availability of such capacity and, in lieu of permitting bids during the otherwise applicable posting period, Releasing Customer may

direct PPEC to award the capacity to the bidder which submits first in time a valid bid meeting any minimum terms specified by Releasing Customer.

- (b) Any bid submitted by a prospective Replacement Customer shall include an e-mail address for at least one (1) contact person, and it is Replacement Customer's responsibility to update e-mail address information provided to PPEC, as necessary. A bidder may not have more than one (1) eligible bid for the same release offer at any time. Bids shall be binding until written or electronic notice of withdrawal is received by PPEC on its Customer Activities Web site before the end of the bid period. Bids cannot be withdrawn after the bid period ends. Once a bid is withdrawn, that bidder may only submit a new bid pursuant to that release offer if it is at a higher rate than the withdrawn bid.
- (c) PPEC shall evaluate the bids in accordance with the provisions of Section 4.7 and determine the best bid in accordance with the timelines set forth in Section 4.3 herein. PPEC shall notify Releasing Customer, the best bidder, and any designated Prearranged Replacement Customer of such determination in accordance with the timelines set forth in Section 4.3 herein. If there is a designated Prearranged Replacement Customer, it may exercise its right to match such best bid by providing written notice of such exercise to PPEC and Releasing Customer in accordance with the timelines set forth in Section 4.3 herein. After Replacement Customer is selected, PPEC will finalize an appropriate Addendum to the Capacity Release Umbrella Agreement in the form contained in PPEC's Tariff. PPEC will provide a copy of this Addendum to Replacement Customer via electronic transmission, at which time Replacement Customer will have the same rights and obligations as any other existing Customer on PPEC's system.

Following implementation of the release, PPEC shall post notice of the winning bidder on the Internet Web Site.

4.7 Best Bid. When PPEC makes awards of capacity for which there have been multiple bids meeting minimum conditions, PPEC shall award the bids, best bid first, until all offered capacity is awarded. The capacity being awarded represents the MDIQ, MDWQ, MSQ, MPQ, MLQ, MDRQ and MDDQ. These quantities are separate parts of the capacity and are awarded until one of the quantities is fully awarded, at which point all capacity is deemed to be fully awarded. PPEC shall evaluate and determine the best bid among those otherwise consistent with any terms and conditions specified by Releasing Customer as follows:

- (a) PPEC shall apply the standard or criteria for such determination specified by Releasing Customer, including the standard to be used for breaking ties. Any standard or criteria so specified must be objective, economic, not unduly discriminatory, not contrary to applicable provisions of PPEC's Tariff, applicable to all prospective Replacement Customers and require PPEC in applying such standard to exercise no more than a ministerial function. Releasing Customer shall indemnify and hold PPEC harmless from and against all demands, losses, claims, expenses, causes of action and/or damages suffered or incurred by PPEC arising out of or related to any determination of a "best bid" pursuant to a standard specified, supplied, approved or provided by Releasing Customer.
- (b) In default of Releasing Customer specifying a bid evaluation standard, PPEC shall determine the bid or bids generating the highest net present value, using a ten percent (10%) discount factor, based on the rate bid (reservation or demand component), the applicable quantity(ies) and term or period bid upon. In default of Releasing Customer specifying a method to break ties priority will be given first to the bid with the shortest term, and next to the bid submitted first in time.

- 4.8 Qualification of Prospective Replacement Customer. Prospective Replacement Customer must be on PPEC's approved bidders list before bids may be posted on the Internet Web Site, must satisfy all requirements of the applicable Rate Schedule and the GT&Cs and must have executed a Capacity Release Umbrella Agreement. To be on the approved bidders list, prospective Replacement Customer must satisfy PPEC's credit requirements as outlined in GT&C 31, and, if applicable, provide the information required by GT&C 3. PPEC will apply its creditworthiness criteria to assess the submission. Prospective Replacement Customer shall remain on the approved bidders list until such prospective Replacement Customer (i) notifies PPEC to the contrary, (ii) no longer meets the credit qualifications established in GT&C 31, or (iii) is suspended from the approved bidders list in the event, and for such time as, such Replacement or Prearranged Replacement Customer fails to pay part or all of the amount of any bill for service in accordance with GT&C 14. PPEC will waive the creditworthiness requirement on a non-discriminatory basis for Replacement Customers and permit them to submit bids, if Releasing Customer provides PPEC with financial assurance in form and substance satisfactory to PPEC of all financial obligations of Replacement Customer with respect to the capacity being released by Releasing Customer prior to the commencement of service to Replacement Customer. PPEC shall not award capacity release offers to prospective Replacement Customer until and unless Customer meets PPEC's creditworthiness requirements applicable to all services that it receives from PPEC, including the service represented by the capacity release.
- 4.9 Nominations. Following its selection, and prior to the flow of Gas, Replacement Customer shall be permitted to submit nominations pursuant to the terms and conditions of the applicable Rate Schedule and the GT&Cs.
- 4.10 Billing. Replacement Customer shall be billed and make payments to PPEC in accordance with the applicable Rate Schedule, other provisions of PPEC's Tariff and of its Storage Service Agreement incorporating its bid terms. In accordance with the terms of the release, Replacement Customer shall pay or be liable for the usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) applicable under the relevant Rate Schedule attributable to its usage of the released capacity. PPEC shall continue to bill Releasing Customer all applicable charges under its existing Storage Service Agreement, excluding usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) billed to Replacement Customer and attributable to Replacement Customer's usage of the released capacity. Invoices sent to Releasing Customer shall reflect a credit equal to any reservation charges (plus all surcharges applicable thereto) being billed to Replacement Customer for the released capacity rights, or as otherwise agreed. If Replacement Customer fails to pay when due all or part of the amounts credited to Releasing Customer, PPEC shall pursue payment from Replacement Customer by notifying such Customer by registered letter, return receipt requested, that it has five (5) days from receipt of such letter to pay the amount due including any applicable interest. If Replacement Customer fails to pay such amount by the end of the fifth (5th) day, PPEC shall reverse the credit and bill Releasing Customer for such past due amounts, plus applicable interest.
- 4.11 Rights and Obligations of the Parties.
- (a) The Storage Service Agreement between Releasing Customer and PPEC shall remain in full force and effect with Releasing Customer to receive a credit to its invoice as described in Section 4.10 above. If Replacement Customer fails to pay all or part of the amounts credited to Releasing Customer after the five (5) Day notification period specified in Section 4.10, PPEC shall reverse the credit and bill Releasing Customer for such past due amounts, plus applicable interest. The Storage Service Agreement executed by Replacement Customer shall be fully effective and enforceable by and against Replacement Customer. Replacement Customer may also release capacity

pursuant to this Section, and in such event and for such purposes, shall be considered Releasing Customer.

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

4.12 Marketing Fee. If PPEC and Releasing Customer so agree, PPEC may receive a negotiated fee for its marketing efforts.

4.13 Limitations.

- (a) Releases and assignments hereunder shall be for period(s) of one (1) or more Day(s) and the maximum term shall not extend beyond the expiration of PPEC's Tariff provision or beyond the expiration of Releasing Customer's Storage Service Agreement.
- (b) PPEC may invalidate any offer to release or any bid subsequent to its posting on the Internet Web Site which does not conform to the requirements of this Section and the other provisions of PPEC's Tariff and such invalidated offer or bid shall be deemed null and void.
- (c) Any terms and conditions imposed on the offer to release by Releasing Customer as provided for in this Section 4 must be objectively stated, reasonable, capable of administration or implementation by PPEC without any material increase in burden or expense, applicable to all potential bidders, not unduly discriminatory, and consistent with the terms and conditions of PPEC's Tariff and Releasing Customer's Storage Service Agreement.
- (d) Releasing Customer may re-release to the same Replacement Customer, where such first release was not subject to posting and bidding pursuant to Section 4.4, for a term of thirty-one (31) Days or less, only if: (i) a period of twenty-eight (28) Days has elapsed after the first release for thirty-one (31) Days or less has expired; (ii) the Point(s) of Receipt and/or Point(s) of Delivery for the re-release is (are) different from the Point(s) of Receipt and/or Point(s) of Delivery of the first release; (iii) Releasing Customer causes the posting of an offer to release capacity or of a prearranged transaction to be made, and capacity is allocated on the basis of bids submitted; or (iv) the release is not subject to

bidding and posting under the provisions applicable to asset managers and state regulated retail access programs.

- (e) Recall Provisions. If Releasing Customer retains recall rights, Releasing Customer's offer to release capacity shall clearly specify the conditions precedent to such recall and whether the recall right retained by Releasing Customer is on a full Day or partial Day basis. Releasing Customer shall provide capacity recall notification to PPEC via the Internet Web Site. The recall notification shall specify the recall notification period for the specified effective Day, as well as any other information needed to uniquely identify the capacity being recalled. PPEC shall support the following recall notification periods for all released capacity subject to recall rights:
- (1) Timely Recall Notification:
 - (A) Releasing Customer recalling capacity should provide notice of such recall to PPEC and first Replacement Customer no later than 8:00 a.m. on the Day that Timely Nominations are due; and
 - (B) PPEC shall provide notification of such recall to all affected Replacement Customers no later than 9:00 a.m. on the Day that Timely Nominations are due.
 - (2) Early Evening Recall Notification:
 - (A) Releasing Customer recalling capacity should provide notice of such recall to PPEC and first Replacement Customer no later than 3:00 p.m. on the Day that Evening Nominations are due; and
 - (B) PPEC shall provide notification of such recall to all affected Replacement Customers no later than 4:00 p.m. on the Day that Evening Nominations are due.
 - (3) Evening Recall Notification:
 - (A) Releasing Customer recalling capacity should provide notice of such recall to PPEC and first Replacement Customer no later than 5:00 p.m. on the Day that Evening Nominations are due; and
 - (B) PPEC shall provide notification of such recall to all affected Replacement Customers no later than 6:00 p.m. on the Day that Evening Nominations are due.
 - (4) Intraday 1 Recall Notification:
 - (A) Releasing Customer recalling capacity should provide notice of such recall to PPEC and first Replacement Customer no later than 7:00 a.m. on the Day that Intraday 1 Nominations are due; and
 - (B) PPEC shall provide notification of such recall to all affected Replacement Customers no later than 8:00 a.m. on the Day that Intraday 1 Nominations are due.

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

For recall notification provided to PPEC prior to the recall notification deadline specified above and received between 7:00 a.m. CCT and 5:00 p.m. CCT, PPEC shall provide notification to all affected Replacement Customers no later than one (1) hour after receipt of such recall notification. For recall notification provided to PPEC after 5:00 p.m. CCT and prior to 7:00 a.m. CCT, PPEC shall provide notification to all affected Replacement Customers no later than 8:00 a.m. CCT after receipt of such recall notification.

PPEC's notices of recalled capacity to all affected Replacement Customers shall be provided via the Internet Web Site, along with written notice via e-mail communication to those Replacement Customer contact person(s) identified in Replacement Customer's bid submitted pursuant to Section 4.6. Such notices shall contain the information required to uniquely identify the capacity being recalled, and shall indicate whether penalties will apply for the Day for which quantities are reduced due to a capacity recall. Upon receipt of notification of the recall from PPEC, each affected Replacement Customer shall revise its nominations within the applicable nomination cycle in order to implement the recall. Each affected Replacement Customer will be solely responsible for adjusting its supply and transportation arrangements, which may be necessary as a result of such recall. Replacement Customers involved in re-release transactions may receive notice slightly after first Replacement Customer receives notice. Recalling Releasing Customer may nominate the recalled capacity consistent with the applicable nomination cycle, as defined in GT&C 8.2(f).

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

In the recall notification provided to PPEC by Releasing Customer, the quantity to be recalled shall be expressed in terms of the adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity. In the event of an intraday capacity recall,

PPEC shall determine the allocation of capacity between Releasing Customer and Replacement Customer(s) based upon the Elapsed Prorata Capacity.

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

- (g) Reput Provisions. PPEC shall support the function of reputting by Releasing Customer. Releasing Customer may reput previously recalled capacity to Replacement Customer pursuant to the reput rights and methods identified in Releasing Customer's Notice to release capacity, as required by Section 4.1(g). When capacity is recalled, such capacity may not be reput for the same Day. The deadline for Releasing Customer to notify PPEC of a reput of capacity is 8:00 a.m. CCT to allow Replacement Customer to submit timely nominations for gas to flow on the next Day.
- (h) Following the awarding of capacity to Replacement Customer in accordance with the procedures provided in this Section 4, Releasing Customer's rights and PPEC's obligations under Releasing Customer's Storage Service Agreement shall be modified and subject to the capacity rights released and assigned to Replacement Customer for the term of such release. Effecting a release pursuant to the provisions of this Section 4 shall constitute Releasing Customer's consent and agreement to such amendment or modification of its existing Storage Service Agreement.
- (i) The offer to release by Customer under Rate Schedules FSS, FP or FL must specify the quantities of MDDQ, MDRQ, MSQ (or MPQ or MLQ, as applicable), MDIQ, MDWQ, or rights offered, and actually available on the effective date of the assignment, and the exercise of which rights, in conjunction with Releasing Customer's exercise of its retained rights, will not violate any maximum or minimum quantity requirements or limitations applicable under the Rate Schedule or the respective Storage Service Agreements. Releasing Customer shall be responsible for ensuring that the Storage Service quantities offered for release shall be available upon the commencement of the release, in accordance with the terms and conditions of the applicable Rate Schedule. Replacement Customer under Rate Schedules FSS, FP or FL shall be responsible for arranging transportation to and from the Point(s) of Receipt and Point(s) of Delivery consistent with its rights and obligations under its Storage Service Agreement and Rate Schedules FSS, FP or FL. Replacement Customer must comply with all obligations imposed under such Rate Schedule and its rights to store, withdraw and/or inject Gas will be subject to the provisions thereof. If Releasing Customer proposes to, or requires a transfer-in-place of the portion of its Storage Inventory in conjunction with its release and assignment of storage capacity rights, it shall so specify in its offer to release and such transfer shall be implemented contemporaneously with the release and assignment subject to compliance with the provisions of GT&C 20. Replacement Customer must withdraw the portion of its Storage Inventory by the end of the term of the release. In lieu of withdrawing the portion of its Storage Inventory, Replacement Customer can also attempt to effect a transfer of the portion of its Storage Inventory to another storage service Customer as provided in GT&C 20. If Replacement Customer fails to withdraw or transfer the portion of its Storage Inventory by the end of the term of its release, title to the portion of Customer's remaining Storage Inventory will be vested, at no cost, in Releasing Customer which released its capacity to Replacement Customer on a temporary basis.

4.14 PPEC's Right to Terminate Temporary Capacity Release.

- (a) In the event of a temporary release for which (1) PPEC has given notice of termination of Releasing Customer's Storage Service Agreement pursuant to GT&C 28 and (2) the reservation charge specified in the effective Replacement Firm Storage Service Agreement, Replacement Firm Parking Service Agreement, Replacement Firm Loan Service Agreement, Addendum to the Replacement or Prearranged Replacement Customer's Capacity Release Umbrella Agreement is less than the level of the reservation charge which Releasing Customer was obligated to pay PPEC, then PPEC shall be entitled to terminate the capacity release upon thirty (30) days' written notice to Replacement or Prearranged Replacement Customer, unless the Replacement or Prearranged Replacement Customer agrees prior to the end of said thirty (30) day notice period to pay for the remainder of the term of the capacity release either (i) the reservation and commodity charges at levels which Releasing Customer was obligated to pay PPEC, or (ii) such rate as mutually agreed by PPEC and Replacement or Prearranged Replacement Customer. Customer may elect to pay the lesser of the two (2) foregoing options. PPEC's right to terminate the is subject to PPEC providing written notice of termination to the Replacement or Prearranged Replacement Customer within thirty (30) days of the determination by PPEC that Releasing Customer no longer satisfies PPEC's credit requirements. Termination of the capacity release shall not occur prior to termination of Releasing Customer's agreement.
- (b) In the event that Customer has received thirty (30) days' notice of termination pursuant to Section 4.14(a) above for storage service and there is Gas in storage for Customer's account at the end of such thirty (30) day period, the capacity release shall continue in force and effect for the sole purpose of withdrawal of said Gas by Customer until Customer's Storage Inventory is zero (0). PPEC shall require Customer to withdraw each Day a quantity equal to the MDWQ, or such other lesser quantity acceptable to PPEC. The requirement to withdraw storage quantities shall be suspended on any Day to the extent that PPEC cannot accommodate a nomination or withdraw such storage quantities on such Day. Customer may also transfer title of Gas remaining in Customer's Storage Inventory to another Customer pursuant to GT&C 20. In the event Customer fails to withdraw its entire Storage Inventory within the time required by this Section, PPEC shall auction any remaining Storage Inventory in accordance with GT&C 32. Customer shall indemnify PPEC and hold it harmless from all costs, damages and liabilities arising out of the failure of Customer to remove such Storage Inventory and the disposal of such Storage Inventory by sale by PPEC. PPEC shall post such quantities on the Internet Web Site as soon as reasonably practicable. PPEC shall accept bids only during the time period from 7:00 a.m. until 11:00 a.m. CCT on the second (2nd) Business Day following such posting. Prior to 4:00 p.m., CCT of the same Day, PPEC shall notify Customer submitting the highest bid. When the Gas is purchased at auction, Customer purchasing the Gas must provide identification of the existing Storage Service Agreement with PPEC under which Customer shall store or wheel all such Gas purchased. Customer purchasing the Gas agrees to pay the applicable storage and/or hub rates on the Gas purchased beginning on the date the bid was accepted at auction.
- (c) PPEC shall provide original Releasing Customer with e-mail notification reasonably proximate in time with any of the following formal notices given by PPEC to Releasing Customer's Replacement Customer(s), of the following:
- (1) Notice to Replacement Customer regarding Replacement Customer's past due, deficiency, or default notice status pursuant to PPEC's Tariff;

- (2) Notice to Replacement Customer regarding Replacement Customer's suspension of service notice;
- (3) Notice to Replacement Customer regarding Replacement Customer's agreement termination notice due to default or credit-related issues; and
- (4) Notice to Replacement Customer that Replacement Customer(s) is no longer creditworthy and has not provided financial assurances pursuant to PPEC's Tariff.

6.5 GENERAL TERMS AND CONDITIONS – PRIORITY, INTERRUPTION OF SERVICE AND OFOS

5. PRIORITY, INTERRUPTION OF SERVICE AND OFOS

- 5.1 Priority of Service. Any Customer executing a Storage Service Agreement with PPEC shall be entitled to service in the following order of declining priority, as applicable based on operational constraint(s):
- (a) Firm Storage Services at primary Point(s) of Receipt, not in excess of MDRQ, and at primary Point(s) of Delivery, not in excess of MDDQ.
 - (b) Firm Storage Services that include secondary point rights (i) at secondary Point(s) of Receipt, (ii) at secondary Point(s) of Delivery, (iii) at primary Point(s) of Receipt in excess of MDRQ, but less than or equal to MDIQ, and (iv) at primary Point(s) of Delivery in excess of MDDQ but less than or equal to MDWQ.
 - (c) Enhanced wheeling service pursuant to Section 5.2 below.
 - (d) Excess Injection Gas and Excess Withdrawal Gas (pursuant to Section 2 of Rate Schedule FSS) and Interruptible service, other than as set forth in Section 5.1(c), including storage, parking, wheeling, loaning and/or balancing pursuant to Section 5.2 below.
 - (e) Make-up volumes to correct prior variances between (i) Transporter and the counterparty to a balancing agreement (pursuant to such agreement), (ii) Customer and PPEC, and (iii) Customer and Transporter if the variance was due to PPEC's failure to receive or deliver Customer's scheduled volumes.
 - (f) Extended injections for firm service in excess of MDRQ/24 or extended withdrawals for firm service in excess of MDDQ/24.

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

- 5.2 The order of priority relating to service requests for Excess Injection Gas and Excess Withdrawal Gas (pursuant to Section 2 of Rate Schedule FSS) and service under Rate Schedules EW, ISS, IP, IW, IL and IB shall be allocated to each Customer in the same manner as specified in Section 5.3.

5.3 Interruption.

- (a) If on any Day PPEC's capability to receive or deliver quantities is impaired so that PPEC is unable to receive or deliver all the quantities which are nominated or scheduled, then interruption of service shall be implemented in the reverse order of priority set forth in Section 5.1; provided that, once scheduled, secondary firm service has the same priority as primary firm service, as set forth in Section 5.1(a). If Firm Storage Service must be interrupted, interruption of service to firm storage Customers shall be pro rata according to quantities nominated or scheduled for each Customer. Interruption of service to Customers under Rate Schedule EW shall be based on the charges applicable to each Customer for the portion(s) of service subject to interruption, with the transaction with the lowest economic value to PPEC being interrupted first. Any ties shall be interrupted on a pro rata basis according to quantities nominated or scheduled for each Customer. Interruption of service to Interruptible Customers under Rate Schedules ISS, IP, IW, IL

and IB, and to firm Customers utilizing Excess Injection Gas and/or Excess Withdrawal Gas (pursuant to Section 2 of Rate Schedule FSS) shall be based on the charges applicable to each Customer for the portion(s) of service subject to interruption, with the transaction with the lowest economic value to PPEC being interrupted first. Any ties shall be interrupted on a pro rata basis according to quantities nominated or scheduled for each Customer.

- (b) PPEC shall provide Customer as much advance notice of any interruption as is reasonably practicable under the circumstances. Such notice shall be made by telephone, e-mail or via the Internet Web Site, as appropriate, and shall state the reduced quantities of Gas that PPEC estimates it will be able to park, wheel, loan, store, balance, inject, withdraw, receive or deliver, as applicable, and the estimated duration of the interruption.
- (c) If interruption is required, PPEC and Customer shall cooperate to the extent possible in making adjustments to receipts, deliveries, injections or withdrawals to minimize injury to any property or facilities.

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

5.5 Action Alerts and Operational Flow Orders.

- (a) Circumstances Warranting Issuance: As specified in this Section 5.5, PPEC shall have the right to issue Action Alerts or Operational Flow Orders ("OFOs") that require actions by Customers in order to (1) alleviate conditions that threaten to impair reliable service, (2) maintain operations at the pressures required to provide efficient and reliable services, (3) have adequate Gas supplies in the system to deliver on demand, (4) maintain service to all firm Customers and for all firm services, and (5) maintain the system in balance for the foregoing purposes.
- (b) Actions to be Taken to Avoid Issuance: PPEC shall, to the extent practicable, take all reasonable actions necessary to avoid issuing an Action Alert or OFO. Such actions shall include, in order of priority (1) working with point operators to temporarily adjust receipts and/or deliveries at relevant Point(s) of Receipt or Point(s) of Delivery, (2) working with Customers and point operators to adjust scheduled flows on the system, or (3) taking any other reasonable action designed to mitigate the system problem. After taking all such reasonable actions to avoid issuing an Action Alert or OFO, PPEC will have the right to issue Action Alerts or OFOs, if necessary, in the circumstances described in Section 5.5(a).
- (c) Preliminary Notifications/Follow-up Reports: PPEC shall provide, via posting on the Internet Web Site and via e-mail notice to all Customers and point operators of upcoming system events such as anticipated weather patterns and operational problems that may necessitate the issuance of an Action Alert or OFO.
- (d) Applicability of Action Alert or OFO: PPEC shall make an Action Alert or OFO as localized as is reasonably practicable based on PPEC's good faith and reasonable judgment concerning the situations requiring remediation such that an Action Alert or OFO will be directed first to Customers and point operators causing the problem necessitating the Action Alert or OFO and second, if necessary, to all Customers and point operators. PPEC will tailor the Action Alert or OFO to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in subsections 5.5(f) and 5.5(g). The declaration to the affected parties of OFOs, critical

periods and/or Critical Notices shall describe the conditions and the specific responses required from the affected parties.

- (e) Notice: All Action Alerts and OFOs will be posted on PPEC's Internet Web Site and notice will be sent by e-mail to all Customer(s) and affected point operator(s). The Action Alert or OFO will set forth (1) the date and time of issuance, (2) the actions Customer or point operator is required to take, (3) the time by which Customer or point operator must be in compliance with the Action Alert or OFO, (4) the anticipated duration of the Action Alert or OFO, and (5) any other terms that PPEC may reasonably require to ensure the effectiveness of the Action Alert or OFO. In addition to the other information contemplated by this Section 5.5(e), such notice shall also include information about the status of operational variables that determine when an Action Alert or OFO will begin and end, and PPEC shall post periodic updates of such information, promptly upon occurrence of any material change in the information. PPEC will post a notice on the Internet Web Site informing Customers and point operators when any Action Alert or OFO in effect will be lifted and specifying the factors that caused the Action Alert or OFO to be issued and then lifted, to the extent such factors are known.
- (f) Action Alerts: In the event that PPEC determines that due to (1) an ongoing or anticipated weather event, (2) a known equipment problem, or (3) the anticipated continuation of a current system operational problem, action is necessary to avoid a situation in which the system integrity is jeopardized or PPEC's ability to render firm service is threatened, PPEC may issue an Action Alert as set out herein to forestall the development of the situation.
 - (1) Issuance of Alerts: Action Alerts will be noticed in accord with the procedures set forth in Section 5.5(e) and PPEC will endeavor to provide a minimum of four (4) hours notice.
 - (2) Action Alerts can be issued to effect any of the following:
 - (i) restriction of Interruptible services;
 - (ii) restrictions of deliveries or receipts at specific Point(s) of Receipt or Point(s) of Delivery covered by an Operational Balancing Agreement to the aggregate MDRQ or MDDQ under the Storage Service Agreements for Firm Storage Services whose Primary Point(s) of Delivery/Receipt, which are specified in the Storage Service Agreement, are at the affected locations; and/or
 - (iii) forced balancing such that point operators will be required to assure that nominations equal flows or that receipts and deliveries fall within the tolerance level designated in the Action Alert.
- (g) OFOs: In the event that, in PPEC's judgment, immediate action is required to alleviate conditions which threaten to impair reliable firm service, to maintain operations at the pressures required to provide efficient and reliable service, to have adequate Gas supplies in the system to deliver on demand, to maintain services to all firm Customers and for all firm services, and/or to maintain the system in balance for the foregoing purposes, PPEC may forego the action described in Section 5.5(f) and immediately issue an OFO. In the event that (1) Customer or point operator does not respond to an Action Alert, (2) the actions taken thereunder are insufficient to correct the system problem for which the Action Alert was issued, or (3) there is insufficient time to carry out the procedures with respect to Action Alerts, PPEC may issue an OFO pursuant to this Section 5.5(g) or take

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

- (h) Termination of an Action Alert or OFO: PPEC shall lift any effective Action Alert or OFO promptly upon the cessation of operating conditions that caused the relevant system problem. After PPEC has lifted the Action Alert or the OFO, PPEC shall post a notice on its Internet Web Site specifying the factors that caused the Action Alert or OFO to be issued and then lifted, to the extent such factors are known. PPEC shall also provide such notification via e-mail communication to those Customers who have submitted a request, and provided e-mail address information for at least one contact person, via PPEC's Internet Web Site to receive e-mail notification of Critical Notices issued by PPEC.
- (i) Penalties: All quantities tendered to PPEC and/or taken by Customer on a daily basis in violation of an Action Alert or OFO shall constitute unauthorized receipts or deliveries for which the applicable Action Alert or OFO penalty charge stated below shall be assessed.
 - (1) Action Alert penalty charge for each Dekatherm of Gas by which Customer deviated from the requirements of the Action Alert shall be equal to an Action Alert Index Price, calculated as 110% of the applicable daily Gas Daily posting for Henry Hub for the Day on which the deviation occurred, multiplied by the quantity by which Customer deviated from the requirements of the Action Alert.
 - (2) OFO penalty charge for each Dekatherm of Gas by which Customer deviated from the requirements of the OFO shall be equal to an OFO Index Price, calculated as three (3) times the applicable daily Gas Daily posting for Henry Hub for the Day on which the deviation occurred, multiplied by the quantity by which Customer deviated from the requirements of the OFO.

Any penalty revenue collected by PPEC pursuant to this Section 5.5(i), less any costs incurred by PPEC in an attempt to mitigate an Action Alert or OFO and the resulting penalties, shall be credited to those firm and Interruptible Customers that did not incur Action Alert or OFO penalties pursuant to this Section 5.5(i) in the Month for which Action Alert or OFO penalty revenues were received ("Non-Offending Customers"), based on the ratio of the total charges paid during that Month by the Non-Offending Customer to the sum of the total charges paid during that Month by all Non-Offending Customers. Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year, and will be included on the Non-Offending Customer's invoice for the Month following the date of the final Commission order approving PPEC's penalty disbursement report; provided, however, that PPEC will calculate and include such credits on Non-Offending Customer's invoices for a period shorter than twelve Months in the event and to the extent that the total accumulated amount of Action Alert or OFO penalty revenue collected pursuant to this Section 5.5(i) by PPEC as of the end of any Month exceeds \$1,000,000. PPEC will file with the Commission a penalty disbursement report within sixty days of July 31 or sixty days after the end of the Month for which revenue collected exceeds \$1,000,000. Any penalty revenue credited to Non-Offending Customers pursuant to this Section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.

- (j) **Liability of PPEC:** PPEC shall not be liable for any costs incurred by any Customer or point operator in complying with an Action Alert or OFO. PPEC shall not be responsible for any damages that result from any interruption in service that is a result of Customer's or point operator's failure to comply promptly and fully with an Action Alert or OFO, and the non-complying Customer or point operator shall indemnify PPEC against any claims of responsibility. However, PPEC shall use reasonable efforts to minimize any such costs or damages.
- (k) **Unilateral Action:** In the event that (1) Customer(s) or point operator(s) does (do) not respond to an OFO, or (2) the actions taken thereunder are insufficient to correct the system problem for which the OFO was issued, or (3) there is insufficient time to carry out the procedures with respect to OFOs, PPEC may take unilateral action, including the curtailment of firm service, to maintain the operational integrity of PPEC's system. For purposes of this Section, the operational integrity of PPEC's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system, as an entity, and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of Gas delivered.

5.6 Scheduled Maintenance and Force Majeure.

- (a) PPEC shall have the right to curtail, interrupt or discontinue service in whole or in part on all or a portion of its facilities from time to time to perform inventory verification processes, repairs, maintenance or improvements of PPEC's facilities as necessary to maintain the operational capability of PPEC's facilities or to comply with applicable regulatory requirements, or to perform construction pursuant to valid Commission authorization. PPEC shall exercise due diligence to schedule inventory verification processes, repairs, maintenance and construction so as to minimize disruptions of service to Customers and shall provide reasonable notice of the same to Customers.
- (b) PPEC shall have the right to curtail, interrupt, or discontinue service in whole or in part on all or a portion of its facilities at any time for reasons of Force Majeure pursuant to GT&C 17.

6.6 GENERAL TERMS AND CONDITIONS – STORAGE OPERATIONS

6. STORAGE OPERATIONS

- 6.1 Customer shall tender or cause to be tendered to PPEC at the Point(s) of Receipt any Gas which Customer desires to have injected into storage plus applicable Fuel Reimbursement volumes. Customer shall also receive or cause to be received Gas requested to be withdrawn from storage at the Point(s) of Delivery.
- 6.2 Subject to the operating conditions then existing on the delivering or receiving pipelines, PPEC shall receive Gas for injection from Customer at the Point(s) of Receipt and deliver Gas to Customer at the Point(s) of Delivery upon nomination and confirmation; provided that PPEC shall not be obligated to receive for injection any quantity of Gas if the injection of the same would cause the quantity of Gas stored for Customer's account to exceed Customer's Maximum Storage Quantity or Maximum Park Quantity, as applicable; nor shall PPEC be obligated at any time to deliver more Gas to Customer than Customer has stored in its Storage Inventory or Park Balance, as applicable, or to receive from Customer more Gas than Customer has outstanding in its Loan Balance.

6.8 GENERAL TERMS AND CONDITIONS – NOMINATIONS AND SCHEDULING

8. NOMINATIONS AND SCHEDULING

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

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

Excess Injection Gas and Excess Withdrawal Gas quantities shall be requested on separate transactions.

- 8.2 PPEC will accept nominations for service as follows:

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

1:00 p.m. Nominations leave control of Customer

1:15 p.m. Nominations are received by PPEC (including from Title Transfer Tracking Service Providers ("TTTSPs"))

1:30 p.m. PPEC sends the Quick Response to Customer

4:30 p.m. PPEC receives completed confirmations from Confirming Parties

5:00 p.m. Customer and Point Operator receive scheduled quantities from PPEC

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

- (b) Intraday Nominations. Any nomination received during a Day for the same Day of Gas flow, or any nomination received after the nominations deadline set forth in Section 8.2(a) above for the following Day flow shall be an Intraday Nomination. Intraday Nominations may be used to request increases or decreases in total flow, changes to Point(s) of Receipt, or changes to Point(s) of Delivery of scheduled Gas. Intraday Nominations do not roll over (i.e. Intraday Nominations span one (1) Day only). Intraday Nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if an Intraday Nomination modifies an existing nomination. Intraday Nominations may be used to nominate new injections or withdrawals. All nominations, including Intraday Nominations, shall be based on a daily quantity; thus, an Intraday nominator need not submit an hourly nomination. Intraday Nominations shall include an effective date and time. The interconnected parties shall agree on the hourly flows of the Intraday Nomination, if not otherwise addressed in Transporter's contract or tariff. In the event Customer does not submit a timely nomination or desires to alter an existing nomination, Customer shall have the right to submit an Intraday Nomination to revise

Customer's scheduled quantities, Point(s) of Receipt and/or Point(s) of Delivery on a prospective basis prior to the end of the Day; provided, however, that such Intraday Nomination will be processed after all timely nominations have been scheduled. Such Intraday Nomination shall be implemented by PPEC to the extent and only to the extent that PPEC determines that such Intraday Nominations will not interfere with the efficient operation of PPEC's system and PPEC is able to confirm the receipt and delivery of such Gas at the Point(s) of Receipt and Point(s) of Delivery.

- (c) Elapsed-Prorated-Scheduled Quantity. With respect to Intraday Nominations for reductions in previously scheduled quantities, PPEC may accept any confirmed quantity, down to and including zero (0), for such Intraday Nomination, provided, however, if such Intraday Nomination requires confirmation from an upstream and/or downstream interconnected pipeline, then any Intraday Nomination to reduce previously scheduled quantities will be subject to, and limited to, the reduced quantity confirmed by such upstream and/or downstream interconnected pipeline.
- (d) Nominations will be processed for scheduling in the order in which they were received, by priority level as described in GT&C 5. Nominations received after nomination deadline shall be scheduled after the nominations received before the nomination deadline.
- (e) Notices provided under this Section 8.2 must be submitted via PPEC's Internet Web Site, unless another method is agreed to between PPEC and Customer. Customer shall provide notice of any changes in deliveries to or receipt from PPEC to all transporters and shall be responsible for, and shall hold PPEC harmless from, any and all liabilities and expense resulting from any such changes, unless the added expense is due to the negligence of PPEC.
- (f) Minimum NAESB Nomination Standards. In the event the more flexible nomination procedures set forth in Section 8.2(b) above are inapplicable for any reason, nominations shall be submitted and processed in accordance with the minimum standards set forth in this Section 8.2(f). PPEC shall support the following standard nomination cycles:

(i) The Timely Nomination Cycle

On the day prior to gas flow:

- 1:00 p.m. Nominations leave control of Customer
- 1:15 p.m. Nominations are received by PPEC (including from Title Transfer Tracking Service Providers ("TTTSPs"))
- 1:30 p.m. PPEC sends the Quick Response to Customer
- 4:30 p.m. PPEC receives completed confirmations from Confirming Parties
- 5:00 p.m. Customer and Point Operator receive scheduled quantities from PPEC

Scheduled quantities resulting from Timely Nominations should be effective at the start of the next Gas Day.

(ii) The Evening Nomination Cycle

On the day prior to gas flow:

- 6:00 p.m. Nominations leave control of Customer
- 6:15 p.m. Nominations are received by PPEC (including from TTTSPs)

- 6:30 p.m. PPEC sends the Quick Response to Customer
- 8:30 p.m. PPEC receives completed confirmations from Confirming Parties
- 9:00 p.m. PPEC provides scheduled quantities to the affected Customer and Point Operator, including bumped parties (notice to bumped parties)

Scheduled quantities resulting from Evening Nominations should be effective at the start of the next Gas Day.

(iii) The Intraday 1 Nomination Cycle

On the current Gas Day:

- 10:00 a.m. Nominations leave control of Customer
- 10:15 a.m. Nominations are received by PPEC (including from TTTSPs)
- 10:30 a.m. PPEC sends the Quick Response to Customer
- 12:30 p.m. PPEC receives completed confirmations from Confirming Parties
- 1:00 p.m. PPEC provides scheduled quantities to the affected Customer and Point Operator, including bumped parties (notice to bumped parties)

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 2:00 p.m. on the current Gas Day.

(iv) The Intraday 2 Nomination Cycle

On the current Gas Day:

- 2:30 p.m. Nominations leave control of Customer
- 2:45 p.m. Nominations are received by PPEC (including from TTTSPs)
- 3:00 p.m. PPEC sends the Quick Response to Customer
- 5:00 p.m. PPEC receives completed confirmations from Confirming Parties
- 5:30 p.m. PPEC provides scheduled quantities to the affected Customer and Point Operator, including bumped parties (notice to bumped parties)

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 6:00 p.m. on the current Gas Day.

(v) The Intraday 3 Nomination Cycle

On the current Gas Day:

- 7:00 p.m. Nominations leave control of Customer
- 7:15 p.m. Nominations are received by PPEC (including from TTTSPs)
- 7:30 p.m. PPEC sends the Quick Response to Customer
- 9:30 p.m. PPEC receives completed confirmations from Confirming Parties
- 10:00 p.m. PPEC provides scheduled quantities to the affected Customer and Point Operator

Scheduled quantities resulting from Intraday 3 Nominations should be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.

For purposes of (ii), (iii), (iv), and (v) above, the word “provides” shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

- 8.3 Customer shall make available and tender any Gas to be injected or wheeled hereunder and receive and accept delivery, upon tender by PPEC, any Gas requested to be withdrawn from storage or wheeled. The quantity of Gas stored for the account of Customer shall be increased or decreased upon injection or withdrawal of Gas from storage, as applicable. Customer shall not (unless otherwise agreed by PPEC) receive or deliver Gas, nor shall PPEC be obligated to receive Gas or deliver Gas on an hourly basis at rates of flow in excess of 1/24 of Customer’s MDIQ, MDRQ, MDWQ, MDDQ, or MDTQ, as applicable. As determined by PPEC in its sole and reasonable judgment, hourly flow rates above 1/24 of Customer’s MDIQ, MDRQ, MDWQ, MDDQ, or MDTQ may be permitted.

6.10 GENERAL TERMS AND CONDITIONS - QUALITY

10. QUALITY

- 10.1 Specifications. The Gas delivered by either party to the other hereunder shall meet the quality specifications of the Transporter which receives or delivers such Gas at the Point of Receipt or Delivery, as applicable, and, unless such Transporter's quality specifications are more stringent, shall be of such quality that it shall meet at least the following specifications:
- (a) Be commercially free from objectionable odors, dirt, dust, iron particles, gums, gum-forming constituents, gasoline, PCBs, and other solid and/or liquid matter, including but not limited to water, Gas treating chemicals and well completion fluids and debris, which may become separated from the Gas during the transportation thereof.
 - (b) Contain not more than one fourth (1/4) of one grain of hydrogen sulfide per one hundred (100) cubic feet, as determined by the cadmium sulfate quantitative test, nor more than twenty (20) grains of total sulfur per one hundred (100) cubic feet.
 - (c) The Gas delivered hereunder shall not contain more than two-tenths of one percent (0.2%) by volume of oxygen, shall not contain more than three percent (3%) by volume of carbon dioxide, shall not contain more than three percent (3%) by volume of nitrogen, and shall not contain a combined total of carbon dioxide and nitrogen components of more than four percent (4%) by volume.
 - (d) Have a heating value of not less than nine hundred and sixty-seven (967) Btus per cubic feet and not more than eleven hundred (1100) Btus per cubic feet.
 - (e) Have a temperature of not more than 120 degrees Fahrenheit (120 degrees F), nor less than forty degrees Fahrenheit (40 degrees F).
 - (f) Have been dehydrated by the tendering party, by any method other than the use of a calcium chloride as desiccant, for removal of entrained water in excess of seven (7) pounds of water per million (1,000,000) cubic feet of Gas as determined by dew-point apparatus approved by the Bureau of Mines or such other apparatus as may be mutually agreed upon.
- 10.2 Rejection of Gas. Either party shall be entitled to reject any Gas tendered to it by the other party which does not meet the minimum specifications of Section 10.1 hereunder. Acceptance of such Gas does not constitute any waiver of PPEC's right to refuse to accept similarly nonconforming Gas.

6.14 GENERAL TERMS AND CONDITIONS – BILLINGS AND PAYMENTS

14. BILLINGS AND PAYMENTS

- 14.1 Invoice. Not later than the ninth (9th) Business Day of each month, PPEC shall provide Customer (including a Replacement Customer) an invoice and any required backup data (which may be transmitted by electronic means or by posting invoices on its Internet Web Site), setting forth (i) the charges due for the previous Month; (ii) the total quantity of Gas, stated in Dekatherms, received from and delivered to Customer hereunder during the preceding Month(s), with applicable Point(s) of Receipt and Point(s) of Delivery properly identified, and the amount due; and if applicable; (iii) the amount of Customer's Gas in storage as of the close of the preceding Month and information sufficient to explain and support any adjustments made by PPEC in determining the amount billed. If actual quantities are not available by the ninth (9th) Business Day of the month, PPEC may invoice based on best available data subject to adjustment to actual at a later date. Quantities at points where Operational Balancing Agreements exist shall be invoiced based on scheduled quantities.
- 14.2 Application of Payments for Released Capacity. Payments to PPEC by a Replacement Customer for released capacity shall be applied as follows: (i) PPEC shall retain amounts equal to the Replacement Customer's usage charges; (ii) PPEC will credit the balance to reservation charges due from the Replacement Customer; and (iii) PPEC shall remit the remaining balance, if any, or shall charge any balance due, to the Replacement Customer, in accordance with GT&C 4.10. If any balance due from the Replacement Customer remains unpaid, the outstanding balance will then be billed to the Releasing Customer, provided that the Releasing Customer is only liable to the extent of the Reservation Charges specified in the applicable Storage Service Agreement and corresponding Rate Schedule.
- 14.3 Payment. Customer shall pay PPEC by wire transfer the full amount reflected on the invoice within fifteen (15) days of the date of the invoice or by the 25th of the month, whichever is later. If the payment due date falls upon a weekend or legal holiday, then such payment is due on the next Business Day following the payment due date. Party making payment should submit supporting documentation; party receiving payment should apply payment per supporting documentation provided by the paying party; and if payment differs from invoiced amount, remittance detail should be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two (2) Business Days of the payment due date. In the event Customer fails to forward the entire undisputed amount due to PPEC when same is due, interest on the unpaid portion shall accrue at the same rate of interest and in the same manner as prescribed for pipeline refunds as set forth in Section 154.501(d) of the Commission's regulations under the Natural Gas Act from the date such payment is due until the same is paid. If Customer's failure to pay the undisputed portion of any invoice rendered hereunder continues beyond thirty (30) days after the due date of such invoice, then PPEC, in addition to all other legal remedies available to it, shall have the right and option to suspend further deliveries of Gas until such default shall have been cured. If Customer's failure to pay the undisputed portion of any invoice rendered hereunder continues beyond sixty (60) days after the due date of such invoice, then PPEC, in addition to all other legal remedies available to it, shall have the right and option to terminate service hereunder.
- 14.4 Billing Error. If an error is discovered in any billing, such error shall be adjusted within thirty (30) days of the determination thereof. If a dispute arises as to the amount payable in any invoice rendered hereunder, Customer shall nevertheless pay when due the amount not in dispute under such invoice and provide documentation identifying basis for the dispute. Such payment shall not be deemed to be a waiver of the right by Customer to recoup any overpayment, nor shall acceptance of any payment be deemed to be a waiver of the right by Customer to recoup any

overpayment, nor shall acceptance of any payment be deemed to be a waiver by PPEC of any underpayment.

- 14.5 **Billing Disputes.** If Customer withholds payment of any disputed amount as authorized herein, Customer shall within ten (10) days after the due date of the disputed invoice submit to PPEC a written explanation of the dispute and any available supporting documentation. The parties shall then cooperate in good faith to resolve such dispute as expeditiously as possible, and the portion, if any, of such disputed amount eventually determined to be due shall bear interest at the rate stated in Section 14.4 above from the original due date until the date actually paid.
- 14.6 **Right to Audit.** Both PPEC and Customer shall have the right at their own expense to examine and audit at any reasonable time the books, records (including measurement, billing and payment) and charts of the other to the extent necessary to verify the accuracy of any statements or charges made under or pursuant to any of the provisions of Customer's Storage Service Agreement. Upon request, Customer shall also make available to PPEC for audit purposes any relevant records of the Transporters to which Customer has access. A formal audit of accounts shall not be made more often than once each Contract Year. Any inaccuracy will be promptly corrected when discovered; provided, however, that neither PPEC nor Customer shall be required to maintain books, records or charts for a period of more than two (2) Contract Years following the end of the Contract Year to which they are applicable. Neither PPEC nor Customer shall have any right to question or contest any charge or credit if the matter is not called to the attention of the other in writing within two (2) years after the end of the Contract Year in question.
- 14.7 PPEC may waive any de minimis payment obligations or late payment charges accruing under this Section 14 to the extent PPEC determines that the administrative costs associated with collecting such charges exceed the amount(s) due.

6.17 GENERAL TERMS AND CONDITIONS – FORCE MAJEURE AND RESERVATION CHARGE CREDITS

17. FORCE MAJEURE AND RESERVATION CHARGE CREDITS

- 17.1(a) Effect of Force Majeure. In the event PPEC is rendered unable, wholly or in part, by reason of an event of Force Majeure, as defined herein, to perform, wholly or in part, any obligation or commitment under Customer's Storage Service Agreement, PPEC shall provide notice and full particulars of such Force Majeure event on its Internet Web Site within seventy-two (72) hours after the occurrence of the cause relied on, or in such time and manner that is reasonable under the circumstances or conditions, and the obligations of PPEC shall be suspended to the extent that PPEC's ability to perform such obligations is affected by such Force Majeure event and for the period of such Force Majeure condition, but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.
- (b) Force Majeure and Obligation to Pay/Credit Reservation Charges. A Customer taking firm service under Rate Schedules FSS, NNSS, FP or FL shall not be relieved of its obligation to pay Reservation Charges specified in such firm Rate Schedules due to an event of Force Majeure and PPEC shall include the full amount of such Reservation Charges on Customer's invoice for any Month in which an event of Force Majeure shall have occurred, provided, however, that PPEC shall calculate credits against Customer's Reservation Charges payable under Rate Schedules FSS, NNSS, FP or FL and its Storage Service Agreement to reflect any reduction in PPEC's ability to render firm services resulting from an event of Force Majeure declared by PPEC and shall include such credits on the firm Customer's invoice for the next succeeding Month, in accordance with Section 17.1(c).
- (c) Calculation of Credits Against Reservation Charges. For each Day on which PPEC is unable to schedule or deliver all of Customer's nominated primary firm service under Rate Schedules FSS, NNSS, FP or FL, PPEC shall calculate credits against Customer's Reservation Charges payable under Customer's Firm Storage Service Agreement under Rate Schedules FSS, NNSS, FP or FL; provided, that PPEC shall not be required to provide Reservation Charge credits during the first ten (10) Days of non-scheduling or non-delivery due to an event of Force Majeure declared by PPEC or a PHMSA Event (as defined in this section below) and; provided further, PPEC shall not be required to provide Reservation Charge credits for non-scheduling or non-delivery that is solely the result of Customer's conduct or the result of actions or inactions by pipeline Transporters that are not controllable by PPEC. Reservation charge credits will not be provided to the extent that Customer utilizes secondary points on PPEC's system. For purposes of this Section 17.1(c), the term "PHMSA Event" shall refer to any testing, repair, replacement, refurbishment, or maintenance activity including scheduled maintenance that is commenced prior to December 31, 2017, to comply with Section 60139(c) of Chapter 601 of Title 49, as added by section 23 of the Pipeline Safety, Regulatory Certainty and Job Creation Act of 2011 or requirements issued by the Pipeline and Hazardous Materials Safety Administration ("PHMSA") pursuant to Section 60139(c).

In the event that PPEC is rendered unable wholly or in part by a PHMSA Event to carry out its obligations under a Firm Storage Service Agreement under Rate Schedules FSS, NNSS, FP or FL, other than to provide demand charge credits thereunder, it is agreed that PPEC shall give notice of the circumstances of the PHMSA Event in writing or by electronic means to Customer as soon as possible. PPEC's notice will identify the specific PHMSA order or requirement with which PPEC is complying. The obligations of PPEC shall be suspended during the continuance of any inability so caused but for no longer period than such inability, and such cause shall as far as possible be remedied with all reasonable dispatch.

PPEC shall calculate Reservation Charge Credits for each applicable Day for Customer's nominated primary firm service quantities that PPEC is unable to schedule or deliver using the following formulae:

Non-delivery/non-scheduling of a firm Customer's injections:

$$\text{Reservation Charge Credit} = (\text{RC divided by \#Days}) \text{ multiplied by } (\text{NNIQ divided by MDIQ})$$

Non-delivery/non-scheduling of a firm Customer's withdrawals:

$$\text{Reservation Charge Credit} = (\text{RC divided by \#Days}) \text{ multiplied by } (\text{NNWQ divided by MDWQ})$$

Where:

RC = The Customer's Reservation Charges for the Month, calculated using the rates set forth in Customer's Storage Service Agreement; Customer's NNSS Reservation Charges, if applicable, shall be combined with its FSS Reservation Charges for this calculation.

#Days = The number of Days in the Month.

NNIQ = The Non-delivery/Non-scheduling Nominated Injection Quantity, which shall be the quantity of Customer's nominated injections actually not scheduled or not delivered on each Day in the Month by PPEC.

NNWQ = The Non-delivery/Non-scheduling Nominated Withdrawal Quantity, which shall be the quantity of Customer's nominated withdrawals actually not scheduled or not delivered on each Day of the Month by PPEC.

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

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

- 17.2 Nature of Force Majeure. The term "Force Majeure" as employed herein and in Customer's Storage Service Agreement(s) shall mean any cause, whether of the kind enumerated herein or otherwise, not reasonably within the control of PPEC, such as: acts of God; strikes, lockouts and industrial disputes or disturbances; inability to secure or delays in obtaining labor, materials, supplies, permits, easements or rights-of-way, including inability to secure materials by reason of allocations promulgated by authorized governmental agencies; arrests and restraints of governments and people; failure of third-party transportation not caused by acts or omissions of PPEC; one-time, nonrecurring unplanned or unscheduled interruptions caused by government or court orders and/or present and future valid orders, decisions or rulings of any government or regulatory entity having proper jurisdiction; acts of the public enemy; vandalism; wars; riots; civil disturbances; sabotage or terrorism; blockades; insurrections; epidemics; landslides; lightning; tornadoes; hurricanes; earthquakes; fires; storms; floods; washouts; inclement weather which necessitates extraordinary measures and expense to maintain operations; explosions; breakage, and/or accidents to plant facilities including machinery, lines of pipe, and/or accidents to wells or subsurface storage caverns or reservoirs; unplanned or unscheduled testing (as required by one-time, non-recurring governmental requirements); mechanical or geomechanical changes or physical failure that affects the ability to operate storage facilities or a cavern(s) and the making of repairs or alterations to pipelines, storage, and plant facilities including Transporter's(s') pipeline repairs. It is understood

and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of PPEC, and that the above requirements that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of opposing party when such course is inadvisable in the discretion of PPEC.

6.18 GENERAL TERMS AND CONDITIONS - NOTICES

18. NOTICES

Any notice, request, demand, or statement provided for in PPEC's Tariff, except as otherwise herein provided, or as mutually agreed upon by Customer and PPEC, shall be given in writing and either delivered in person, by United States Mail, overnight courier service, or via e-mail to the parties at the addresses shown in Customer's Storage Service Agreement or at such other addresses as may hereafter be furnished to the other party in writing. An e-mail shall be considered to be "sent" when it enters the information processing system that the recipient has designated or uses for the purpose of receiving electronic records or information of the type sent and from which the recipient is able to retrieve the electronic record, is sent to the e-mail address designated by the recipient for such communications, and is in a form capable of being processed by that system. It is Customer's responsibility to notify PPEC of any changes to Customer's notification phone numbers and e-mail addresses on a timely basis. PPEC is not responsible for any lapse of communication due to Customer's failure to provide accurate contact information on a timely basis.

6.20 GENERAL TERMS AND CONDITIONS – GAS TITLE TRANSFERS

20. GAS TITLE TRANSFERS

20.1 Title Transfers of Gas in Storage:

- (a) A Customer that has entered into a Storage Service Agreement under Rate Schedules FSS, FP, ISS, IP, or IB may transfer some or all of its Storage Inventory to any other Customer that has a Storage Service Agreement to become part of such other Customer's Storage Inventory if:
 - (1) Customer transferring Storage Inventory and Customer receiving the Storage Inventory shall both execute a Title Transfer Form, as such form is posted on PPEC's Internet Web Site and amended from time to time, identifying the details of the title transfer transaction and submit such executed Title Transfer Form to PPEC;
 - (2) The transfer does not cause receiving Customer to exceed its MSQ or MPQ, as applicable and as specified in Customer's Storage Service Agreements, or cause transferring Customer's Storage Inventory balance to go below zero (0); and
 - (3) The transfer would not result in an increase in the service obligations of PPEC or cause operational difficulties and such increase or operational difficulties would, in the reasonable judgment of PPEC, impair the ability of PPEC to meet all of its other service obligations of equal or higher priority.
- (b) PPEC will recognize the transfer on a prospective basis within one (1) Business Day after it receives the executed Title Transfer Form.
- (c) For each title transfer of Gas performed under this Section, each Customer shall pay the Title Transfer charge as agreed upon by each Customer and PPEC and set forth on the Title Transfer Form.
- (d) The foregoing rules governing transfers of Storage Inventory shall also apply to requests to transfer Storage Inventory among Customer's Storage Service Agreements.

20.2 Title Transfers of Gas

- (a) Transfers of title between Customers and/or Storage Service Agreements under which Gas is delivered to PPEC, withdrawn from PPEC's storage or wheeled on PPEC's system may be permitted by PPEC at Point(s) of Receipt and Point(s) of Delivery or on PPEC's system on an Interruptible basis pursuant to a Title Transfer Form.
- (b) Requests for such transfers shall be made in accordance with the nomination procedures set forth in GT&C 8. PPEC shall not unreasonably withhold approval of such transfers.
- (c) For each title transfer nominated by Customer under Section 20.2(b) herein, Customer shall pay the gas title transfer charge set forth on the Title Transfer Form.

6.23 GENERAL TERMS AND CONDITIONS –NORTH AMERICAN ENERGY STANDARDS BOARD

23. NORTH AMERICAN ENERGY STANDARDS BOARD

Compliance with 18 C.F.R. Section 284.12

PPEC has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.0, and the standards revised by Minor Corrections MC15003, MC15004, MC15005, MC15009 and MC15012 all marked with an asterisk [*], which are required by the Commission in 18 C.F.R. Section 284.12(a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

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

<u>NAESB Standard</u>	<u>Tariff Record</u>
0.3.3	Creditworthiness-Financial Assurances, 6.31.10(a)
0.3.4	Creditworthiness-Financial Assurances, 6.31.10(b)
0.3.5	Creditworthiness-Financial Assurances, 6.31.10(c)
0.3.6	Creditworthiness-Financial Assurances, 6.31.10(d)
0.3.7	Creditworthiness-Financial Assurances, 6.31.10(e), (f)
0.3.8	Creditworthiness-Financial Assurances, 6.31.10(g)
0.3.9	Creditworthiness-Financial Assurances, 6.31.10(h)
0.3.10	Creditworthiness-Financial Assurances, 6.31.10(i)
1.2.3	Definitions, 6.2.39
1.2.4	Definitions, 6.2.21
1.2.6	Definitions, 6.2.35
1.2.12	Definitions, 6.2.12
1.3.1*	Definitions, 6.2.9
1.3.2	Nominations and Scheduling, 6.8.2
1.3.5*	Nominations and Scheduling, 6.8.1
1.3.6	Nominations and Scheduling, 6.8.2
1.3.8*	Nominations and Scheduling, 6.8.2
1.3.9*	Nominations and Scheduling, 6.8.2
1.3.11*	Nominations and Scheduling, 6.8.2
1.3.13	Nominations and Scheduling, 6.8.2
1.3.19	Nominations and Scheduling, 6.8.1
1.3.21	Nominations and Scheduling, 6.8.2
1.3.26	Priority, Interruption of Service and OFOs, 6.5.5
1.3.33*	Nominations and Scheduling, 6.8.2
2.2.1	Definitions, 6.2.34
2.3.9	Definitions, 6.2.2. 6.2.7
3.2.1	Definitions, 6.2.3
3.3.9	Billings and Payments, 6.14.1
3.3.10	Billings and Payments, 6.14.1
3.3.17	Billings and Payments, 6.14.3
3.3.19	Billings and Payments, 6.14.4
5.2.1	Definitions, 6.2.6
5.2.3	Definitions, 6.2.11
5.3.1	Capacity Release, 6.4.3
5.3.2	Capacity Release, 6.4.3
5.3.3	Capacity Release, 6.4.3

5.3.4	Capacity Release, 6.4.7
5.3.7	Capacity Release, 6.4.13
5.3.13	Capacity Release, 6.4.6
5.3.14	Capacity Release, 6.4.1
5.3.15	Capacity Release, 6.4.6
5.3.16	Capacity Release, 6.4.1
5.3.24	Capacity Release, 6.4.3
5.3.25	Capacity Release, 6.4.3
5.3.44	Capacity Release, 6.4.13
5.3.45	Capacity Release, 6.4.13
5.3.59	Capacity Release, 6.4.8
5.3.60	Capacity Release, 6.4.14

Standards Incorporated by Reference:

Additional Standards:

General:

Definition:

0.2.5

Standards:

0.3.1, 0.3.2, 0.3.16, 0.3.17

Gas/Electric Operational Communications:

Definitions:

0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:

0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards:

0.3.18, 0.3.20, 0.3.21, 0.3.22

Data Sets:

0.4.2*, 0.4.3

Location Data Download:

Standards:

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

Data Set:

0.4.4*

Storage Information:

Data Sets:

0.4.1*

Nominations Related Standards:

Definitions:

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

Standards:

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

Data Sets:

1.4.1*, 1.4.2*, 1.4.3*, 1.4.4*, 1.4.5*, 1.4.6*, 1.4.7*

Flowing Gas Related Standards:

Definitions:

2.2.2, 2.2.3, 2.2.4, 2.2.5

Standards:

2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.3.8, 2.3.10, 2.3.11, 2.3.12, 2.3.13, 2.3.14, 2.3.15, 2.3.16, 2.3.17, 2.3.18, 2.3.19, 2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.26, 2.3.27, 2.3.28, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, 2.3.66

Data Sets:

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

Invoicing Related Standards:

Standards:

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

Data Sets:

3.4.1*, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

Definitions:

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

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.60, 4.3.61, 4.3.62, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.103, 4.3.104, 4.3.105

Capacity Release Related Standards:

Definitions:

5.2.2, 5.2.4, 5.2.5

Standards:

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

Data Sets:

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

Internet Electronic Transport Related Standards:

Definitions:

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

Standards:

10.3.1, 10.3.3, 10.3.4, 10.3.5, 10.3.6, 10.3.7, 10.3.8, 10.3.9, 10.3.10, 10.3.11, 10.3.12, 10.3.14, 10.3.15, 10.3.16, 10.3.17, 10.3.18, 10.3.19, 10.3.20, 10.3.21, 10.3.22, 10.3.23, 10.3.24, 10.3.25, 10.3.26, 10.3.27

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

NAESB Standard

Waiver or Extension of Time

0.3.23	Extension of Time
0.4.1*	Extension of Time
0.4.2*	Extension of Time
0.4.3	Extension of Time
1.3.3	Extension of Time
1.3.37	Extension of Time
1.3.45	Extension of Time
1.3.56	Extension of Time
1.3.65	Extension of Time
1.4.1*	Extension of Time
1.4.2*	Extension of Time
1.4.3*	Extension of Time
1.4.4*	Extension of Time
1.4.5*	Extension of Time
1.4.6*	Extension of Time
1.4.7*	Extension of Time
2.4.1*	Extension of Time
2.4.2	Extension of Time
2.4.3*	Extension of Time
2.4.4*	Extension of Time
2.4.5*	Extension of Time
2.4.6	Extension of Time

2.4.7	Extension of Time
2.4.8	Extension of Time
2.4.17	Extension of Time
2.4.18	Extension of Time
3.4.1*	Extension of Time
3.4.2	Extension of Time
3.4.3	Extension of Time
3.4.4	Extension of Time
4.3.44	Extension of Time
4.3.52	Extension of Time
4.3.55	Extension of Time
4.3.67	Extension of Time
4.3.80	Extension of Time
4.3.81	Extension of Time
4.3.82	Extension of Time
4.3.83	Extension of Time
4.3.84	Extension of Time
4.3.101	Extension of Time
4.3.102	Extension of Time
5.3.35	Extension of Time
5.3.70	Extension of Time
5.4.14	Extension of Time
5.4.15	Extension of Time
5.4.16*	Extension of Time
5.4.17	Extension of Time
5.4.23	Extension of Time
5.4.24*	Extension of Time
5.4.25	Extension of Time
5.4.26*	Extension of Time
5.4.27	Extension of Time
10.3.1	Extension of Time
10.3.3	Extension of Time
10.3.4	Extension of Time
10.3.5	Extension of Time
10.3.6	Extension of Time
10.3.7	Extension of Time
10.3.8	Extension of Time
10.3.9	Extension of Time
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10.3.18	Extension of Time
10.3.19	Extension of Time
10.3.20	Extension of Time
10.3.21	Extension of Time
10.3.22	Extension of Time
10.3.23	Extension of Time
10.3.24	Extension of Time
10.3.25	Extension of Time
10.3.26	Extension of Time

10.3.27

Extension of Time

With regard to definition 2.2.2, PPEC's Facility shall comprise a single Operational Impact Area.

PPEC's incorporation of the Internet Electronic Transport Related Standards is subject to the limited waiver FERC granted PPEC regarding an extension of time to implement Electronic Data Interchange (EDI), Electronic Delivery Mechanism (EDM), and Internet Electronic Transport (IET) requirements communications until ninety (90) days following a request that it provide such communications.

.27 GENERAL TERMS AND CONDITIONS – SUCCESSORS IN INTEREST

27. SUCCESSORS IN INTEREST

Any company which shall succeed by purchase, merger, consolidation or otherwise to the properties substantially as an entirety, of PPEC or of Customer, shall be entitled to the rights and shall be subject to the obligations of its predecessors in title under a Storage Service Agreement. In accordance with the capacity release procedures set forth in GT&C 4, Customer may, without relieving itself of its obligations under such Storage Service Agreement, assign any of its rights and obligations thereunder to another Customer, but otherwise no assignment of such Storage Service Agreement, or of any of the rights or obligations thereunder shall be made unless there first shall have been obtained the consent thereto of PPEC, in the event of any assignment by Customer, or the consent thereto of Customer, in the event of an assignment by PPEC. These restrictions on assignment shall not in any way prevent any party from pledging or mortgaging its rights under a Storage Service Agreement as security for its indebtedness.

6.31 GENERAL TERMS AND CONDITIONS – CREDITWORTHINESS - FINANCIAL ASSURANCES

6.31 CREDITWORTHINESS - FINANCIAL ASSURANCES

- 31.1 PPEC's acceptance of Customer's request for new service and/or continuation of service to Customer under any of PPEC's rate schedules is contingent upon a determination by PPEC that the overall financial condition of such Customer is acceptable to PPEC, which determination shall be based on a credit appraisal of such Customer that is conducted on a not unduly discriminatory basis utilizing consistent financial evaluation standards to determine the acceptability of Customer's overall financial condition from time to time.
- 31.2 Customer will be deemed creditworthy for amounts set forth in Sections 31.6 (a) and (b) if (i) its long-term unsecured debt securities are rated at least BBB- by Standard & Poor's Corporation ("S&P") or Baa3 by Moody's Investor Service ("Moody's") (or if Customer has obtained an equivalent S&P or Moody's issuer rating), (ii) Customer's short term and long term outlook opinion is Stable or Positive from S&P or Moody's, and (iii) Customer provides the information specified in Sections 31.3(c)–(f). In the event Customer is rated by multiple agencies, the lower rating shall govern.
- 31.3 If Customer is not deemed creditworthy based solely upon the criteria set forth in Section 31.2, or if Customer that is deemed creditworthy based on such criteria seeks a credit limit in excess of the amounts set forth in Sections 31.6 (a) and (b), to enable PPEC to conduct a credit appraisal, Customer shall submit the material and information set forth in Sections 31.3(a)–(g) below. PPEC's receipt of such material and information shall not be deemed acceptance of a request for service by PPEC. Acceptance shall be confirmed by PPEC only after PPEC has reviewed the material and information set forth in Sections 31.3(a)-(g) and has determined that Customer is sufficiently creditworthy. Customer shall, if requested by PPEC, provide the material and information required by Sections 31.3(a)-(g) for its parent company and/or guarantor. Customer shall not be required to provide the material and information specified in Sections 31.3(a)–(b) if Customer agrees to provide financial assurances in accordance with Sections 31.5(a)-(e). As an alternative to Customer, or its guarantor, providing some or all of the information specified in Sections 31.3(a)-(b), Customer may provide alternate equivalent information which PPEC reasonably agrees to accept or PPEC may rely on equivalent information that is publicly available or available through published sources.
- (a) Customer shall provide current audited financial statements, annual reports, 10-K and 10-Q reports, interim financial statements with attestation by the Chief Financial Officer (or equivalent) that such statements are a true, correct and fair representation of financial condition prepared in accordance with Generally Accepted Accounting Principles and other filings with regulatory agencies which discuss Customer's financial status, a list of all corporate affiliates, parent companies and subsidiaries, and any reports from credit reporting and bond rating agencies which are available (for non-public entities, in lieu of the foregoing, Customer may provide any existing sworn filing, which provides the most recent available interim financial statements and annual financial reports filed with any applicable regulatory authority, showing the Customer's current financial condition);
- (b) Customer shall provide a bank reference and at least two (2) trade references. The results of reference checks and any credit reports submitted pursuant to Section 31.2 must show that Customer's obligations are being paid on a reasonably prompt basis;
- (c) Customer shall confirm in writing that Customer is not operating under any chapter of the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal

creditors' committee agreement. An exception may be made for Customer who is a debtor in possession operating under Chapter XI of the U. S. Bankruptcy Code but only with adequate assurance that the service billing will be paid promptly as a cost of administration under the Bankruptcy Court's jurisdiction;

- (d) Customer shall confirm in writing that Customer is not aware of any change in business conditions which would cause a substantial deterioration in its financial condition, a condition of insolvency or the inability to exist as an ongoing business entity;
- (e) If Customer has an existing Storage Service Agreement with PPEC, Customer shall confirm in writing that no delinquent balances are outstanding for services previously provided by PPEC;
- (f) Customer shall confirm in writing that no significant collection lawsuits or judgments are outstanding that are reasonably likely to have a material adverse impact on the ability of Customer to remain solvent; and
- (g) Customer shall provide such other material and information as PPEC may reasonably request.

31.4 PPEC shall not be required to perform or to continue service under any Rate Schedule on behalf of any Customer who is or has become insolvent or who, at PPEC's request, fails within a reasonable period to demonstrate creditworthiness. In such event, PPEC may take such action as is permitted in GT&C 28.2. For purposes of this Section 31 and GT&C 28 the insolvency of Customer shall be conclusively demonstrated by the filing by (i) Customer, or any parent entity thereof, or guarantor of Customer of a voluntary petition in bankruptcy, or (ii) the entry of a decree or order by a court having jurisdiction in the premises adjudging Customer, or any parent entity thereof, or guarantor of Customer bankrupt or insolvent, or approving, as properly filed, a petition seeking reorganization, arrangement, adjustment or composition of or in respect of Customer, or any parent entity thereof, or guarantor of Customer under the U.S. Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of Customer, or any parent entity thereof, or guarantor of Customer or of any substantial part of their property, or the ordering of the winding-up or liquidation of their affairs, with said order or decree continuing unstayed and in effect for a period of sixty (60) consecutive days.

31.5 Upon notification by PPEC that Customer has failed to establish that it is creditworthy in accordance with Sections 31.2 or 31.3, or subsequently during the term of the Storage Service Agreement that Customer no longer satisfies the creditworthiness criteria set forth in Sections 31.2 or 31.3, such Customer may still obtain or retain service if it (i) pays any outstanding balances due PPEC for service previously rendered or has complied with GT&C 14.5 with regard to such balances and (ii) provides one or more of the following forms of financial assurances acceptable to PPEC:

- (a) an advance deposit; provided that such deposit shall be considered collateral held for security and not advance payments for services. An advance deposit shall accrue interest, calculated monthly at the published federal funds rate, to the benefit of Customer from the date PPEC receives the funds.
- (b) a standby irrevocable letter of credit subject to the following:
 - (1) each letter of credit shall be in effect for the lesser of one (1) year or for the term of the transaction plus sixty (60) days. If the term of the transaction plus sixty (60) days is greater than one (1) year, Customer shall ensure that

its obligation to PPEC is secured continuously, and accordingly shall provide PPEC with a replacement letter of credit no later than sixty (60) days prior to the expiration of the then-effective letter of credit. PPEC will return the expiring letter of credit to Customer within five (5) days of the date the replacement letter of credit becomes effective.

- (2) each letter of credit shall be in form and substance satisfactory to PPEC, and shall provide for partial drawdowns and, without limiting the generality of the foregoing, shall be issued by a financial institution acceptable to PPEC; and
 - (3) in addition to all other remedies available to PPEC at law or in equity, if Customer fails to provide a replacement letter of credit in accordance with this Section, PPEC may draw upon the expiring letter of credit to the full amount thereof and apply the funds so drawn in payment in whole or in part of the obligations of Customer under each or any of Customer's Storage Service Agreements.
- (c) a security interest in collateral acceptable to PPEC.
 - (d) a guaranty, in form and substance acceptable to PPEC, by another person or entity acceptable to PPEC.
 - (e) other forms of financial assurances acceptable to PPEC to secure Customer's obligations under the Storage Service Agreements, provided that PPEC may reject or accept such other forms of financial assurances in a manner that is not unduly discriminatory.

31.6 PPEC shall notify Customer if PPEC requests financial assurances in accordance with Section 31.5. If PPEC rejects financial assurances offered by Customer in accordance with Sections 31.5(a)–(e), PPEC shall re-issue its request for financial assurances and will include an explanation for the rejection of the financial assurances previously offered by Customer. The amount of financial assurances Customer is required to provide shall be calculated as follows (subject to PPEC's determination of Customer's credit limit, in the manner described in Section 31.7), aggregated for all of Customer's Storage Service Agreements:

- (a) For firm services, an amount equal to the sum of the three (3) highest Months' worth of reservation charges during a contract year or the duration of Customer's Storage Service Agreement, whichever is shorter, at the reservation rates specified in Customer's Storage Service Agreement or, when Customer has not yet executed a Storage Service Agreement, at a reservation rate which PPEC, acting reasonably, deems reflective of the current market rate for firm services comparable to those Customer proposes to purchase.
- (b) For Interruptible services, an amount equal to an estimate of the value of fifteen (15) Days of service at maximum utilization per Month for three (3) Months or the duration of Customer's Interruptible Storage Service Agreement, whichever is shorter, calculated at the interruptible rate specified in Customer's Storage Service Agreement or, when Customer has not yet executed a Storage Service Agreement, at a rate which PPEC, acting reasonably, deems reflective of the current market rate for Interruptible services comparable to those Customer proposes to purchase. Customer will be required to comply with all of PPEC's credit requirements by the time Customer requests service under an Interruptible Storage Service Agreement.
- (c) The financial assurances amounts calculated pursuant to Sections 31.6 (a) and (b)

shall be increased by the market value, as determined by PPEC, of any quantities of Gas loaned to Customer pursuant to Customer's Storage Service Agreement(s) that contemplate loan services. PPEC shall be entitled to recalculate the value of loaned Gas as frequently as each day. PPEC shall calculate the market value of loaned gas using the unit price for the Henry Hub Natural Gas Futures Contract, as posted on the www.cmegroup.com web site plus Pine Prairie hub basis for the period under which the loaned gas is scheduled to be returned pursuant to Customer's Storage Service Agreement(s), multiplied by Customer's quantity of loaned Gas, plus any applicable transportation cost. PPEC shall have the right to notify Customer when such recalculation indicates that additional credit support is required to comply with the requirements of this Section based on a ten percent (10%) increase in the daily computation of the amount of financial assurances over the financial assurances previously provided by Customer. Customer shall have two (2) Business Days to comply with a notification by PPEC of insufficient financial assurances.

- (d) For service that requires PPEC to construct new facilities, an amount determined by PPEC prior to the start of construction that is reasonable in light of the risks of the construction project, not to exceed Customer's proportional share of the cost of the facilities to be constructed (which amount shall be reduced as Customer pays off the obligation for construction of new facilities).

Forecasted activity shall be used to calculate the amount of financial assurances if actual data is not available. With respect to a request for new service, any financial assurances required by PPEC must be received by PPEC before PPEC is obligated to perform services for Customer. For Capacity Release Umbrella Agreements, Customer will be required to comply with all of PPEC's credit requirements before Customer submits a bid to acquire released capacity pursuant to GT&C 4.

- 31.7 PPEC shall from time to time determine a credit limit for each Customer. The credit limit represents the amount of credit PPEC is willing to provide to Customer without requiring Customer to provide financial assurances. The credit limit may be stated as a dollar amount or by reference to activity under Customer's Storage Service Agreements. The amount of financial assurances that Customer may be required to provide from time to time shall be as calculated in accordance with Section 31.6, minus Customer's credit limit. A Customer deemed creditworthy pursuant to Section 31.2 shall have a credit limit equivalent to the amounts described in Sections 31.6 (a) and (b), unless Customer demonstrates to PPEC's satisfaction pursuant to Section 31.3 that its financial position warrants a higher credit limit.
- 31.8 For any Customer for which PPEC shall have established a credit limit greater than zero (0) or for Customers deemed creditworthy pursuant to Section 31.2 which seek a credit limit in excess of the amounts set forth in Sections 31.6 (a) and (b), upon request by PPEC at any time during the period of service, Customer shall provide PPEC with updated financial material and information in the form specified in Sections 31.3(a)-(g). PPEC shall re-evaluate Customer's creditworthiness based upon the updated material and information provided by Customer, in accordance with Section 31.3.

If Customer's credit standing ceases to meet PPEC's credit requirements at any time during the period of service, then PPEC has the right to require additional financial assurances as specified in Section 31.5. With respect to an existing Service Agreement, Customer must tender the financial assurances required by Section 31.5 within two (2) Business Days of PPEC's notification. If such financial assurances are not received within the specified time period, then PPEC may immediately suspend service, and may terminate Customer's Service Agreement(s) upon thirty (30) days' notice to Customer and the Commission, in accordance with GT&C 28.

If the credit standing of any entity issuing financial assurances in support of Customer's obligations ceases to satisfy the criteria set forth in Sections 31.2 and 31.3 at any time during the period of service, then PPEC has the right to require Customer to provide replacement financial assurances that satisfies the requirements of Section 31.5 within two (2) Business Days of PPEC's notification. If such financial assurances are not received within the specified time period, then PPEC may immediately suspend service, and may terminate Customer's service agreement(s) upon thirty (30) days' notice to Customer and the Commission in accordance with GT&C 28.

- 31.9 In the event any material and information provided by Customer pursuant to Sections 31.3(a)-(g) with respect to a request for new service materially changes prior to execution of the new Storage Service Agreement, or Customer learns that such material and information may materially change prior to execution of a Storage Service Agreement, Customer shall be obligated to provide written notice of such material change to PPEC. PPEC may require Customer to resubmit any or all of the financial material and information required in Sections 31.3(a)-(g). PPEC shall reevaluate Customer's creditworthiness based upon the updated material and information.
- 31.10 In addition to the requirements set forth above, PPEC's determination of Customer's creditworthiness shall be subject to the following procedures:
- (a) If PPEC requests additional material and information to be used for credit evaluation after the initiation of service, PPEC, contemporaneous with the request, shall provide its reason(s) for requesting the additional material and information to Customer and PPEC shall designate to whom the response shall be sent. PPEC and Customer may mutually agree to waive the requirements of this standard.
 - (b) Upon receipt of either an initial or follow-up request from PPEC for material and information to be used for creditworthiness evaluation, Customer's authorized representative(s) shall acknowledge receipt of PPEC's request. PPEC and Customer may mutually agree to waive the requirements of this standard.
 - (c) Customer's authorized representative(s) shall respond to PPEC's request for credit material and information, as allowed by PPEC's Tariff, on or before the due date specified in the request. Customer shall provide all the credit material and information requested by PPEC or provide the reason(s) why any of the requested information was not provided.
 - (d) Upon receipt from Customer of all credit material and information provided pursuant to applicable NAESB WGQ standards, PPEC shall notify Customer's authorized representative(s) that it has received such material and information. PPEC and Customer may mutually agree to waive the requirements of this standard.
 - (e) Customer shall designate up to two (2) representatives who are authorized to receive notices regarding Customer's creditworthiness, including requests for additional material and information, pursuant to the applicable NAESB WGQ standards and shall provide to PPEC the e-mail addresses of such representatives prior to the initiation of service. Written requests and responses shall be provided via e-mail, unless otherwise agreed to by the parties. The obligation of PPEC to provide creditworthiness notifications is waived until the above requirement has been met. Customer shall manage internal distribution of any creditworthiness notices that are received.

- (f) PPEC shall designate, on its Internet Web Site or in written notices to Customer, the e-mail addresses of up to two (2) representatives who are authorized to receive notices regarding Customer's creditworthiness. Customer's obligation to provide confirmation of receipt is met by sending such confirmation to such representatives, and PPEC shall manage internal distribution of any such confirmations.
- (g) At any time after Customer is determined to be non-creditworthy by PPEC, Customer may request a creditworthiness re-evaluation by PPEC. As part of Customer's re-evaluation request, Customer shall either update or confirm in writing the prior material and information provided to PPEC related to Customer's creditworthiness. Such updates shall include any event(s) that Customer believes could lead to a material change in Customer's creditworthiness.
- (h) After PPEC's receipt of Customer's request for re-evaluation, including all required material and information pursuant to NAESB WGQ Standard 0.3.8 ("Customer's Request"), within five (5) Business Days, PPEC shall provide a written response to Customer's Request. Such written response shall include either a determination of creditworthiness status, clearly stating the reason(s) for PPEC's decision, or an explanation supporting a future date by which a re-evaluation determination will be made. In no event shall such re-evaluation determination exceed twenty (20) Business Days from the date of the receipt of Customer's Request unless specified in PPEC's Tariff or the parties mutually agree to some later date.
- (i) In complying with the creditworthiness related notifications pursuant to the applicable NAESB WGQ standards, Customer and PPEC may mutually agree to other forms of communication in lieu of e-mail notification.

6.32 GENERAL TERMS AND CONDITIONS – DISPOSITION OF RETAINED QUANTITIES

32. DISPOSITION OF RETAINED QUANTITIES

- 32.1 In the event that PPEC holds an auction for Gas quantities retained pursuant to Rate Schedule FSS, Rate Schedule FP, Rate Schedule ISS, Rate Schedule IP, or Rate Schedule IB, PPEC shall post such quantities on the Internet Web Site as soon as reasonably practicable. PPEC shall accept bids only during the time period from 7:00 a.m. until 11:00 a.m. CCT on the second Business Day following such posting. PPEC shall award purchase of the Gas to Customer submitting the highest bid, and shall notify bidder submitting the highest bid prior to 4:00 p.m. CCT of the same Day on which PPEC accepts bids; provided, however, PPEC reserves the right to reject all bids.
- 32.2 PPEC shall credit eighty percent (80%) of the net proceeds from the auction to Customer who left gas in storage. The remaining twenty percent (20%) of the net proceeds received from such auction will be credited to all Customers whose Gas was not so purchased or retained (“Qualifying Customer”) based on the ratio of the total charges paid by each Qualifying Customer for service to the total amount of such charges paid by all Qualifying Customers during the Month in which the auction of Gas occurred. For the purposes of this Section, the term “net proceeds” shall mean the total proceeds received from the auction less any costs PPEC incurred as a result of conducting the auction or the purchase or retention of Customer’s Gas including Reservation Charges and Withdrawal Charges at the rates then in effect or in effect at the termination of the contract, whichever is higher.
- 32.3 Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year and will be included on the Qualifying Customers’ invoices for the Month following the date of the final Commission order approving PPEC’s penalty disbursement report; provided, however, that PPEC will calculate and include such credits on Qualifying Customers’ invoices for a period shorter than twelve (12) Months in the event and to the extent that the total accumulated amount pursuant to this Section 32 by PPEC as of the end of any Month exceeds \$1,000,000. PPEC will file a penalty disbursement report within sixty (60) days of July 31 or sixty (60) days after the end of the Month in which the revenue collected exceeds \$1,000,000. Any revenues credited to Qualifying Customers pursuant to this Section shall include interest calculated in accordance with Section 154.501(d) of the Commission’s regulations.

6.33 GENERAL TERMS AND CONDITIONS – WAREHOUSEMEN'S LIEN

33. WAREHOUSEMEN'S LIEN

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

6.34 GENERAL TERMS AND CONDITIONS – STORAGE SERVICES EXHIBIT EXECUTION PROCEDURE

34. STORAGE SERVICES AGREEMENT EXHIBIT EXECUTION PROCEDURE

- 34.1 PPEC and Customer agree that the procedure set forth in this Section 34 shall govern the execution of exhibits associated with Storage Service Agreements.
- 34.2 Should PPEC and Customer come to an agreement regarding a transaction, a record of such transaction in the form of an exhibit shall be sent by PPEC to Customer by e-mail by the close of the Business Day following the date of agreement (provided that failure to meet such deadline shall not invalidate an agreement), which record shall include all of the information required under the applicable form of exhibit set forth in this Tariff. PPEC and Customer acknowledge that no such record will be binding except as set forth in Section 34.3.
- 34.3 If PPEC's record regarding an exhibit is different in any respect from Customer's understanding of the agreement, Customer shall notify PPEC indicating the differences via e-mail sent by the Confirm Deadline. Customer shall be bound by the terms of the exhibit as described in PPEC's record, and the parties shall be bound by the terms of that exhibit if (i) Customer does not notify PPEC by the Confirm Deadline that the record is different in any respect from Customer's understanding of the agreement, (ii) Customer indicates its agreement to the exhibit by e-mail, or (iii) Customer submits a nomination for service under the exhibit. If Customer provides notice pursuant to the foregoing that a record differs from Customer's understanding of the agreement, then no exhibit regarding the agreement shall be binding until PPEC has sent a new record regarding the agreement and such recording is agreed to pursuant to the terms of Section 34.2 and this Section 34.3 (except that PPEC's record of such exhibit must be sent by the close of the Business Day following PPEC's receipt of Customer's notification of differences).
- 34.4 For purposes of this Section 34, "Confirm Deadline" shall mean 5:00 p.m. Central Clock Time on the second Business Day following the Day the record of an exhibit is sent.
- 34.5 Either party may furnish an address specifically for the purposes of receiving e-mails pursuant to this Section 34.
- 34.6 Exhibits entered into by e-mail pursuant to this Section 34 are intended to be binding on each party, as provided in the Texas Uniform Electronic Transactions Act and the Electronic Signatures in Global and National Commerce Act.

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

Firm Storage Service Agreement

Execution Copy

Agreement No.

Date

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

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

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain firm storage services for Customer; and

WHEREAS, PPEC has agreed to provide such firm storage services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule FSS, and of this Agreement, PPEC shall on any Day receive for injection into Customer's Storage Inventory account a quantity of Gas up to Customer's Maximum Daily Injection Quantity as set forth on Exhibit "A", shall store quantities of Gas so injected up to a Maximum Storage Quantity as set forth on Exhibit "A" (on a cumulative basis), and on demand on any Day shall withdraw from Customer's Storage Inventory account and deliver to Customer a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity as set forth on Exhibit "A". Customer's service under this Agreement shall be subject to the ratchet provisions set forth on Exhibit "A", which may provide for reductions in Customer's Maximum Daily Injection Quantity and Maximum Daily Withdrawal Quantity based on the level of Customer's Storage Inventory.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule FSS.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion,

calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule FSS and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit “A”

I. Maximum Quantities

A.	Maximum Storage Quantity (“MSQ”) Date or event	MSQ	
	_____	_____	Dth
	_____	_____	Dth
B.	Maximum Daily Injection Quantity (“MDIQ”) Date or event	MDIQ	
	_____	_____	Dth
	_____	_____	Dth
C.	Maximum Daily Withdrawal Quantity (“MDWQ”) Date or event	MDWQ	
	_____	_____	Dth
	_____	_____	Dth

Notes: The MSQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MSQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MSQ, MDIQ, and MDWQ quantities.

II. Ratchets

Date or event: _____

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

A. Injection Ratchets					
	Level of MSQ	MDIQ Multiplier		Level of MSQ	MDIQ Multiplier
<input type="checkbox"/>	0% - 40%	100%	<input type="checkbox"/>	0% - 60%	100%
	Greater than 40% up to 63%	66.7%		Greater than 60% up to 80%	80%
	Greater than 63% up to 75%	33.3%		Greater than 80% up to 100%	60%
	Greater than 75% up to 87%	25%			
	Greater than 87% up to 100%	17%			
<input type="checkbox"/>	0% - 40%	100%	<input type="checkbox"/>	0% - 80%	100%
	Greater than 40% up to 65%	50%		Greater than 80% up to 90%	80%
	Greater than 65% up to 100%	25%		Greater than 90% up to 100%	65%
<input type="checkbox"/>	0% - 70%	100%	<input type="checkbox"/>	No Injection Ratchets	
	Greater than 70% up to 100%	25%			

B. Withdrawal Ratchets

	Level of MSQ	MDWQ Multiplier		Level of MSQ	MDWQ Multiplier
<input type="checkbox"/>	100% - 30%	100%	<input type="checkbox"/>	100% - 20%	100%
	Less than 30% down to 0%	25%		Less than 20% down to 10%	75%
				Less than 10% down to 0%	50%
<input type="checkbox"/>	100% - 40%	100%	<input type="checkbox"/>	No Withdrawal Ratchets	
	Less than 40% down to 20%	75%			
	Less than 20% down to 0%	50%			

Notes: Additional lines may be added in the event that the Parties agree that Injection and Withdrawal Ratchets shall change during the Term.

The values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised Injection or Withdrawal Ratchet is to become effective.

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

Maximum Daily Receipt Quantity (“MDRQ”) and Maximum Daily Delivery Quantity (“MDDQ”)

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ Dth	_____ Dth
Acadia_Entergy	_____ Dth	_____ Dth
ANR_ML2	_____ Dth	_____ Dth
ANR_SE	_____ Dth	_____ Dth
CGT_Mainline	_____ Dth	_____ Dth
FGT_ZN2	_____ Dth	_____ Dth
KM LA Pipeline	_____ Dth	_____ Dth
Pine_Prairie_Hub	_____ Dth	_____ Dth
TETCO_WLA	_____ Dth	_____ Dth
TGP_800L	_____ Dth	_____ Dth
Transco Z3	_____ Dth	_____ Dth
TX_Gas_SL	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth

Notes: The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Term.

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

Date or event: _____

Note: Additional lines may be added in the event that the Parties agree that the rights to use secondary Point(s) of Receipt and secondary Point(s) of Delivery shall change during the Term.

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

Note: In the event Customer elects no secondary point rights, quantities in excess of MDRQ and MDDQ and quantities in excess of zero (0) for points that have an MDRQ or MDDQ of zero (0) are considered Excess Injection Gas and Excess Withdrawal Gas.

- Customer shall have the right to use secondary Point(s) of Receipt and secondary Point(s) of Delivery.

Notes: Points selected for nominations (i) in excess of MDRQ up to MDIQ and/or (ii) in excess of MDDQ up to MDWQ and/or (iii) quantities in excess of zero (0) for points that have an MDRQ or MDDQ of zero (0) up to MDIQ and MDWQ, will be considered secondary points.

Quantities in excess of MDIQ and MDWQ are considered Excess Injection Gas and Excess Withdrawal Gas.

V. Rates and Charges

Date or event: _____

Firm Storage Reservation Charge _____ \$/Dth/Month

Firm Injection Reservation Charge _____ \$/Dth/Month

Firm Withdrawal Reservation Charge _____ \$/Dth/Month

Commodity Charges Applicable to the following:

Firm Storage Injection Charge

Primary Point(s) of Receipt	\$/Dth	Secondary Point(s) of Receipt	\$/Dth
Acadia_Cleco	_____ \$/Dth	Acadia_Cleco	_____ \$/Dth
Acadia_Entergy	_____ \$/Dth	Acadia_Entergy	_____ \$/Dth
ANR_ML2	_____ \$/Dth	ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth	ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth	CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth	FGT_ZN2	_____ \$/Dth
KM LA Pipeline	_____ \$/Dth	KM LA Pipeline	_____ \$/Dth
Pine_Prairie_Hub	_____ \$/Dth	Pine_Prairie_Hub	_____ \$/Dth
TETCO_WLA	_____ \$/Dth	TETCO_WLA	_____ \$/Dth
TGP_800L	_____ \$/Dth	TGP_800L	_____ \$/Dth
Transco Z3	_____ \$/Dth	Transco Z3	_____ \$/Dth
TX_Gas_SL	_____ \$/Dth	TX_Gas_SL	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth

Firm Storage Withdrawal Charge

Primary Point(s) of Delivery	\$/Dth	Secondary Point(s) of Delivery	\$/Dth
Acadia_Cleco	_____ \$/Dth	Acadia_Cleco	_____ \$/Dth
Acadia_Entergy	_____ \$/Dth	Acadia_Entergy	_____ \$/Dth
ANR_ML2	_____ \$/Dth	ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth	ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth	CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth	FGT_ZN2	_____ \$/Dth
KM LA Pipeline	_____ \$/Dth	KM LA Pipeline	_____ \$/Dth
Pine_Prairie_Hub	_____ \$/Dth	Pine_Prairie_Hub	_____ \$/Dth
TETCO_WLA	_____ \$/Dth	TETCO_WLA	_____ \$/Dth
TGP_800L	_____ \$/Dth	TGP_800L	_____ \$/Dth
Transco Z3	_____ \$/Dth	Transco Z3	_____ \$/Dth
TX_Gas_SL	_____ \$/Dth	TX_Gas_SL	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth

Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Excess Injection Charge _____ Negotiable *

Excess Withdrawal Charge _____ Negotiable *

* Excess Injection Charges and Excess Withdrawal Charges, if applicable, shall be set forth in Customer's Hub Services Agreement.

Fuel Reimbursement _____

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

No-Notice Storage Service Agreement

Execution Copy

Agreement No.

Date

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

7.2 NO-NOTICE STORAGE SERVICE AGREEMENT (For Use Under Rate Schedule NNSS)

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain no-notice services for Customer; and

WHEREAS, PPEC has agreed to provide such no-notice services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule NNSS and this Agreement, PPEC shall on any Day allow Customer to deviate (plus or minus) by any amount up to Customer's No-Notice Maximum Daily Quantity as designated on Exhibit "A", at points of Receipt and Delivery designated on Exhibit "A", from its nominations under Customer's Firm Storage Agreement designated on Exhibit "A". Any such deviations shall be netted against Customer's FSS Storage Inventory, provided that Customer's FSS Storage Inventory shall not be permitted to exceed Customer's FSS Maximum Storage Quantity or to fall below zero (0).

ARTICLE II – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule NNSS.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's Gas in storage assessed against and paid by PPEC.

ARTICLE III – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule NNSS and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE IV – TERM OF AGREEMENT

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

ARTICLE V – NOTICES

Notices shall be sent in accordance with PPEC’s Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VI - LAW OF AGREEMENT

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

ARTICLE VII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF VALUE, LOSS OF FINANCIAL ADVANTAGE, LOSS OF

PROFIT OR BUSINESS INTERRUPTIONS, HOWEVER SAME MAY BE CAUSED, AND SHALL BE LIMITED, TO ACTUAL DAMAGES ONLY.

ARTICLE VIII – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE IX – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit "A"

This No-Notice Storage Service Agreement shall permit deviations from quantities nominated under the Rate Schedule FSS Firm Storage Service Agreement No. _____ between PPEC and Customer dated _____. In addition to the primary Point(s) of Receipt and primary Point(s) of Delivery specified in Customers Rate Schedule FSS Firm Storage Service Agreement, Customer may use its No-Notice Service at secondary Point(s) of Receipt and secondary Point(s) of Delivery as specified in Customer's Rate Schedule FSS Firm Storage Service Agreement.

Date or Event _____

No-Notice Reservation Charge _____ \$/Dth/Month

No-Notice Maximum Daily Quantity _____ Dth

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

Firm Parking Service Agreement

Execution Copy

Agreement No.

Date

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

7.3 FIRM PARKING SERVICE AGREEMENT (For Use Under Rate Schedule FP)

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain firm parking services for Customer; and

WHEREAS, PPEC has agreed to provide such firm parking services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule FP, and of this Agreement, PPEC shall on any Day of the Injection Period, as set forth on Exhibit "A" ("Injection Period"), receive for injection into storage for Customer's account a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A", shall store quantities of Gas so injected up to a Maximum Park Quantity, as set forth on Exhibit "A" (on a cumulative basis), and on demand on any Day during the Withdrawal Period, as set forth on Exhibit "A" ("Withdrawal Period"), shall allow Customer to withdraw from Customer's Storage Inventory and deliver to Customer a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity, as set forth on Exhibit "A". Injections shall occur under this Agreement such that Customer's Storage Inventory at the end of the Injection Period is equal to Customer's Maximum Park Quantity. Withdrawals shall occur under this Agreement such that Customer's Park Balance shall equal zero (0) at the end of the Withdrawal Period.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule FP.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition,

Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule FP and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit “A”

I. Park Term

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

II. Maximum Quantities

A. Maximum Park Quantity (“MPQ”)

Date or event	MPQ	
_____	_____	Dth
_____	_____	Dth

B. Maximum Daily Injection Quantity (“MDIQ”)

Date or event	MDIQ	
_____	_____	Dth
_____	_____	Dth

C. Maximum Daily Withdrawal Quantity (“MDWQ”)

Date or event	MDWQ	
_____	_____	Dth
_____	_____	Dth

Notes: The MPQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MPQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MPQ, MDIQ, and MDWQ quantities.

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

Maximum Daily Receipt Quantity (“MDRQ”) and Maximum Daily Delivery Quantity (“MDDQ”)
 Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ Dth	_____ Dth
Acadia_Entergy	_____ Dth	_____ Dth
ANR_ML2	_____ Dth	_____ Dth
ANR_SE	_____ Dth	_____ Dth
CGT_Mainline	_____ Dth	_____ Dth
FGT_ZN2	_____ Dth	_____ Dth
KM LA Pipeline	_____ Dth	_____ Dth
Pine_Prairie_Hub	_____ Dth	_____ Dth
TETCO_WLA	_____ Dth	_____ Dth
TGP_800L	_____ Dth	_____ Dth
Transco Z3	_____ Dth	_____ Dth
TX_Gas_SL	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth

Notes: The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Term.

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

Date or event: _____

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

Notes: Points selected for nominations (i) in excess of MDRQ up to MDIQ and/or (ii) in excess of MDDQ up to MDWQ and/or (iii) quantities in excess of zero (0) for points that have an MDRQ or MDDQ of zero (0) up to MDIQ and MDWQ, will be considered secondary points.

Additional lines may be added in the event that the Parties agree that the rights to use secondary Point(s) of Receipt and secondary Point(s) of Delivery shall change during the Term.

V. Rates and Charges

Date or event: _____

Firm Parking Reservation Charge _____ \$/Dth/Month

Commodity Charges Applicable to the following:

Firm Parking Injection Charge

Primary Point(s) of Receipt	\$/Dth	Secondary Point(s) of Receipt	\$/Dth
Acadia_Cleco	_____ \$/Dth	Acadia_Cleco	_____ \$/Dth
Acadia_Entergy	_____ \$/Dth	Acadia_Entergy	_____ \$/Dth
ANR_ML2	_____ \$/Dth	ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth	ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth	CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth	FGT_ZN2	_____ \$/Dth
KM LA Pipeline	_____ \$/Dth	KM LA Pipeline	_____ \$/Dth
Pine_Prairie_Hub	_____ \$/Dth	Pine_Prairie_Hub	_____ \$/Dth
TETCO_WLA	_____ \$/Dth	TETCO_WLA	_____ \$/Dth
TGP_800L	_____ \$/Dth	TGP_800L	_____ \$/Dth
Transco Z3	_____ \$/Dth	Transco Z3	_____ \$/Dth
TX_Gas_SL	_____ \$/Dth	TX_Gas_SL	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth

Firm Parking Withdrawal Charge

Primary Point(s) of Delivery	\$/Dth	Secondary Point(s) of Delivery	\$/Dth
Acadia_Cleco	_____ \$/Dth	Acadia_Cleco	_____ \$/Dth
Acadia_Entergy	_____ \$/Dth	Acadia_Entergy	_____ \$/Dth
ANR_ML2	_____ \$/Dth	ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth	ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth	CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth	FGT_ZN2	_____ \$/Dth
KM LA Pipeline	_____ \$/Dth	KM LA Pipeline	_____ \$/Dth
Pine_Prairie_Hub	_____ \$/Dth	Pine_Prairie_Hub	_____ \$/Dth
TETCO_WLA	_____ \$/Dth	TETCO_WLA	_____ \$/Dth
TGP_800L	_____ \$/Dth	TGP_800L	_____ \$/Dth
Transco Z3	_____ \$/Dth	Transco Z3	_____ \$/Dth
TX_Gas_SL	_____ \$/Dth	TX_Gas_SL	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth

Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Firm Loan Service Agreement

Execution Copy

Agreement No.

Date

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

7.4 FIRM LOAN SERVICE AGREEMENT (For Use Under Rate Schedule FL)

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain firm loan services for Customer; and

WHEREAS, PPEC has agreed to provide such firm loan services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule FL, and of this Agreement, PPEC shall on demand on any Day of the Withdrawal Period, as set forth on Exhibit "A" ("Withdrawal Period"), allow Customer to nominate for withdrawal and delivery a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity, as set forth on Exhibit "A", and shall on any Day of the Injection Period, as set forth on Exhibit "A" ("Injection Period"), receive for injection into storage for repayment of Customer's Loan Balance a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A". Withdrawals shall occur under this Agreement, such that Customer's Loan Balance at the end of the Withdrawal Period is equal to Customer's Maximum Loan Quantity as set forth on Exhibit "A". Injections shall occur under this Agreement such that Customer's Loan Balance shall equal zero (0) at the end of the Injection Period.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule FL.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion,

calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule FL and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit "A"

I. Loan Term

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

II. Maximum Quantities

A. Maximum Loan Quantity ("MLQ")

Date or event	MLQ
_____	_____ Dth
_____	_____ Dth

B. Maximum Daily Injection Quantity ("MDIQ")

Date or event	MDIQ
_____	_____ Dth
_____	_____ Dth

C. Maximum Daily Withdrawal Quantity ("MDWQ")

Date or event	MDWQ
_____	_____ Dth
_____	_____ Dth

Notes: The MLQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MLQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MLQ, MDIQ, and MDWQ quantities.

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ Dth	_____ Dth
Acadia_Entergy	_____ Dth	_____ Dth
ANR_ML2	_____ Dth	_____ Dth
ANR_SE	_____ Dth	_____ Dth
CGT_Mainline	_____ Dth	_____ Dth
FGT_ZN2	_____ Dth	_____ Dth
KM LA Pipeline	_____ Dth	_____ Dth
Pine_Prairie_Hub	_____ Dth	_____ Dth
TETCO_WLA	_____ Dth	_____ Dth
TGP_800L	_____ Dth	_____ Dth
Transco Z3	_____ Dth	_____ Dth
TX_Gas_SL	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth

Notes: The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Term.

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

Date or event: _____

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

Notes: Points selected for nominations (i) in excess of MDRQ up to MDIQ and/or (ii) in excess of MDDQ up to MDWQ and/or (iii) quantities in excess of zero (0) for points that have an MDRQ or MDDQ of zero (0) up to MDIQ and MDWQ, will be considered secondary points.

Additional lines may be added in the event that the Parties agree that the rights to use secondary Point(s) of Receipt and secondary Point(s) of Delivery shall change during the Term.

V. Rates and Charges

Date or event: _____

Firm Loan Reservation Charge _____ \$/Dth/Month

Commodity Charges Applicable to the following:

Firm Loan Injection Charge

Primary Point(s) of Receipt	\$/Dth	Secondary Point(s) of Receipt	\$/Dth
Acadia_Cleco	_____ \$/Dth	Acadia_Cleco	_____ \$/Dth
Acadia_Entergy	_____ \$/Dth	Acadia_Entergy	_____ \$/Dth
ANR_ML2	_____ \$/Dth	ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth	ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth	CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth	FGT_ZN2	_____ \$/Dth
KM LA Pipeline	_____ \$/Dth	KM LA Pipeline	_____ \$/Dth
Pine_Prairie_Hub	_____ \$/Dth	Pine_Prairie_Hub	_____ \$/Dth
TETCO_WLA	_____ \$/Dth	TETCO_WLA	_____ \$/Dth
TGP_800L	_____ \$/Dth	TGP_800L	_____ \$/Dth
Transco Z3	_____ \$/Dth	Transco Z3	_____ \$/Dth
TX_Gas_SL	_____ \$/Dth	TX_Gas_SL	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth

Firm Loan Withdrawal Charge

Primary Point(s) of Delivery	\$/Dth	Secondary Point(s) of Delivery	\$/Dth
Acadia_Cleco	_____ \$/Dth	Acadia_Cleco	_____ \$/Dth
Acadia_Entergy	_____ \$/Dth	Acadia_Entergy	_____ \$/Dth
ANR_ML2	_____ \$/Dth	ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth	ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth	CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth	FGT_ZN2	_____ \$/Dth
KM LA Pipeline	_____ \$/Dth	KM LA Pipeline	_____ \$/Dth
Pine_Prairie_Hub	_____ \$/Dth	Pine_Prairie_Hub	_____ \$/Dth
TETCO_WLA	_____ \$/Dth	TETCO_WLA	_____ \$/Dth
TGP_800L	_____ \$/Dth	TGP_800L	_____ \$/Dth
Transco Z3	_____ \$/Dth	Transco Z3	_____ \$/Dth
TX_Gas_SL	_____ \$/Dth	TX_Gas_SL	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth

Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Interruptible Storage Service Agreement

Execution Copy

Agreement No.

Date

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

7.5 INTERRUPTIBLE STORAGE SERVICE AGREEMENT (For Use Under Rate Schedule ISS)

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain Interruptible storage services for Customer; and

WHEREAS, PPEC has agreed to provide such Interruptible storage services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule ISS, and of this Agreement, PPEC shall on any Day receive for injection into storage for Customer's account a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A", shall store quantities of Gas so injected up to a Maximum Storage Quantity, as set forth on Exhibit "A" (on a cumulative basis), and on demand on any Day shall withdraw from Customer's Storage Inventory and deliver to Customer a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity, as set forth on Exhibit "A".

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule ISS.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC’s Rate Schedule ISS and the provisions of PPEC’s Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC’s Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit “A”

I. Maximum Quantities

A.	Maximum Storage Quantity (“MSQ”)	
	Date or event	MSQ
	_____	_____ Dth
	_____	_____ Dth
B.	Maximum Daily Injection Quantity (“MDIQ”)	
	Date or event	MDIQ
	_____	_____ Dth
	_____	_____ Dth
C.	Maximum Daily Withdrawal Quantity (“MDWQ”)	
	Date or event	MDWQ
	_____	_____ Dth
	_____	_____ Dth

Notes: The MSQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MSQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MSQ, MDIQ, and MDWQ quantities.

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

Maximum Daily Receipt Quantity (“MDRQ”) and Maximum Daily Delivery Quantity (“MDDQ”)

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ Dth	_____ Dth
Acadia_Entergy	_____ Dth	_____ Dth
ANR_ML2	_____ Dth	_____ Dth
ANR_SE	_____ Dth	_____ Dth
CGT_Mainline	_____ Dth	_____ Dth
FGT_ZN2	_____ Dth	_____ Dth
KM LA Pipeline	_____ Dth	_____ Dth
Pine_Prairie_Hub	_____ Dth	_____ Dth
TETCO_WLA	_____ Dth	_____ Dth
TGP_800L	_____ Dth	_____ Dth
Transco Z3	_____ Dth	_____ Dth
TX_Gas_SL	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth

Notes: The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Term.

III. Rates and Charges

Date or event: _____

Interruptible Storage Inventory Charge _____ \$/Dth/Month

Commodity Charges Applicable to the following:

Interruptible Storage Injection Charge

Interruptible Storage Withdrawal Charge

Point(s) of Receipt

Point(s) of Delivery

Acadia_Cleco	_____	\$/Dth
Acadia_Energy	_____	\$/Dth
ANR_ML2	_____	\$/Dth
ANR_SE	_____	\$/Dth
CGT_Mainline	_____	\$/Dth
FGT_ZN2	_____	\$/Dth
KM LA Pipeline	_____	\$/Dth
Pine_Prairie_Hub	_____	\$/Dth
TETCO_WLA	_____	\$/Dth
TGP_800L	_____	\$/Dth
Transco Z3	_____	\$/Dth
TX_Gas_SL	_____	\$/Dth
_____	_____	\$/Dth
_____	_____	\$/Dth

Acadia_Cleco	_____	\$/Dth
Acadia_Energy	_____	\$/Dth
ANR_ML2	_____	\$/Dth
ANR_SE	_____	\$/Dth
CGT_Mainline	_____	\$/Dth
FGT_ZN2	_____	\$/Dth
KM LA Pipeline	_____	\$/Dth
Pine_Prairie_Hub	_____	\$/Dth
TETCO_WLA	_____	\$/Dth
TGP_800L	_____	\$/Dth
Transco Z3	_____	\$/Dth
TX_Gas_SL	_____	\$/Dth
_____	_____	\$/Dth
_____	_____	\$/Dth

Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Interruptible Parking Service Agreement

Execution Copy

Agreement No.

Date

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

7.6 INTERRUPTIBLE PARKING SERVICE AGREEMENT (For Use Under Rate Schedule IP)

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain Interruptible parking services for Customer; and

WHEREAS, PPEC has agreed to provide such Interruptible parking services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule IP, and of this Agreement, PPEC shall on any Day of the Injection Period, as set forth on Exhibit "A" ("Injection Period"), receive for injection into storage for Customer's account a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A", shall store quantities of Gas so injected, up to a Maximum Park Quantity as set forth on Exhibit "A" (on a cumulative basis), and on demand on any Day during the Withdrawal Period, as set forth on Exhibit "A" ("Withdrawal Period"), shall allow Customer to withdraw from Customer's Storage Inventory and deliver to Customer a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity as set forth on Exhibit "A". Injections shall occur under this Agreement such that Customer's Storage Inventory at the end of the Injection Period is equal to Customer's Maximum Park Quantity. Withdrawals shall occur under this Agreement such that Customer's Park Balance shall equal zero (0) at the end of the Withdrawal Period.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule IP.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition,

Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule IP and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit "A"

I. Park Term

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

II. Maximum Quantities

A. Maximum Park Quantity ("MPQ")

Date or event	MPQ	
_____	_____	Dth
_____	_____	Dth

B. Maximum Daily Injection Quantity ("MDIQ")

Date or event	MDIQ	
_____	_____	Dth
_____	_____	Dth

C. Maximum Daily Withdrawal Quantity ("MDWQ")

Date or event	MDWQ	
_____	_____	Dth
_____	_____	Dth

Notes: The MPQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MPQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MPQ, MDIQ, and MDWQ quantities.

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ Dth	_____ Dth
Acadia_Entergy	_____ Dth	_____ Dth
ANR_ML2	_____ Dth	_____ Dth
ANR_SE	_____ Dth	_____ Dth
CGT_Mainline	_____ Dth	_____ Dth
FGT_ZN2	_____ Dth	_____ Dth
KM LA Pipeline	_____ Dth	_____ Dth
Pine_Prairie_Hub	_____ Dth	_____ Dth
TETCO_WLA	_____ Dth	_____ Dth
TGP_800L	_____ Dth	_____ Dth
Transco Z3	_____ Dth	_____ Dth
TX_Gas_SL	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth

Notes: The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Term.

IV. Rates and Charges

Date or event: _____

Interruptible Parking Charge _____ \$/Dth/Month

Commodity Charges Applicable to the following:

Interruptible Parking Injection Charge

Interruptible Parking Withdrawal Charge

Point(s) of Receipt

Point(s) of Delivery

Acadia_Cleco	_____ \$/Dth	Acadia_Cleco	_____ \$/Dth
Acadia_Energy	_____ \$/Dth	Acadia_Energy	_____ \$/Dth
ANR_ML2	_____ \$/Dth	ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth	ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth	CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth	FGT_ZN2	_____ \$/Dth
KM LA Pipeline	_____ \$/Dth	KM LA Pipeline	_____ \$/Dth
Pine_Prairie_Hub	_____ \$/Dth	Pine_Prairie_Hub	_____ \$/Dth
TETCO_WLA	_____ \$/Dth	TETCO_WLA	_____ \$/Dth
TGP_800L	_____ \$/Dth	TGP_800L	_____ \$/Dth
Transco Z3	_____ \$/Dth	Transco Z3	_____ \$/Dth
TX_Gas_SL	_____ \$/Dth	TX_Gas_SL	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth

Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Interruptible Loan Service Agreement

Execution Copy

Agreement No.

Date

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

7.7 INTERRUPTIBLE LOAN SERVICE AGREEMENT (For Use Under Rate Schedule IL)

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain Interruptible loan services for Customer; and

WHEREAS, PPEC has agreed to provide such Interruptible loan services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule IL, and of this Agreement, PPEC shall on demand on any Day of the Withdrawal Period, as set forth on Exhibit "A" ("Withdrawal Period"), allow Customer to nominate for withdrawal and delivery a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity, as set forth on Exhibit "A", and shall on any Day of the Injection Period, as set forth on Exhibit "A" ("Injection Period"), receive for injection into storage for repayment of Customer's Loan Balance a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A". Withdrawals shall occur under this Agreement such that Customer's Loan Balance at the end of the Withdrawal Period is equal to Customer's Maximum Loan Quantity as set forth on Exhibit "A". Injections shall occur under this Agreement such that Customer's Loan Balance shall equal zero (0) at the end of the Injection Period.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule IL.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion,

calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule IL and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit "A"

I. Loan Term

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

II. Maximum Quantities

A. Maximum Loan Quantity ("MLQ")

Date or event	MLQ
_____	_____ Dth
_____	_____ Dth

B. Maximum Daily Injection Quantity ("MDIQ")

Date or event	MDIQ
_____	_____ Dth
_____	_____ Dth

C. Maximum Daily Withdrawal Quantity ("MDWQ")

Date or event	MDWQ
_____	_____ Dth
_____	_____ Dth

Notes: The MLQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MLQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MLQ, MDIQ, and MDWQ quantities.

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ Dth	_____ Dth
Acadia_Entergy	_____ Dth	_____ Dth
ANR_ML2	_____ Dth	_____ Dth
ANR_SE	_____ Dth	_____ Dth
CGT_Mainline	_____ Dth	_____ Dth
FGT_ZN2	_____ Dth	_____ Dth
KM LA Pipeline	_____ Dth	_____ Dth
Pine_Prairie_Hub	_____ Dth	_____ Dth
TETCO_WLA	_____ Dth	_____ Dth
TGP_800L	_____ Dth	_____ Dth
Transco Z3	_____ Dth	_____ Dth
TX_Gas_SL	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth
_____	_____ Dth	_____ Dth

Notes: The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Term.

IV. Rates and Charges

Date or event: _____

Interruptible Loan Charge _____ \$/Dth/Month

Commodity Charges Applicable to the following:

Interruptible Loan Injection Charge

Interruptible Loan Withdrawal Charge

Point(s) of Receipt

Point(s) of Delivery

Acadia_Cleco	_____ \$/Dth	Acadia_Cleco	_____ \$/Dth
Acadia_Energy	_____ \$/Dth	Acadia_Energy	_____ \$/Dth
ANR_ML2	_____ \$/Dth	ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth	ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth	CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth	FGT_ZN2	_____ \$/Dth
KM LA Pipeline	_____ \$/Dth	KM LA Pipeline	_____ \$/Dth
Pine_Prairie_Hub	_____ \$/Dth	Pine_Prairie_Hub	_____ \$/Dth
TETCO_WLA	_____ \$/Dth	TETCO_WLA	_____ \$/Dth
TGP_800L	_____ \$/Dth	TGP_800L	_____ \$/Dth
Transco Z3	_____ \$/Dth	Transco Z3	_____ \$/Dth
TX_Gas_SL	_____ \$/Dth	TX_Gas_SL	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth
_____	_____ \$/Dth	_____	_____ \$/Dth

Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

By: _____

Name: _____

Title: _____

CUSTOMER _____

By: _____

Name: _____

Title: _____

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

Hub Services Agreement
Execution Copy
Agreement No.
Date

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

7.8 HUB SERVICES AGREEMENT
(For Use Under Rate Schedules EW, IW and IB and
Excess Injection Gas and Excess Withdrawal Gas Charges Under Rate Schedule FSS)

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain Interruptible hub services for Customer; and

WHEREAS, PPEC has agreed to provide such Interruptible hub services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedules EW, IW, IB and FSS, as applicable, and of this Agreement, PPEC shall provide Interruptible service for Customer and shall receive, inject, store, wheel, loan, balance, withdraw and redeliver, as the case may be, quantities of Gas up to Customer's MDIQ, MDWQ, MSQ, MLQ, MDTQ, Maximum Allowed Excess Injection Quantity and/or Maximum Allowed Excess Withdrawal Quantity, as applicable, as set forth on Exhibits "A" through "D". Customer and PPEC may execute more than one of each of Exhibits "A" through "D" during the term of this Agreement, covering multiple transactions for Interruptible storage services.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

The point(s) at which the Gas is to be tendered by Customer to PPEC under this Agreement shall be any of the Point(s) of Receipt as designated on Exhibit "A" through Exhibit "D".

The point(s) at which the Gas is to be tendered by PPEC to Customer under this Agreement shall be any of the Point(s) of Delivery as designated on Exhibit "A" through Exhibit "D".

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" through Exhibit "D" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedules EW, IW, IB and FSS, as applicable.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the

same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedules EW, IW, IB and FSS as applicable and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

CUSTOMER _____

COMMERCIAL

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit "A"
Enhanced Wheeling Service (Rate Schedule EW)

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

Point of Receipt	Quantity	\$/Dth	Point of Delivery	Quantity	\$/Dth
Acadia_Cleco	_____ Dth	_____ \$/Dth	Acadia_Cleco	_____ Dth	_____ \$/Dth
Acadia_Entergy	_____ Dth	_____ \$/Dth	Acadia_Entergy	_____ Dth	_____ \$/Dth
ANR_ML2	_____ Dth	_____ \$/Dth	ANR_ML2	_____ Dth	_____ \$/Dth
ANR_SE	_____ Dth	_____ \$/Dth	ANR_SE	_____ Dth	_____ \$/Dth
CGT_Mainline	_____ Dth	_____ \$/Dth	CGT_Mainline	_____ Dth	_____ \$/Dth
FGT_ZN2	_____ Dth	_____ \$/Dth	FGT_ZN2	_____ Dth	_____ \$/Dth
KM LA Pipeline	_____ Dth	_____ \$/Dth	KM LA Pipeline	_____ Dth	_____ \$/Dth
Pine_Prairie_Hub	_____ Dth	_____ \$/Dth	Pine_Prairie_Hub	_____ Dth	_____ \$/Dth
TETCO_WLA	_____ Dth	_____ \$/Dth	TETCO_WLA	_____ Dth	_____ \$/Dth
TGP_800L	_____ Dth	_____ \$/Dth	TGP_800L	_____ Dth	_____ \$/Dth
Transco Z3	_____ Dth	_____ \$/Dth	Transco Z3	_____ Dth	_____ \$/Dth
TX_Gas_SL	_____ Dth	_____ \$/Dth	TX_Gas_SL	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth

Begin Date _____

End Date _____

Enhanced Wheeling Reservation Charge _____ \$/Dth/Day

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit "B"
Interruptible Wheeling Service (Rate Schedule IW)

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

Point of Receipt	Quantity	\$/Dth	Point of Delivery	Quantity	\$/Dth
Acadia_Cleco	_____ Dth	_____ \$/Dth	Acadia_Cleco	_____ Dth	_____ \$/Dth
Acadia_Entergy	_____ Dth	_____ \$/Dth	Acadia_Entergy	_____ Dth	_____ \$/Dth
ANR_ML2	_____ Dth	_____ \$/Dth	ANR_ML2	_____ Dth	_____ \$/Dth
ANR_SE	_____ Dth	_____ \$/Dth	ANR_SE	_____ Dth	_____ \$/Dth
CGT_Mainline	_____ Dth	_____ \$/Dth	CGT_Mainline	_____ Dth	_____ \$/Dth
FGT_ZN2	_____ Dth	_____ \$/Dth	FGT_ZN2	_____ Dth	_____ \$/Dth
KM LA Pipeline	_____ Dth	_____ \$/Dth	KM LA Pipeline	_____ Dth	_____ \$/Dth
Pine_Prairie_Hub	_____ Dth	_____ \$/Dth	Pine_Prairie_Hub	_____ Dth	_____ \$/Dth
TETCO_WLA	_____ Dth	_____ \$/Dth	TETCO_WLA	_____ Dth	_____ \$/Dth
TGP_800L	_____ Dth	_____ \$/Dth	TGP_800L	_____ Dth	_____ \$/Dth
Transco Z3	_____ Dth	_____ \$/Dth	Transco Z3	_____ Dth	_____ \$/Dth
TX_Gas_SL	_____ Dth	_____ \$/Dth	TX_Gas_SL	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth

Begin Date _____

End Date _____

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit "C"
Interruptible Balancing Service (Rate Schedule IB)

Maximum Storage Quantity _____ Dth

Maximum Loan Quantity _____ Dth

Maximum Daily Injection Quantity _____ Dth

Maximum Daily Withdrawal Quantity _____ Dth

Begin Date _____

End Date _____

Interruptible Balancing Charge _____ \$/Dth

Interruptible Balancing Injection Charge

Interruptible Balancing Withdrawal Charge

Point of Receipt	Quantity	\$/Dth	Point of Delivery	Quantity	\$/Dth
Acadia_Cleco	_____ Dth	_____ \$/Dth	Acadia_Cleco	_____ Dth	_____ \$/Dth
Acadia_Energy	_____ Dth	_____ \$/Dth	Acadia_Energy	_____ Dth	_____ \$/Dth
ANR_ML2	_____ Dth	_____ \$/Dth	ANR_ML2	_____ Dth	_____ \$/Dth
ANR_SE	_____ Dth	_____ \$/Dth	ANR_SE	_____ Dth	_____ \$/Dth
CGT_Mainline	_____ Dth	_____ \$/Dth	CGT_Mainline	_____ Dth	_____ \$/Dth
FGT_ZN2	_____ Dth	_____ \$/Dth	FGT_ZN2	_____ Dth	_____ \$/Dth
KM LA Pipeline	_____ Dth	_____ \$/Dth	KM LA Pipeline	_____ Dth	_____ \$/Dth
Pine_Prairie_Hub	_____ Dth	_____ \$/Dth	Pine_Prairie_Hub	_____ Dth	_____ \$/Dth
TETCO_WLA	_____ Dth	_____ \$/Dth	TETCO_WLA	_____ Dth	_____ \$/Dth
TGP_800L	_____ Dth	_____ \$/Dth	TGP_800L	_____ Dth	_____ \$/Dth
Transco Z3	_____ Dth	_____ \$/Dth	Transco Z3	_____ Dth	_____ \$/Dth
TX_Gas_SL	_____ Dth	_____ \$/Dth	TX_Gas_SL	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth

Note: Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Exhibit "D"
Interruptible Excess Injection and Excess Withdrawal Service (Rate Schedule FSS)

This Interruptible Excess Injection and Excess Withdrawal transaction confirmation shall allow Customer to inject or withdraw quantities above Customer's contracted MDDQ, MDIQ, MDRQ or MDWQ set forth in Customer's Firm Storage Service Agreement No. _____ dated _____.

Maximum Authorized Excess Injection Quantity _____ Dth

Maximum Authorized Excess Withdrawal Quantity _____ Dth

Interruptible Excess Injection Charge

Interruptible Excess Withdrawal Charge

Point of Receipt	Quantity	\$/Dth	Point of Delivery	Quantity	\$/Dth
Acadia_Cleco	_____ Dth	_____ \$/Dth	Acadia_Cleco	_____ Dth	_____ \$/Dth
Acadia_Entergy	_____ Dth	_____ \$/Dth	Acadia_Entergy	_____ Dth	_____ \$/Dth
ANR_ML2	_____ Dth	_____ \$/Dth	ANR_ML2	_____ Dth	_____ \$/Dth
ANR_SE	_____ Dth	_____ \$/Dth	ANR_SE	_____ Dth	_____ \$/Dth
CGT_Mainline	_____ Dth	_____ \$/Dth	CGT_Mainline	_____ Dth	_____ \$/Dth
FGT_ZN2	_____ Dth	_____ \$/Dth	FGT_ZN2	_____ Dth	_____ \$/Dth
KM LA Pipeline	_____ Dth	_____ \$/Dth	KM LA Pipeline	_____ Dth	_____ \$/Dth
Pine_Prairie_Hub	_____ Dth	_____ \$/Dth	Pine_Prairie_Hub	_____ Dth	_____ \$/Dth
TETCO_WLA	_____ Dth	_____ \$/Dth	TETCO_WLA	_____ Dth	_____ \$/Dth
TGP_800L	_____ Dth	_____ \$/Dth	TGP_800L	_____ Dth	_____ \$/Dth
Transco Z3	_____ Dth	_____ \$/Dth	Transco Z3	_____ Dth	_____ \$/Dth
TX_Gas_SL	_____ Dth	_____ \$/Dth	TX_Gas_SL	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth
_____	_____ Dth	_____ \$/Dth	_____	_____ Dth	_____ \$/Dth

Begin Date _____

End Date _____

Fuel Reimbursement _____

Note: PPEC and Customer may enter into multiple versions of Exhibit "D" that cover different Excess Injection Gas and /or Excess Withdrawal Rights.

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Capacity Release Umbrella Agreement

Execution Copy

Agreement No.

Date

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

7.9 CAPACITY RELEASE UMBRELLA AGREEMENT UNDER RATE SCHEDULES FSS, FP AND FL

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (PPEC and Customer may individually be referred to as "Party" and collectively referred to as the "Parties"), pursuant to the following recitals and representations:

For and in consideration of the mutual covenants and promises herein contained, the Replacement Customer and PPEC hereby agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

Subject to the terms, conditions and limitations hereof, so long as the financial evaluation and credit appraisal requirements are met in order for Replacement Customer to be on PPEC's approved bidder list for capacity releases and to execute this Capacity Release Umbrella Agreement pursuant to GT&C 4, and this Capacity Release Umbrella Agreement is effective, Replacement Customer may bid from time to time on proposed capacity releases under Rate Schedules FSS, FP and FL pursuant to the procedure set forth in GT&C 4. If at any time a bid submitted by Replacement Customer is accepted by PPEC with respect to a given capacity release, PPEC will promptly finalize the appropriate Addendum to this Capacity Release Umbrella Agreement, in the format attached hereto. The parties agree that each Addendum is an integral part of this Capacity Release Umbrella Agreement as if executed by the parties hereto and fully copied and set forth herein at length and is binding on the parties hereto. Upon finalization of such Addendum, Replacement Customer and PPEC agree that Replacement Customer shall be considered for all purposes as a Customer with respect to the released service.

Upon the finalization of an Addendum, subject to the terms, conditions and limitations hereof and of PPEC's Rate Schedules FSS, FP and FL, PPEC agrees to provide the released service for Replacement Customer under the applicable Rate Schedule, provided however, the Replacement Customer shall have qualified under the financial evaluation and credit appraisal requirements set forth in GT&C 31.

Replacement Customer hereby agrees promptly to provide any information necessary for PPEC to reevaluate PPEC's credit appraisal as contemplated by GT&C 31 and to advise PPEC of any material change in the information previously provided by the Replacement Customer to PPEC.

ARTICLE II - TERM OF AGREEMENT

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

ARTICLE III - RATE SCHEDULES

Replacement Customer agrees that PPEC shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to this Capacity Release Umbrella Agreement (b) the terms and conditions of this Capacity Release Umbrella Agreement, pursuant

to which service hereunder is rendered or (c) any provision of the General Terms and Conditions applicable to this Capacity Release Umbrella Agreement. PPEC agrees that the Replacement Customer may protest or contest the aforementioned filings, and the Replacement Customer does not waive any rights it may have with respect to such filings.

ARTICLE IV - NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE V - RELATIONSHIP BETWEEN REPLACEMENT CUSTOMER AND RELEASING CUSTOMER

If Replacement Customer fails to pay PPEC, fails to timely pay PPEC, or otherwise breaches this Capacity Release Umbrella Agreement or Replacement Customer's Replacement FSS Agreement, Replacement FP Agreement or Replacement Customer's FL Agreement with PPEC: (a) both Replacement Customer and Releasing Customer (except to the extent otherwise provided in GT&C 4 and except with respect to penalties attributable to Replacement Customer's conduct) shall be liable to PPEC for such failure to pay or breach (it being understood that nothing in this Article V relieves Releasing Customer from responsibility to pay PPEC in accordance with its Storage Service Agreements with PPEC) and (b) if, as a result of such breach by Replacement Customer, Releasing Customer is accordingly required to pay PPEC or otherwise perform, Releasing Customer may have a cause of action for breach against Replacement Customer.

ARTICLE VI – INCORPORATION OF TARIFF PROVISIONS

This Agreement is subject to the provisions of PPEC’s Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX– MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Addendum
Capacity Release Umbrella Agreement

Deal No.: _____
Addendum Contract No.: _____
Capacity Release Agreement No. _____

Replacement Customer: _____

Releasing Customer: _____

Released Agreement No.: _____

Begin Date of Release: _____

End Date of Release: _____

Is the release of capacity a total release or partial release? Total Partial

Is the release permanent or temporary? Permanent Temporary

Is this capacity subject recall? Yes No

Recall Conditions (if applicable) _____

Are there any restrictions on released capacity? Yes No

Restrictions (if applicable) _____

Were PPEC's default bid evaluation criteria used? Yes No

Evaluation Criteria (if applicable) _____

Were contingent bids accepted? Yes No

Contingency comments (if applicable) _____

Is inventory included with the release? Yes No

Comments (if applicable) _____

Other Terms and Conditions of Release [e.g., restrictions on release, third-party agent and terms of third-party agency relationship and agreements between Replacement Customer and Releasing Customer]

I. Capacity Release Attachment

- Attach Replacement Customer's new FSS Exhibit "A"
- Attach Replacement Customer's new FP Exhibit "A"
- Attach Replacement Customer's new FL Exhibit "A"

REDLINED

FERC GAS TARIFF
FIRST REVISED VOLUME NO. 1
of
PINE PRAIRIE ENERGY CENTER, LLC
Filed with the
FEDERAL ENERGY REGULATORY COMMISSION

Any communications regarding this Tariff should be addressed to:

Benjamin J. Reese
Senior Vice President
PINE PRAIRIE ENERGY CENTER, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-652-3678
~~Facsimile: 713-652-3700~~
e-mail: bjreese@pnglp.com

FERC GAS TARIFF
 FIRST REVISED VOLUME NO. 1
 OF PINE PRAIRIE ENERGY CENTER, LLC
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4.5 EW RATE STATEMENT - ENHANCED WHEELING SERVICE

	RATE	UNITS
Enhanced Wheeling Reservation Charge	Market Based/ Negotiable	\$/Dth/Day
Enhanced Wheeling Charge	Market Based/ Negotiable	\$/Dth
Fuel Reimbursement	Market Based/ Negotiable	\$/Dth and/or in-kind %

In addition to the charges specified above, Customer shall pay all applicable taxes set forth in the General Terms and Conditions of PPEC's Tariff and Customer's Hub Services Agreement and all applicable surcharges, including, but not limited to, ACA charges.

5.1 FSS RATE SCHEDULE ~~4~~ FIRM STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of firm storage service from PPEC, provided that:

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Firm Storage Service, pursuant to a Firm Storage Service Agreement, rendered by PPEC to ~~a~~ Customer.

2.1 Firm Storage Service rendered to Customer under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's Maximum Daily Injection Quantity ("MDIQ") as stated in Customer's Firm Storage Service Agreement, plus Fuel Reimbursement, at the Point(s) of Receipt and the injection of Gas so received into storage, provided that Customer's FSS Storage Inventory has not exceeded Customer's Maximum Storage Quantity ("MSQ"), as set forth in Customer's Firm Storage Service Agreement; subject to injection ratchets, if any, set forth in Customer's Firm Storage Service Agreement;~~;~~
- (b) The storage of Gas in amounts up to Customer's MSQ, as stated in Customer's Firm Storage Service Agreement,~~and;~~
- (c) The withdrawal from storage on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in Customer's Firm Storage Service Agreement, and the delivery of such Gas to the Point(s) of Delivery, provided that Customer has a quantity of Gas in Customer's FSS Storage Inventory account not less than the quantity Customer shall have nominated for withdrawal on such Day, subject to withdrawal ratchets, if any, set forth in Customer's Firm Storage Service Agreement;~~;~~ and
- (d) Customer's right to utilize Points of Receipt and Points of Delivery as primary points shall be specified in Customer's Firm Storage Service Agreement as a Maximum Daily Receipt Quantity ("MDRQ") or Maximum Daily Delivery Quantity ("MDDQ") applicable to each such point. PPEC shall afford Customer the opportunity to negotiate to include in its Firm Storage Service Agreement the right to use additional Point(s) of Receipt or Point(s) of

Delivery, or primary points in excess of MDRQ or MDDQ, on a secondary basis, subject to Customer's MDIQ and MDWQ.

- 2.2 Provided that the receipt of Gas from Customer and the injection of such Gas into storage can be accomplished by PPEC without detriment to PPEC's system and/or PPEC's ability to meet its higher priority obligations to other Customers, PPEC may, upon Customer's request and after confirmation by Customer's Transporter, schedule and inject on an Interruptible basis quantities of Gas in excess of Customer's MDRQ at a Point of Receipt, or total injections in excess of Customer's MDIQ, provided that Customer's FSS Storage Inventory has not exceeded Customer's MSQ. Such excess quantities shall be deemed to be "Excess Injection Gas."
- 2.3 Provided that such withdrawal of Gas from storage and delivery of such Gas to Customer can be accomplished by PPEC without detriment to PPEC's system and/or PPEC's ability to meet its higher priority obligations to other Customers, PPEC may, upon Customer's request and after confirmation by Customer's Transporter, schedule and withdraw on an Interruptible basis quantities of Gas in excess of Customer's MDDQ at a Point of Delivery, or total withdrawals in excess of Customer's MDWQ, provided that Customer has a quantity of Gas in Customer's FSS Storage Inventory account not less than the quantities Customer shall have nominated for withdrawal on such Day. Such excess quantities shall be deemed to be "Excess Withdrawal Gas."

3. RATES AND CHARGES

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

- (a) Firm Storage Reservation Charge. A Monthly charge for each Dth of Customer's MSQ, as set forth in Customer's Firm Storage Service Agreement.
- (b) Firm Injection Reservation Charge. A Monthly charge for each Dth of Customer's MDIQ, as set forth in Customer's Firm Storage Service Agreement.
- (c) Firm Withdrawal Reservation Charge. A Monthly charge for each Dth of Customer's MDWQ, as set forth in Customer's Firm Storage Service Agreement.
- (d) Firm Storage Injection Charge. A usage charge for each Dth of Customer's Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Storage Service Agreement.
- (e) Firm Storage Withdrawal Charge. A usage charge for each Dth of Customer's Gas withdrawn pursuant to Section 2.1(c) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Storage Service Agreement.
- (f) Excess Injection Charge. A usage charge for each Dth of Excess Injection Gas tendered for injection pursuant to Section 2.2 of this Rate Schedule for each Day during a given Month, as set forth in Customer's Hub Services Agreement.
- (g) Excess Withdrawal Charge. A usage charge for each Dth of Excess Withdrawal Gas withdrawn pursuant to Section 2.3 of this Rate Schedule for each Day during a given Month, as set forth in Customer's Hub Services Agreement.
- (h) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Firm Storage Service Agreement and Customer's Hub Services Agreement as a usage charge per Dth and/or an in-kind percentage.

- (i) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Firm Storage Service Agreement.
- (j) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Firm Storage Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Firm Storage Service Agreement(s).

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Firm Storage Service Agreement(s).

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

7. EXPIRATION OF TERM

- 7.1 Upon expiration without renewal or upon termination of Customer's Firm Storage Service Agreement, title to any quantity of Customer's Gas remaining in Customer's FSS Storage Inventory account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's FSS Storage Inventory account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's FSS Storage Inventory account within a reasonable period following the end of the contract term.
- 7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in ~~that~~the statement, the difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. STORAGE RATCHETS

MDIQ and MDWQ under Customer's Firm Storage Service Agreement may be subject to reduction based on the current level of Customer's FSS Storage Inventory account pursuant to ratchets. ~~A~~Customer under this Rate Schedule FSS must choose from the options listed below with regard to injection and withdrawal ratchets.

8.1 Injection Ratchets: When Customer's FSS Storage Inventory account balance reaches the levels set forth below, Customer's MDIQ will be multiplied by the following storage ratchet percentages to arrive at Customer's adjusted MDIQ.

	Level of MSQ	MDIQ Multiplier
1.	0% - 40%	100%
	Greater than 40% up to 63%	66.7%
	Greater than 63% up to 75%	33.3%
	Greater than 75% up to 87%	25%
	Greater than 87% up to 100%	17%
2.	0% - 40%	100%
	Greater than 40% up to 65%	50%
	Greater than 65% up to 100%	25%
3.	0% - 70%	100%
	Greater than 70% up to 100%	25%
4.	0% - 60%	100%
	Greater than 60% up to 80%	80%
	Greater than 80% up to 100%	60%
5.	0% - 80%	100%
	Greater than 80% up to 90%	80%
	Greater than 90% up to 100%	65%
6.	No Injection Ratchets	

8.2 Withdrawal Ratchets: When Customer's FSS Storage Inventory account balance reaches the levels set forth below, Customer's MDWQ will be multiplied by the following storage ratchet percentages to arrive at Customer's adjusted MDWQ.

	Level of MSQ	MDWQ Multiplier
1.	100% - 30%	100%
	Less than 30% down to 0%	25%
2.	100% - 40%	100%
	Less than 40% down to 20%	75%
	Less than 20% down to 0%	50%
3.	100% - 20%	100%
	Less than 20% down to 10%	75%
	Less than 10% down to 0%	50%
4.	No Withdrawal Ratchets	

Subject to PPEC's determination that it has the capabilities required to provide Customer's requested injection and withdrawal ratchets, Customer's election as to injection and withdrawal ratchets shall be set forth in Customer's Firm Storage Service Agreement.

9. GENERAL TERMS AND CONDITIONS

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

10. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in primary Point(s) of Receipt and/or Point(s) of Delivery, provided that PPEC shall not be required to grant ~~a~~ Customer's request unless (i) PPEC determines that it has adequate unsubscribed available capacity at the Point(s) of Receipt and/or Point(s) of Delivery to accommodate Customer's request, and (ii) Customer and PPEC reach agreement as to pricing applicable to Customer's Firm Storage Service reflecting the changes in primary Point(s) of Receipt and/or Point(s) of Delivery.

5.2 NNS RATE SCHEDULE – NO-NOTICE STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of no-notice storage service from PPEC, provided that:

- (a) PPEC has determined that it has sufficient operationally available firm storage, injection, withdrawal, receipt and delivery capacity to provide the No-Notice flexibility Customer has requested;
- (b) Customer and PPEC have entered into a No-Notice Storage Service Agreement under this Rate Schedule and a Firm Storage Service Agreement under Rate Schedule FSS;
- (c) Customer accepts responsibility for arranging any upstream and/or downstream transportation service required for utilization of the service provided under this Rate Schedule;
- (d) Availability of service under this Rate Schedule shall be subject to a determination by PPEC that PPEC's performance of the service requested hereunder shall not cause a reduction in PPEC's ability to provide Firm Storage Services under currently effective Storage Service Agreements and that the services requested will not interfere with the efficient operation of PPEC's system; and
- (e) Service under this Rate Schedule may not be available to the extent that PPEC would be required to construct, modify, expand or acquire any facilities to enable PPEC to perform the requested services.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all no-notice service rendered by PPEC to Customer pursuant to a No-Notice Storage Service Agreement. No-notice service is combined with ~~a~~ Customer's rights to Firm Storage Service under a Firm Storage Service Agreement for service under Rate Schedule FSS to allow Customer the added flexibility of automatically netting any deviations from Customer's nominations against Customer's Storage Inventory account.

2.1 No-notice storage service rendered to Customer under this Rate Schedule shall allow Customer to alter Customer's injections or withdrawals, at points specified in Customer's No-Notice Storage Service Agreement, of Gas from levels nominated by Customer, including a nomination of zero (0), by an amount, plus or minus, up to Customer's No-Notice Maximum Daily Quantity ("No-Notice MDQ"), as set forth in Customer's No-Notice Service Agreement, without complying with the deadlines for revised nominations under the GT&Cs; provided:

- (a) Customer's rights at primary Point(s) of Receipt shall at all times be subject to the Maximum Daily Receipt Quantity(ies) ("MDRQ") set forth in Customer's Firm Storage Service Agreement;
- (b) Customer may not use no-notice deviations from nominations to exceed Customer's ~~Maximum Daily Receipt Quantity ("MDRQ")~~ at any receipt point and/or Maximum Daily Injection Quantity ("MDIQ") set forth in Customer's Firm Storage Service Agreement unless PPEC agrees to Excess Injection Gas (as defined in FSS Rate Schedule 2.2);
- (c) Customer's rights at primary Point(s) of Delivery shall at all times be subject to the Maximum Daily Delivery Quantity(ies) ("MDDQ") set forth in Customer's Firm Storage Service Agreement;
- (d) Customer may not use no-notice deviations from nominations to exceed the ~~Maximum Daily Delivery Quantity ("MDDQ")~~ at any delivery point and/or Maximum Daily

Withdrawal Quantity (“MDWQ”) set forth in Customer’s Firm Storage Service Agreement unless PPEC agrees to Excess Withdrawal Gas (as defined in FSS Rate Schedule 2.3); and

- (e) Customer may not use no-notice deviations from nominations to allow Customer’s Storage Inventory account to exceed Customer’s Maximum Storage Quantity (“MSQ”) set forth in Customer’s Firm Storage Service Agreement or to be less than zero (0).

3. RATES AND CHARGES

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

- (a) No-Notice Reservation Charge. A Monthly charge for each Dth of Customer’s No-Notice MDQ, as set forth in Customer’s No-Notice Storage Service Agreement.
- (b) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer’s No-Notice Storage Service Agreement.
- (c) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer’s No-Notice Storage Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer’s No-Notice Storage Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer’s No-Notice Storage Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

- 6.1 Customer’s No-Notice Storage Service Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for PPEC to provide the storage service contemplated hereby and to construct and operate the facilities necessary to provide such service and for any connected pipeline to deliver Gas to the Point(s) of Receipt and/or receive Gas from the Point(s) of Delivery necessary to effect the service provided for herein.
- 6.2 PPEC shall have the right to propose to FERC or any other governing regulatory body such changes in its rates and terms of service as it deems necessary, and Customer’s No-Notice Storage Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer’s right to protest the same; provided however, that any market-based rates negotiated between PPEC and its Customer(s) shall remain in effect during the term of Customer’s No-Notice Storage Service Agreement.

7. GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of PPEC’s Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this NNS Rate

Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein; provided, however, that in the event of any inconsistency, the terms of this NNSS Rate Schedule shall control.

8. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in primary Point(s) of Receipt and/or Point(s) of Delivery, provided that PPEC shall not be required to grant ~~a~~ Customer's request unless (i) PPEC determines that it has adequate unsubscribed available capacity at the Point(s) of Receipt and/or Point(s) of Delivery to accommodate Customer's request, and (ii) Customer and PPEC reach agreement as to pricing applicable to Customer's No-Notice Storage Service reflecting the changes in primary Point(s) of Receipt and/or Point(s) of Delivery.

5.3 FP RATE SCHEDULE FIRM PARKING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Firm Storage Service rendered by PPEC to Customer pursuant to a Firm Parking Service Agreement.

2.1. Firm parking service rendered by PPEC to Customer under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day during the period for injection ("Injection Period"), as stated in Customer's Firm Parking Service Agreement, and injection into storage of Customer's Gas, upon nomination and confirmation, up to the Maximum Daily Injection Quantity ("MDIQ") stated in Customer's Firm Parking Service Agreement, provided that Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt and Customer's Park Balance has not exceeded Customer's Maximum Park Quantity ("MPQ"), as stated in Customer's Firm Parking Service Agreement;
- (b) The tender by Customer of sufficient quantities of Gas under Section 2.1(a) of this Rate Schedule to ensure that Customer's Park Balance equals Customer's MPQ at the end of the Injection Period, provided that, if Customer's injections during the Injection Period are curtailed by PPEC, Customer shall have a reasonable period of time immediately following the Injection Period to make injections as necessary for Customer's Park Balance to equal Customer's MPQ, as stated in Customer's Firm Parking Service Agreement;
- (c) The storage of Gas in amounts up to Customer's MPQ, as set forth in Customer's Firm Parking Service Agreement;
- (d) The withdrawal from storage on any Day during the period of withdrawal ("Withdrawal Period") stated in Customer's Firm Parking Service Agreement and delivery of Customer's Gas, upon nomination and confirmation, to the Point(s) of Delivery up to the Maximum Daily Withdrawal Quantity ("MDWQ") stated in Customer's Firm Parking Service Agreement, provided, that Customer has a quantity of Gas in Customer's Park Balance

account not less than the quantity Customer shall have nominated for withdrawal on such Day; and

- (e) Customer's right to utilize Points of Receipt and Points of Delivery as primary points shall be specified in Customer's Firm Parking Service Agreement as a Maximum Daily Receipt Quantity ("MDRQ") or Maximum Daily Delivery Quantity ("MDDQ") applicable to each such point. PPEC shall afford Customer the opportunity to negotiate to include in its Firm Parking Service Agreement the right to use additional Point(s) of Receipt or Point(s) of Delivery, or primary points in excess of MDRQ or MDDQ, on a secondary basis, subject to Customer's MDIQ and MDWQ.

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

3. RATES AND CHARGES

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

- (a) Firm Parking Reservation Charge. A Monthly charge for each Dth of Customer's MPQ, as set forth in Customer's Firm Parking Service Agreement.
- (b) Firm Parking Injection Charge. A usage charge for each Dth of Customer's Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Parking Service Agreement.
- (c) Firm Parking Withdrawal Charge. A usage charge for each Dth of Customer's Gas withdrawn pursuant to Section 2.1(d) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Parking Service Agreement.
- (d) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Firm Parking Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Firm Parking Service Agreement.
- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Firm Parking Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Firm Parking Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Firm Parking Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. EXPIRATION OF TERM

7.1 Upon expiration without renewal or upon termination of Customer's Firm Parking Service Agreement, title to any quantity of Customer's Gas remaining in Customer's Park Balance account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's Park Balance account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Park Balance account within a reasonable period following the end of the contract term.

7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. GENERAL TERMS AND CONDITIONS

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

9. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in primary Point(s) of Receipt and/or Point(s) of Delivery, provided that PPEC shall not be required to grant ~~a~~ Customer's request unless (i) PPEC determines that it has adequate unsubscribed available capacity at the Point(s) of Receipt and/or Point(s) of Delivery to accommodate Customer's request, and (ii) Customer and PPEC reach agreement as to pricing applicable to Customer's Firm Parking Service reflecting the changes in primary Point(s) of Receipt and/or Point(s) of Delivery.

Pine Prairie Energy Center, LLC
FERC Gas Tariff
First Revised Volume No. 1

Section 5.3
Rate Schedules
FP Rate Schedule
~~3.0.0~~4.0.0

Issued On: ~~November 13, 2015~~July 27, 2016

Effective On: ~~December 14, 2015~~

5.4 FL RATE SCHEDULE = FIRM LOAN SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Firm Storage Service rendered by PPEC to Customer pursuant to a Firm Loan Service Agreement.

2.1 Firm loan service rendered by PPEC to Customer under this Rate Schedule shall consist of the following:

- (a) The withdrawal from storage on any Day during the period for withdrawal ("Withdrawal Period"), as stated in Customer's Firm Loan Service Agreement, and delivery of Gas, upon nomination and confirmation, to the Point(s) of Delivery, up to the Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in Customer's Firm Loan Service Agreement, provided that Customer's total withdrawals shall not exceed Customer's Maximum Loan Quantity ("MLQ"), as stated in Customer's Firm Loan Service Agreement;
- (b) The withdrawal by Customer of sufficient quantities of Gas under Section 2.1(a) of this Rate Schedule to ensure that Customer's Loan Balance equals Customer's MLQ at the end of the Withdrawal Period; provided that, if Customer's withdrawals during the Withdrawal Period are curtailed by PPEC, Customer shall have a reasonable period of time immediately following the Withdrawal Period to make withdrawals as necessary for Customer's Loan Balance to equal Customer's MLQ, as stated in Customer's Firm Loan Service Agreement;
- (c) The receipt on any Day during the period for injection ("Injection Period"), as stated in Customer's Firm Loan Service Agreement, and injection into storage of Gas, upon nomination and confirmation, up to the Maximum Daily Injection Quantity ("MDIQ"), stated in Customer's Firm Loan Service Agreement, provided that Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's total injections may not ~~exceed~~exceed Customer's MLQ, as stated in Customer's Firm Loan Service Agreement;

- (d) The tender by Customer of sufficient quantities of Gas under Section 2.1(c) of this Rate Schedule to ensure that Customer's Loan Balance equals zero (0) at the end of the Injection Period; and
- (e) Customer's right to utilize Points of Receipt and Points of Delivery as primary points shall be specified in Customer's Firm Loan Service Agreement as a Maximum Daily Receipt Quantity ("MDRQ") or Maximum Daily Delivery Quantity ("MDDQ") applicable to each such point. PPEC shall afford Customer the opportunity to negotiate to include in its Firm Loan Service Agreement the right to use additional Point(s) of Receipt or Point(s) of Delivery, or primary points in excess of MDRQ or MDDQ, on a secondary basis, subject to Customer's MDIQ and MDWQ.

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

- 2.2 If Customer fails to inject quantities of Gas to replace ~~or replenish~~ Gas advanced by PPEC to Customer under this Rate Schedule at the agreed upon time set forth in Customer's Firm Loan Service Agreement, PPEC may purchase replacement Gas and Customer shall pay PPEC the cost of the replacement Gas, which shall include the cost of replacement Gas and any costs or penalties incurred by PPEC or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by PPEC to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

3. RATES AND CHARGES

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

- (a) Firm Loan Reservation Charge. A Monthly charge for each Dth of Customer's MLQ, as set forth in Customer's Firm Loan Service Agreement.
- (b) Firm Loan Injection Charge. A usage charge for each Dth of Gas tendered for injection pursuant to Section 2.1(c) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Loan Service Agreement.
- (c) Firm Loan Withdrawal Charge. A usage charge for each Dth of Gas withdrawn pursuant to Section 2.1(a) of this Rate Schedule for each Day during a given Month, as set forth in Customer's Firm Loan Service Agreement.
- (d) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Firm Loan Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Firm Loan Service Agreement.
- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Firm Loan Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Firm Loan Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Firm Loan Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. GENERAL TERMS AND CONDITIONS

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

8. CHANGES TO RECEIPT AND DELIVERY POINTS

Customer shall have the right, at any time, to request changes in primary Point(s) of Receipt and/or Point(s) of Delivery, provided that PPEC shall not be required to grant ~~a~~ Customer's request unless (i) PPEC determines that it has adequate unsubscribed available capacity at the Point(s) of Receipt and/or Point(s) of Delivery to accommodate Customer's request, and (ii) Customer and PPEC reach agreement as to pricing applicable to Customer's Firm Loan Service reflecting the changes in primary Point(s) of Receipt and/or Point(s) of Delivery.

5.5 EW RATE SCHEDULE 3: ENHANCED WHEELING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all enhanced wheeling service rendered by PPEC to Customer pursuant to a Hub Services Agreement. Service under this Rate Schedule shall be Interruptible.

- 2.1 Enhanced wheeling service rendered by PPEC to Customer under this Rate Schedule shall consist of the wheeling of Gas by PPEC for Customer between the Point(s) of Receipt and Point(s) of Delivery set forth in Customer's Hub Services Agreement.
- 2.2 PPEC shall receive for Customer at Point(s) of Receipt and shall deliver at the Point(s) of Delivery, less Fuel Reimbursement, daily quantities of Gas up to the Maximum Daily Wheeling Quantity ("MDTQ"), as specified in Customer's Hub Services Agreement; provided, however, PPEC shall not be obligated to receive and/or deliver quantities of Gas on any Day in excess of the quantity nominated and scheduled for that Day. Enhanced wheeling service shall be available only in the event that all higher priority services have been scheduled and system needs have been met.

3. RATES AND CHARGES

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

- (a) Enhanced Wheeling Reservation Charge. A Daily charge for each Dth of Customer's MDTQ, set forth in Customer's Hub Services Agreement.
- (b) Enhanced Wheeling Charge. A usage charge for each Dth of Customer's Gas wheeled by PPEC on any Day up to and including Customer's MDTQ, set forth in Customer's Hub Services Agreement.
- (c) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19 and set forth in Customer's Hub Services Agreement as a usage charge per Dth and/or an in-kind percentage.

- (d) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in the Hub Services Agreement.
- (e) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Hub Services Agreement.
- (f) In the event PPEC does not schedule all or any portion of Customer's nominated wheeling quantity in any Day, or such nominated wheeling quantity is scheduled but later curtailed, provided such nominated or scheduled quantity is within Customer's contractual entitlements, PPEC shall provide to Customer a credit on Customer's invoice for the relevant Day calculated pursuant to the following formula:

$$\text{Reservation Charge Credit} = \text{EWRC} \times \text{CQ}$$

Where:

EWRC = Enhanced Wheeling Reservation Charge

CQ = Customers nominated wheeling quantity curtailed or not scheduled on the relevant Day.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Hub Services Agreement.

5. TERM

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

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. GENERAL TERMS AND CONDITIONS

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

5.6 ISS RATE SCHEDULE 3: INTERRUPTIBLE STORAGE SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible storage service rendered by PPEC to Customer pursuant to an Interruptible Storage Service Agreement.

2.1 Interruptible storage service rendered to Customer under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's Maximum Daily Injection Quantity ("MDIQ"), as stated in Customer's Interruptible Storage Service Agreement, plus Fuel Reimbursement, at the Point(s) of Receipt and the injection of Gas so received into storage, provided that all higher priority injections have been satisfied and Customer's Storage Inventory has not exceeded Customer's Maximum Storage Quantity ("MSQ")3, as set forth in Customer's Interruptible Storage Service Agreement;
- (b) The storage of Gas in amounts up to Customer's MSQ, as stated in Customer's Interruptible Storage Service Agreement, provided that all higher priority requests for storage have been satisfied; and
- (c) The withdrawal from storage on any Day of Customer's Gas, upon nomination and confirmation, up to Customer's Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in Customer's Interruptible Storage Service Agreement, and the delivery of such Gas to the Point(s) of Delivery, provided that all higher priority withdrawals have been satisfied and Customer has a quantity of Gas in Customer's ISS Storage Inventory account not less than the quantity Customer shall have nominated for withdrawal on such Day.

2.2 To the extent storage capacity which is being utilized by an Interruptible Customer hereunder is needed by PPEC in order to satisfy PPEC's higher priority obligations or to meet system needs, PPEC may at PPEC's reasonable judgment and upon giving notice to Customer, interrupt the

continuation of any or all services hereunder and PPEC shall require Customer to withdraw all, or any portion of, the ISS Storage Inventory held in storage by PPEC for the account of Customer as specified by PPEC. PPEC's notice will specify the quantity required to be withdrawn and the date by which the withdrawal must be completed. Unless PPEC otherwise agrees, Customer shall be required to make ratable withdrawals.

2.3 If Customer fails to withdraw such ISS Storage Inventory from storage, at the agreed upon time as stated in Customer's Interruptible Storage Service Agreement or fails to withdraw in accordance with PPEC's notice as set forth in Section 2.2 above, PPEC may take, free and clear of any adverse claims, title to such ISS Storage Inventory as Customer was instructed to withdraw. ~~PPEC's notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to Customer. Such notice will specify the quantity required to be withdrawn and the date by which the withdrawal must be completed.~~2.3 ~~In the event that PPEC retains and takes title to any quantities of Gas remaining in Customer's Interruptible Storage Inventory account pursuant to Section 2.2, and~~ PPEC shall dispose of such Gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of GT&C 32.

3. RATES AND CHARGES

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

- (a) Interruptible Storage Inventory Charge. A usage charge for each Dth of Gas in Customer's ISS Storage Inventory pursuant to Section 2.1(b) of this Rate Schedule at the end of each Day, for each Day during a given Month, as set forth in Customer's Interruptible Storage Service Agreement.
- (b) Interruptible Storage Injection Charge. A usage charge for each Dth of Customer's Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule for each Day in a given Month, as set forth in Customer's Interruptible Storage Service Agreement.
- (c) Interruptible Storage Withdrawal Charge. A usage charge for each Dth of Customer's Gas withdrawn pursuant to Section 2.1(c) of this Rate Schedule for each Day in a given Month, as set forth in Customer's Interruptible Storage Service Agreement.
- (d) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Interruptible Storage Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Interruptible Storage Service Agreement.
- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Interruptible Storage Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Interruptible Storage Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Interruptible Storage Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. EXPIRATION OF TERM

7.1 Upon expiration without renewal or upon termination of Customer's Interruptible Storage Service Agreement, title to any quantity of Customer's Gas remaining in Customer's ISS Storage Inventory account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's ISS Storage Inventory account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's ISS Storage Inventory account within a reasonable period following the end of the contract term.

7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. GENERAL TERMS AND CONDITIONS

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

5.7 IP RATE SCHEDULE = INTERRUPTIBLE PARKING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible parking service rendered by PPEC to Customer pursuant to an Interruptible Parking Service Agreement.

2.1. Interruptible parking service rendered by PPEC to Customer under this Rate Schedule shall consist of the following:

- (a) The receipt on any Day during the period for injection ("Injection Period"), as stated in Customer's Interruptible Parking Service Agreement, and injection into storage of Customer's Gas, upon nomination and confirmation, up to the Maximum Daily Injection Quantity ("MDIQ") stated in Customer's Interruptible Parking Service Agreement, provided that all higher priority injections have been satisfied and Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's Park Balance has not exceeded Customer's Maximum Park Quantity ("MPQ") as stated in Customer's Interruptible Parking Service Agreement;
- (b) The tender by Customer of sufficient quantities of Gas under Section 2.1(a) of this Rate Schedule to ensure that Customer's Interruptible Park Balance equals Customer's MPQ at the end of the Injection Period, ~~provided that, if Customer's injections during the Injection Period are curtailed by PPEC, Customer shall have a reasonable period of time immediately following the Injection Period to make injections as necessary for Customer's Interruptible Park Balance to equal Customer's MPQ as stated in Customer's Interruptible Parking Service Agreement;~~
- (c) The storage of Gas in amounts up to Customer's MPQ, as set forth in Customer's Interruptible Parking Service Agreement, provided that all higher priority storage services have been satisfied; ~~and~~

- (d) The withdrawal from storage on any Day during the period of withdrawal (“Withdrawal Period”), as set forth in Customer’s Interruptible Parking Service Agreement, and delivery of Customer’s Gas, upon nomination and confirmation, to the Point(s) of Delivery up to the Maximum Daily Withdrawal Quantity (“MDWQ”), as stated in Customer’s Interruptible Parking Service Agreement, provided that all higher priority withdrawals have been satisfied, and that Customer has a quantity of Gas in Customer’s Park Balance account not less than the quantity Customer shall have nominated for withdrawal on such Day; and

(e) The withdrawal by Customer of sufficient quantities of Gas under Section 2.1(d) of this Rate Schedule to ensure that Customer’s Park Balance equals zero (0) at the end of the Withdrawal Period.

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

- 2.2 To the extent storage capacity which is being utilized by an Interruptible Customer hereunder is needed by PPEC in order to satisfy PPEC’s higher priority obligations or to meet system needs, PPEC may, at PPEC’s reasonable judgment and upon giving notice to Customer, interrupt the continuation of any or all services hereunder and PPEC shall require Customer to withdraw all, or any portion of, the Interruptible Park Gas quantities held in storage by PPEC for the account of Customer, as specified by PPEC. PPEC’s notice will specify the quantity required to be withdrawn and the date by which the withdrawal must be completed. Unless PPEC otherwise agrees, Customer shall be required to make ratable withdrawals.

- 2.3 If Customer fails to withdraw such Interruptible Park Gas ~~from storage~~quantities from storage, at the agreed upon time as stated in Customer’s Interruptible Parking Service Agreement or fails to withdraw in accordance with PPEC’s notice as set forth in Section 2.2 above, PPEC may take, free and clear of any adverse claims, title to such Interruptible Park ~~Balance~~Gas quantities as Customer was instructed to withdraw. ~~PPEC’s notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to Customer. Such notice will specify the quantity required to be withdrawn and the date by which the withdrawal must be completed.~~2.3 — In the event that PPEC retains and takes title to any quantities of Gas remaining in Customer’s Interruptible Park Balance account pursuant to Section 2.2, and PPEC shall dispose of such Gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of GT&C 32.

3. RATES AND CHARGES

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

- (a) Interruptible Parking Charge. A charge for each Dth of Gas in Customer’s Park Balance account at the end of each Day, for each Day during a given Month, as set forth in Customer’s Interruptible Parking Service Agreement.
- (b) Interruptible Parking Injection Charge. A usage charge for each Dth of Customer’s Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule during a given Month, as set forth in Customer’s Interruptible Parking Service Agreement.
- (c) Interruptible Parking Withdrawal Charge. A usage charge for each Dth of Customer’s Gas withdrawn pursuant to Section 2.1(d) of this Rate Schedule during a given Month, as set forth in Customer’s Interruptible Parking Service Agreement.

- (d) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Interruptible Parking Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Interruptible Parking Service Agreement.
- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Interruptible Parking Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Interruptible Parking Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Interruptible Parking Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

7. EXPIRATION OF TERM

- 7.1 Upon expiration without renewal or upon termination of Customer's Interruptible Parking Service Agreement, title to any quantity of Customer's Gas remaining in Customer's Park Balance account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's Park Balance account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's Park Balance account within a reasonable period following the end of the contract term.
- 7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the

difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. GENERAL TERMS AND CONDITIONS

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

5.8 IW RATE SCHEDULE = INTERRUPTIBLE WHEELING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

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

- 2.1 Interruptible wheeling service rendered by PPEC to Customer under this Rate Schedule shall consist of the wheeling of Gas by PPEC for Customer between the Point(s) of Receipt and Point(s) of Delivery, as set forth in Customer's Hub Services Agreement.
- 2.2 PPEC shall receive for Customer at Point(s) of Receipt and shall deliver at the Point(s) of Delivery, less Fuel Reimbursement, daily quantities of Gas up to the Maximum Daily Wheeling Quantity ("MDTQ"), as specified in Customer's Hub Services Agreement; provided, however, PPEC shall not be obligated to receive and/or deliver quantities of Gas on any Day in excess of the quantity nominated and scheduled for that Day. Interruptible wheeling service shall be available only in the event that all higher priority services have been scheduled and system needs have been met.

3. RATES AND CHARGES

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

- (a) **Interruptible Wheeling Charge.** A usage charge for each Dth of Customer's Gas wheeled by PPEC on any Day up to and including Customer's MDTQ, as set forth in Customer's Hub Services Agreement.
- (b) **Fuel Reimbursement.** The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Hub Services Agreement as a usage charge per Dth and/or an in-kind percentage.
- (c) **Regulatory Fees and Charges.** Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Hub Services Agreement.

- (d) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Hub Services Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Hub Services Agreement.

5. TERM

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

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. GENERAL TERMS AND CONDITIONS

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

5.9 IL RATE SCHEDULE = INTERRUPTIBLE LOAN SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all Interruptible loan service rendered by PPEC to Customer pursuant to an Interruptible Loan Service Agreement.

2.1 Interruptible loan service rendered by PPEC to Customer under this Rate Schedule shall consist of the following:

- (a) The withdrawal from storage on any Day during the period for withdrawal ("Withdrawal Period"), as stated in Customer's Interruptible Loan Service Agreement, and delivery of Gas, upon nomination and confirmation, to the Point(s) of Delivery, up to the Maximum Daily Withdrawal Quantity ("MDWQ"), as stated in Customer's Interruptible Loan Service Agreement, provided that Customer's total withdrawals shall not exceed Customer's Maximum Loan Quantity ("MLQ"), as stated in Customer's Interruptible Loan Service Agreement, provided that all higher priority service nominations for withdrawal have been satisfied and system needs have been met;
- (b) The withdrawal by Customer of sufficient quantities of Gas under Section 2.1(a) of this Rate Schedule to ensure that Customer's Interruptible Loan Balance equals Customer's MLQ at the end of the Withdrawal Period; ~~provided that, if Customer's withdrawals during the Withdrawal Period are curtailed by PPEC, Customer shall have a reasonable period of time immediately following the Withdrawal Period to make withdrawals as necessary for Customer's Interruptible Loan Balance to equal Customer's MLQ, as stated in Customer's Interruptible Loan Service Agreement; provided that all higher priority service nominations for injection have been satisfied and system needs have been met;~~
- (c) The receipt on any Day during the period for injection ("Injection Period"), as stated in Customer's Interruptible Loan Service Agreement, and injection into storage of Gas, upon nomination and confirmation, up to the Maximum Daily Injection Quantity ("MDIQ"), as stated in Customer's Interruptible Loan Service Agreement, provided that

Customer delivers the nominated and confirmed quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's total injections may not ~~exceed~~exceed Customer's MLQ, as stated in Customer's Interruptible Loan Service Agreement, provided that all higher priority service nominations for injection have been satisfied and system needs have been met; and

- (d) The tender by Customer of sufficient quantities of Gas under Section 2.1(c) of this Rate Schedule to ensure that Customer's Loan Balance equals zero (0) at the end of the Injection Period.

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

- 2.2 To the extent Gas which is advanced to an Interruptible Customer hereunder is needed by PPEC in order to satisfy PPEC's higher priority obligations or to meet system needs, PPEC may, at PPEC's reasonable judgment and upon giving notice to Customer, interrupt the continuation of any or all services hereunder and PPEC shall require Customer to replace ~~or replenish~~ all, or any portion, of the Interruptible Loan Gas quantities borrowed by Customer ~~at a time to be stated by PPEC. Unless PPEC otherwise agrees, Customer shall be required to make ratable injections. PPEC's notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to Customer. Such notice will specify the quantity required to be returned and the date by which the withdrawal, as specified by PPEC. PPEC's notice will specify the quantity required to be returned and the date by which the injection~~ must be completed. Unless PPEC otherwise agrees, Customer shall be required to make ratable injections.

- 2.3 If Customer fails to inject quantities of Gas to replace ~~or replenish~~ Gas advanced by PPEC to Customer under this Rate Schedule at the agreed upon time as stated in Customer's ~~Hub Services~~Interruptible Loan Service Agreement or ~~at the time stated by PPEC in Paragraph~~ fails to inject in accordance with PPEC's notice as set forth in Section 2.2 above, PPEC may purchase replacement Gas and Customer shall pay PPEC the cost of the replacement Gas, which shall include the cost of replacement Gas and any costs or penalties incurred by PPEC or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by PPEC to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

- ~~2.4 In the event PPEC needs to require Customer to inject Gas into storage pursuant to this Section, PPEC shall provide day ahead notice to Customer that Customer must inject Gas at Customer's MDIQ during the next Gas Day. PPEC shall repeat this notice on a daily basis until all of Customer's borrowed Gas is replaced or until the circumstances necessitating interruption of Customer's loan are alleviated. In the event Customer makes a timely nomination in response to a notification by PPEC pursuant to this paragraph, Customer's obligation to comply with that notification shall be deferred until such time as PPEC's operational conditions allow PPEC to schedule the nomination.~~

3. RATES AND CHARGES

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

- (a) Interruptible Loan Charge. A charge for each Dth of Gas in Customer's Loan Balance account at the end of each Day, for each Day during a given Month, as set forth in Customer's Interruptible Loan Service Agreement.

- (b) Interruptible Loan Injection Charge. A usage charge for each Dth of Gas tendered for injection pursuant to Section 2.1(c) of this Rate Schedule, as set forth in Customer's Interruptible Loan Service Agreement.
- (c) Interruptible Loan Withdrawal Charge. A usage charge for each Dth of Gas withdrawn pursuant to Section 2.1(a) of this Rate Schedule, as set forth in Customer's Interruptible Loan Service Agreement.
- (d) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Interruptible Loan Service Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Interruptible Loan Service Agreement.
- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Interruptible Loan Service Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at the rates and terms set forth in Customer's Interruptible Loan Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be set forth in Customer's Interruptible Loan Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. GENERAL TERMS AND CONDITIONS

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

5.10 IB RATE SCHEDULE = INTERRUPTIBLE BALANCING SERVICE

1. AVAILABILITY

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

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

2. APPLICABILITY AND CHARACTER OF SERVICE

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

2.1 Storage Service rendered to Customer under this Rate Schedule shall consist of the following:

- (a) The injection on any Day into storage of Customer's Gas (less Fuel Reimbursement) up to Customer's Maximum Daily Injection Quantity ("MDIQ"), upon nomination and confirmation, which is the excess of (i) the quantity of Gas received from Customer at any Point(s) of Receipt, upon nomination and confirmation, minus (ii) the quantity of Gas delivered for Customer's account to any Point(s) of Delivery upon Customer's nomination and confirmation, provided that all higher priority service nominations for injection have been satisfied and that Customer has sufficient capacity available as part of its Interruptible balancing Maximum Storage Quantity ("MSQ") to accommodate the nominated injection quantity²;
- (b) The storage of Gas in amounts up to Customer's Interruptible balancing MSQ, provided that all higher priority service storage and system needs have been met; and
- (c) The withdrawal from storage on any Day and delivery of PPEC's Gas (as loan Gas) or Customer's Gas, upon nomination and confirmation, to the Point(s) of Delivery which is the excess of (i) the quantity of Gas delivered to Customer at any Point(s) of Delivery per Customer's nomination(s), minus (ii) the quantity of Gas received from Customer at any Point(s) of Receipt upon Customer's nomination and confirmation, provided that all higher priority service nominations for withdrawal and system needs have been met, and that Customer has a quantity of Gas stored in Interruptible Storage Inventory account or available under its Maximum Loan Quantity ("MLQ") not less than the quantity Customer shall have nominated for withdrawal on such Day.

2.2 To the extent Interruptible storage capacity or Gas which is being utilized by an Interruptible Customer hereunder is needed by PPEC in order to satisfy PPEC's higher priority obligations or to

meet system needs, PPEC may, at PPEC's reasonable judgment and upon giving notice to Customer, interrupt the continuation of any or all services hereunder and PPEC shall require Customer to withdraw or repay all, or any portion of, the Interruptible Balancing Gas quantities held or loaned by PPEC for the account of Customer, as specified by PPEC. PPEC's ~~notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to Customer. Such~~ notice will specify the quantity required to be returned or withdrawn and the date by which the injection or withdrawal must be completed. Unless PPEC otherwise agrees, Customer shall be required to make ratable injections or withdrawals.

2.3 If Customer fails to withdraw such Interruptible Balancing Gas, ~~then~~ quantities from storage, at the agreed upon time as stated in Customer's Hub Service Agreement (Rate Schedule IB) or fails to withdraw in accordance with PPEC's notice as set forth in Section 2.2 above, PPEC may take, free and clear of any adverse claims, title to such IB Storage Inventory as Customer was instructed to withdraw and ~~such Gas shall be sold pursuant to an auction held~~ PPEC shall dispose of such Gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of GT&C 32.

2.4 If Customer fails to inject quantities of Gas to replace ~~or replenish~~ Gas advanced by PPEC to Customer under this Rate Schedule at the agreed upon time as stated in Customer's Hub Services Agreement (Rate Schedule IB) or ~~at the time stated by PPEC in this~~ fails to inject in accordance with PPEC's notice as set forth in Section ~~2.2, 2.2~~ above, PPEC may purchase replacement Gas and Customer shall pay PPEC the cost of the replacement Gas, which shall include the cost of replacement Gas and any costs or penalties incurred by PPEC or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by PPEC to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

~~2.3 In the event that PPEC retains and takes title to any of Customer's Gas pursuant to this Section, PPEC shall dispose of such Gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of GT&C 32.~~

3. RATES AND CHARGES

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

- (a) Interruptible Balancing Charge. A charge for each Dth of Gas in Customer's IB Storage Inventory account or Loan Balance under this Rate Schedule at the end of each Day, for each Day during a given Month, as set forth in Customer's Hub Services Agreement.
- (b) Interruptible Balancing Injection Charge. A usage charge for each Dth of Gas tendered for injection pursuant to Section 2.1(a) of this Rate Schedule, as set forth in Customer's Hub Services Agreement.
- (c) Interruptible Balancing Withdrawal Charge. A usage charge for each Dth of Gas withdrawn pursuant to Section 2.1(c) of this Rate Schedule, as set forth in Customer's Hub Services Agreement.
- (d) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with GT&C 19, as set forth in Customer's Hub Services Agreement as a usage charge per Dth and/or an in-kind percentage.
- (e) Regulatory Fees and Charges. Customer shall reimburse PPEC for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Hub Services Agreement.

- (f) Taxes. Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC, in accordance with GT&C 15 and set forth in Customer's Hub Services Agreement.

4. INVOICE

Each invoice for service under this Rate Schedule shall reflect the applicable charges set forth under Section 3 of this Rate Schedule at the rates and terms set forth in Customer's Hub Services Agreement.

5. TERM

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

6. AUTHORIZATION, RATES, TERMS AND CHANGES

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

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

7. ~~EXPIRATION OF TERM~~ TERMINATION OF AGREEMENT

7.1 Upon ~~expiration without renewal or upon~~ termination of Customer's Hub Services Agreement (IB Rate Schedule), title to any quantity of Customer's Gas remaining in Customer's IB Storage Inventory account shall automatically transfer to PPEC, free and clear of any adverse claims, and shall be sold pursuant to an auction held in accordance with GT&C 32. However, if Customer was unable to withdraw Customer's Gas remaining in Customer's IB Storage Inventory account due to an interruption of Customer's withdrawal service by PPEC during the last ten (10) Days before termination, Customer shall be allowed to withdraw the quantity of Gas remaining in Customer's IB Storage Inventory account within a reasonable period following the end of the contract term.

7.2 Payment for the remaining quantities of Gas shall appear as a credit on the last statement rendered by PPEC to Customer. To the extent that the credit exceeds the total charges in the statement, the difference shall be paid by PPEC to Customer on or before the 25th day of the Month following the Month of such expiration or termination.

8. GENERAL TERMS AND CONDITIONS

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

6.2 GENERAL TERMS AND CONDITIONS – DEFINITIONS

2. DEFINITIONS

- 2.1 “Bcf” means one billion (1,000,000,000) cubic feet.
- 2.2 “Btu” means one British Thermal Unit, and shall be the quantity of heat required to raise the temperature of one (1) pound of water from fifty-eight and five-tenths degrees (58.5 degrees) to fifty-nine and five-tenths degrees (59.5 degrees) Fahrenheit. The reporting basis for Btu is 14.73 psia at 60 degrees F (101.325 kPa at 15 degrees C) and dry.
- 2.3 “Business Day” means Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico.
- 2.4 “Central Clock Time” or “CCT” means the time of day in the Central Time Zone of the United States.
- 2.5 “Contract Year” means the twelve (12) month period beginning on the date storage service under a Storage Service Agreement commences and each subsequent twelve (12) month period thereafter during the term of the applicable Storage Service Agreement.
- 2.6 “Critical Notices” means information pertaining to PPEC conditions that affect scheduling or adversely affect scheduled Gas flow.
- 2.7 “Cubic foot of Gas” equals the volume of Gas that occupies one cubic foot at a temperature of 60 degrees Fahrenheit, a pressure of 14.73 psia, and dry. Mcf means one thousand (1,000) cubic feet and Mmcf means one million (1,000,000) cubic feet. The reporting basis for Gas volumes as Cubic feet is 14.73 psia at 60 degrees F and dry. For Gas volumes reported in cubic meters, the standard conditions are 101.325 kPa at 15 degrees C and dry.
- 2.8 “Customer” means the party that holds all lawful right and/or title to the Gas that is being stored, balanced, loaned, parked and/or wheeled and who enters into a Storage Service Agreement with PPEC. The term “Customer” includes potential customers and is synonymous with the terms “Shipper” and “Service Requester” in accordance with NAESB WGQ Standards.
- 2.9 “Day” or “Gas Day” means a period of twenty-four (24) consecutive hours, beginning and ending at 9:00 a.m. CCT.
- 2.10 “Dekatherm” or “Dth” means the quantity of heat energy which is equivalent to 1,000,000 Btu. One dekatherm of Gas means the quantity of Gas which contains one dekatherm of heat energy.
- 2.11 “Elapsed Prorata Capacity” or “ESC” means that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity.
- 2.12 “Elapsed-Prorated-Scheduled Quantity” means that portion of the scheduled quantity that would have theoretically flowed up to the effective time of the Intraday Nomination being confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected.
- 2.13 “FERC” or “Commission” means the Federal Energy Regulatory Commission or any successor agency.
- 2.14 “Firm Storage Service” means any service under Rate Schedules FSS, NNSS, FP or FL.

- 2.15 “Fuel Reimbursement” shall have the meaning set forth in GT&C 19.
- 2.16 “Gas” means natural gas in its natural state, produced from wells, including casinghead gas produced with crude oil, natural gas from gas wells and residue gas resulting from processing both casing head gas and gas well gas, and gas produced by the vaporization of liquefied natural gas and natural gas received from the regasification facilities of an LNG terminal.
- 2.17 “GT&C(s)” means the General Terms and Conditions of PPEC’s Tariff.
- 2.18 “Henry Hub” means the price listed in the “Daily Price Survey” of Platts Gas Daily under the MidPoint column opposite the Henry Hub reference line.
- ~~2.19~~ 2.19 “Internet Web Site” means PPEC’s web site accessible via <http://www.gasnom.com/ip/pineprairie> or such other site as PPEC may designate.
- ~~2.19~~ 2.20 “Interruptible” means that the storage, parking, wheeling, loaning or balancing service is subject to interruption at any time by PPEC.
- ~~2.20~~ 2.21 “Intraday Nomination” means a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the Day and runs through the end of that Day.
- ~~2.21~~ 2.22 “Loan Balance” means the quantity of Gas, expressed in Dths, that PPEC has loaned to Customer, provided that the Loan Balance shall never exceed Customer’s MLQ specified in Customer’s Storage Service Agreement.
- ~~2.22~~ 2.23 “Maximum Daily Delivery Quantity” or “MDDQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PPEC shall deliver at a Point of Delivery, subject to GT&C 8.3.
- ~~2.23~~ 2.24 “Maximum Daily Injection Quantity” or “MDIQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PPEC shall receive at all Point(s) of Receipt for injection into storage each Day, subject to GT&C 8.3.
- ~~2.24~~ 2.25 “Maximum Daily Receipt Quantity” or “MDRQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PPEC shall receive at a Point of Receipt, subject to GT&C 8.3.
- ~~2.25~~ 2.26 “Maximum Daily Wheeling Quantity” or “MDTQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Hub Services Agreement that Customer may nominate and that PPEC shall receive at Point(s) of Receipt and deliver to Point(s) of Delivery, subject to GT&C 8.3.
- ~~2.26~~ 2.27 “Maximum Daily Withdrawal Quantity” or “MDWQ” means the maximum quantity of Gas, expressed in Dths, specified in Customer’s Storage Service Agreement, that Customer may nominate and that PPEC shall withdraw from storage and tender to Customer at all Point(s) of Delivery, subject to GT&C 8.3.
- ~~2.27~~ 2.28 “Maximum Loan Quantity” or “MLQ” means the maximum quantity of Gas, expressed in Dths, that PPEC is obligated to loan to Customer as specified in Customer’s Storage Service Agreement.
- ~~2.28~~ 2.29 “Maximum Park Quantity” or “MPQ” means the maximum quantity of Gas, expressed in Dths, that Customer is permitted to have in storage, at any given time as specified in Customer’s Storage Service Agreement.

- ~~2.29~~2.30 “Maximum Storage Quantity” or “MSQ” means the maximum quantity of Gas, expressed in Dths, that Customer is permitted to have in storage, at any given time as specified in Customer’s Storage Service Agreement.
- ~~2.30~~2.31 “Month” or “Monthly” means the period beginning at 9:00 a.m. CCT on the first Day of a calendar month and ending at 9:00 a.m. CCT on the first Day of the next succeeding month.
- ~~2.31~~2.32 “No-Notice Maximum Daily Quantity” or “No-Notice MDQ” means the quantity of Gas, expressed in Dths, by which Customer may deviate from its nominations pursuant to its Firm Storage Service Agreement, as set forth in Customer’s No-Notice Service Agreement.
- ~~2.32~~2.33 “NAESB” or “North American Energy Standards Board” means that accredited organization established to set standards for certain natural gas industry business practices and procedures. “NAESB Standards” means the standardized business practices, procedures and criteria which have been adopted and published by the Wholesale Gas Quadrant of the North American Energy Standards Board and which have been adopted by reference by the Commission.
- ~~2.33~~2.34 “Operational Balancing Agreement” or “OBA” means an agreement between PPEC and another pipeline operator which specifies the procedures to manage operating variances at an interconnect.
- ~~2.34~~2.35 “Operational Flow Order” or “OFO” means an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity of PPEC’s system or to maintain operations required to provide efficient and reliable firm service. Whenever PPEC experiences these conditions, any pertinent order will be referred to as an Operational Flow Order.
- ~~2.35~~2.36 “Park Balance” means quantity of Gas, expressed in Dths, that Customer has in storage for Customer’s account, provided that the Park Balance shall never exceed Customer’s MPQ, as specified in Customer’s Storage Service Agreement.
- ~~2.36~~2.37 “Point(s) of Delivery” means the point or points located on PPEC’s system, or a third party pipeline system used by PPEC to provide service to its Customers pursuant to GT&C 30, specified in Customer’s Storage Service Agreement at which PPEC shall tender Gas to Customer. “On-system” Point(s) of Delivery refers to points located on PPEC’s physical pipeline system while “Off-system” Point(s) of Delivery refers to points located on third party pipeline systems. “Pine_Prairie_Hub” refers to an On-system logical Point of Delivery at PPEC’s storage facility that Customers may nominate for Pooling purposes.
- ~~2.37~~2.38 “Point(s) of Receipt” means the point or points located on PPEC’s system, or a third party pipeline system used by PPEC to provide service to its Customers pursuant to GT&C 30, specified in Customer’s Storage Service Agreement at which PPEC shall receive Gas from Customer. “On-system” Point(s) of Receipt refers to points located on PPEC’s physical pipeline system while “Off-system” Point(s) of Receipt refers to points located on third party pipeline systems. “Pine_Prairie_Hub” refers to an On-system logical Point of Receipt at PPEC’s storage facility that Customers may nominate for Pooling purposes.
- ~~2.38~~2.39 “Pooling” means (1) the aggregation of Gas from multiple physical and/or logical points to a single physical or logical point, and/or (2) the dis-aggregation of Gas from a single physical or logical point to multiple physical and/or logical points.
- ~~2.39~~2.40 “Psig” means pounds per square inch gauge.
- ~~2.40~~2.41 “Releasing Customer” or “Releasing Shipper” means a Customer who has agreed to release some or all of its rights under its Storage Service Agreement to a Replacement Customer or Replacement Shipper.

~~2.41~~2.42 “Replacement Customer” or “Replacement Shipper” means a Customer who has assumed any released rights to capacity of a Releasing Customer or Releasing Shipper.

~~2.42~~2.43 “Storage Inventory” means the quantity of Gas, expressed in Dths, in Customer’s storage inventory account under any Rate Schedule.

~~2.43~~2.44 “Storage Service Agreement” means a Firm Storage Service Agreement, a No-Notice Storage Service Agreement, a Firm Parking Service Agreement, a Firm Loan Service Agreement, an Interruptible Storage Service Agreement, an Interruptible Parking Service Agreement, an Interruptible Loan Service Agreement, a Hub Services Agreement or a Capacity Release Umbrella Agreement including the Exhibits to those agreements as set forth in PPEC’s Tariff.

~~2.44~~2.45 “Title Transfer” means the change of title to Gas, expressed in Dths, between two (2) parties.

~~2.45~~2.46 “Transporter” means Customer’s transporter designated to deliver Gas to the Point(s) of Receipt or Customer’s transporter designated to receive Gas from the Point(s) of Delivery.

~~2.46~~2.47 “WGQ” means the Wholesale Gas Quadrant of NAESB.

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

6.3 GENERAL TERMS AND CONDITIONS – REQUEST FOR SERVICE

3. REQUEST FOR SERVICE

3.1 Procedures for Sale of Capacity.

- (a) Offers to ~~Contract~~contract to ~~Provide~~provide Firm Storage Services. PPEC shall offer to contract with prospective Customers to provide firm storage services by means of capacity that will first become available to Customers for firm storage services as a result of the expansion of PPEC's storage capacity beyond its then applicable maximum certificated level of working gas capacity (any such capacity being herein referred to as "Expansion Capacity") through an open season process that is consistent with applicable FERC requirements and is described in an open season notice posted on PPEC's Internet Web Site. PPEC shall have the option to offer to contract with prospective Customers to provide firm storage services by means of any capacity other than Expansion Capacity that becomes available for the provision of firm storage services (such capacity being herein referred to as "Existing Capacity") through the open season procedures described in Sections 3.1(b) - (f) below or via the first-come, first-served procedures described in Section 3.1(g) below, with the selection of the procedures being at PPEC's sole option. For purposes of this Section 3.1, the term "firm storage services" is intended to include service pursuant to Rate Schedules FSS, NNSS, FP, ~~FL, and any other similar~~ "firm" storage ~~services authorized hereunder~~ and FL.
- (b) Notice of open season. If PPEC elects to conduct an open season for Existing Capacity pursuant to Section 3.1(a) above, PPEC shall post notice of the open season on its Internet Web Site. Such notice shall set forth when the open season begins and ends, the type of service being offered, how and where interested parties may submit requests for service, the criteria that will be used to evaluate bids ("Bid Evaluation Procedures"), and additional details about the open season.
- (c) Duration. An open season held pursuant to Section 3.1(b) above shall be held for a period of not less than five (5) Business Days. During this time, PPEC will accept bids from potential Customers for the service identified in the notice of the open season.
- (d) At the conclusion of the open season, the value of each submitted bid will be determined according to the Bid Evaluation Procedures. PPEC reserves the right to reject any bid which (i) may detrimentally impact the operational integrity of PPEC's Facility, (ii) yields an economic value that is unacceptable to PPEC, (iii) does not satisfy all of the terms of a specific open season, (iv) does not contain all of the required information specified in the notice of the open season, (v) contains terms and conditions other than those contained in PPEC's FERC Gas Tariff, and/or (vi) does not meet PPEC's creditworthiness requirements set forth in GT&C 31. If PPEC rejects any request for available capacity posted pursuant to this Section 3.1(d), PPEC will notify the potential Customer that submitted the rejected bid of the reason(s) for such rejection via e-mail.
- (e) During the allocation process at the conclusion of an open season, storage capacity will be allocated to the acceptable bid(s) in accordance with the Bid Evaluation Procedures.
- (f) Execution of Agreements. A prospective Customer allocated storage capacity in an open season shall be required to execute one or more Storage Service Agreements for Firm Storage Service no later than thirty (30) consecutive days following the close of the open season or forfeit the service that has been allocated to it.

- (g) Existing Capacity for which PPEC determines, pursuant to Section 3.1(a) above, that an open season will not be held shall be posted on PPEC's Internet Web Site pursuant to Section 284.13(d) (1) of the Commission's regulations and shall be allocated on a first-come, first-served basis to the first prospective Customer offering to pay a rate for service that PPEC finds acceptable. From time to time, PPEC may negotiate with Customers for prearranged storage service for a future period or for interim service. PPEC will post information regarding available storage capacity on its Internet Web Site before it provides such information to any potential Customer.
- 3.2 Requests for Service. Any Customer requesting new service from PPEC shall submit to PPEC a request for service that complies with the information requirements of GT&C 3.2. Each request for new service shall contain the information identified on a Request for Service Information List posted on PPEC's Internet Website, as such list may be amended from time to time, and such other information, if any, as may be required to comply with regulatory reporting or filing requirements. Such requests may be delivered in person or submitted by United States mail, overnight courier service, electronic transmission, ~~facsimile transmission (fax)~~, e-mail, by telephone or by other mutually acceptable means as set forth in the Service Information List. PPEC shall evaluate and respond to Customer's request within five (5) Business Days of its receipt. If PPEC and Customer mutually agree to parameters of service and rates such Customer will pay for service, PPEC shall, subject to execution of a Storage Service Agreement, endeavor to provide service within the time specified in the request.
- 3.3 Additional Information.
- (a) After receipt of a request for service, PPEC may require that Customer furnish additional information as a prerequisite to PPEC offering to execute a Storage Service Agreement with such Customer. Such information may include proof of Customer's lawful right and/or title to cause the Gas to be delivered to PPEC for service under PPEC's Tariff and of Customer's contractual or physical ability to cause such Gas to be delivered to and received from such Customer's designated Point(s) of Delivery and/or Receipt.
- (b) Should ~~a~~ Customer desire PPEC to provide service pursuant to Section 311 of the Natural Gas Policy Act, it shall provide to PPEC a statement warranting that it complies with all requirements for receiving service pursuant to Section 311 and FERC's regulations thereunder, including, but not limited to, compliance with the "on-behalf-of" requirement then in effect.
- 3.4 Request Validity. If PPEC has tendered a Storage Service Agreement for execution to ~~a~~ Customer and such Customer fails to execute the agreement as tendered within thirty (30) consecutive days from the date it receives the agreement, PPEC may consider Customer's service request void. For service under Rate Schedule FSS, NNSS, FP, or FL, PPEC will not be required to tender a Storage Service Agreement to ~~a~~ Customer for execution that relates to requests for service for which PPEC does not have sufficient available firm capacity.
- 3.5 Customer's Performance. Customer is required to provide to PPEC information identifying (1) the state or origin of the source of Gas that is to be stored and/or wheeled and (2) such other information if required in order for PPEC to comply with any FERC reporting or other requirements.
- 3.6 Complaints. In the event that ~~a~~ Customer has a complaint relative to service under PPEC's Tariff, Customer shall provide a description of the complaint, including the identification of the service request (if applicable), and communicate it to:

Benjamin J. Reese
Senior Vice President
PINE PRAIRIE ENERGY CENTER, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-652-3678
~~Facsimile: 713-652-3700~~
E-mail: bjreese@pnglp.com

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

3.7 Information.

- (a) Any person may request information regarding service under PPEC's ~~tariff~~Tariff by contacting:

Benjamin J. Reese
Senior Vice President
PINE PRAIRIE ENERGY CENTER, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-652-3678
~~Facsimile: 713-652-3700~~
E-mail: bjreese@pnglp.com

- (b) Each Customer will be provided with a list of phone numbers for PPEC's Gas ~~dispatch and control personnel~~Schedulers, who are on-call ~~twenty-four~~ (24-) hours a day.

3.8 Construction of Facilities. PPEC shall not be required to provide any requested service under any Rate Schedule which would require construction or acquisition by PPEC of new facilities, or expansion of existing facilities.

6.4 GENERAL TERMS AND CONDITIONS – CAPACITY RELEASE

4. CAPACITY RELEASE

Any Customer under Rate Schedules FSS, FP or FL may seek to release to others any or all of its firm service entitlements on a full Day or an intraday basis, on a permanent or a temporary basis, and on a firm or recallable basis (i.e., for a stated period of time), subject to the following terms and conditions:

4.1 Notice of Offer. ~~A~~ Customer offering to release service entitlements shall post the terms of its proposed release on PPEC's Internet Web Site by the posting deadline as determined pursuant to Section 4.3 herein. If Customer is unable to post such information on PPEC's Internet Web Site, Customer shall notify PPEC of the terms of its offer, by the posting deadline as determined pursuant to Section 4.3 herein, and PPEC will post this information on the Internet Web Site. Customer may propose a designated ~~Pre-arranged~~Prearranged Replacement Customer to which the capacity would be released. Offers shall be binding unless written or electronic notice of withdrawal is received by PPEC prior to the close of the applicable bid period; provided, however, such withdrawal shall only be valid if such Customer has an unanticipated requirement for such capacity and no minimum bid has been made. The notice must contain the reason for withdrawal which PPEC shall post on the Internet Web Site. The offer shall contain the following minimum information:

- (a) Customer's legal name and the name/title of individual who has authorized the offer to release;
- (b) PPEC's Storage Service Agreement number;
- (c) A description of the capacity to be released, including the Maximum Storage Quantity, Maximum Park Quantity or Maximum Loan Quantity, as applicable, and Maximum Daily Receipt Quantity, Maximum Daily Delivery Quantity, Maximum Daily Injection Quantity, Maximum Daily Withdrawal Quantity, and the associated Point(s) of Receipt and Point(s) of Delivery (Replacement Customer may request changes to such Receipt and Delivery Point(s) subject to the proposed release and subject to the daily quantity limitations described in Section 4.2 below);
- (d) The proposed effective date and term of the release;
- (e) The identity of any designated ~~Pre-arranged~~Prearranged Replacement Customer (pursuant to Section 4.4), a statement as to whether ~~the Pre-arranged~~Prearranged Replacement Customer is an asset manager (as defined by FERC regulations at 18 C.F.R. § 284.8(h) (3)) or marketer participating in a state-regulated retail access program (as defined by FERC regulations at 18 C.F.R. § 284.8(h) (4)), and the full terms of such ~~pre-arranged~~prearranged release;
- (f) The method to be applied in evaluating bids, allocating capacity and breaking ties, as described below;
- (g) Whether, to what extent, and the conditions pursuant to which capacity will be subject to recall for a full Day or an intraday basis; if recallable, (1) whether ~~the~~ Releasing Customer's recall notification must be provided exclusively on a Business Day, and (2) any reput methods and rights associated with returning the previously released capacity to ~~the~~ Replacement Customer;

- (h) Whether bids on a volumetric rate basis may be submitted, and, if so, the method for evaluating any such bids, including how to rank bids if bids are also to be accepted on a demand charge basis, and any other special conditions;
- (i) Whether contingent bids that extend beyond the bid period may be submitted, how to evaluate and prioritize such bids against non-contingent bids, and the terms and conditions under which, and/or for what time period, the next highest bidder will be obligated to acquire the capacity should the winning contingent bidder withdraw its bid;
- (j) Any extensions of the minimum posting/bid periods;
- (k) Whether Releasing Customer desires to utilize the first-come, first-served option for short-term releases described in Section 4.6 below and any minimum terms applicable thereto;
- (l) Other special terms and conditions Releasing Customer imposes on the release of its capacity, including, but not limited to, minimum rates, term and quantity;
- (m) For a non-index based release, whether to specify dollars and cents or percents of rates in the denomination of bids or, for an index-based release, the offer shall specify the index-based formula;
- (n) Whether the release is on a permanent or a temporary basis;
- (o) An e-mail address for ~~the~~ Releasing Customer's contact person. It is Releasing Customer's responsibility to update e-mail address information provided to PPEC, as necessary;
- (p) The recall notification period(s), as identified in Section 4.13(e) below, that will be available for use by the parties; and
- (q) For releases of storage capacity, a detailed description of any Storage Inventory that must be transferred with the storage capacity.

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

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

This allocated daily contractual entitlement shall be used for purposes of nominations, billing, and if applicable, for overrun calculations.

The Maximum Storage Quantity, Maximum Park Quantity or Maximum Loan Quantity that can be released by ~~a~~ Releasing Customer for an intraday release is limited to a quantity not in excess of ~~the~~ Releasing Customer's Maximum Storage Quantity, Maximum Park Quantity or Maximum Loan Quantity, less ~~the~~ Releasing Customer's Storage Inventory, Park Balance or Loan Balance.

4.3 Posting and Bidding Timeline. For the capacity release business process timing model, only the following methodologies shall be supported by PPEC and provided to Releasing Customers as choices from which they may select and, once chosen, shall be used in determining the awards from the bid(s) submitted. They are: (1) highest rate, (2) net revenue and (3) present value. For

index-based capacity release transactions, ~~the~~ Releasing Customer should provide the necessary information and instructions to support the chosen methodology. Other choices of bid evaluation methodology (including other Releasing Customer defined evaluation methodologies) can be accorded similar timeline evaluation treatment at PPEC's discretion; however, PPEC is not required to offer other choices or similar timeline treatment for other choices. Further, PPEC shall not be held to the timeline specified in Sections 4.3(a) and 4.3(b) below should ~~the~~ Releasing Customer elect another method of evaluation. Should ~~the~~ Releasing Customer elect another method of evaluation, the timeline specified in Section 4.3(c) below shall apply. The proposed duration of Customer's release determines the minimum bid period for Customer's offer pursuant to this Section 4. The Capacity Release timeline is applicable to all parties involved in the capacity release process provided that: (i) all information provided by the parties to the transaction is valid and ~~the~~ Replacement Customer has been determined to be creditworthy before the capacity release bid is tendered, (ii) for index-based capacity release transactions, ~~the~~ Releasing Customer has provided PPEC with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (iii) there are no special terms or conditions of the release. Further, PPEC may complete the capacity release process on a different timeline if the offer includes unfamiliar or unclear terms and conditions (e.g., designation of an index not supported by PPEC).

The Capacity Release timeline is as follows:

(a) For biddable releases (one (1) year or less):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season ends at 10:00 a.m. on the same or a subsequent Business Day.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.
- If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.

PPEC will issue a Storage Service Agreement within one (1) hour of the award posting (with a new agreement number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the Storage Service Agreement. Such nominations will be processed in accordance with the nomination and scheduling requirements of GT&C 8; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer.

(b) For biddable releases (more than one (1) year):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season shall include no less than three (3) 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.

- If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the award is posted by 12:00 Noon.

PPEC will issue a Storage Service Agreement within one (1) hour of the award posting (with a new agreement number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the Storage Service Agreement. Such nominations will be processed in accordance with the nomination and scheduling requirements of GT&C 8; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer.

- (c) Timeline for Non-Standard Releases. If Customer specifies a bid evaluation methodology other than those stated in Section 4.3 or specifies any special terms or conditions, the above timelines shall apply; provided, however, one (1) additional Business Day will be added to the evaluation period. Subsequent deadlines will be delayed by such additional Business Day, causing Gas flow to occur at least one (1) Day later than under the standard timelines set forth in Sections 4.3(a) and 4.3(b).
- (d) Releases Not Subject to Bidding. Prearranged capacity releases of a duration of thirty-one (31) Days or less, to an asset manager (as defined by FERC regulations at 18 C.F.R. § 284.8(h) (3)) or to a marketer participating in a state-regulated retail access program (as defined by FERC regulations at 18 C.F.R. § 284.8(h) (4)) are not required to be posted for bidding pursuant to Section 4.3. Nonetheless, Releasing ~~Shipper~~Customer may elect to post one of the foregoing releases for bidding pursuant to Section 4.3. Releasing Customer shall notify PPEC of the foregoing releases by providing the information pursuant to Section 4.1, which information will be posted on the Internet Web Site (as required by Section 4.5).

For non-biddable releases: the posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:

- Timely Cycle 12:00 Noon
- Evening Cycle 5:00 p.m.
- Intraday 1 Cycle 9:00 a.m.
- Intraday 2 Cycle 1:30 p.m.
- Intraday 3 Cycle 6:00 p.m.

Prior to the nomination deadline for the chosen cycle for the begin date specified in ~~the~~ Releasing Customer's notice, ~~the~~ Prearranged Replacement Customer must initiate confirmation of prearranged deals electronically. PPEC will issue a Storage Service Agreement within one (1) hour of notification of the release (with a new agreement number, when applicable). Nominations for Gas flow are possible beginning at the next available nomination cycle for the effective date of the Storage Service Agreement. Such nominations will be processed in accordance with the nomination and scheduling requirements of GT&C 8; however, in no circumstance will Gas flow prior to the effective date of the release as specified in Releasing Customer's offer. If a release of capacity is exempt from bidding because it is for a term of thirty-one (31) days or less, ~~a~~ Releasing ~~Shipper~~Customer may not roll-over, extend, or in any way continue the release to ~~the~~ same Replacement ~~Shipper~~Customer using the thirty-one (31) day or less bidding exemption, unless ~~the~~

Releasing ~~Shipper~~Customer complies with the posting and bidding requirements of Section 4.3 or not less than twenty-eight (28) days have elapsed since the conclusion of the prior release period.

PPEC shall post offers and bids, including ~~pre-arranged~~prearranged deals, upon receipt, unless Releasing Customer requests otherwise. If Releasing Customer requests a posting time, PPEC shall support such request insofar as it comports with the standard timeline specified in WGQ 5.3.2. ~~A~~ Releasing Customer cannot specify an extension of the original bid period or the ~~pre-arranged~~prearranged deal match period, without posting a new release.

4.4 ~~Pre-arranged~~Prearranged Releases. Releasing Customer may designate an entity (a designated “~~Pre-arranged~~Prearranged Replacement Customer”) to which it has agreed to release the capacity upon specified terms and conditions. Customer’s offer to release under such a ~~pre-arranged~~prearranged transaction shall be subject to the prior posting and bidding procedures described in Sections 4.5 and 4.6, herein, with the designated ~~Pre-arranged~~Prearranged Replacement Customer being given a right to match the best bid submitted during the bid period; provided, however, if a ~~pre-arranged~~prearranged transaction with a ~~Pre-arranged~~Prearranged Replacement Customer is for a period of thirty-one (31) Days or less, to an asset manager (as defined by FERC regulations at 18 C.F.R. § 284.8(h)(3)) or to a marketer participating in a state-regulated retail access program (as defined by FERC regulations at 18 C.F.R. § 284.8(h)(4)),~~the~~ Releasing Customer shall provide notice to PPEC in accordance with this Section and may implement the release without complying with such prior posting and bidding procedures. Notices of such exempted releases shall be posted on the Internet Web Site in accordance with Section 4.3 herein.

4.5 Posting. Following receipt of a notice of offer to release capacity which satisfies the requirements set forth in this Section, PPEC will post such information on its Internet Web Site in accordance with the timeline set forth in Section 4.3 herein. PPEC shall also post offers to purchase capacity from those who desire current Customers to release capacity upon receipt of the applicable information as set forth below.

Any party desiring to acquire released firm storage capacity pursuant to this Section 4.5 must submit its purchase offer information to PPEC in accordance with instructions posted on the Internet Web Site under Notices-Request to Purchase Releasable Capacity, by e-mail to the address specified in the instructions.

Such requests must include, at a minimum, the prospective Replacement Customer’s name and contact information, the effective date of the offer and the termination date of the offer; the Maximum Storage Quantity, Maximum Daily Injection Quantity, and Maximum Daily Withdrawal Quantity desired, the desired commencement date and term of service, the desired primary receipt and delivery points and the associated Maximum Daily Receipt Quantity and Maximum Daily Delivery Quantity for service; the rate(s) that Replacement Customer will offer to pay for the service; whether Replacement Customer will accept a release with recall rights, and if so, what recall rights would be acceptable, and whether Replacement Customer’s request is contingent, and if so, the basis for the contingency and other terms and conditions specified by the prospective Replacement Customer, and any additional information as required by PPEC. Upon receipt of a complete offer to purchase releasable capacity from a prospective Replacement Customer, PPEC will post the offer on the public Informational Postings section of its Internet Web Site under Notices – Request to Purchase Releasable Capacity. All Replacement Customers must satisfy PPEC’s creditworthy standards. PPEC shall maintain purchase offer postings for a minimum of thirty (30) days, until the offer is terminated or until a transaction is effected, whichever is shorter.

4.6 Bidding and Selection of Replacement Customer.

- (a) If Releasing Customer desires to solicit bids for releases of thirty-one (31) Days or less, it may direct PPEC to post notice of the availability of such capacity and, in lieu of permitting bids during the otherwise applicable posting period, Releasing Customer may direct PPEC to award the capacity to the bidder which submits first in time a valid bid meeting any minimum terms specified by ~~the~~ Releasing Customer.
- (b) Any bid submitted by a prospective Replacement Customer shall include an e-mail address for at least one (1) contact person, and it is ~~the~~ Replacement Customer's responsibility to update e-mail address information provided to PPEC, as necessary. A bidder may not have more than one (1) eligible bid for the same release offer at any time. Bids shall be binding until written or electronic notice of withdrawal is received by PPEC on its Customer Activities Web site before the end of the bid period. Bids cannot be withdrawn after the bid period ends. Once a bid is withdrawn, that bidder may only submit a new bid pursuant to that release offer if it is at a higher rate than the withdrawn bid.
- (c) PPEC shall evaluate the bids in accordance with the provisions of Section 4.7 and determine the best bid in accordance with the timelines set forth in Section 4.3 herein. PPEC shall notify Releasing Customer, the best bidder, and any designated ~~Pre-arranged~~Prearranged Replacement Customer of such determination in accordance with the timelines set forth in Section 4.3 herein. If there is a designated ~~Pre-arranged~~Prearranged Replacement Customer, it may exercise its right to match such best bid by providing written notice of such exercise to PPEC and Releasing Customer in accordance with the timelines set forth in Section 4.3 herein. After ~~the~~ Replacement Customer is selected, PPEC will finalize an appropriate Addendum to the Capacity Release Umbrella Agreement in the form contained in PPEC's Tariff. PPEC will provide a copy of this Addendum to ~~the~~ Replacement Customer via electronic transmission, at which time ~~the~~ Replacement Customer will have the same rights and obligations as any other existing Customer on PPEC's system.

Following implementation of the release, PPEC shall post notice of the winning bidder on the Internet Web Site.

4.7 Best Bid. When PPEC makes awards of capacity for which there have been multiple bids meeting minimum conditions, PPEC shall award the bids, best bid first, until all offered capacity is awarded. The capacity being awarded represents the MDIQ, MDWQ, MSQ, MPQ, MLQ, MDRQ, ~~and~~ MDDQ, MLQ or MPQ. These quantities are separate parts of the capacity and are awarded until one of the quantities is fully awarded, at which point all capacity is deemed to be fully awarded. PPEC shall evaluate and determine the best bid among those otherwise consistent with any terms and conditions specified by ~~the~~ Releasing Customer as follows:

- (a) PPEC shall apply the standard or criteria for such determination specified by ~~the~~ Releasing Customer, including the standard to be used for breaking ties. Any standard or criteria so specified must be objective, economic, not unduly discriminatory, not contrary to applicable provisions of PPEC's Tariff, applicable to all prospective Replacement Customers and require PPEC in applying such standard to exercise no more than a ministerial function. ~~The~~ Releasing Customer shall indemnify and hold PPEC harmless from and against all demands, losses, claims, expenses, causes of action and/or damages suffered or incurred by PPEC arising out of or related to any determination of a "best bid" pursuant to a standard specified, supplied, approved or provided by Releasing Customer.
- (b) In default of Releasing Customer specifying a bid evaluation standard, PPEC shall determine the bid or bids generating the highest net present value, using a ten percent (10%) discount factor, based on the rate bid (reservation or demand component), the applicable quantity(ies) and term or period bid upon. In default of Releasing Customer

specifying a method to break ties priority will be given first to the bid with the shortest term, and next to the bid submitted first in time.

- 4.8 Qualification of Prospective Replacement Customer. ~~A prospective~~Prospective Replacement Customer must be on PPEC's approved bidders list before bids may be posted on the Internet Web Site, must satisfy all requirements of the applicable Rate Schedule and the GT&Cs and must have executed a Capacity Release Umbrella Agreement. To be on the approved bidders list, ~~the~~ prospective Replacement Customer must satisfy PPEC's credit requirements as outlined in GT&C 31, and, if applicable, provide the information required by GT&C 3. PPEC will apply its creditworthiness criteria to assess the submission. ~~The prospective~~Prospective Replacement Customer shall remain on the approved bidders list until such prospective Replacement Customer (i) notifies PPEC to the contrary, (ii) no longer meets the credit qualifications established in GT&C 31, or (iii) is suspended from the approved bidders list in the event, and for such time as, such Replacement or Prearranged Replacement Customer fails to pay part or all of the amount of any bill for service in accordance with GT&C 14. PPEC will waive the creditworthiness requirement on a non-discriminatory basis for Replacement Customers and permit them to submit bids, ~~if the~~ Releasing Customer provides PPEC with financial assurance in form and substance satisfactory to PPEC of all financial obligations of ~~the~~ Replacement Customer with respect to the capacity being released by Releasing Customer prior to the commencement of service to ~~the~~ Replacement Customer. PPEC shall not award capacity release offers to ~~a~~ prospective Replacement Customer until and unless Customer meets PPEC's creditworthiness requirements applicable to all services that it receives from PPEC, including the service represented by the capacity release.
- 4.9 Nominations. Following its selection, and prior to the flow of Gas, ~~the~~ Replacement Customer shall be permitted to submit nominations pursuant to the terms and conditions of the applicable Rate Schedule and the GT&Cs.
- 4.10 Billing. ~~The~~ Replacement Customer shall be billed and make payments to PPEC in accordance with the applicable Rate Schedule, other provisions of PPEC's Tariff and of its Storage Service Agreement incorporating its bid terms. In accordance with the terms of the release, ~~the~~ Replacement Customer shall pay or be liable for the usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) applicable under the relevant Rate Schedule attributable to its usage of the released capacity. PPEC shall continue to bill ~~the~~ Releasing Customer all applicable charges under its existing Storage Service Agreement, excluding usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) billed to ~~the~~ Replacement Customer and attributable to Replacement Customer's usage of the released capacity. Invoices sent to ~~the~~ Releasing Customer shall reflect a credit equal to any reservation charges (plus all surcharges applicable thereto) being billed to ~~the~~ Replacement Customer for the released capacity rights, or as otherwise agreed. If ~~the~~ Replacement Customer fails to pay when due all or part of the amounts credited to ~~the~~ Releasing Customer, PPEC shall pursue payment from ~~the~~ Replacement Customer by notifying such Customer by registered letter, return receipt requested, that it has five (5) days from receipt of such letter to pay the amount due including any applicable interest. If ~~the~~ Replacement Customer fails to pay such amount by the end of the fifth (5th) day, PPEC shall reverse the credit and bill ~~the~~ Releasing Customer for such past due amounts, plus applicable interest.
- 4.11 Rights and Obligations of the Parties.
- (a) The Storage Service Agreement between ~~the~~ Releasing Customer and PPEC shall remain in full force and effect with ~~the~~ Releasing Customer to receive a credit to its invoice as described in Section 4.10 above. If ~~the~~ Replacement Customer fails to pay all or part of the amounts credited to ~~the~~ Releasing Customer after the five (5) Day notification period specified in Section 4.10, PPEC shall reverse the credit and bill ~~the~~ Releasing Customer for such past due amounts, plus applicable interest. The Storage Service Agreement executed by ~~the~~ Replacement Customer shall be fully effective and enforceable by and against ~~the~~

Replacement Customer. ~~The~~ Replacement Customer may also release capacity pursuant to this Section, and in such event and for such purposes, shall be considered ~~the~~ Releasing Customer.

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

4.12 Marketing Fee. If PPEC and ~~the~~ Releasing Customer so agree, PPEC may receive a negotiated fee for its marketing efforts.

4.13 Limitations.

- (a) Releases and assignments hereunder shall be for period(s) of one (1) or more Day(s) and the maximum term shall not extend beyond the expiration of PPEC's Tariff provision or beyond the expiration of ~~the~~ Releasing Customer's Storage Service Agreement.
- (b) PPEC may invalidate any offer to release or any bid subsequent to its posting on the Internet Web Site which does not conform to the requirements of this Section and the other provisions of PPEC's Tariff and such invalidated offer or bid shall be deemed null and void.
- (c) Any terms and conditions imposed on the offer to release by ~~the~~ Releasing Customer as provided for in this Section 4 must be objectively stated, reasonable, capable of administration or implementation by PPEC without any material increase in burden or expense, applicable to all potential bidders, not unduly discriminatory, and consistent with the terms and conditions of PPEC's Tariff and Releasing Customer's Storage Service Agreement.
- (d) ~~A~~ Releasing Customer may re-release to the same Replacement Customer, where such first release was not subject to posting and bidding pursuant to Section 4.4, for a term of thirty-one (31) Days or less, only if: (i) a period of twenty-eight (28) Days has elapsed after the first release for thirty-one (31) Days or less has expired; (ii) the Point(s) of Receipt and/or Point(s) of Delivery for the re-release is (are) different from the Point(s) of Receipt and/or Point(s) of Delivery of the first release; (iii) ~~the~~ Releasing Customer causes the posting of an offer to release capacity or of a ~~pre-arranged~~prearranged transaction to be

made, and capacity is allocated on the basis of bids submitted; or (iv) the release is not subject to bidding and posting under the provisions applicable to asset managers and state regulated retail access programs.

- (e) Recall Provisions. If ~~the~~ Releasing Customer retains recall rights, Releasing Customer's offer to release capacity shall clearly specify the conditions precedent to such recall and whether the recall right retained by Releasing Customer is on a full Day or partial Day basis. ~~The~~ Releasing Customer shall provide capacity recall notification to PPEC via the Internet Web Site. The recall notification shall specify the recall notification period for the specified effective Day, as well as any other information needed to uniquely identify the capacity being recalled. PPEC shall support the following recall notification periods for all released capacity subject to recall rights:
- (1) Timely Recall Notification:
 - (A) ~~A~~ Releasing Customer recalling capacity should provide notice of such recall to PPEC and ~~the~~ first Replacement Customer no later than 8:00 a.m. on the Day that Timely Nominations are due; and
 - (B) PPEC shall provide notification of such recall to all affected Replacement Customers no later than 9:00 a.m. on the Day that Timely Nominations are due.
 - (2) Early Evening Recall Notification:
 - (A) ~~A~~ Releasing Customer recalling capacity should provide notice of such recall to PPEC and ~~the~~ first Replacement Customer no later than 3:00 p.m. on the Day that Evening Nominations are due; and
 - (B) PPEC shall provide notification of such recall to all affected Replacement Customers no later than 4:00 p.m. on the Day that Evening Nominations are due.
 - (3) Evening Recall Notification:
 - (A) ~~A~~ Releasing Customer recalling capacity should provide notice of such recall to PPEC and ~~the~~ first Replacement Customer no later than 5:00 p.m. on the Day that Evening Nominations are due; and
 - (B) PPEC shall provide notification of such recall to all affected Replacement Customers no later than 6:00 p.m. on the Day that Evening Nominations are due.
 - (4) Intraday 1 Recall Notification:
 - (A) ~~A~~ Releasing Customer recalling capacity should provide notice of such recall to PPEC and ~~the~~ first Replacement Customer no later than 7:00 a.m. on the Day that Intraday 1 Nominations are due; and
 - (B) PPEC shall provide notification of such recall to all affected Replacement Customers no later than 8:00 a.m. on the Day that Intraday 1 Nominations are due.

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

For recall notification provided to PPEC prior to the recall notification deadline specified above and received between 7:00 a.m. CCT and 5:00 p.m. CCT, PPEC shall provide notification to all affected Replacement Customers no later than one (1) hour after receipt of such recall notification. For recall notification provided to PPEC after 5:00 p.m. CCT and prior to 7:00 a.m. CCT, PPEC shall provide notification to all affected Replacement Customers no later than 8:00 a.m. CCT after receipt of such recall notification.

PPEC's notices of recalled capacity to all affected Replacement Customers shall be provided via the Internet Web Site, along with written notice via e-mail communication to those Replacement Customer contact person(s) identified in ~~the~~ Replacement Customer's bid submitted pursuant to Section 4.6. Such notices shall contain the information required to uniquely identify the capacity being recalled, and shall indicate whether penalties will apply for the Day for which quantities are reduced due to a capacity recall. Upon receipt of notification of the recall from PPEC, each affected Replacement Customer shall revise its nominations within the applicable nomination cycle in order to implement the recall. Each affected Replacement Customer will be solely responsible for adjusting its supply and transportation arrangements, which may be necessary as a result of such recall. Replacement Customers involved in re-release transactions may receive notice slightly after ~~the~~ first Replacement Customer receives notice. ~~The recalling~~Recalling Releasing Customer may nominate the recalled capacity consistent with the applicable nomination cycle, as defined in GT&C 8.2(f).

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

In the recall notification provided to PPEC by ~~the~~ Releasing Customer, the quantity to be recalled shall be expressed in terms of the adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity. In the event of an intraday capacity recall, PPEC shall determine the allocation of capacity between ~~the~~ Releasing Customer and ~~the~~ Replacement Customer(s) based upon the Elapsed Prorata Capacity.

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

- (g) Reput Provisions. PPEC shall support the function of reputting by ~~the~~ Releasing Customer. ~~The~~ Releasing Customer may reput previously recalled capacity to ~~the~~ Replacement Customer pursuant to the reput rights and methods identified in ~~the~~ Releasing Customer's Notice to release capacity, as required by Section 4.1(g). When capacity is recalled, such capacity may not be reput for the same Day. The deadline for ~~the~~ Releasing Customer to notify PPEC of a reput of capacity is 8:00 a.m. CCT to allow ~~the~~ Replacement Customer to submit timely nominations for gas to flow on the next Day.
- (h) Following the awarding of capacity to ~~a~~ Replacement Customer in accordance with the procedures provided in this Section 4, ~~the~~ Releasing Customer's rights and PPEC's obligations under ~~the~~ Releasing Customer's Storage Service Agreement shall be modified and subject to the capacity rights released and assigned to ~~the~~ Replacement Customer for the term of such release. Effecting a release pursuant to the provisions of this Section 4 shall constitute Releasing Customer's consent and agreement to such amendment or modification of its existing Storage Service Agreement.
- (i) The offer to release by ~~a~~ Customer under Rate Schedules FSS, FP or FL must specify the quantities of MDDQ, MDRQ, MSQ (or MPQ or MLQ, as applicable), MDIQ, MDWQ, or rights offered, and actually available on the effective date of the assignment, and the exercise of which rights, in conjunction with Releasing Customer's exercise of its retained rights, will not violate any maximum or minimum quantity requirements or limitations applicable under the Rate Schedule or the respective Storage Service Agreements. Releasing Customer shall be responsible for ensuring that the Storage Service quantities offered for release shall be available upon the commencement of the release, in accordance with the terms and conditions of the applicable Rate Schedule. ~~A~~ Replacement Customer under Rate Schedules FSS, FP or FL shall be responsible for arranging transportation to and from the Point(s) of Receipt and Point(s) of Delivery consistent with its rights and obligations under its Storage Service Agreement and Rate Schedules FSS, FP or FL. ~~The~~ Replacement Customer must comply with all obligations imposed under such Rate Schedule and its rights to store, withdraw and/or inject Gas will be subject to the provisions thereof. If ~~the~~ Releasing Customer proposes to, or requires a transfer-in-place of the portion of its Storage Inventory in conjunction with its release and assignment of storage capacity rights, it shall so specify in its offer to release and such transfer shall be implemented contemporaneously with the release and assignment subject to compliance with the provisions of GT&C 20. ~~The~~ Replacement Customer must withdraw the portion of its Storage Inventory by the end of the term of the release. In lieu of withdrawing the portion of its Storage Inventory, ~~the~~ Replacement Customer can also attempt to effect a transfer of the portion of its Storage Inventory to another storage service Customer as provided in GT&C 20. If ~~the~~ Replacement Customer fails to withdraw or transfer the portion of its Storage Inventory by the end of the term of its release, title to the portion of Customer's remaining Storage Inventory will be vested, at no cost, in ~~the~~ Releasing Customer which released its capacity to ~~the~~ Replacement Customer on a temporary basis.

4.14 PPEC's ~~Rights~~Right to Terminate Temporary Capacity ~~Releases~~Release.

- (a) In the event of a temporary release for which (1) PPEC has given notice of termination of ~~the~~ Releasing Customer's Storage Service Agreement pursuant to GT&C 28 and (2) the reservation charge specified in the effective Replacement Firm Storage Service Agreement, Replacement Firm Parking Service Agreement, Replacement Firm Loan Service Agreement, Addendum to the Replacement or Prearranged Replacement Customer's Capacity Release Umbrella Agreement is less than the level of the reservation charge which ~~the~~ Releasing Customer was obligated to pay PPEC, then PPEC shall be entitled to terminate the ~~Addendum~~capacity release upon thirty (30) days' written notice to ~~the~~ Replacement or Prearranged Replacement Customer, unless the Replacement or Prearranged Replacement Customer agrees prior to the end of said thirty (30) day notice period to pay for the remainder of the term of the ~~Addendum~~capacity release either (i) the reservation and commodity charges at levels which ~~the~~ Releasing Customer was obligated to pay PPEC, or (ii) such rate as mutually agreed by PPEC and Replacement or Prearranged Replacement Customer. Customer may elect to pay the lesser of the two (2) foregoing options. PPEC's right to terminate the ~~Addendum~~ is subject to PPEC providing written notice of termination to the Replacement or Prearranged Replacement Customer within thirty (30) days of the determination by PPEC that ~~the~~ Releasing Customer no longer satisfies PPEC's credit requirements. Termination of the ~~Addendum~~capacity release shall not occur prior to termination of ~~the~~ Releasing Customer's agreement.
- (b) In the event that ~~a~~ Customer has received thirty (30) days' notice of termination ~~of the Addendum to Customer's Capacity Release Umbrella Agreement~~ pursuant to Section 4.14(a) above for storage service and there is Gas in storage for Customer's account at the end of such thirty (30) day period, the ~~Addendum~~capacity release shall continue in force and effect for the sole purpose of withdrawal of said Gas by Customer until Customer's Storage Inventory is zero (0). PPEC shall require Customer to withdraw each Day a quantity equal to the MDWQ, or such other lesser quantity acceptable to PPEC. The requirement to withdraw storage quantities shall be suspended on any Day to the extent that PPEC cannot accommodate a nomination or withdraw such storage quantities on such Day. Customer may also transfer title of Gas remaining in Customer's Storage Inventory to another Customer pursuant to GT&C 20. In the event Customer fails to withdraw its entire Storage Inventory within the time required by this Section, PPEC shall auction any remaining Storage Inventory ~~and credit the proceeds of such sale to Customer, net of withdrawal charges and fuel, if applicable.~~ in accordance with GT&C 32. Customer shall indemnify PPEC and hold it harmless from all costs, damages and liabilities arising out of the failure of Customer to remove such Storage Inventory and the disposal of such Storage Inventory by sale by PPEC. PPEC shall post such quantities on the Internet Web Site as soon as reasonably practicable. PPEC shall accept bids only during the time period from 7:00 a.m. until 11:00 a.m. CCT on the second (2nd) Business Day following such posting. Prior to 4:00 p.m., CCT of the same Day, PPEC shall notify Customer submitting the highest bid. When the Gas is purchased at auction, Customer purchasing the Gas must provide identification of the existing Storage Service Agreement with PPEC under which Customer shall store or wheel all such Gas purchased. Customer purchasing the Gas agrees to pay the applicable storage and/or hub rates on the Gas purchased beginning on the date the bid was accepted at auction.
- (c) PPEC shall provide ~~the~~ original Releasing Customer with e-mail notification reasonably proximate in time with any of the following formal notices given by PPEC to ~~the~~ Releasing Customer's Replacement Customer(s), of the following:
- (1) ~~(1)~~ Notice to ~~the~~ Replacement Customer regarding ~~the~~ Replacement Customer's past due, deficiency, or default notice status pursuant to PPEC's Tariff;

- (2) Notice to ~~the~~ Replacement Customer regarding ~~the~~ Replacement Customer's suspension of service notice;
- (3) Notice to ~~the~~ Replacement Customer regarding ~~the~~ Replacement Customer's agreement termination notice due to default or credit-related issues; and
- (4) Notice to ~~the~~ Replacement Customer that ~~the~~ Replacement Customer(s) is no longer creditworthy and has not provided financial assurances pursuant to PPEC's Tariff.

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6.5 GENERAL TERMS AND CONDITIONS – PRIORITY, INTERRUPTION OF SERVICE AND OFOS

5. PRIORITY, INTERRUPTION OF SERVICE AND OFOS

5.1 Priority of Service. Any Customer executing a Storage Service Agreement with PPEC shall be entitled to service in the following order of declining priority, as applicable based on operational constraint(s):

- (a) Firm Storage Services at primary Point(s) of Receipt, not in excess of MDRQ, and at primary Point(s) of Delivery, not in excess of MDDQ.
- (b) Firm Storage Services that include secondary point rights (i) at secondary Point(s) of Receipt, (ii) at secondary Point(s) of Delivery, (iii) at primary Point(s) of Receipt in excess of MDRQ, but less than or equal to MDIQ, and (iv) at primary Point(s) of Delivery in excess of MDDQ but less than or equal to MDWQ.
- (c) Enhanced wheeling service pursuant to Section 5.2 below.
- (d) Excess Injection Gas and Excess Withdrawal Gas (pursuant to Section 2 of Rate Schedule FSS) and Interruptible service, other than as set forth in Section 5.1(c), including storage, parking, wheeling, loaning and/or balancing pursuant to Section 5.2 below.
- (e) Make-up volumes to correct prior variances between (i) Transporter and the counterparty to a balancing agreement (pursuant to such agreement), (ii) Customer and PPEC, and (iii) Customer and Transporter if the variance was due to PPEC's failure to receive or deliver Customer's scheduled volumes.
- (f) Extended injections for firm service in excess of MDRQ/24 or extended withdrawals for firm service in excess of MDDQ/24.

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

5.2 The order of priority relating to service requests for Excess Injection Gas and Excess Withdrawal Gas (pursuant to Section 2 of Rate Schedule FSS) and service under Rate Schedules EW, ISS, IP, IW, IL and IB shall be allocated to each Customer in the same manner as specified in Section 5.3.

5.3 Interruption.

- (a) ~~(a)~~ If on any Day PPEC's capability to receive or deliver quantities is impaired so that PPEC is unable to receive or deliver all the quantities which are nominated or scheduled, then interruption of service shall be implemented in the reverse order of priority set forth in Section 5.1; provided that, once scheduled, secondary firm service has the same priority as primary firm service, as set forth in Section 5.1(a). If Firm Storage Service must be interrupted, interruption of service to firm storage Customers shall be pro rata ~~based on MDWQ, MDIQ, MSQ, MPQ or MLQ, as applicable.~~ according to quantities nominated or scheduled for each Customer. Interruption of service to Customers under Rate Schedule EW shall be based on the charges applicable to each Customer for the portion(s) of service subject to interruption, with the transaction with the lowest ~~net revenue~~ economic value to PPEC being interrupted first. Any ties shall be interrupted on a pro rata basis according to quantities nominated or scheduled for each Customer.

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Interruption of service to Interruptible Customers under Rate Schedules ISS, IP, IW, IL and IB, and to firm Customers utilizing Excess Injection Gas and/or Excess Withdrawal Gas (pursuant to Section 2 of Rate Schedule FSS) shall be based on the charges applicable to each Customer for the portion(s) of service subject to interruption, with the transaction with the lowest ~~net revenue~~ economic value to PPEC being interrupted first. Any ties shall be interrupted on a pro rata basis according to quantities nominated or scheduled for each Customer.

- (b) PPEC shall provide Customer as much advance notice of any interruption as is reasonably practicable under the circumstances. Such notice shall be made by telephone, ~~fax~~, e-mail or via the Internet Web Site, as appropriate, and shall state the reduced quantities of Gas that PPEC estimates it will be able to park, wheel, loan, store, balance, inject, withdraw, receive or deliver, as applicable, and the estimated duration of the interruption.
- (c) If interruption is required, PPEC and Customer shall cooperate to the extent possible in making adjustments to receipts, deliveries, injections or withdrawals to minimize injury to any property or facilities.

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

5.5 Action Alerts and Operational Flow Orders.

- (a) Circumstances Warranting Issuance: As specified in this Section 5.5, PPEC shall have the right to issue Action Alerts or Operational Flow Orders ("OFOs") that require actions by Customers in order to (1) ~~to~~ alleviate conditions that threaten to impair reliable service, (2) ~~to~~ maintain operations at the pressures required to provide efficient and reliable services, (3) ~~to~~ have adequate Gas supplies in the system to deliver on demand, (4) ~~to~~ maintain service to all firm Customers and for all firm services, and (5) ~~to~~ maintain the system in balance for the foregoing purposes.
- (b) Actions to be Taken to Avoid Issuance: PPEC shall, to the extent practicable, take all reasonable actions necessary to avoid issuing an Action Alert or OFO. Such actions shall include, in order of priority (1) working with point operators to temporarily adjust receipts and/or deliveries at relevant Point(s) of Receipt or Point(s) of Delivery, (2) working with Customers and point operators to adjust scheduled flows on the system, or (3) taking any other reasonable action designed to mitigate the system problem. After taking all such reasonable actions to avoid issuing an Action Alert or OFO, PPEC will have the right to issue Action Alerts or OFOs, if necessary, in the circumstances described in Section 5.5(a).
- (c) Preliminary Notifications/Follow-up Reports: PPEC shall provide, via posting on the Internet Web Site and via e-mail notice to all Customers and point operators of upcoming system events such as anticipated weather patterns and operational problems that may necessitate the issuance of an Action Alert or OFO.
- (d) Applicability of Action Alert or OFO: PPEC shall make an Action Alert or OFO as localized as is reasonably practicable based on PPEC's good faith and reasonable judgment concerning the situations requiring remediation such that an Action Alert or OFO will be directed first to Customers and point operators causing the problem necessitating the Action Alert or OFO and second, if necessary, to all Customers and point operators. PPEC will tailor the Action Alert or OFO to match the severity of the known or anticipated

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operational problem requiring remediation as more fully set forth in subsections 5.5(f) and 5.5(g). The declaration to the affected parties of OFOs, critical periods and/or Critical Notices shall describe the conditions and the specific responses required from the affected parties.

- (e) Notice: All Action Alerts and OFOs will be posted on PPEC's Internet Web Site and notice will be sent by e-mail to all Customer(s) and affected point operator(s). The Action Alert or OFO will set forth (1) the date and time of issuance, (2) the actions Customer or point operator is required to take, (3) the time by which Customer or point operator must be in compliance with the Action Alert or OFO, (4) the anticipated duration of the Action Alert or OFO, and (5) any other terms that PPEC may reasonably require to ensure the effectiveness of the Action Alert or OFO. In addition to the other information contemplated by this Section 5.5(e), such notice shall also include information about the status of operational variables that determine when an Action Alert or OFO will begin and end, and PPEC shall post periodic updates of such information, promptly upon occurrence of any material change in the information. PPEC will post a notice on the Internet Web Site informing Customers and point operators when any Action Alert or OFO in effect will be lifted and specifying the factors that caused the Action Alert or OFO to be issued and then lifted, to the extent such factors are known.
- (f) Action Alerts: In the event that PPEC determines that due to (1) an ongoing or anticipated weather event, (2) a known equipment problem, or (3) the anticipated continuation of a current system operational problem, action is necessary to avoid a situation in which the system integrity is jeopardized or PPEC's ability to render firm service is threatened, PPEC may issue an Action Alert as set out herein to forestall the development of the situation.
- (1) Issuance of Alerts: Action Alerts will be noticed in accord with the procedures set forth in Section 5.5(e) and PPEC will endeavor to provide a minimum of four (4) hours notice.
- (2) Action Alerts can be issued to effect any of the following:
- (A~~i~~) restriction of Interruptible services;
 - (B~~ii~~) restrictions of deliveries or receipts at specific Point(s) of Receipt or Point(s) of Delivery covered by an Operational Balancing Agreement to the aggregate MDRQ or MDDQ under the Storage Service Agreements for Firm Storage Services whose Primary Point(s) of Delivery/Receipt, which are specified in the Storage Service Agreement, are at the affected locations; and/or
 - (C~~iii~~) forced balancing such that point operators will be required to assure that nominations equal flows or that receipts and deliveries fall within the tolerance level designated in the Action Alert.
- (g) OFOs: In the event that, in PPEC's judgment, immediate action is required to alleviate conditions which threaten to impair reliable firm service, to maintain operations at the pressures required to provide efficient and reliable service, to have adequate Gas supplies in the system to deliver on demand, to maintain services to all firm Customers and for all firm services, and/or to maintain the system in balance for the foregoing purposes, PPEC may forego the action described in Section 5.5(f) and immediately issue an OFO. In the event that (1) Customer or point operator does not respond to an Action Alert, (2) the actions taken thereunder are insufficient to correct the system problem for which the

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Action Alert was issued, or (3) there is insufficient time to carry out the procedures with respect to Action Alerts, PPEC may issue an OFO pursuant to this Section 5.5(g) or take

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

- (h) Termination of an Action Alert or OFO: PPEC shall lift any effective Action Alert or OFO promptly upon the cessation of operating conditions that caused the relevant system problem. After PPEC has lifted the Action Alert or the OFO, PPEC shall post a notice on its Internet Web Site specifying the factors that caused the Action Alert or OFO to be issued and then lifted, to the extent such factors are known. PPEC shall also provide such notification via e-mail communication to those Customers who have submitted a request, and provided e-mail address information for at least one contact person, via PPEC's Internet Web Site to receive e-mail notification of Critical Notices issued by PPEC.
- (i) Penalties: All quantities tendered to PPEC and/or taken by Customer on a daily basis in violation of an Action Alert or OFO shall constitute unauthorized receipts or deliveries for which the applicable Action Alert or OFO penalty charge stated below shall be assessed.
 - (1) Action Alert penalty charge for each Dekatherm of Gas by which Customer deviated from the requirements of the Action Alert shall be equal to an Action Alert Index Price, calculated as 110% of the applicable daily Gas Daily posting for Henry Hub for the Day on which the deviation occurred, multiplied by the quantity by which Customer deviated from the requirements of the Action Alert.
 - (2) OFO penalty charge for each Dekatherm of Gas by which Customer deviated from the requirements of the OFO shall be equal to an OFO Index Price, calculated as three (3) times the applicable daily Gas Daily posting for Henry Hub for the Day on which the deviation occurred, multiplied by the quantity by which Customer deviated from the requirements of the OFO.

Any penalty revenue collected by PPEC pursuant to this Section 5.5(i), less any costs incurred by PPEC in an attempt to mitigate an Action Alert or OFO and the resulting penalties, shall be credited to those firm and Interruptible Customers that did not incur Action Alert or OFO penalties pursuant to this Section 5.5(i) in the Month for which Action Alert or OFO penalty revenues were received ("Non-Offending Customers"), based on the ratio of the total charges paid during that Month by the Non-Offending Customer to the sum of the total charges paid during that Month by all Non-Offending Customers. Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year, and will be included on the Non-Offending Customer's invoice for the Month following the date of the final Commission order approving PPEC's penalty disbursement report; provided, however, that PPEC will calculate and include such credits on Non-Offending Customer's invoices for a period shorter than twelve Months in the event and to the extent that the total accumulated amount of Action Alert or OFO penalty revenue collected pursuant to this Section 5.5(i) by PPEC as of the end of any Month exceeds \$1,000,000. PPEC will file with the Commission a penalty disbursement report within sixty days of July 31 or sixty days after the end of the Month for which revenue collected exceeds \$1,000,000. Any penalty revenue credited to Non-Offending Customers pursuant

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to this Section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.

- (j) **Liability of PPEC:** PPEC shall not be liable for any costs incurred by any Customer or point operator in complying with an Action Alert or OFO. PPEC shall not be responsible for any damages that result from any interruption in service that is a result of ~~a~~ Customer's or point operator's failure to comply promptly and fully with an Action Alert or OFO, and the non-complying Customer or point operator shall indemnify PPEC against any claims of responsibility. However, PPEC shall use reasonable efforts to minimize any such costs or damages.
- (k) **Unilateral Action:** In the event that (1) Customer(s) or point operator(s) does (do) not respond to an OFO, or (2) the actions taken thereunder are insufficient to correct the system problem for which the OFO was issued, or (3) there is insufficient time to carry out the procedures with respect to OFOs, PPEC may take unilateral action, including the curtailment of firm service, to maintain the operational integrity of PPEC's system. For purposes of this Section, the operational integrity of PPEC's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, ~~the overall operating performance,~~ the overall operating performance of the entire physical system, as an entity, and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of Gas delivered.

5.6 Scheduled Maintenance and Force Majeure.

- (a) PPEC shall have the right to curtail, interrupt or discontinue service in whole or in part on all or a portion of its facilities from time to time to perform inventory verification processes, repairs, maintenance or improvements of PPEC's facilities as necessary to maintain the operational capability of PPEC's facilities or to comply with applicable regulatory requirements, or to perform construction pursuant to valid Commission authorization. PPEC shall exercise due diligence to schedule inventory verification processes, repairs, maintenance and construction so as to minimize disruptions of service to Customers and shall provide reasonable notice of the same to Customers.
- (b) PPEC shall have the right to curtail, interrupt, or discontinue service in whole or in part on all or a portion of its facilities at any time for reasons of Force Majeure pursuant to GT&C 17.

6.6 GENERAL TERMS AND CONDITIONS – STORAGE OPERATIONS

6. STORAGE OPERATIONS

- 6.1 Customer shall tender or cause to be tendered to PPEC at the Point(s) of Receipt any Gas which Customer desires to have injected into storage plus applicable Fuel Reimbursement volumes. Customer shall also receive or cause to be received Gas requested to be withdrawn from storage at the Point(s) of Delivery.
- 6.2 Subject to the operating conditions then existing on the delivering or receiving pipelines, PPEC shall receive Gas for injection from Customer at the Point(s) of Receipt and deliver Gas to Customer at the Point(s) of Delivery ~~as scheduled by Customer from time to time~~upon nomination and confirmation; provided that PPEC shall not be obligated to receive for injection any quantity of Gas if the injection of the same would cause the quantity of Gas stored for Customer's account to exceed Customer's Maximum Storage Quantity or Maximum Park Quantity, as applicable; nor shall PPEC be obligated at any time to deliver more Gas to Customer than Customer has stored in its Storage Inventory or Park Balance, as applicable, or to receive from Customer more Gas than Customer has outstanding in its Loan Balance.

6.8 GENERAL TERMS AND CONDITIONS – NOMINATIONS AND SCHEDULING

8. NOMINATIONS AND SCHEDULING

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

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

Excess Injection Gas and Excess Withdrawal Gas quantities shall be requested on separate transactions.

- 8.2 PPEC will accept nominations for service as follows:

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

1:00 p.m. Nominations leave control of Customer

1:15 p.m. Nominations are received by PPEC (including from Title Transfer Tracking Service Providers ("TTTSPs"))

1:30 p.m. PPEC sends the Quick Response to Customer

4:30 p.m. PPEC receives completed confirmations from Confirming Parties

5:00 p.m. Customer and Point Operator receive scheduled quantities from PPEC.

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

- (b) Intraday Nominations. Any nomination received during a Day for the same Day of Gas flow, or any nomination received after the nominations deadline set forth in Section 8.2(a) above for the following Day flow shall be an Intraday Nomination. Intraday Nominations may be used to request increases or decreases in total flow, changes to Point(s) of Receipt, or changes to Point(s) of Delivery of scheduled Gas. Intraday Nominations do not roll over (i.e. Intraday Nominations span one (1) Day only). Intraday Nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if an Intraday Nomination modifies an existing nomination. Intraday Nominations may be used to nominate new injections or withdrawals. All nominations, including Intraday Nominations, shall be based on a daily quantity; thus, an Intraday nominator need not submit an hourly nomination. Intraday Nominations shall include an effective date and time. The interconnected parties shall agree on the hourly flows of the Intraday Nomination, if not otherwise addressed in Transporter's contract or tariff. In the event Customer does not submit a timely nomination or desires to alter an existing nomination, Customer shall have the right to submit an Intraday Nomination to revise Customer's

scheduled quantities, Point(s) of Receipt and/or Point(s) of Delivery on a prospective basis prior to the end of the Day; provided, however, that such Intraday Nomination will be processed after all timely nominations have been scheduled. Such Intraday Nomination shall be implemented by PPEC to the extent and only to the extent that PPEC determines that such Intraday Nominations will not interfere with the efficient operation of PPEC's system and PPEC is able to confirm the receipt and delivery of such Gas at the Point(s) of Receipt and Point(s) of Delivery.

- (c) Elapsed-Prorated-Scheduled Quantity. With respect to Intraday Nominations for reductions in previously scheduled quantities, PPEC may accept any confirmed quantity, down to and including zero (0), for such Intraday Nomination, provided, however, if such Intraday Nomination requires confirmation from an upstream and/or downstream interconnected pipeline, then any Intraday Nomination to reduce previously scheduled quantities will be subject to, and limited to, the reduced quantity confirmed by such upstream and/or downstream interconnected pipeline.
- (d) Nominations will be processed for scheduling in the order in which they were received, by priority level as described in GT&C 5. Nominations received after nomination deadline shall be scheduled after the nominations received before the nomination deadline.
- (e) Notices provided under this Section 8.2 must be submitted via PPEC's Internet Web Site, unless another method is agreed to between PPEC and Customer. Customer shall provide notice of any changes in deliveries to or receipt from PPEC to all transporters and shall be responsible for, and shall hold PPEC harmless from, any and all liabilities and expense resulting from any such changes, unless the added expense is due to the negligence of PPEC.
- (f) Minimum NAESB Nomination Standards. In the event the more flexible nomination procedures set forth in Section 8.2(b) above are inapplicable for any reason, nominations shall be submitted and processed in accordance with the minimum standards set forth in this Section 8.2(f). PPEC shall support the following standard nomination cycles:

(i) The Timely Nomination Cycle

On the day prior to gas flow:

- 1:00 p.m. Nominations leave control of Customer;
- 1:15 p.m. Nominations are received by PPEC (including from Title Transfer Tracking Service Providers ("TTTSPs"));
- 1:30 p.m. PPEC sends the Quick Response to Customer;
- 4:30 p.m. PPEC receives completed confirmations from Confirming Parties;
- 5:00 p.m. Customer and Point Operator receive scheduled quantities from PPEC;

Scheduled quantities resulting from Timely Nominations should be effective at the start of the next Gas Day.

(ii) The Evening Nomination Cycle

On the day prior to gas flow:

- 6:00 p.m. Nominations leave control of Customer;
- 6:15 p.m. Nominations are received by PPEC (including from TTTSPs);
- 6:30 p.m. PPEC sends the Quick Response to Customer;

- 8:30 p.m. PPEC receives completed confirmations from Confirming Parties;
- 9:00 p.m. PPEC provides scheduled quantities to the affected Customer and Point Operator, including bumped parties (notice to bumped parties);

Scheduled quantities resulting from Evening Nominations should be effective at the start of the next Gas Day.

(iii) The Intraday 1 Nomination Cycle

On the current Gas Day:

- 10:00 a.m. Nominations leave control of Customer;
- 10:15 a.m. Nominations are received by PPEC (including from TTTSPs);
- 10:30 a.m. PPEC sends the Quick Response to Customer;
- 12:30 p.m. PPEC receives completed confirmations from Confirming Parties;
- 1:00 p.m. PPEC provides scheduled quantities to the affected Customer and Point Operator, including bumped parties (notice to bumped parties);

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 2:00 p.m. on the current Gas Day.

(iv) The Intraday 2 Nomination Cycle

On the current Gas Day:

- 2:30 p.m. Nominations leave control of Customer;
- 2:45 p.m. Nominations are received by PPEC (including from TTTSPs);
- 3:00 p.m. PPEC sends the Quick Response to Customer;
- 5:00 p.m. PPEC receives completed confirmations from Confirming Parties;
- 5:30 p.m. PPEC provides scheduled quantities to the affected Customer and Point Operator, including bumped parties (notice to bumped parties);

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 6:00 p.m. on the current Gas Day.

(v) The Intraday 3 Nomination Cycle

On the current Gas Day:

- 7:00 p.m. Nominations leave control of Customer;
- 7:15 p.m. Nominations are received by PPEC (including from TTTSPs);
- 7:30 p.m. PPEC sends the Quick Response to Customer;
- 9:30 p.m. PPEC receives completed confirmations from Confirming Parties;
- 10:00 p.m. PPEC provides scheduled quantities to the affected Customer and Point Operator;

Scheduled quantities resulting from Intraday 3 Nominations should be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.

For purposes of (ii), (iii), (iv), and (v) above, the word “provides” shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

- 8.3 Customer shall make available and tender any Gas to be injected or wheeled hereunder and receive and accept delivery, upon tender by PPEC, any Gas requested to be withdrawn from storage or wheeled. The quantity of Gas stored for the account of Customer shall be increased or decreased upon injection or withdrawal of Gas from storage, as applicable. Customer shall not (unless otherwise agreed by PPEC) receive or deliver Gas, nor shall PPEC be obligated to receive Gas or deliver Gas on an hourly basis at rates of flow in excess of 1/24 of Customer’s MDIQ, MDRQ, MDWQ, MDDQ, or MDTQ, as applicable. As determined by PPEC in its sole and reasonable judgment, hourly flow rates above 1/24 of Customer’s MDIQ, MDRQ, MDWQ, MDDQ, or MDTQ may be permitted.

6.10 GENERAL TERMS AND CONDITIONS - QUALITY

10. QUALITY

- 10.1 Specifications. The Gas delivered by either party to the other hereunder shall meet the quality specifications of the Transporter which receives or delivers such Gas at the Point of Receipt or Delivery, as applicable, and, unless such Transporter's quality specifications are more stringent, shall be of such quality that it shall meet at least the following specifications:
- (a) Be commercially free from objectionable odors, dirt, dust, iron particles, gums, gum-forming constituents, gasoline, PCBs, and other solid and/or liquid matter, including but not limited to water, Gas treating chemicals and well completion fluids and debris, which may become separated from the Gas during the transportation thereof.
 - (b) Contain not more than one fourth (1/4) of one grain of hydrogen sulfide per one hundred (100) cubic feet, as determined by the cadmium sulfate quantitative test, nor more than twenty (20) grains of total sulfur per one hundred (100) cubic feet.
 - (c) The Gas delivered hereunder shall not contain more than two-tenths of one percent (0.2%) by volume of oxygen, shall not contain more than three percent (3%) by volume of carbon dioxide, shall not contain more than three percent (3%) by volume of nitrogen, and shall not contain a combined total of carbon dioxide and nitrogen components of more than four percent (4%) by volume.
 - (d) Have a heating value of not less than nine hundred and sixty-seven (967) Btus per cubic feet and not more than eleven hundred (1100) Btus per cubic feet.
 - (e) Have a temperature of not more than 120 degrees Fahrenheit (120 degrees F), nor less than forty degrees Fahrenheit (40 degrees F).
 - (f) Have been dehydrated by the tendering party, by any method other than the use of a calcium chloride as desiccant, for removal of entrained water in excess of seven (7) pounds of water per million (1,000,000) cubic feet of Gas as determined by dew-point apparatus approved by the Bureau of Mines or such other apparatus as may be mutually agreed upon.
- 10.2 Rejection of Gas. Either party shall be entitled to reject any Gas tendered to it by the other party which does not meet the minimum specifications of Section 10.1 hereunder. Acceptance of such Gas does not constitute any waiver of PPEC's right to refuse to accept similarly nonconforming Gas.

6.14 GENERAL TERMS AND CONDITIONS – BILLINGS AND PAYMENTS

14. BILLINGS AND PAYMENTS

- 14.1 Invoice. Not later than the ninth (9th) Business Day of each month, PPEC shall provide Customer (including a Replacement Customer) an invoice and any required backup data (which may be transmitted by electronic means or by posting invoices on its Internet Web Site), setting forth (i) the charges due for the previous Month; (ii) the total quantity of Gas, stated in Dekatherms, received from and delivered to Customer hereunder during the preceding Month(s), with applicable Point(s) of Receipt and Point(s) of Delivery properly identified, and the amount due ~~therefor~~; and if applicable; (iii) the amount of Customer's Gas in storage as of the close of the preceding Month and information sufficient to explain and support any adjustments made by PPEC in determining the amount billed. If actual quantities are not available by the ninth (9th) Business Day of the month, PPEC may invoice based on best available data subject to adjustment to actual at a later date. Quantities at points where Operational Balancing Agreements exist shall be invoiced based on scheduled quantities.
- 14.2 Application of Payments for Released Capacity. Payments to PPEC by a Replacement Customer for released capacity shall be applied as follows: (i) PPEC shall retain amounts equal to the Replacement Customer's usage charges; (ii) PPEC will credit the balance to reservation charges due from the Replacement Customer; and (iii) PPEC shall remit the remaining balance, if any, or shall charge any balance due, to the Replacement Customer, in accordance with GT&C 4.10. If any balance due from the Replacement Customer remains unpaid, the outstanding balance will then be billed to the Releasing Customer, provided that the Releasing Customer is only liable to the extent of the Reservation Charges specified in the applicable Storage Service Agreement and corresponding Rate Schedule.
- 14.3 Payment. Customer shall pay PPEC by wire transfer the full amount reflected on the invoice within fifteen (15) days of the date of the invoice or by the 25th of the month, whichever is later. If the ~~fifteenth (15th) day shall fall~~ payment due date falls upon a weekend or legal holiday, then such payment ~~shall be made~~ is due on the ~~last regular~~ next Business Day ~~prior to such fifteenth (15th) day~~ following the payment due date. Party making payment should submit supporting documentation; party receiving payment should apply payment per supporting documentation provided by the paying party; and if payment differs from invoiced amount, remittance detail should be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two (2) Business Days of the payment due date. ~~14.4 Billing Error. If an error is discovered in any billing, such error shall be adjusted within thirty (30) days of the determination thereof. If a dispute arises as to the amount payable in any invoice rendered hereunder, Customer shall nevertheless pay when due the amount not in dispute under such invoice and provide documentation identifying basis for the dispute. Such payment shall not be deemed to be a waiver of the right by Customer to recoup any overpayment, nor shall acceptance of any payment be deemed to be a waiver of the right by Customer to recoup any overpayment, nor shall acceptance of any payment be deemed to be a waiver by PPEC of any underpayment.~~ In the event Customer fails to forward the entire undisputed amount due to PPEC when same is due, interest on the unpaid portion shall accrue at the same rate of interest and in the same manner as prescribed for pipeline refunds as set forth in Section 154.501(d) of the Commission's regulations under the Natural Gas Act from the date such payment is due until the same is paid. If Customer's failure to pay the undisputed portion of any invoice rendered hereunder continues beyond thirty (30) days after the due date of such invoice, then PPEC, in addition to all other legal remedies available to it, shall have the right and option to suspend further deliveries of Gas until such default shall have been cured. If Customer's failure to pay the undisputed portion of any invoice rendered hereunder continues beyond sixty (60) days after the due date of such invoice, then PPEC, in addition to all other legal remedies available to it, shall have the right and option to terminate service hereunder.

14.4 Billing Error. If an error is discovered in any billing, such error shall be adjusted within thirty (30) days of the determination thereof. If a dispute arises as to the amount payable in any invoice rendered hereunder, Customer shall nevertheless pay when due the amount not in dispute under such invoice and provide documentation identifying basis for the dispute. Such payment shall not be deemed to be a waiver of the right by Customer to recoup any overpayment, nor shall acceptance of any payment be deemed to be a waiver of the right by Customer to recoup any overpayment, nor shall acceptance of any payment be deemed to be a waiver by PPEC of any underpayment.

14.5 Billing Disputes. If Customer withholds payment of any disputed amount as authorized herein, Customer shall within ten (10) days after the due date of the disputed invoice submit to PPEC a written explanation of the dispute and any available supporting documentation. The parties shall then cooperate in good faith to resolve such dispute as expeditiously as possible, and the portion, if any, of such disputed amount eventually determined to be due shall bear interest at the rate stated in Section 14.4 above from the original due date until the date actually paid.

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

14.7 PPEC may waive any de minimis payment obligations or late payment charges accruing under this Section 14 to the extent PPEC determines that the administrative costs associated with collecting such charges exceed the amount(s) due.

6.17 GENERAL TERMS AND CONDITIONS – FORCE MAJEURE, ~~AND~~ RESERVATION CHARGE CREDITS

17. FORCE MAJEURE, ~~AND~~ RESERVATION CHARGE CREDITS

- 17.1(a) Effect of Force Majeure. In the event PPEC is rendered unable, wholly or in part, by reason of an event of Force Majeure, as defined herein, to perform, wholly or in part, any obligation or commitment under Customer's Storage Service Agreement, PPEC shall provide notice and full particulars of such Force Majeure event on its Internet Web Site within seventy-two (72) hours after the occurrence of the cause relied on, or in such time and manner that is reasonable under the circumstances or conditions, and the obligations of PPEC shall be suspended to the extent that PPEC's ability to perform such obligations is affected by such Force Majeure event and for the period of such Force Majeure condition, but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.
- (b) Force Majeure and Obligation to Pay/Credit Reservation Charges. A Customer taking firm service under Rate Schedules FSS, NNSS, FP or FL shall not be relieved of its obligation to pay Reservation Charges specified in such firm Rate Schedules due to an event of Force Majeure and PPEC shall include the full amount of such Reservation Charges on Customer's invoice for any Month in which an event of Force Majeure shall have occurred, provided, however, that PPEC shall calculate credits against Customer's Reservation Charges payable under Rate Schedules FSS, NNSS, FP or FL and its Storage Service Agreement to reflect any reduction in PPEC's ability to render firm services resulting from an event of Force Majeure declared by PPEC and shall include such credits on the firm Customer's invoice for the next succeeding Month, in accordance with Section 17.1(c).
- (c) Calculation of Credits Against Reservation Charges. For each Day on which PPEC is unable to schedule or deliver all of Customer's nominated primary firm service under Rate Schedules FSS, NNSS, FP or FL, PPEC shall calculate credits against Customer's Reservation Charges payable under Customer's Firm Storage Service Agreement under Rate Schedules FSS, NNSS, FP or FL; provided, that PPEC shall not be required to provide Reservation Charge credits during the first ten (10) Days of non-scheduling or non-delivery due to an event of Force Majeure declared by PPEC or a PHMSA Event (as defined in this section below) and; provided further, PPEC shall not be required to provide Reservation Charge credits for non-scheduling or non-delivery that is solely the result of Customer's conduct or the result of actions or inactions by pipeline Transporters that are not controllable by PPEC. Reservation charge credits will not be provided to the extent that Customer utilizes secondary points on PPEC's system. For ~~the~~ purposes of this Section 17.1(c), the term "PHMSA Event" shall refer to any testing, repair, replacement, refurbishment, or maintenance activity including scheduled maintenance that is commenced prior to December 31, 2017, to comply with Section 60139(c) of Chapter 601 of Title 49, as added by section 23 of the Pipeline Safety, Regulatory Certainty and Job Creation Act of 2011 or requirements issued by the Pipeline and Hazardous Materials Safety Administration ("PHMSA") pursuant to Section 60139(c).

In the event that PPEC is rendered unable wholly or in part by a PHMSA Event to carry out its obligations under a Firm Storage Service Agreement under Rate Schedules FSS, NNSS, FP or FL, other than to provide demand charge credits thereunder, it is agreed that PPEC shall give notice of the circumstances of the PHMSA Event in writing or by electronic means to Customer as soon as possible. PPEC's notice will identify the specific PHMSA order or requirement with which PPEC is complying. The obligations of PPEC shall be suspended during the continuance of any inability so caused but for no longer period than such inability, and such cause shall as far as possible be remedied with all reasonable dispatch.

PPEC shall calculate Reservation Charge Credits for each applicable Day for Customer's nominated primary firm service quantities that PPEC is unable to schedule or deliver using the following formulae:

Non-delivery/non-scheduling of a firm Customer's injections:

$$\text{Reservation Charge Credit} = (\text{RC divided by \#Days}) \text{ multiplied by } (\text{NNIQ divided by MDIQ})$$

Non-delivery/non-scheduling of a firm Customer's withdrawals:

$$\text{Reservation Charge Credit} = (\text{RC divided by \#Days}) \text{ multiplied by } (\text{NNWQ divided by MDWQ})$$

Where:

RC = The Customer's Reservation Charges for the Month, calculated using the rates set forth in Customer's Storage Service Agreement; Customer's NNSS Reservation Charges, if applicable, shall be combined with its FSS Reservation Charges for this calculation.

#Days = The number of Days in the Month.

NNIQ = The Non-delivery/Non-scheduling Nominated Injection Quantity, which shall be the quantity of Customer's nominated injections actually not scheduled or not delivered on each Day in the Month by PPEC.

NNWQ = The Non-delivery/Non-scheduling Nominated Withdrawal Quantity, which shall be the quantity of Customer's nominated withdrawals actually not scheduled or not delivered on each Day of the Month by PPEC.

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

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

- 17.2 Nature of Force Majeure. The term "Force Majeure" as employed herein and in Customer's Storage Service Agreement(s) shall mean any cause, whether of the kind enumerated herein or otherwise, not reasonably within the control of PPEC, such as: acts of God; strikes, lockouts and industrial disputes or disturbances; inability to secure or delays in obtaining labor, materials, supplies, permits, easements or rights-of-way, including inability to secure materials by reason of allocations promulgated by authorized governmental agencies; arrests and restraints of governments and people; failure of third-party transportation not caused by acts or omissions of PPEC; one-time, nonrecurring unplanned or unscheduled interruptions caused by government or court orders and/or present and future valid orders, decisions or rulings of any government or regulatory entity having proper jurisdiction; acts of the public enemy; vandalism; wars; riots; civil disturbances; sabotage or terrorism; blockades; insurrections; epidemics; landslides; lightning; tornadoes; hurricanes; earthquakes; fires; storms; floods; washouts; inclement weather which necessitates extraordinary measures and expense to maintain operations; explosions; breakage, and/or accidents to plant facilities including machinery, lines of pipe, and/or accidents to wells or subsurface storage caverns or reservoirs; unplanned or unscheduled testing (as required by one-time, non-recurring governmental requirements); mechanical or geomechanical changes or physical failure that affects the ability to operate storage facilities or a cavern(s) and the making of repairs or alterations to pipelines, storage, and plant facilities including Transporter's(s') pipeline repairs. It is understood

and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of PPEC, and that the above requirements that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of opposing party when such course is inadvisable in the discretion of PPEC.

6.18 GENERAL TERMS AND CONDITIONS - NOTICES

18. NOTICES

Any notice, request, demand, or statement provided for in PPEC's Tariff, except as otherwise herein provided, or as mutually agreed upon by Customer and PPEC, shall be given in writing and either delivered in person, by United States Mail, overnight courier service, or via e-mail ~~or facsimile~~ to the parties at the addresses shown in Customer's Storage Service Agreement or at such other addresses as may hereafter be furnished to the other party in writing. An e-mail shall be considered to be "sent" when it enters the information processing system that the recipient has designated or uses for the purpose of receiving electronic records or information of the type sent and from which the recipient is able to retrieve the electronic record, is sent to the e-mail address designated by the recipient for such communications, and is in a form capable of being processed by that system. It is Customer's responsibility to notify PPEC of any changes to Customer's notification phone numbers and e-mail addresses on a timely basis. PPEC is not responsible for any lapse of communication due to Customer's failure to provide accurate contact information on a timely basis.

6.20 GENERAL TERMS AND CONDITIONS – GAS TITLE TRANSFERS

20. GAS TITLE TRANSFERS

20.1 Title Transfers of Gas in Storage:

(a) A Customer that has entered into a Storage Service Agreement under Rate Schedules FSS, FP, ISS, IP, or IB may ~~sell~~transfer some or all of its Storage Inventory to any other Customer that has a Storage Service Agreement to become part of such other Customer's Storage Inventory if:

(1) Customer ~~selling~~transferring Storage Inventory and Customer ~~purchasing~~receiving the Storage Inventory shall both execute a Title Transfer Form, as such form is posted on PPEC's Internet Web Site and amended from time to time, identifying the details of the title transfer transaction and submit such executed Title Transfer Form to PPEC;

~~and~~

(2) The ~~purchase~~transfer does not cause receiving Customer to exceed its MSQ or MPQ, as applicable and as specified in Customer's Storage Service Agreements, or cause transferring Customer's Storage Inventory balance to go below zero (0); ~~and~~

~~PPEC may restrict transfers when such transfers~~(3) The transfer would not result in an increase in the service obligations of PPEC or cause operational difficulties and such increase or operational difficulties would, in the reasonable judgment of PPEC, impair the ability of PPEC to meet all of its other service obligations of equal or higher priority.

(b) PPEC will recognize the transfer ~~for purposes of computing each Customer's available Storage Inventory or Park Balance~~ on a prospective basis within one (1) Business Day after it receives the executed Title Transfer Form.

(c) For each title transfer of Gas performed under this Section, each Customer shall pay the Title Transfer charge as agreed upon by each Customer and PPEC and set forth on the Title Transfer Form.

(d) The foregoing rules governing transfers of Storage Inventory shall also apply to requests to transfer Storage Inventory among ~~a~~ Customer's Storage Service Agreements.

20.2 Title Transfers of Gas

(a) Transfers of title between Customers and/or Storage Service Agreements under which Gas is delivered to PPEC, withdrawn from PPEC's storage or wheeled on PPEC's system may be permitted by PPEC at Point(s) of Receipt and Point(s) of Delivery or on PPEC's system on an Interruptible basis pursuant to a Title Transfer Form.

(b) Requests for such transfers shall be made in accordance with the nomination procedures set forth in GT&C 8. PPEC shall not unreasonably withhold approval of such transfers.

(c) For each title transfer nominated by Customer under Section 20.2(b) herein, Customer shall pay the gas title transfer charge set forth on the Title Transfer Form.

6.23 GENERAL TERMS AND CONDITIONS –NORTH AMERICAN ENERGY STANDARDS BOARD

23. NORTH AMERICAN ENERGY STANDARDS BOARD

Compliance with 18 C.F.R. Section 284.12

PPEC has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.0, and the standards revised by Minor Corrections MC15003, MC15004, MC15005, MC15009 and MC15012 all marked with an asterisk [*], which are required by the Commission in 18 C.F.R. Section 284.12(a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

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

<u>NAESB Standard</u>	<u>Tariff Record</u>
0.3.3	Creditworthiness-Financial Assurances, 6.31.10(a)
0.3.4	Creditworthiness-Financial Assurances, 6.31.10(b)
0.3.5	Creditworthiness-Financial Assurances, 6.31.10(c)
0.3.6	Creditworthiness-Financial Assurances, 6.31.10(d)
0.3.7	Creditworthiness-Financial Assurances, 6.31.10(e), (f)
0.3.8	Creditworthiness-Financial Assurances, 6.31.10(g)
0.3.9	Creditworthiness-Financial Assurances, 6.31.10(h)
0.3.10	Creditworthiness-Financial Assurances, 6.31.10(i)
1.2.3	Definitions, 6.2.38 6.2.39
1.2.4	Definitions, 6.2.20 6.2.21
1.2.6	Definitions, 6.2.34 6.2.35
1.2.12	Definitions, 6.2.12
1.3.1*	Definitions, 6.2.9
1.3.2	Nominations and Scheduling, 6.8.2
1.3.5*	Nominations and Scheduling, 6.8.1
1.3.6	Nominations and Scheduling, 6.8.2
1.3.8*	Nominations and Scheduling, 6.8.2
1.3.9*	Nominations and Scheduling, 6.8.2
1.3.11*	Nominations and Scheduling, 6.8.2
1.3.13	Nominations and Scheduling, 6.8.2
1.3.19	Nominations and Scheduling, 6.8.1
1.3.21	Nominations and Scheduling, 6.8.2
1.3.26	Priority, Interruption of Service and OFOs, 6.5.5
1.3.33*	Nominations and Scheduling, 6.8.2
2.2.1	Definitions, 6.2.33 6.2.34
2.3.9	Definitions, 6.2.2. 6.2.7
3.2.1	Definitions, 6.2.3
3.3.9	Billings and Payments, 6.14.1
3.3.10	Billings and Payments, 6.14.1
3.3.17	Billings and Payments, 6.14.3
3.3.19	Billings and Payments, 6.14.4
5.2.1	Definitions, 6.2.6
5.2.3	Definitions, 6.2.11
5.3.1	Capacity Release, 6.4.3
5.3.2	Capacity Release, 6.4.3
5.3.3	Capacity Release, 6.4.3

5.3.4	Capacity Release, 6.4.7
5.3.7	Capacity Release, 6.4.13
5.3.13	Capacity Release, 6.4.6
5.3.14	Capacity Release, 6.4.1
5.3.15	Capacity Release, 6.4.6
5.3.16	Capacity Release, 6.4.1
5.3.24	Capacity Release, 6.4.3
5.3.25	Capacity Release, 6.4.3
5.3.44	Capacity Release, 6.4.13
5.3.45	Capacity Release, 6.4.13
5.3.59	Capacity Release, 6.4.8
5.3.60	Capacity Release, 6.4.14

Standards Incorporated by Reference:

Additional Standards:

General:

Definition:
0.2.5

Standards:
0.3.1, 0.3.2, 0.3.16, 0.3.17

Gas/Electric Operational Communications:

Definitions:
0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:
0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards:
0.3.18, 0.3.20, 0.3.21, 0.3.22

Data Sets:
0.4.2*, 0.4.3

Location Data Download:

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

Data Set:
0.4.4*

Storage Information:

Data Sets:
0.4.1*

Nominations Related Standards:

Definitions:

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

Standards:

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

Data Sets:

1.4.1*, 1.4.2*, 1.4.3*, 1.4.4*, 1.4.5*, 1.4.6*, 1.4.7*

Flowing Gas Related Standards:

Definitions:

2.2.2, 2.2.3, 2.2.4, 2.2.5

Standards:

2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.3.8, 2.3.10, 2.3.11, 2.3.12, 2.3.13, 2.3.14, 2.3.15, 2.3.16, 2.3.17, 2.3.18, 2.3.19, 2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.26, 2.3.27, 2.3.28, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, 2.3.66

Data Sets:

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

Invoicing Related Standards:

Standards:

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

Data Sets:

3.4.1*, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

Definitions:

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

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.60, 4.3.61, 4.3.62, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.103, 4.3.104, 4.3.105

Capacity Release Related Standards:

Definitions:

5.2.2, 5.2.4, 5.2.5

Standards:

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

Data Sets:

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

Internet Electronic Transport Related Standards:

Definitions:

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

Standards:

10.3.1, 10.3.3, 10.3.4, 10.3.5, 10.3.6, 10.3.7, 10.3.8, 10.3.9, 10.3.10, 10.3.11, 10.3.12, 10.3.14, 10.3.15, 10.3.16, 10.3.17, 10.3.18, 10.3.19, 10.3.20, 10.3.21, 10.3.22, 10.3.23, 10.3.24, 10.3.25, 10.3.26, 10.3.27

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

NAESB Standard

Waiver or Extension of Time

0.3.23	Extension of Time
0.4.1*	Extension of Time
0.4.2*	Extension of Time
0.4.3	Extension of Time
1.3.3	Extension of Time
1.3.37	Extension of Time
1.3.45	Extension of Time
1.3.56	Extension of Time
1.3.65	Extension of Time
1.4.1*	Extension of Time
1.4.2*	Extension of Time
1.4.3*	Extension of Time
1.4.4*	Extension of Time
1.4.5*	Extension of Time
1.4.6*	Extension of Time
1.4.7*	Extension of Time
2.4.1*	Extension of Time
2.4.2	Extension of Time
2.4.3*	Extension of Time
2.4.4*	Extension of Time
2.4.5*	Extension of Time
2.4.6	Extension of Time

2.4.7	Extension of Time
2.4.8	Extension of Time
2.4.17	Extension of Time
2.4.18	Extension of Time
3.4.1*	Extension of Time
3.4.2	Extension of Time
3.4.3	Extension of Time
3.4.4	Extension of Time
4.3.44	Extension of Time
4.3.52	Extension of Time
4.3.55	Extension of Time
4.3.67	Extension of Time
4.3.80	Extension of Time
4.3.81	Extension of Time
4.3.82	Extension of Time
4.3.83	Extension of Time
4.3.84	Extension of Time
4.3.101	Extension of Time
4.3.102	Extension of Time
5.3.35	Extension of Time
5.3.70	Extension of Time
5.4.14	Extension of Time
5.4.15	Extension of Time
5.4.16*	Extension of Time
5.4.17	Extension of Time
5.4.23	Extension of Time
5.4.24*	Extension of Time
5.4.25	Extension of Time
5.4.26*	Extension of Time
5.4.27	Extension of Time
10.3.1	Extension of Time
10.3.3	Extension of Time
10.3.4	Extension of Time
10.3.5	Extension of Time
10.3.6	Extension of Time
10.3.7	Extension of Time
10.3.8	Extension of Time
10.3.9	Extension of Time
10.3.10	Extension of Time
10.3.11	Extension of Time
10.3.12	Extension of Time
10.3.14	Extension of Time
10.3.15	Extension of Time
10.3.16	Extension of Time
10.3.17	Extension of Time
10.3.18	Extension of Time
10.3.19	Extension of Time
10.3.20	Extension of Time
10.3.21	Extension of Time
10.3.22	Extension of Time
10.3.23	Extension of Time
10.3.24	Extension of Time
10.3.25	Extension of Time
10.3.26	Extension of Time

10.3.27 Extension of Time

With regard to definition 2.2.2, PPEC's Facility shall comprise a single Operational Impact Area.

PPEC's incorporation of the Internet Electronic Transport Related Standards is subject to the limited waiver FERC granted PPEC regarding an extension of time to implement Electronic Data Interchange (EDI), Electronic Delivery Mechanism (EDM), and Internet Electronic Transport (IET) requirements communications until ninety (90) days following a request that it provide such communications.

6.27 GENERAL TERMS AND CONDITIONS – SUCCESSORS IN INTEREST

27. SUCCESSORS IN INTEREST

Any company which shall succeed by purchase, merger, consolidation or otherwise to the properties substantially as an entirety, of PPEC or of Customer, shall be entitled to the rights and shall be subject to the obligations of its predecessors in title under a Storage Service Agreement. In accordance with the capacity release procedures set forth in GT&C 4, Customer may, without relieving itself of its obligations under such Storage Service Agreement, assign any of its rights and obligations thereunder to another ~~shipper~~Customer, but otherwise no assignment of such Storage Service Agreement, or of any of the rights or obligations thereunder shall be made unless there first shall have been obtained the consent thereto of PPEC, in the event of any assignment by Customer, or the consent thereto of Customer, in the event of an assignment by PPEC. These restrictions on assignment shall not in any way prevent any party from pledging or mortgaging its rights under a Storage Service Agreement as security for its indebtedness.

6.31 GENERAL TERMS AND CONDITIONS – CREDITWORTHINESS - FINANCIAL ASSURANCES

~~6.31~~6.31 CREDITWORTHINESS - FINANCIAL ASSURANCES

- 31.1 PPEC's acceptance of ~~a~~ Customer's request for new service and/or continuation of service to ~~a~~ Customer under any of PPEC's rate schedules is contingent upon a determination by PPEC that the overall financial condition of such Customer is acceptable to PPEC, which determination shall be based on a credit appraisal of such Customer that is conducted on a not unduly discriminatory basis utilizing consistent financial evaluation standards to determine the acceptability of Customer's overall financial condition from time to time.
- 31.2 ~~A~~ Customer will be deemed creditworthy for amounts set forth in ~~GT&C Sections~~ 31.6 (a) and (b) if (i) its long-term unsecured debt securities are rated at least BBB- by Standard & Poor's Corporation ("S&P") or Baa3 by Moody's Investor Service ("Moody's") (or if Customer has obtained an equivalent S&P or Moody's issuer rating), (ii) Customer's short term and long term outlook opinion is Stable or Positive from S&P or Moody's, and (iii) Customer provides the information specified in ~~GT&C Sections~~ 31.3(c)–(f). In the event Customer is rated by multiple agencies, the lower rating shall govern.
- 31.3 If ~~a~~ Customer is not deemed creditworthy based solely upon the criteria set forth in ~~GT&C Section~~ 31.2, or if ~~a~~ Customer that is deemed creditworthy based on such criteria seeks a credit limit in excess of the amounts set forth in ~~GT&C Sections~~ 31.6 (a) and (b), to enable PPEC to conduct a credit appraisal, Customer shall submit the material and information set forth in ~~GT&C Sections~~ 31.3(a)–(g) below. PPEC's receipt of such material and information shall not be deemed acceptance of a request for service by PPEC. Acceptance shall be confirmed by PPEC only after PPEC has reviewed the material and information set forth in ~~GT&C Sections~~ 31.3(a)–(g) and has determined that Customer is sufficiently creditworthy. Customer shall, if requested by PPEC, provide the material and information required by ~~GT&C Sections~~ 31.3(a)–(g) for its parent company and/or guarantor. Customer shall not be required to provide the material and information specified in ~~GT&C Sections~~ 31.3(a)–(b) if Customer agrees to provide financial assurances in accordance with ~~GT&C 31.5(a)–(e)~~ Sections 31.5(a)–(e). As an alternative to Customer, or its guarantor, providing some or all of the information specified in Sections 31.3(a)–(b), Customer may provide alternate equivalent information which PPEC reasonably agrees to accept or PPEC may rely on equivalent information that is publicly available or available through published sources.
- (a) Customer shall provide current audited financial statements, annual reports, 10-K and 10-Q reports, interim financial statements with attestation by the Chief Financial Officer (or equivalent) that such statements are a true, correct and fair representation of financial condition prepared in accordance with Generally Accepted Accounting Principles and other filings with regulatory agencies which discuss Customer's financial status, a list of all corporate affiliates, parent companies and subsidiaries, and any reports from credit reporting and bond rating agencies which are available (for non-public entities, in lieu of the foregoing, Customer may provide any existing sworn filing, which provides the most recent available interim financial statements and annual financial reports filed with any applicable regulatory authority, showing the Customer's current financial condition);
- (b) Customer shall provide a bank reference and at least two (2) trade references. The results of reference checks and any credit reports submitted pursuant to ~~GT&C Section~~ 31.2 must show that Customer's obligations are being paid on a reasonably prompt basis;
- (c) Customer shall confirm in writing that Customer is not operating under any chapter of

the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement.

An exception may be made for Customer who is a debtor in possession operating under Chapter XI of the U. S. Bankruptcy Code but only with adequate assurance that the service billing will be paid promptly as a cost of administration under the Bankruptcy Court's jurisdiction;

- (d) Customer shall confirm in writing that Customer is not aware of any change in business conditions which would cause a substantial deterioration in its financial condition, a condition of insolvency or the inability to exist as an ongoing business entity;
- (e) If Customer has an existing Storage Service Agreement with PPEC, Customer shall confirm in writing that no delinquent balances are outstanding for services previously provided by PPEC;
- (f) Customer shall confirm in writing that no significant collection lawsuits or judgments are outstanding that are reasonably likely to have a material adverse impact on the ability of Customer to remain solvent; and
- (g) Customer shall provide such other material and information as PPEC may reasonably request.

31.4 PPEC shall not be required to perform or to continue service under any Rate Schedule on behalf of any Customer who is or has become insolvent or who, at PPEC's request, fails within a reasonable period to demonstrate creditworthiness. In such event, PPEC may take such action as is permitted in GT&C 28.2. For purposes of this ~~GT&C~~Section 31 and GT&C 28 the insolvency of Customer shall be conclusively demonstrated by the filing by (i) Customer, or any parent entity thereof, or guarantor of Customer of a voluntary petition in bankruptcy, or (ii) the entry of a decree or order by a court having jurisdiction in the premises adjudging Customer, or any parent entity thereof, or guarantor of Customer bankrupt or insolvent, or approving, as properly filed, a petition seeking reorganization, arrangement, adjustment or composition of or in respect of Customer, or any parent entity thereof, or guarantor of Customer under the U.S. Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of Customer, or any parent entity thereof, or guarantor of Customer or of any substantial part of their property, or the ordering of the winding-up or liquidation of their affairs, with said order or decree continuing unstayed and in effect for a period of sixty (60) consecutive days.

31.5 Upon notification by PPEC that Customer has failed to establish that it is creditworthy in accordance with ~~GT&C~~Sections 31.2 or 31.3, or subsequently during the term of the Storage Service Agreement that Customer no longer satisfies the creditworthiness criteria set forth in ~~GT&C~~Sections 31.2 or 31.3, such Customer may still obtain or retain service if it (i) pays any outstanding balances due PPEC for service previously rendered or has complied with GT&C 14.5 with regard to such balances and (ii) provides one or more of the following forms of financial assurances acceptable to PPEC:

~~(a)~~ ~~(a)~~ an advance deposit; provided that such deposit shall be considered collateral held for security and not advance payments for services. An advance deposit shall accrue interest, calculated monthly at the published federal funds rate, to the benefit of Customer from the date PPEC receives the funds.

~~(b)~~ ~~(b)~~ ————— a standby irrevocable letter of credit subject to the following:

- (1) each letter of credit shall be in effect for the lesser of one (1) year or for the

term of the transaction plus sixty (60) days. If the term of the transaction plus sixty (60) days is greater than one (1) year, Customer shall ensure that its obligation to PPEC is secured continuously, and accordingly shall provide PPEC with a replacement letter of credit no later than sixty (60) days prior to the expiration of the then-effective letter of credit. PPEC will return the expiring letter of credit to Customer within five (5) days of the date the replacement letter of credit becomes effective.

- (2) each letter of credit shall be in form and substance satisfactory to PPEC, and shall provide for partial drawdowns and, without limiting the generality of the foregoing, shall be issued by a financial institution acceptable to PPEC; and
- (3) in addition to all other remedies available to PPEC at law or in equity, if Customer fails to provide a replacement letter of credit in accordance with this Section, PPEC may draw upon the expiring letter of credit to the full amount thereof and apply the funds so drawn in payment in whole or in part of the obligations of Customer under each or any of Customer's Storage Service Agreements.

(c) ~~(e)~~ a security interest in collateral acceptable to PPEC.

(d) ~~(d)~~ a guaranty, in form and substance acceptable to PPEC, by another person or entity acceptable to PPEC.

(e) ~~(e)~~ other forms of financial assurances acceptable to PPEC to secure Customer's obligations under the Storage Service Agreements, provided that PPEC may reject or accept such other forms of financial assurances in a manner that is not unduly discriminatory.

31.6 PPEC shall notify Customer if PPEC requests financial assurances in accordance with ~~GT&C~~Section 31.5. If PPEC rejects financial assurances offered by Customer in accordance with ~~GT&C~~Sections 31.5(a)–(e), PPEC shall re-issue its request for financial assurances and will include an explanation for the rejection of the financial assurances previously offered by Customer. The amount of financial assurances Customer is required to provide shall be calculated as follows (subject to PPEC's determination of Customer's credit limit, in the manner described in ~~GT&C~~Section 31.7-~~below~~), aggregated for all of Customer's Storage Service Agreements:

- (a) For firm services, an amount equal to the sum of the three (3) highest Months' worth of reservation charges during a contract year or the duration of Customer's Storage Service Agreement, whichever is shorter, at the reservation rates specified in Customer's Storage Service Agreement or, when Customer has not yet executed a Storage Service Agreement, at a reservation rate which PPEC, acting reasonably, deems reflective of the current market rate for firm services comparable to those Customer proposes to purchase.
- (b) For Interruptible services, an amount equal to an estimate of the value of fifteen (15) Days of service at maximum utilization per Month for three (3) Months or the duration of Customer's Interruptible Storage Service Agreement, whichever is shorter, calculated at the interruptible rate specified in Customer's Storage Service Agreement or, when Customer has not yet executed a Storage Service Agreement, at a rate which PPEC, acting reasonably, deems reflective of the current market rate for Interruptible services comparable to those Customer proposes to purchase. Customer will be required to comply with all of PPEC's credit requirements by the time Customer

requests service under an Interruptible Storage Service Agreement.

- (c) The financial assurances amounts calculated pursuant to [GT&CSections](#) 31.6 (a) and (b) shall be increased by the market value, as determined by PPEC, of any quantities of Gas loaned to Customer pursuant to Customer's Storage Service Agreement(s) that contemplate loan services. PPEC shall be entitled to recalculate the value of loaned Gas as frequently as each day. PPEC shall calculate the market value of loaned gas using the unit price for the Henry Hub Natural Gas Futures Contract, as posted on the www.cmegroup.com web site plus Pine Prairie hub basis for the period under which the loaned gas is scheduled to be returned pursuant to Customer's Storage Service Agreement(s), multiplied by Customer's quantity of loaned Gas, plus any applicable transportation cost. PPEC shall have the right to notify Customer when such recalculation indicates that additional credit support is required to comply with the requirements of this ~~section~~[Section](#) based on a ten percent (10%) increase in the daily computation of the amount of financial assurances over the financial assurances previously provided by Customer. Customer shall have two (2) Business Days to comply with a notification by PPEC of insufficient financial assurances.
- (d) For service that requires PPEC to construct new facilities, an amount determined by PPEC prior to the start of construction that is reasonable in light of the risks of the construction project, not to exceed Customer's proportional share of the cost of the facilities to be constructed (which amount shall be reduced as Customer pays off the obligation for construction of new facilities).

Forecasted activity shall be used to calculate the amount of financial assurances if actual data is not available. With respect to a request for new service, any financial assurances required by PPEC must be received by PPEC before PPEC is obligated to perform services for Customer. For Capacity Release Umbrella Agreements, Customer will be required to comply with all of PPEC's credit requirements before Customer submits a bid to acquire released capacity pursuant to GT&C 4.

- 31.7 PPEC shall from time to time determine a credit limit for each Customer. The credit limit represents the amount of credit PPEC is willing to provide to Customer without requiring Customer to provide financial assurances. The credit limit may be stated as a dollar amount or by reference to activity under Customer's Storage Service Agreements. The amount of financial assurances that Customer may be required to provide from time to time shall be as calculated in accordance with [GT&CSection](#) 31.6, minus Customer's credit limit. A Customer deemed creditworthy pursuant to [GT&CSection](#) 31.2 shall have a credit limit equivalent to the amounts described in [GT&CSections](#) 31.6 (a) and (b), unless Customer demonstrates to PPEC's satisfaction pursuant to [GT&CSection](#) 31.3 that its financial position warrants a higher credit limit.
- 31.8 For any Customer for which PPEC shall have established a credit limit greater than zero (0) or for Customers deemed creditworthy pursuant to [GT&CSection](#) 31.2 which seek a credit limit in excess of the amounts set forth in [GT&CSections](#) 31.6 (a) and (b), upon request by PPEC at any time during the period of service, Customer shall provide PPEC with updated financial material and information in the form specified in [GT&CSections](#) 31.3(a)-(g). PPEC shall re-evaluate Customer's creditworthiness based upon the updated material and information provided by Customer, in accordance with [GT&CSection](#) 31.3.

If Customer's credit standing ceases to meet PPEC's credit requirements at any time during the period of service, then PPEC has the right to require additional financial assurances as specified in [GT&CSection](#) 31.5. With respect to an existing Service Agreement, Customer must tender the financial assurances required by [GT&CSection](#) 31.5 within two (2) Business Days of PPEC's notification. If such financial assurances are not received within the specified time

period, then PPEC may immediately suspend service, and may terminate Customer's Service Agreement(s) upon thirty (30) days' notice to Customer and the Commission, in accordance with GT&C 28.

If the credit standing of any entity issuing financial assurances in support of Customer's obligations ceases to satisfy the criteria set forth in [GT&C Sections 31.2 and 31.3](#) at any time during the period of service, then PPEC has the right to require Customer to provide replacement financial assurances that satisfies the requirements of [GT&C Section 31.5](#) within two (2) Business Days of PPEC's notification. If such financial assurances are not received within the specified time period, then PPEC may immediately suspend service, and may terminate Customer's service agreement(s) upon thirty (30) days' notice to Customer and the Commission in accordance with GT&C 28.

- 31.9 In the event any material and information provided by Customer pursuant to [GT&C Sections 31.3\(a\)-\(g\)](#) with respect to a request for new service materially changes prior to execution of the new Storage Service Agreement, or Customer learns that such material and information may materially change prior to execution of a Storage Service Agreement, Customer shall be obligated to provide written notice of such material change to PPEC. PPEC may require Customer to resubmit any or all of the financial material and information required in [GT&C Sections 31.3\(a\)-\(g\)](#). PPEC shall reevaluate Customer's creditworthiness based upon the updated material and information.
- 31.10 In addition to the requirements set forth above, PPEC's determination of Customer's creditworthiness shall be subject to the following procedures:
- (a) If PPEC requests additional material and information to be used for credit evaluation after the initiation of service, PPEC, contemporaneous with the request, shall provide its reason(s) for requesting the additional material and information to Customer and PPEC shall designate to whom the response shall be sent. PPEC and Customer may mutually agree to waive the requirements of this standard.
 - (b) Upon receipt of either an initial or follow-up request from PPEC for material and information to be used for creditworthiness evaluation, Customer's authorized representative(s) shall acknowledge receipt of PPEC's request. PPEC and Customer may mutually agree to waive the requirements of this standard.
 - (c) Customer's authorized representative(s) shall respond to PPEC's request for credit material and information, as allowed by PPEC's Tariff, on or before the due date specified in the request. Customer shall provide all the credit material and information requested by PPEC or provide the reason(s) why any of the requested information was not provided.
 - (d) Upon receipt from Customer of all credit material and information provided pursuant to applicable NAESB WGQ standards, PPEC shall notify Customer's authorized representative(s) that it has received such material and information. PPEC and Customer may mutually agree to waive the requirements of this standard.
 - (e) Customer shall designate up to two (2) representatives who are authorized to receive notices regarding Customer's creditworthiness, including requests for additional material and information, pursuant to the applicable NAESB WGQ standards and shall provide to PPEC the e-mail addresses of such representatives prior to the initiation of service. Written requests and responses shall be provided via e-mail, unless otherwise agreed to by the parties. The obligation of PPEC to provide creditworthiness

notifications is waived until the above requirement has been met. Customer shall manage internal distribution of any creditworthiness notices that are received.

- (f) PPEC shall designate, on its Internet Web Site or in written notices to Customer, the e-mail addresses of up to two (2) representatives who are authorized to receive notices regarding Customer's creditworthiness. Customer's obligation to provide confirmation of receipt is met by sending such confirmation to such representatives, and PPEC shall manage internal distribution of any such confirmations.
- (g) At any time after Customer is determined to be non-creditworthy by PPEC, Customer may request a creditworthiness re-evaluation by PPEC. As part of Customer's re-evaluation request, Customer shall either update or confirm in writing the prior material and information provided to PPEC related to Customer's creditworthiness. Such updates shall include any event(s) that Customer believes could lead to a material change in Customer's creditworthiness.
- (h) After PPEC's receipt of Customer's request for re-evaluation, including all required material and information pursuant to NAESB WGQ Standard 0.3.8 ("Customer's Request"), within five (5) Business Days, PPEC shall provide a written response to Customer's Request. Such written response shall include either a determination of creditworthiness status, clearly stating the reason(s) for PPEC's decision, or an explanation supporting a future date by which a re-evaluation determination will be made. In no event shall such re-evaluation determination exceed twenty (20) Business Days from the date of the receipt of Customer's Request unless specified in PPEC's Tariff or the parties mutually agree to some later date.
- (i) In complying with the creditworthiness related notifications pursuant to the applicable NAESB WGQ standards, Customer and PPEC may mutually agree to other forms of communication in lieu of e-mail notification.

6.32 GENERAL TERMS AND CONDITIONS – DISPOSITION OF RETAINED QUANTITIES

32. DISPOSITION OF RETAINED QUANTITIES

- 32.1 In the event that PPEC holds an auction for Gas quantities retained pursuant to ~~Section 7 of Rate Schedule FSS, Section 7 of Rate Schedule FP, Sections 2 or 7 of Rate Schedule ISS, Sections 2 or 7 of Rate Schedule IP, or Sections 2 or 7 of Rate Schedule IB~~, PPEC shall post such quantities on the Internet Web Site as soon as reasonably practicable. PPEC shall accept bids only during the time period from 7:00 a.m. until 11:00 a.m. CCT on the second Business Day following such posting. PPEC shall award purchase of the Gas to Customer submitting the highest bid, and shall notify bidder submitting the highest bid prior to 4:00 p.m. CCT of the same Day on which PPEC accepts bids; provided, however, PPEC reserves the right to reject all bids.
- 32.2 PPEC shall credit eighty percent (80%) of the net proceeds from the auction to ~~the~~ Customer who left gas in storage. The remaining twenty percent (20%) of the net proceeds received from such auction will be credited to all Customers whose Gas was not so purchased or retained (“Qualifying Customer”) based on the ratio of the total charges paid by each Qualifying Customer for service to the total amount of such charges paid by all Qualifying Customers during the Month in which the auction of Gas occurred. For the purposes of this Section, the term “net proceeds” shall mean the total proceeds received from the auction less any costs PPEC incurred as a result of conducting the auction or the purchase or retention of Customer’s Gas including Reservation Charges and Withdrawal Charges at the rates then in effect or in effect at the termination of the contract, whichever is higher.
- 32.3 Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year and will be included on the Qualifying Customers’ invoices for the Month following the date of the final Commission order approving PPEC’s penalty disbursement report; provided, however, that PPEC will calculate and include such credits on Qualifying Customers’ invoices for a period shorter than twelve (12) Months in the event and to the extent that the total accumulated amount pursuant to this Section 32 by PPEC as of the end of any Month exceeds \$1,000,000. PPEC will file a penalty disbursement report within sixty (60) days of July 31 or sixty (60) days after the end of the Month in which the revenue collected exceeds \$1,000,000. Any revenues credited to Qualifying Customers pursuant to this Section shall include interest calculated in accordance with Section 154.501(d) of the Commission’s regulations.

6.33 GENERAL TERMS AND CONDITIONS – WAREHOUSEMEN'S LIEN

33. WAREHOUSEMEN'S LIEN

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

6.34 GENERAL TERMS AND CONDITIONS – STORAGE SERVICES EXHIBIT EXECUTION PROCEDURE

34. STORAGE SERVICES AGREEMENT EXHIBIT EXECUTION PROCEDURE

- 34.1 PPEC and Customer agree that the procedure set forth in this Section 34 shall govern the execution of exhibits associated with Storage Service Agreements.
- 34.2 Should PPEC and Customer come to an agreement regarding a transaction, a record of such transaction in the form of an exhibit shall be sent by PPEC to Customer by ~~fax or~~ e-mail by the close of the Business Day following the date of agreement (provided that failure to meet such deadline shall not invalidate an agreement), which record shall include all of the information required under the applicable form of exhibit set forth in this Tariff. PPEC and Customer acknowledge that no such record will be binding except as set forth in Section 34.3.
- 34.3 If PPEC's record regarding an exhibit is different in any respect from Customer's understanding of the agreement, Customer shall notify PPEC indicating the differences via ~~fax or~~ e-mail sent by the Confirm Deadline. Customer shall be bound by the terms of the exhibit as described in PPEC's record, and the parties shall be bound by the terms of that exhibit if (i) Customer does not notify PPEC by the Confirm Deadline that the record is different in any respect from Customer's understanding of the agreement, (ii) Customer indicates its agreement to the exhibit by e-mail, or (iii) Customer submits a nomination for service under the exhibit. If Customer provides notice pursuant to the foregoing that a record differs from Customer's understanding of the agreement, then no exhibit regarding the agreement shall be binding until PPEC has sent a new record regarding the agreement and such recording is agreed to pursuant to the terms of ~~Sections~~Section 34.2 and this Section 34.3 (except that PPEC's record of such exhibit must be sent by the close of the Business Day following PPEC's receipt of Customer's notification of differences).
- 34.4 For purposes of this Section 34, "Confirm Deadline" shall mean 5:00 p.m. Central Clock Time on the second Business Day following the Day the record of an exhibit is sent.
- 34.5 ~~For purposes of this Section 34, an e-mail shall be considered to be "sent" when it is enters the information processing system that the recipient has designated or uses for the purpose of receiving electronic records or information of the type sent and from which the recipient is able to retrieve the electronic record, is sent to the e-mail address designated by the recipient for such communications, and is in a form capable of being processed by that system. For purposes of this Section 34, a fax shall be considered to be "sent" when it is transmitted to the fax number provided by the recipient and the sender receives a confirmation of receipt. 34.6 Faxes and e-mails sent pursuant to this Section 34 are not subject to GT&C 18. All faxes and e-mails sent pursuant to this Section 34 shall be sent to the address shown in the applicable Storage Service Agreement or at such other addresses as may hereafter be furnished to the other party. Either party may furnish an address specifically for the purposes of receiving faxes or e-mails pursuant to this Section 34.~~
- ~~34.7~~34.6 Exhibits entered into by ~~fax or~~ e-mail pursuant to this Section 34 are intended to be binding on each party, as provided in the Texas Uniform Electronic Transactions Act and the Electronic Signatures in Global and National Commerce Act.

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

Firm Storage Service Agreement

Execution Copy

Agreement No.

Date

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

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

This Agreement is made as of the ____ day of _____, ____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (~~each of~~ PPEC and Customer, a may individually be referred to as "Party," and collectively, referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain firm ~~natural gas~~ storage services for Customer; and

WHEREAS, PPEC has agreed to provide such firm storage services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule FSS, and of this Agreement, PPEC shall on any Day receive for injection into Customer's Storage Inventory account a quantity of Gas up to Customer's Maximum Daily Injection Quantity as set forth on Exhibit "A", shall store quantities of Gas so injected up to a Maximum Storage Quantity as set forth on Exhibit "A" (on a cumulative basis), and on demand on any Day shall withdraw from Customer's Storage Inventory account and deliver to Customer a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity as set forth on Exhibit "A". Customer's service under this Agreement shall be subject to the ratchet provisions set forth on Exhibit "A", which may provide for reductions in Customer's Maximum Daily Injection Quantity and Maximum Daily Withdrawal Quantity based on the level of Customer's Storage Inventory.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule FSS.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion,

calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's ~~gas~~Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule FSS and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC’s Tariff, GT&C 18, as follows:

<u>PINE PRAIRIE ENERGY CENTER, LLC</u>	<u>CUSTOMER</u>
PINE PRAIRIE ENERGY CENTER, LLC	CUSTOMER
COMMERCIAL	COMMERCIAL
Pine Prairie Energy Center, LLC <u>333 Clay Street, Suite 1500</u> 333 Clay Street, Suite 1500 Houston, Texas 77002 <u>Contact: Sr. Vice President - Commercial</u> Telephone: 713-652-3678 Fax: 713-652-3700 Attention: Benjamin J. Reese E-Mail: bjreese@pnglp.com	Customer <u>Address Line 1</u> Address Line 1 Address Line 2 <u>Contact:</u> Telephone: Fax: Attention: E-Mail:
OPERATIONAL NOTICES	OPERATIONAL NOTICES
Pine Prairie Energy Center, LLC 333 Clay Street, Suite 1500 Houston, Texas 77002 Telephone: 713-646-4462 Fax: 713-652-3700 Attention: Daniel D. Noack E-Mail: ddnoack@pnglp.com	Customer Address Line 1 Address Line 2 Telephone: Fax: Attention: E-Mail:
CONTRACT ADMINISTRATION	CONTRACT ADMINISTRATION
Pine Prairie Energy Center, LLC 333 Clay Street, Suite 1500 Houston, Texas 77002 Telephone: 713-646-4161 Fax: 713-652-3700 Attention: Contract Administration	Customer Address Line 1 Address Line 2 Telephone: Fax: Attention:
<u>Pine Prairie Energy Center, LLC</u> <u>333 Clay Street, Suite 1500</u> <u>Houston, Texas 77002</u> <u>Contact: Contract Administration</u> <u>Telephone: 713-646-4161</u> E-Mail: cadministration@pnglp.com	<u>Customer</u> <u>Address Line 1</u> <u>Address Line 2</u> <u>Contact:</u> <u>Telephone:</u> E-Mail:
BILLING	BILLING
Pine Prairie Energy Center, LLC	Customer

~~333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Donald C. O'Shea
E-Mail: dcoshea@pnglp.com~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

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

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "A" to the Firm Storage Service Agreement
 between PPEC and _____ (Customer) dated _____**

I. Maximum Quantities

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

Notes: The MSQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MSQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MSQ, MDIQ, and MDWQ quantities.

II. Ratchets

Date or event: _____

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

A. ~~A.~~ Injection Ratchets

Level of MSQ	MDIQ <u>Multiplier</u>	<u>Level of MSQ</u>	MDIQ <u>Multiplier</u>
<input type="checkbox"/> 0% - 40%	<u>100%</u>	<input type="checkbox"/> 0% - 60%	100%
Greater than 40% up to 63%	66.7%	<u>Greater than 60% up to 80%</u>	<u>80%</u>
Greater than 63% up to 75%	33.3%	<u>Greater than 80% up to 100%</u>	
<u>60%</u>			
Greater than 75% up to 87%	25%		
Greater than 87% up to 100%	17%		
<u>100%</u>			
<input type="checkbox"/> Greater than 40% up to 65%	50%	<u>Greater than 80% up to 90%</u>	<u>80%</u>
Greater than 65% up to 100%	25%	<u>Greater than 90% up to 100%</u>	
<u>65%</u>			
<input type="checkbox"/> Greater than 70% up to 100%	0% - 70% 100%	<input type="checkbox"/> <u>No Injection Ratchets</u>	
	25%		

~~===== 0% 60% ===== 100%~~
~~===== Greater than 60% up to 80% ===== 80%~~
~~===== Greater than 80% up to 100% ===== 60%~~

~~===== 0% 80% ===== 100%~~
~~===== Greater than 80% up to 90% ===== 80%~~
~~===== Greater than 90% up to 100% ===== 65%~~

~~===== No Injection Ratchets~~

B. Withdrawal Ratchets

Level of MSQ	MDWQ Multiplier	Level of MSQ	MDWQ Multiplier
<input type="checkbox"/> 100% - 30%	100%	<input type="checkbox"/> 100% - 20%	100%
Less than 30% down to 0%	25%	Less than 20% down to 10%	75%
		Less than 10% down to 0%	50%
<input type="checkbox"/>	100% - 30 <u>40</u> %	<input type="checkbox"/> No Withdrawal Ratchets	
Less than 30 <u>40</u> % down to 20%	75 <u>75</u> %		
Less than 20 <u>20</u> % down to 0%	25 <u>50</u> %		
100% - 40%	100%		
Less than 40% down to 20%	75%		
Less than 20% down to 0%	50%		
100% - 20%	100%		
Less than 20% down to 10%	75%		
Less than 10% down to 0%	50%		
No Withdrawal Ratchets			

Notes: Additional lines may be added in the event that the Parties agree that Injection and Withdrawal Ratchets shall change during the ~~Primary~~ Term.

The values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised Injection or Withdrawal Ratchet is to become effective.

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

Maximum Daily Receipt Quantity (“MDRQ”) and Maximum Daily Delivery Quantity (“MDDQ”)

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	<u>Dth</u>	<u>Dth</u>
Acadia_Entergy	<u>Dth</u>	<u>Dth</u>
ANR_ML2	<u>Dth</u>	<u>Dth</u>
ANR_SE	<u>Dth</u>	<u>Dth</u>
CGT_Mainline	<u>Dth</u>	<u>Dth</u>
FGT_ZN2	<u>Dth</u>	<u>Dth</u>
KM LA Pipeline	<u>Dth</u>	<u>Dth</u>
Pine_Prairie_Hub	<u>Dth</u>	<u>Dth</u>
TETCO_WLA	<u>Dth</u>	<u>Dth</u>
TGP_800L	<u>Dth</u>	<u>Dth</u>
Transco Z3	<u>Dth</u>	<u>Dth</u>
TX_Gas_SL	<u>Dth</u>	<u>Dth</u>
	<u>Dth</u>	<u>Dth</u>
	<u>Dth</u>	<u>Dth</u>

Notes: ~~Any point with an MDRQ or MDDQ that is greater than zero (0) is a primary point.~~

~~Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Primary Term. The MDRQ and MDWQ/MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.~~

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Term.

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

Date or event: _____

Note: Additional lines may be added in the event that the Parties agree that the rights to use secondary Point(s) of Receipt and secondary Point(s) of Delivery shall change during the Term.

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

Note: In the event Customer elects no secondary point rights, quantities in excess of MDRQ; ~~MDDQ, MDIQ and MDWQ and MDDQ and quantities in excess of zero (0) for points that have an MDRQ or MDDQ of zero (0)~~ are considered Excess Injection Gas and Excess Withdrawal Gas.

Customer shall have the right to use secondary Point(s) of Receipt and secondary Point(s) of Delivery.

Notes: ~~In the event Customer elects secondary point rights,~~ Points selected for nominations (i) in excess of MDRQ up to MDIQ and/or (ii) in excess of MDDQ up to MDWQ and/or (iii) quantities in excess of zero (0) for points that have an MDRQ or MDDQ of zero (0) up to MDIQ and MDWQ, will be considered secondary points.

Quantities in excess of MDIQ and MDWQ are considered Excess Injection Gas and Excess Withdrawal Gas.

~~Additional lines may be added in the event that the Parties agree that the rights to use secondary Point(s) of Receipt and secondary Point(s) of Delivery shall change during the Primary Term.~~

V. Rates and Charges

Date or event: _____

Firm Storage Reservation Charge _____ \$/Dth/Month

Firm Injection Reservation Charge _____ \$/Dth/Month

Firm Withdrawal Reservation Charge _____ \$/Dth/Month

Commodity Charges Applicable to the ~~Following~~ following:

FGT_ZN2	_____	_____	\$/Dth
KMLA Pipeline	_____	_____	\$/Dth
Pine_Prairie_Hub	_____	_____	\$/Dth
TETCO_WLA	_____	_____	\$/Dth
TGP_800L	_____	_____	\$/Dth
Transco_Z3	_____	_____	\$/Dth
TX_Gas_SL	_____	_____	\$/Dth
_____	_____	_____	\$/Dth
_____	_____	_____	\$/Dth
Acadia_Cleco	_____	_____	\$/Dth
Acadia_Entergy	_____	_____	\$/Dth
ANR_ML2	_____	_____	\$/Dth
ANR_SE	_____	_____	\$/Dth
CGT_Mainline	_____	_____	\$/Dth
FGT_ZN2	_____	_____	\$/Dth
KMLA Pipeline	_____	_____	\$/Dth
Pine_Prairie_Hub	_____	_____	\$/Dth
TETCO_WLA	_____	_____	\$/Dth
TGP_800L	_____	_____	\$/Dth
Transco_Z3	_____	_____	\$/Dth
TX_Gas_SL	_____	_____	\$/Dth
_____	_____	_____	\$/Dth
_____	_____	_____	\$/Dth

Secondary Point(s) of Delivery _____

Note:

<u>Acadia_Cleco</u>	<u>\$/Dth</u>	<u>Acadia_Cleco</u>	<u>\$/Dth</u>
<u>Acadia_Entergy</u>	<u>\$/Dth</u>	<u>Acadia_Entergy</u>	<u>\$/Dth</u>
<u>ANR_ML2</u>	<u>\$/Dth</u>	<u>ANR_ML2</u>	<u>\$/Dth</u>
<u>ANR_SE</u>	<u>\$/Dth</u>	<u>ANR_SE</u>	<u>\$/Dth</u>
<u>CGT_Mainline</u>	<u>\$/Dth</u>	<u>CGT_Mainline</u>	<u>\$/Dth</u>
<u>FGT_ZN2</u>	<u>\$/Dth</u>	<u>FGT_ZN2</u>	<u>\$/Dth</u>
<u>KMLA Pipeline</u>	<u>\$/Dth</u>	<u>KMLA Pipeline</u>	<u>\$/Dth</u>
<u>Pine_Prairie_Hub</u>	<u>\$/Dth</u>	<u>Pine_Prairie_Hub</u>	<u>\$/Dth</u>
<u>\$/Dth</u>			
<u>TETCO_WLA</u>	<u>\$/Dth</u>	<u>TETCO_WLA</u>	<u>\$/Dth</u>
<u>TGP_800L</u>	<u>\$/Dth</u>	<u>TGP_800L</u>	<u>\$/Dth</u>
<u>Transco_Z3</u>	<u>\$/Dth</u>	<u>Transco_Z3</u>	<u>\$/Dth</u>
<u>TX_Gas_SL</u>	<u>\$/Dth</u>	<u>TX_Gas_SL</u>	<u>\$/Dth</u>
<u>_____</u>	<u>\$/Dth</u>		<u>\$/Dth</u>
<u>_____</u>	<u>\$/Dth</u>		<u>\$/Dth</u>

Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

~~Excess Injection Charge~~ ~~_____~~ ~~Negotiable*~~

~~Excess Withdrawal Charge~~ ~~_____~~ ~~Negotiable*~~

~~Fuel Reimbursement~~ ~~_____~~

Notes: Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the ~~Primary~~ Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Excess Injection Charge Negotiable *

Excess Withdrawal Charge Negotiable *

* Excess Injection Charges and Excess Withdrawal Charges, if applicable, shall be set forth in Customer's Hub Services Agreement.

Fuel Reimbursement

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

No-Notice Storage Service Agreement

Execution Copy

Agreement No.

Date

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

7.2 NO-NOTICE STORAGE SERVICE AGREEMENT
(For Use Under Rate Schedule NNSS)

~~THIS NO NOTICE STORAGE SERVICE AGREEMENT~~ (“This Agreement”) is made as of ~~this~~the _____ day of _____, _____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company (~~herein called~~ “PPEC₁”) and _____, an _____, (~~herein called~~ “Customer₂”) (PPEC and Customer may individually be referred to as “Party” and collectively referred to as the “Parties”), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services₃;

WHEREAS, Customer has requested that PPEC provide certain no-notice ~~natural gas storage~~ services for Customer; and

WHEREAS, PPEC has agreed to provide such no-notice ~~storage~~ services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC’s Rate Schedule NNSS and this Agreement, PPEC shall on any Day allow Customer to deviate (plus or minus) by any amount up to Customer’s No-Notice Maximum Daily Quantity as designated on Exhibit “A”, at points of Receipt and Delivery designated on Exhibit “A”, from its nominations under Customer’s Firm Storage Agreement designated on Exhibit “A”. Any such deviations shall be netted against Customer’s FSS Storage Inventory, provided that Customer’s FSS Storage Inventory shall not be permitted to exceed Customer’s FSS Maximum Storage Quantity or to fall below zero (0).

ARTICLE II – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit “A” and all other applicable fees and charges as set forth in PPEC’s Tariff and in Rate Schedule NNSS.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer’s Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer’s pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer’s ~~gas~~Gas in storage assessed against and paid by PPEC.

ARTICLE III – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC’s Rate Schedule NNSS and the provisions of PPEC’s Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE IV – TERM OF AGREEMENT

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

ARTICLE V – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
~~333 Clay Street, Suite 1500~~
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
~~Fax: 713-652-3700~~
~~Attention: Benjamin J. Reese~~
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
~~Address Line 1~~
Address Line 2
Contact:
Telephone:
~~Fax:~~
~~Attention:~~
E-Mail:

~~OPERATIONAL NOTICES~~

~~OPERATIONAL NOTICES~~

~~Pine Prairie Energy Center, LLC~~
~~333 Clay Street, Suite 1500~~
~~Houston, Texas 77002~~
~~Telephone: 713-646-4462~~
~~Fax: 713-652-3700~~
~~Attention: Daniel D. Noack~~
~~E-Mail: ddnoack@pnglp.com~~

~~Customer~~
~~Address Line 1~~
~~Address Line 2~~
~~Telephone:~~
~~Fax:~~
~~Attention:~~
~~E-Mail:~~

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

~~Pine Prairie Energy Center, LLC~~
~~333 Clay Street, Suite 1500~~
~~Houston, Texas 77002~~
~~Telephone: 713-646-4161~~
~~Fax: 713-652-3700~~
~~Attention: Contract Administration~~

~~Customer~~
~~Address Line 1~~
~~Address Line 2~~
~~Telephone:~~
~~Fax:~~
~~Attention:~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

~~Pine Prairie Energy Center, LLC~~
~~333 Clay Street, Suite 1500~~
~~Houston, Texas 77002~~

~~Customer~~
~~Address Line 1~~
~~Address Line 2~~

~~Telephone: 713-646-4161~~
~~Fax: 713-652-3700~~
~~Attention: Donald C. O'Shea~~
Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

~~Telephone:~~
~~Fax:~~
~~Attention:~~
Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VI - LAW OF AGREEMENT

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

ARTICLE VII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE VIII – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE IX – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "A" to the No-Notice Storage Service Agreement
between PPEC and _____ (Customer) dated _____**

This No-Notice Storage Service Agreement shall permit deviations from quantities nominated under the Rate Schedule FSS Firm Storage Service Agreement No. _____ between PPEC and Customer dated _____. In addition to the primary Point(s) of Receipt and primary Point(s) of Delivery specified in Customer's Rate Schedule FSS Firm Storage Service Agreement, Customer may use its No-Notice Service at secondary Point(s) of Receipt and secondary Point(s) of Delivery as specified in Customer's Rate Schedule FSS Firm Storage Service Agreement.

Date or Event _____

No-Notice Reservation Charge _____ \$/Dth/Month

No-Notice Maximum Daily Quantity _____ Dth

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____	_____
Acadia_Entergy	_____	_____
ANR_ML2	_____	_____
ANR_SE	_____	_____
CGT_Mainline	_____	_____
FGT_ZN2	_____	_____
KM LA Pipeline	_____	_____
Pine_Prairie_Hub	_____	_____
TETCO_WLA	_____	_____
TGP_800L	_____	_____
Transco_Z3	_____	_____
TX_Gas_SL	_____	_____
_____	_____	_____
_____	_____	_____

~~Notes: Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Primary Term.~~

~~The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.~~

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____	_____
Acadia_Entergy	_____	_____
ANR_ML2	_____	_____
ANR_SE	_____	_____
CGT_Mainline	_____	_____
FGT_ZN2	_____	_____
KMLA Pipeline	_____	_____
Pine_Prairie_Hub	_____	_____
TETCO_WLA	_____	_____
TGP_800L	_____	_____
Transco_Z3	_____	_____
TX_Gas_SL	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

~~Notes: Additional lines may be added in the event that the Parties agree that the quantities associated with any secondary Point(s) of Receipt and secondary Point(s) of Delivery shall change during the Primary Term.~~

~~The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.~~

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

Firm Parking Service Agreement

Execution Copy

Agreement No.

Date

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

7.3 FIRM PARKING SERVICE AGREEMENT (For Use Under Rate Schedule FP)

This Agreement is made as of the _____ day of _____, _____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (~~each of~~ PPEC and Customer, a may individually be referred to as "Party," and collectively, referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain firm parking ~~natural gas storage~~ services for Customer; and

WHEREAS, PPEC has agreed to provide such firm parking ~~storage~~ services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule FP, and of this Agreement, PPEC shall on any Day of the Injection Period, as set forth on Exhibit "A" ("Injection Period"), receive for injection into storage for Customer's account a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A", shall store quantities of Gas so injected up to a Maximum Park Quantity, as set forth on Exhibit "A" (on a cumulative basis), and on demand on any Day during the Withdrawal Period, as set forth on Exhibit "A" ("Withdrawal Period"), shall allow Customer to withdraw from Customer's Storage Inventory and deliver to Customer a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity, as set forth on Exhibit "A". Injections shall occur under this Agreement such that Customer's Storage Inventory at the end of the Injection Period is equal to Customer's Maximum Park Quantity. Withdrawals shall occur under this Agreement such that Customer's Park Balance shall equal zero (0) at the end of the Withdrawal Period.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule FP.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's ~~gas~~Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule FP and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
~~333 Clay Street, Suite 1500~~
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
~~Fax: 713-652-3700~~
~~Attention: Benjamin J. Reese~~
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
~~Address Line 1~~
Address Line 2
Contact:
Telephone:
~~Fax:~~
~~Attention:~~
E-Mail:

~~OPERATIONAL NOTICES~~

~~OPERATIONAL NOTICES~~

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4462
Fax: 713-652-3700
Attention: Daniel D. Noack
E-Mail: ddnoack@pnglp.com~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:
E-Mail:~~

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Contract Administration~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC

Customer

333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

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

BILLING

BILLING

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Donald C. O'Shea~~
Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~
Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "A" to the Firm Parking Service Agreement
 between PPEC and _____ (Customer) dated _____**

I. Park Term

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

II. Maximum Quantities

A. Maximum Park Quantity ("MPQ")

Date or event	MPQ	
_____	_____	Dth
_____	_____	Dth

B. Maximum Daily Injection Quantity ("MDIQ")

Date or event	MDIQ	
_____	_____	Dth
_____	_____	Dth

C. Maximum Daily Withdrawal Quantity ("MDWQ")

Date or event	MDWQ	
_____	_____	Dth
_____	_____	Dth

Notes: The MPQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MPQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MPQ, MDIQ, and MDWQ quantities.

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

Maximum Daily Receipt Quantity ("MDRQ") and Maximum Daily Delivery Quantity ("MDDQ")
 Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ <u>Dth</u>	_____ <u>Dth</u>
Acadia_Entergy	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_ML2	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_SE	_____ <u>Dth</u>	_____ <u>Dth</u>
CGT_Mainline	_____ <u>Dth</u>	_____ <u>Dth</u>
FGT_ZN2	_____ <u>Dth</u>	_____ <u>Dth</u>
KM LA Pipeline	_____ <u>Dth</u>	_____ <u>Dth</u>
Pine_Prairie_Hub	_____ <u>Dth</u>	_____ <u>Dth</u>
TETCO_WLA	_____ <u>Dth</u>	_____ <u>Dth</u>
TGP_800L	_____ <u>Dth</u>	_____ <u>Dth</u>
Transco Z3	_____ <u>Dth</u>	_____ <u>Dth</u>
TX_Gas_SL	_____ <u>Dth</u>	_____ <u>Dth</u>

<u>Dth</u>	<u>Dth</u>
<u>Dth</u>	<u>Dth</u>

Notes: ~~Any point with an MDRQ or MDDQ that is greater than zero (0) is a primary point. The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.~~

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the ~~Primary~~ Term.

~~The MDRQ and MDWQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.~~

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

Date or event: _____

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

Customer shall have the right to use secondary Point(s) of Receipt and secondary Point(s) of Delivery.

Notes: ~~Any point with an MDRQ or MDDQ that is greater than zero (0) is a primary point. Quantities~~Points selected for nominations (i) in excess of MDRQ up to MDIQ and ~~quantities~~or (ii) in excess of MDDQ up to MDWQ ~~on primary points and all other~~and/or (iii) quantities in excess of zero (0) for points that have an MDRQ or MDDQ of zero (0) up to MDIQ and MDWQ ~~are~~ will be considered secondary points.

Additional lines may be added in the event that the Parties agree that the rights to use secondary Point(s) of Receipt and secondary Point(s) of Delivery shall change during the ~~Primary~~ Term.

V. Rates and Charges

Date or event: _____

Firm Parking Reservation Charge _____ \$/Dth/Month

Commodity Charges Applicable to the ~~Following~~following:

Firm Parking Injection Charge

<u>Primary Point(s) of Receipt</u>	<u>\$/Dth</u>	<u>Secondary Point(s) of Receipt</u>	<u>\$/Dth</u>
<u>Acadia_Cleco</u>	<u>\$/Dth</u>	<u>Acadia_Cleco</u>	<u>\$/Dth</u>
<u>Acadia_Energy</u>	<u>\$/Dth</u>	<u>Acadia_Energy</u>	<u>\$/Dth</u>
Acadia_Cleco <u>ANR_ML2</u>	<u>\$/Dth</u>	ANR_ML2	<u>\$/Dth</u>
_____	\$/Dth	_____	\$/Dth
Acadia_Energy	_____	_____	\$/Dth

ANR_ML2	_____	_____	\$/Dth
ANR_SE	_____	_____	\$/Dth
CGT_Mainline	_____	_____	\$/Dth
FGT_ZN2	_____	_____	\$/Dth
KMLA Pipeline	_____	_____	\$/Dth
Pine_Prairie_Hub	_____	_____	\$/Dth
TETCO_WLA	_____	_____	\$/Dth
TGP_800L	_____	_____	\$/Dth
Transco_Z3	_____	_____	\$/Dth
TX_Gas_SL	_____	_____	\$/Dth
_____	_____	_____	\$/Dth
_____	_____	_____	\$/Dth

Secondary Point(s) of Receipt

Acadia_Cleco	_____	_____	\$/Dth
Acadia_Entergy	_____	_____	\$/Dth
ANR_ML2	_____	_____	\$/Dth
ANR_SE	_____	_____	\$/Dth
CGT_Mainline	_____	_____	\$/Dth
FGT_ZN2	_____	_____	\$/Dth
KMLA Pipeline	_____	_____	\$/Dth
Pine_Prairie_Hub	_____	_____	\$/Dth
TETCO_WLA	_____	_____	\$/Dth
TGP_800L	_____	_____	\$/Dth
Transco_Z3	_____	_____	\$/Dth
TX_Gas_SL	_____	_____	\$/Dth
_____	_____	_____	\$/Dth

_____	\$/Dth	ANR SE	_____	\$/Dth	ANR SE	_____
_____	\$/Dth	_____	_____	_____	_____	_____

CGT_Mainline	\$/Dth	CGT_Mainline	\$/Dth
FGT_ZN2	\$/Dth	FGT_ZN2	\$/Dth
KMLA Pipeline	\$/Dth	KMLA Pipeline	\$/Dth
Pine_Prairie_Hub	\$/Dth	Pine_Prairie_Hub	\$/Dth
TETCO_WLA	\$/Dth	TETCO_WLA	\$/Dth
TGP_800L	\$/Dth	TGP_800L	\$/Dth
Transco_Z3	\$/Dth	Transco_Z3	\$/Dth
TX_Gas_SL	\$/Dth	TX_Gas_SL	\$/Dth
_____	\$/Dth	_____	\$/Dth
_____	\$/Dth	_____	\$/Dth

Firm Parking Withdrawal Charge

Primary Point(s) of Delivery _____ \$/Dth Secondary Point(s) of Delivery _____ \$/Dth

~~Acadia_Cleco~~ _____ \$/Dth ~~Acadia_Cleco~~ _____ \$/Dth
 Acadia ~~Cleco~~-Entergy _____ \$/Dth Acadia Entergy _____ \$/Dth

~~Acadia_Entergy~~ _____ \$/Dth
 _____ ANR_ML2 _____ \$/Dth
 _____ ANR_SE _____ \$/Dth

CGT_Mainline	\$/Dth
FGT_ZN2	\$/Dth
KMLA Pipeline	\$/Dth
Pine_Prairie_Hub	\$/Dth
TETCO_WLA	\$/Dth
TGP_800L	\$/Dth
Transco_Z3	\$/Dth
TX_Gas_SL	\$/Dth
_____	\$/Dth
_____	\$/Dth

Secondary Point(s) of Delivery

Acadia_Cleco	\$/Dth
Acadia_Energy	\$/Dth
ANR_ML2	\$/Dth
ANR_SE	\$/Dth
CGT_Mainline	\$/Dth
FGT_ZN2	\$/Dth
KMLA Pipeline	\$/Dth
Pine_Prairie_Hub	\$/Dth
TETCO_WLA	\$/Dth
TGP_800L	\$/Dth
Transco_Z3	\$/Dth
TX_Gas_SL	\$/Dth
_____	\$/Dth

\$/Dth	ANR_ML2	\$/Dth	ANR_ML2
\$/Dth			

ANR_SE	\$/Dth	ANR_SE	\$/Dth
CGT_Mainline	\$/Dth	CGT_Mainline	\$/Dth
FGT_ZN2	\$/Dth	FGT_ZN2	\$/Dth
KMLA Pipeline	\$/Dth	KMLA Pipeline	\$/Dth
Pine_Prairie_Hub	\$/Dth	Pine_Prairie_Hub	\$/Dth
TETCO_WLA	\$/Dth	TETCO_WLA	\$/Dth
TGP_800L	\$/Dth	TGP_800L	\$/Dth
Transco_Z3	\$/Dth	Transco_Z3	\$/Dth
TX_Gas_SL	\$/Dth	TX_Gas_SL	\$/Dth
_____	\$/Dth	_____	\$/Dth
_____	\$/Dth	_____	\$/Dth

NoteNotes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

Fuel Reimbursement
Notes:— Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the **Primary** Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Firm Loan Service Agreement

Execution Copy

Agreement No.

Date

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

7.4 FIRM LOAN SERVICE AGREEMENT (For Use Under Rate Schedule FL)

This Agreement is made as of the _____ day of _____, _____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (~~each of~~ PPEC and Customer, a may individually be referred to as "Party," and collectively, referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain firm loan ~~natural gas storage~~ services for Customer; and

WHEREAS, PPEC has agreed to provide such firm loan ~~storage~~ services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule FL, and of this Agreement, PPEC shall on demand on any Day of the Withdrawal Period, as set forth on Exhibit "A" ("Withdrawal Period"), allow Customer to nominate for withdrawal and delivery a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity, as set forth on Exhibit "A", and shall on any Day of the Injection Period, as set forth on Exhibit "A" ("Injection Period"), receive for injection into storage for repayment of Customer's Loan Balance a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A". Withdrawals shall occur under this Agreement, such that Customer's Loan Balance at the end of the Withdrawal Period is equal to Customer's Maximum Loan Quantity as set forth on Exhibit "A". Injections shall occur under this Agreement such that Customer's Loan Balance shall equal zero (0) at the end of the Injection Period.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule FL.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition,

Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's ~~gas~~Gas in storage assessed against and paid by PPEC.

^

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule FL and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
~~333 Clay Street, Suite 1500~~
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
~~Fax: 713-652-3700~~
~~Attention: Benjamin J. Reese~~
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
~~Address Line 1~~
Address Line 2
Contact:
Telephone:
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~~Attention:~~
E-Mail:

~~OPERATIONAL NOTICES~~

~~OPERATIONAL NOTICES~~

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4462
Fax: 713-652-3700
Attention: Daniel D. Noack
E-Mail: ddnoack@pnglp.com~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:
E-Mail:~~

~~CONTRACT ADMINISTRATION~~

~~CONTRACT ADMINISTRATION~~

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Contract Administration~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002

Customer
Address Line 1
Address Line 2

Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Contact:
Telephone:
E-Mail:

BILLING

BILLING

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Donald C. O'Shea~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "A" to the Firm Loan Service Agreement
 between PPEC and _____ (Customer) dated _____**

I. Loan Term

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

II. Maximum Quantities

A. Maximum Loan Quantity ("MLQ")

Date or event	MLQ	
_____	_____	Dth
_____	_____	Dth

B. Maximum Daily Injection Quantity ("MDIQ")

Date or event	MDIQ	
_____	_____	Dth
_____	_____	Dth

C. Maximum Daily Withdrawal Quantity ("MDWQ")

Date or event	MDWQ	
_____	_____	Dth
_____	_____	Dth

Notes: The MLQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MLQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MLQ, MDIQ, and MDWQ quantities.

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ <u>Dth</u>	_____ <u>Dth</u>
Acadia_Entergy	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_ML2	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_SE	_____ <u>Dth</u>	_____ <u>Dth</u>
CGT_Mainline	_____ <u>Dth</u>	_____ <u>Dth</u>
FGT_ZN2	_____ <u>Dth</u>	_____ <u>Dth</u>
KM LA Pipeline	_____ <u>Dth</u>	_____ <u>Dth</u>
Pine_Prairie_Hub	_____ <u>Dth</u>	_____ <u>Dth</u>
TETCO_WLA	_____ <u>Dth</u>	_____ <u>Dth</u>
TGP_800L	_____ <u>Dth</u>	_____ <u>Dth</u>
Transco Z3	_____ <u>Dth</u>	_____ <u>Dth</u>
TX_Gas_SL	_____ <u>Dth</u>	_____ <u>Dth</u>

<u>Dth</u>	<u>Dth</u>
------------	------------

Notes: ~~Any point with an MDRQ or MDDQ that is greater than zero (0) is a primary point. The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.~~

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the ~~Primary~~ Term.

~~The MDRQ and MDWQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.~~

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

Date or event: _____

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

Customer shall have the right to use secondary Point(s) of Receipt and secondary Point(s) of Delivery.

Notes: ~~Any point with an MDRQ or MDDQ that is greater than zero (0) is a primary point. Quantities~~ Points selected for nominations (i) in excess of MDRQ up to MDIQ and (or (ii) in excess of MDDQ up to MDWQ and/or (iii) quantities in excess of MDDQ up to MDWQ on primary points and all other zero (0) for points that have an MDRQ or MDDQ of zero (0) up to MDIQ and MDWQ ~~are,~~ will be considered secondary points.

Additional lines may be added in the event that the Parties agree that the rights to use secondary Point(s) of Receipt and secondary Point(s) of Delivery shall change during the ~~Primary~~ Term.

V. Rates and Charges

Date or event: _____

Firm Loan Reservation Charge _____ \$/Dth/Month

Commodity Charges Applicable to the ~~Following~~ following:

Firm Loan Injection Charge

Primary Point(s) of Receipt _____ \$/Dth _____ Secondary Point(s) of Receipt _____ \$/Dth

Acadia_Cleco	_____ \$/Dth
Acadia_Energy	_____ \$/Dth
ANR_ML2	_____ \$/Dth
ANR_SE	_____ \$/Dth
CGT_Mainline	_____ \$/Dth
FGT_ZN2	_____ \$/Dth
KMLA Pipeline	_____ \$/Dth

Pine_Prairie_Hub	_____	_____	\$/Dth
TETCO_WLA	_____	_____	\$/Dth
TGP_800L	_____	_____	\$/Dth
Transco_Z3	_____	_____	\$/Dth
TX_Gas_SL	_____	_____	\$/Dth
_____	_____	_____	\$/Dth
_____	_____	_____	\$/Dth

Secondary Point(s) of Receipt

		Acadia_Cleco_____	\$/Dth	
Acadia_Entergy	<u>\$/Dth</u>	<u>Acadia_Entergy</u>	<u>_____</u>	\$/Dth
ANR_ML2	<u>\$/Dth</u>	<u>ANR_ML2</u>	<u>_____</u>	\$/Dth
ANR_SE	<u>\$/Dth</u>	<u>ANR_SE</u>	<u>_____</u>	\$/Dth
CGT_Mainline	\$/Dth	<u>\$/Dth</u>	<u>CGT_Mainline</u>	<u>_____</u>
<u>\$/Dth</u>				
FGT_ZN2	<u>\$/Dth</u>	<u>FGT_ZN2</u>	<u>_____</u>	\$/Dth
KM LA Pipeline	<u>\$/Dth</u>	<u>KMLA Pipeline</u>	<u>_____</u>	\$/Dth
Pine_Prairie_Hub	<u>\$/Dth</u>	<u>Pine_Prairie_Hub</u>	<u>_____</u>	\$/Dth
<u>\$/Dth</u>				
TETCO_WLA	<u>\$/Dth</u>	<u>TETCO_WLA</u>	<u>_____</u>	\$/Dth
TGP_800L	<u>\$/Dth</u>	<u>TGP_800L</u>	<u>_____</u>	\$/Dth
Transco Z3	<u>\$/Dth</u>	<u>Transco Z3</u>	<u>_____</u>	\$/Dth
TX_Gas_SL	\$/Dth			
			<u>\$/Dth</u>	
\$/Dth	<u>\$/Dth</u>	<u>TX_Gas_SL</u>	<u>_____</u>	\$/Dth
			<u>\$/Dth</u>	<u>\$/Dth</u>
			<u>\$/Dth</u>	<u>\$/Dth</u>

Firm Loan Withdrawal Charge

Primary Point(s) of Delivery	Acadia_Cleco	<u>_____</u>	\$/Dth
Acadia_Entergy	<u>\$/Dth</u>	<u>_____</u>	
ANR_ML2	<u>\$/Dth</u>	<u>_____</u>	
ANR_SE	<u>\$/Dth</u>	<u>_____</u>	
CGT_Mainline	<u>\$/Dth</u>	<u>_____</u>	
FGT_ZN2	<u>\$/Dth</u>	<u>_____</u>	
KM LA Pipeline	<u>\$/Dth</u>	<u>_____</u>	
Pine_Prairie_Hub	<u>\$/Dth</u>	<u>_____</u>	
TETCO_WLA	<u>\$/Dth</u>	<u>_____</u>	
TGP_800L	<u>\$/Dth</u>	<u>_____</u>	
Transco_Z3	<u>\$/Dth</u>	<u>_____</u>	
TX_Gas_SL	<u>\$/Dth</u>	<u>_____</u>	
<u>\$/Dth</u>			
<u>\$/Dth</u>			
		<u>\$/Dth</u>	Secondary Point(s) of Delivery <u>\$/Dth</u>

Acadia_Cleco	\$/Dth	Acadia_Cleco	<u>\$/Dth</u>
<u>Acadia</u> Entergy	<u>\$/Dth</u>	<u>Acadia</u> Entergy	<u>\$/Dth</u>
ANR_ML2	<u>\$/Dth</u>	ANR_ML2	<u>\$/Dth</u>
ANR_SE	<u>\$/Dth</u>	ANR_SE	<u>\$/Dth</u>
CGT_Mainline	\$/Dth	CGT_Mainline	<u>\$/Dth</u>
FGT_ZN2	\$/Dth	FGT_ZN2	<u>\$/Dth</u>
KMLA Pipeline	<u>\$/Dth</u>	KMLA Pipeline	<u>\$/Dth</u>
Pine_Prairie_Hub	<u>\$/Dth</u>	Pine_Prairie_Hub	<u>\$/Dth</u>
TETCO_WLA	<u>\$/Dth</u>	TETCO_WLA	<u>\$/Dth</u>
TGP_800L	<u>\$/Dth</u>	TGP_800L	<u>\$/Dth</u>
Transco_Z3	<u>\$/Dth</u>	Transco_Z3	<u>\$/Dth</u>
TX_Gas_SL	\$/Dth	TX_Gas_SL	<u>\$/Dth</u>
	\$/Dth		<u>\$/Dth</u>
	<u>\$/Dth</u>		<u>\$/Dth</u>
	<u>\$/Dth</u>		<u>\$/Dth</u>

~~Note~~Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

~~Fuel Reimbursement~~
~~Notes~~: Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the ~~Primary~~ Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Interruptible Storage Service Agreement

Execution Copy

Agreement No.

Date

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

7.5 INTERRUPTIBLE STORAGE SERVICE AGREEMENT (For Use Under Rate Schedule ISS)

This Agreement is made as of the ~~—~~ day of _____, _____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called “PPEC,” and _____, an _____, herein called “Customer,” (~~each of~~ PPEC and Customer, a may individually be referred to as “Party,” and collectively, referred to as the “Parties”), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain ~~interruptible natural gas~~ Interruptible storage services for Customer; and

WHEREAS, PPEC has agreed to provide such ~~interruptible~~ Interruptible storage services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC’s Rate Schedule ISS, and of this Agreement, PPEC shall on any Day receive for injection into storage for Customer’s account a quantity of Gas up to Customer’s Maximum Daily Injection Quantity, as set forth on Exhibit “A”, shall store quantities of Gas so injected up to a Maximum Storage Quantity, as set forth on Exhibit “A” (on a cumulative basis), and on demand on any Day shall withdraw from Customer’s Storage Inventory and deliver to Customer a quantity of Gas up to Customer’s Maximum Daily Withdrawal Quantity, as set forth on Exhibit “A”.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

The point(s) at which the Gas is to be tendered by Customer to PPEC under this Agreement shall be the point(s) designated on Exhibit “A” (Customer’s Point(s) of Receipt).

The point(s) at which the Gas is to be tendered by PPEC to Customer under this Agreement shall be the Point(s) designated on Exhibit “A” (Customer’s Point(s) of Delivery).

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit “A” and all other applicable fees and charges as set forth in PPEC’s Tariff and in Rate Schedule ISS.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer’s Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer’s pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer’s ~~gas~~ Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC’s Rate Schedule ISS and the provisions of PPEC’s Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

This Agreement shall be effective as of _____, ____ and shall remain in force and effect until _____, ____ (~~the “Primary-“~~Term”).

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC’s Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
~~333 Clay Street, Suite 1500~~
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
~~Fax: 713-652-3700~~
~~Attention: Benjamin J. Reese~~
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
~~Address Line 1~~
Address Line 2
Contact:
Telephone:
~~Fax:~~
~~Attention:~~
E-Mail:

OPERATIONAL NOTICES

OPERATIONAL NOTICES

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4462
Fax: 713-652-3700
Attention: Daniel D. Noack
E-Mail: ddnoack@pnglp.com~~

Customer
~~Address Line 1
Address Line 2
Telephone:
Fax:
Attention:
E-Mail:~~

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Contract Administration~~

Customer
~~Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

BILLING

BILLING

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002~~

Customer
~~Address Line 1
Address Line 2~~

~~Telephone: 713-646-4161~~
~~Fax: 713-652-3700~~
~~Attention: Donald C. O'Shea~~
Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

~~Telephone:~~
~~Fax:~~
~~Attention:~~
Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "A" to the Interruptible Storage Service Agreement
 between PPEC and _____ (Customer) dated _____**

I. Maximum Quantities

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

Notes: The MSQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MSQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MSQ, MDIQ, and MDWQ quantities.

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ <u>Dth</u>	_____ <u>Dth</u>
Acadia_Entergy	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_ML2	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_SE	_____ <u>Dth</u>	_____ <u>Dth</u>
CGT_Mainline	_____ <u>Dth</u>	_____ <u>Dth</u>
FGT_ZN2	_____ <u>Dth</u>	_____ <u>Dth</u>
KM LA Pipeline	_____ <u>Dth</u>	_____ <u>Dth</u>
Pine_Prairie_Hub	_____ <u>Dth</u>	_____ <u>Dth</u>
TETCO_WLA	_____ <u>Dth</u>	_____ <u>Dth</u>
TGP_800L	_____ <u>Dth</u>	_____ <u>Dth</u>
Transco Z3	_____ <u>Dth</u>	_____ <u>Dth</u>
TX_Gas_SL	_____	_____
_____	_____	_____
_____	_____	_____ <u>Dth</u> <u>Dth</u>
_____	_____ <u>Dth</u>	_____ <u>Dth</u>
_____	_____ <u>Dth</u>	_____ <u>Dth</u>

Notes:

\$/Dth

\$/Dth

~~Note~~Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

~~Fuel Reimbursement~~

~~Notes~~: Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the ~~Primary~~ Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Interruptible Parking Service Agreement

Execution Copy

Agreement No.

Date

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

7.6 INTERRUPTIBLE PARKING SERVICE AGREEMENT
(For Use Under Rate Schedule IP)

This Agreement is made as of the ____ day of _____, _____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (~~each of~~ PPEC and Customer, a may individually be referred to as "Party," and collectively, referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain ~~interruptible natural gas~~ Interruptible parking services for Customer; and

WHEREAS, PPEC has agreed to provide such ~~interruptible~~ Interruptible parking services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule IP, and of this Agreement, PPEC shall on any Day of the Injection Period, as set forth on Exhibit "A" ("Injection Period"), receive for injection into storage for Customer's account a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A", shall store quantities of Gas so injected, up to a Maximum Park Quantity as set forth on Exhibit "A" (on a cumulative basis), and on demand on any Day during the Withdrawal Period, as set forth on Exhibit "A" ("Withdrawal Period"), shall allow Customer to withdraw from Customer's Storage Inventory and deliver to Customer a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity as set forth on Exhibit "A". Injections shall occur under this Agreement such that Customer's Storage Inventory at the end of the Injection Period is equal to Customer's Maximum Park Quantity. Withdrawals shall occur under this Agreement such that Customer's Park Balance shall equal zero (0) at the end of the Withdrawal Period.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule IP.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's ~~gas~~Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule IP and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
~~333 Clay Street, Suite 1500~~
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
~~Fax: 713-652-3700~~
~~Attention: Benjamin J. Reese~~
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
~~Address Line 1~~
Address Line 2
Contact:
Telephone:
~~Fax:~~
~~Attention:~~
E-Mail:

OPERATIONAL NOTICES

OPERATIONAL NOTICES

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4462
Fax: 713-652-3700
Attention: Daniel D. Noack
E-Mail: ddnoack@pnglp.com~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:
E-Mail:~~

CONTRACT ADMINISTRATION

CONTRACT ADMINISTRATION

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Contract Administration~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC

Customer

333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

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

BILLING

BILLING

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Donald C. O'Shea~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "A" to the Interruptible Parking Service Agreement
 between PPEC and _____ (Customer) dated _____**

I. Park Term

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

II. Maximum Quantities

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

Notes: The MPQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MPQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MPQ, MDIQ, and MDWQ quantities.

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ <u>Dth</u>	_____ <u>Dth</u>
Acadia_Entergy	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_ML2	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_SE	_____ <u>Dth</u>	_____ <u>Dth</u>
CGT_Mainline	_____ <u>Dth</u>	_____ <u>Dth</u>
FGT_ZN2	_____ <u>Dth</u>	_____ <u>Dth</u>
KM LA Pipeline	_____ <u>Dth</u>	_____ <u>Dth</u>
Pine_Prairie_Hub	_____ <u>Dth</u>	_____ <u>Dth</u>
TETCO_WLA	_____ <u>Dth</u>	_____ <u>Dth</u>
TGP_800L	_____ <u>Dth</u>	_____ <u>Dth</u>
Transco Z3	_____ <u>Dth</u>	_____ <u>Dth</u>
TX_Gas_SL	_____ <u>Dth</u>	_____ <u>Dth</u>

~~_____ Dth _____ Dth~~
~~_____ Dth _____ Dth~~

Notes: The MDRQ and MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the ~~Primary~~ Term.

~~The MDRQ and MDWQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.~~

IV. Rates and Charges

Date or event: _____

Interruptible Parking Charge _____ \$/Dth/Month

Commodity Charges Applicable to the ~~Following~~following:

Interruptible Parking Injection Charge Interruptible Parking Withdrawal Charge

Point(s) of Receipt	Acadia_Cleco _____ \$/Dth
Acadia_Entergy _____ \$/Dth	_____ \$/Dth
ANR_ML2 _____ \$/Dth	_____ \$/Dth
ANR_SE _____ \$/Dth	_____ \$/Dth
CGT_Mainline _____ \$/Dth	_____ \$/Dth
FGT_ZN2 _____ \$/Dth	_____ \$/Dth
KM LA Pipeline _____ \$/Dth	_____ \$/Dth
Pine_Prairie_Hub _____ \$/Dth	_____ \$/Dth
TETCO_WLA _____ \$/Dth	_____ \$/Dth
TGP_800L _____ \$/Dth	_____ \$/Dth
Transeo_Z3 _____ \$/Dth	_____ \$/Dth
TX_Gas_SL _____ \$/Dth	_____ \$/Dth
_____ \$/Dth	_____ \$/Dth
_____ \$/Dth	_____ \$/Dth

~~Interruptible Parking Withdrawal Charge~~

Point(s) of Delivery

Acadia_Cleco _____ \$/Dth	<u>Acadia_Cleco _____ \$/Dth</u>
Acadia_Entergy _____ \$/Dth	<u>Acadia_Entergy _____ \$/Dth</u>
ANR_ML2 _____ \$/Dth	<u>ANR_ML2 _____ \$/Dth</u>
ANR_SE _____ \$/Dth	<u>ANR_SE _____ \$/Dth</u>
CGT_Mainline _____ \$/Dth	<u>CGT_Mainline _____ \$/Dth</u>
FGT_ZN2 _____ \$/Dth	<u>FGT_ZN2 _____ \$/Dth</u>
KM LA Pipeline _____ \$/Dth	<u>KM LA Pipeline _____ \$/Dth</u>
Pine_Prairie_Hub _____ \$/Dth	<u>Pine_Prairie_Hub _____ \$/Dth</u>
_____ \$/Dth	
TETCO_WLA _____ \$/Dth	<u>TETCO_WLA _____ \$/Dth</u>
TGP_800L _____ \$/Dth	<u>TGP_800L _____ \$/Dth</u>

Transco Z3	<u>\$/Dth</u>	Transco Z3	<u>\$/Dth</u>
TX_Gas_SL	<u>\$/Dth</u>	TX_Gas_SL	<u>\$/Dth</u>
<u>\$/Dth</u>		<u>\$/Dth</u>	
\$/Dth	<u>\$/Dth</u>	<u>\$/Dth</u>	<u>\$/Dth</u>

~~Note~~ Notes: For points for which pricing is not specified above, the Parties must agree on a price under a separate agreement prior to Customer nominating service using such points.

~~Fuel Reimbursement~~

~~Notes~~: Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary.

Additional lines may be added in the event that the Parties agree that the rates and charges shall change during the ~~Primary~~ Term.

The charges for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which revised charges are to become effective.

Fuel Reimbursement

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Interruptible Loan Service Agreement

Execution Copy

Agreement No.

Date

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

7.7 INTERRUPTIBLE LOAN SERVICE AGREEMENT (For Use Under Rate Schedule IL)

This Agreement is made as of the ____ day of _____, _____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, an _____, herein called "Customer," (~~each of~~ PPEC and Customer, a may individually be referred to as "Party," and collectively, referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain ~~interruptible natural gas~~ Interruptible loan services for Customer; and

WHEREAS, PPEC has agreed to provide such ~~interruptible~~ Interruptible loan services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedule IL, and of this Agreement, PPEC shall on demand on any Day of the Withdrawal Period, as set forth on Exhibit "A" ("Withdrawal Period"), allow Customer to nominate for withdrawal and delivery a quantity of Gas up to Customer's Maximum Daily Withdrawal Quantity, as set forth on Exhibit "A", and shall on any Day of the Injection Period, as set forth on Exhibit "A" ("Injection Period"), receive for injection into storage for repayment of Customer's Loan Balance a quantity of Gas up to Customer's Maximum Daily Injection Quantity, as set forth on Exhibit "A". Withdrawals shall occur under this Agreement such that Customer's Loan Balance at the end of the Withdrawal Period is equal to Customer's Maximum Loan Quantity as set forth on Exhibit "A". Injections shall occur under this Agreement such that Customer's Loan Balance shall equal zero (0) at the end of the Injection Period.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

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

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

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedule IL.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition,

Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion, calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's ~~gas~~Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedule IL and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
~~333 Clay Street, Suite 1500~~
Houston, Texas 77002
Contact: Sr. Vice President - Commercial
Telephone: 713-652-3678
~~Fax: 713-652-3700~~
~~Attention: Benjamin J. Reese~~
E-Mail: bjreese@pnglp.com

Customer
Address Line 1
~~Address Line 1~~
Address Line 2
Contact:
Telephone:
~~Fax:~~
~~Attention:~~
E-Mail:

~~OPERATIONAL NOTICES~~

~~OPERATIONAL NOTICES~~

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4462
Fax: 713-652-3700
Attention: Daniel D. Noack
E-Mail: ddnoack@pnglp.com~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:
E-Mail:~~

~~CONTRACT ADMINISTRATION~~

~~CONTRACT ADMINISTRATION~~

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Contract Administration~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002

Customer
Address Line 1
Address Line 2

Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Contact:
Telephone:
E-Mail:

BILLING

BILLING

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Donald C. O'Shea~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "A" to the Interruptible Loan Service Agreement
 between PPEC and _____ (Customer) dated _____**

I. Loan Term

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

II. Maximum Quantities

A. Maximum Loan Quantity ("MLQ")

Date or event	MLQ	
_____	_____	Dth
_____	_____	Dth

B. Maximum Daily Injection Quantity ("MDIQ")

Date or event	MDIQ	
_____	_____	Dth
_____	_____	Dth

C. Maximum Daily Withdrawal Quantity ("MDWQ")

Date or event	MDWQ	
_____	_____	Dth
_____	_____	Dth

Notes: The MLQ, MDIQ and MDWQ quantities set forth for a specified period shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MLQ, MDIQ and MDWQ is to become effective.

Additional lines may be added if PPEC and Customer agree to additional date or event ranges defining specific MLQ, MDIQ, and MDWQ quantities.

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

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

Date or event: _____

	MDRQ	MDDQ
Acadia_Cleco	_____ <u>Dth</u>	_____ <u>Dth</u>
Acadia_Entergy	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_ML2	_____ <u>Dth</u>	_____ <u>Dth</u>
ANR_SE	_____ <u>Dth</u>	_____ <u>Dth</u>
CGT_Mainline	_____ <u>Dth</u>	_____ <u>Dth</u>
FGT_ZN2	_____ <u>Dth</u>	_____ <u>Dth</u>
KM LA Pipeline	_____ <u>Dth</u>	_____ <u>Dth</u>
Pine_Prairie_Hub	_____ <u>Dth</u>	_____ <u>Dth</u>
TETCO_WLA	_____ <u>Dth</u>	_____ <u>Dth</u>
TGP_800L	_____ <u>Dth</u>	_____ <u>Dth</u>
Transco Z3	_____ <u>Dth</u>	_____ <u>Dth</u>
TX_Gas_SL	_____ <u>Dth</u>	_____ <u>Dth</u>

~~_____ Dth _____ Dth~~
~~_____ Dth _____ Dth~~

Notes: ~~Additional lines may be added in the event that the Parties agree that the quantities associated with Point(s) of Receipt and Point(s) of Delivery shall change during the Primary Term.~~ The MDRQ and ~~MDWQ~~MDDQ values set forth above shall remain in effect until the conclusion of the Gas Day preceding the date or event specified as the date or event on which a revised MDRQ and/or MDDQ is to become effective.

Additional lines may be added in the event that the Parties agree that the quantities associated with any primary Point(s) of Receipt and primary Point(s) of Delivery shall change during the Term.

IV. Rates and Charges

Date or event: _____

Interruptible Loan Charge _____ \$/Dth/Month

Commodity Charges Applicable to the ~~Following~~following:

Interruptible Loan Injection Charge _____ Interruptible Loan Withdrawal Charge

Point(s) of Receipt	Acadia_Cleco _____ \$/Dth
Acadia_Energy _____ \$/Dth	
ANR_ML2 _____ \$/Dth	
ANR_SE _____ \$/Dth	
CGT_Mainline _____ \$/Dth	
FGT_ZN2 _____ \$/Dth	
KM LA Pipeline _____ \$/Dth	
Pine_Prairie_Hub _____ \$/Dth	
TETCO_WLA _____ \$/Dth	
TGP_800L _____ \$/Dth	
Transco Z3 _____ \$/Dth	
TX_Gas_SL _____ \$/Dth	
_____ \$/Dth	
_____ \$/Dth	

~~Interruptible Loan Withdrawal Charge~~

Point(s) of Delivery

Acadia_Cleco _____ \$/Dth	<u>Acadia_Cleco _____ \$/Dth</u>
Acadia_Energy _____ \$/Dth	<u>Acadia_Energy _____ \$/Dth</u>
ANR_ML2 _____ \$/Dth	<u>ANR_ML2 _____ \$/Dth</u>
ANR_SE _____ \$/Dth	<u>ANR_SE _____ \$/Dth</u>
CGT_Mainline _____ \$/Dth	<u>CGT_Mainline _____ \$/Dth</u>
FGT_ZN2 _____ \$/Dth	<u>FGT_ZN2 _____ \$/Dth</u>
KM LA Pipeline _____ \$/Dth	<u>KM LA Pipeline _____ \$/Dth</u>
Pine_Prairie_Hub _____ \$/Dth	<u>Pine_Prairie_Hub _____ \$/Dth</u>
TETCO_WLA _____ \$/Dth	<u>TETCO_WLA _____ \$/Dth</u>
TGP_800L _____ \$/Dth	<u>TGP_800L _____ \$/Dth</u>
Transco Z3 _____ \$/Dth	<u>Transco Z3 _____ \$/Dth</u>
TX_Gas_SL _____ \$/Dth	<u>TX_Gas_SL _____ \$/Dth</u>

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

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

Hub Services Agreement

Execution Copy

Agreement No.

Date

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

7.8 HUB SERVICES AGREEMENT

(For Use Under Rate Schedules EW, IW, ~~and~~ IB and
Excess Injection Gas and Excess Withdrawal Gas Charges Under Rate Schedule FSS)

This Agreement is made as of the ___ day of _____, _____, by and between PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called "PPEC," and _____, a _____ ~~an~~, herein called "Customer;" (~~each of~~ PPEC and Customer, ~~a~~ may individually be referred to as "Party;" and collectively, referred to as the "Parties"), pursuant to the following recitals and representations:

WHEREAS, PPEC operates an underground natural gas storage facility known as the Pine Prairie Energy Center, and is authorized by the Federal Energy Regulatory Commission to provide natural gas storage and related services;

WHEREAS, Customer has requested that PPEC provide certain ~~interruptible natural gas storage~~ Interruptible hub services for Customer; and

WHEREAS, PPEC has agreed to provide such ~~interruptible storage~~ Interruptible hub services for Customer subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, PPEC and Customer agree as follows:

ARTICLE I – SCOPE OF AGREEMENT

In accordance with the terms of PPEC's Rate Schedules EW, IW, IB and FSS, as applicable, and of this Agreement, PPEC shall provide ~~interruptible~~ Interruptible service for Customer and shall receive, inject, store, wheel, loan, balance, withdraw and redeliver, as the case may be, quantities of Gas up to Customer's MDIQ, MDWQ, MSQ, MLQ, MDTQ, Maximum Allowed Excess Injection Quantity and/or Maximum Allowed Excess Withdrawal Quantity, as applicable, as set forth on Exhibits "A" through "D". Customer and PPEC may execute more than one of each of Exhibits "A" through "D" during the term of this Agreement, covering multiple transactions for ~~interruptible~~ Interruptible storage services.

ARTICLE II – POINTS OF RECEIPT AND DELIVERY

The point(s) at which the Gas is to be tendered by Customer to PPEC under this Agreement shall be any of the Point(s) of Receipt as designated on Exhibit "A" through Exhibit "D".

The point(s) at which the Gas is to be tendered by PPEC to Customer under this Agreement shall be any of the Point(s) of Delivery as designated on Exhibit "A" through Exhibit "D".

ARTICLE III – RATES

Customer agrees to pay PPEC the charges as set forth on Exhibit "A" through Exhibit "D" and all other applicable fees and charges as set forth in PPEC's Tariff and in Rate Schedules EW, IW, IB and FSS, as applicable.

Customer shall either pay directly to the taxing authority or reimburse PPEC for all applicable taxes as may be assessed against PPEC for the receipt, injection, storage, withdrawal and/or delivery of Customer's Gas. In addition, Customer shall either pay directly to the taxing authority or reimburse PPEC for Customer's pro rata portion,

calculated using the same methodology as that used to assess the tax, of all ad valorem taxes, property taxes and/or other similar taxes on Customer's ~~gas~~Gas in storage assessed against and paid by PPEC.

ARTICLE IV – INCORPORATION OF RATE SCHEDULE AND TARIFF PROVISIONS

This Agreement is subject to the terms and conditions specified in PPEC's Rate Schedules EW, IW, IB and FSS as applicable and the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE V – TERM OF AGREEMENT

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

ARTICLE VI – NOTICES

Notices shall be sent in accordance with PPEC’s Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC	CUSTOMER _____
COMMERCIAL	COMMERCIAL
Pine Prairie Energy Center, LLC <u>333 Clay Street, Suite 1500</u> 333 Clay Street, Suite 1500 Houston, Texas 77002 <u>Contact: Sr. Vice President - Commercial</u> Telephone: 713-652-3678 Fax: 713-652-3700 Attention: Benjamin J. Reese E-Mail: bjreese@pnglp.com	Customer <u>Address Line 1</u> Address Line 1 Address Line 2 <u>Contact:</u> Telephone: Fax: Attention: E-Mail:
OPERATIONAL NOTICES	OPERATIONAL NOTICES
Pine Prairie Energy Center, LLC 333 Clay Street, Suite 1500 Houston, Texas 77002 Telephone: 713-646-4462 Fax: 713-652-3700 Attention: Daniel D. Noack E-Mail: ddnoack@pnglp.com	Customer Address Line 1 Address Line 2 Telephone: Fax: Attention: E-Mail:
CONTRACT ADMINISTRATION	CONTRACT ADMINISTRATION
Pine Prairie Energy Center, LLC 333 Clay Street, Suite 1500 Houston, Texas 77002 Telephone: 713-646-4161 Fax: 713-652-3700 Attention: Contract Administration	Customer Address Line 1 Address Line 2 Telephone: Fax: Attention:
<u>Pine Prairie Energy Center, LLC</u> <u>333 Clay Street, Suite 1500</u> <u>Houston, Texas 77002</u> <u>Contact: Contract Administration</u> <u>Telephone: 713-646-4161</u> E-Mail: cadministration@pnglp.com	<u>Customer</u> <u>Address Line 1</u> <u>Address Line 2</u> <u>Contact:</u> <u>Telephone:</u> E-Mail:
BILLING	BILLING

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Donald C. O'Shea~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX – PRIOR AGREEMENTS CANCELLED

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

Storage Service Agreement number _____, dated _____, _____.

ARTICLE X – MISCELLANEOUS

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

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

<u>TX Gas SL</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>TX Gas SL</u>	<u>Dth</u>	<u>\$/Dth</u>
------------------	------------	---------------	------------------	------------	---------------

Begin Date _____

End Date _____

Enhanced Wheeling Reservation Charge _____ \$/Dth/Day

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "B" to the Hub Services Agreement
 between PPEC and _____ (Customer) dated _____
 Interruptible Wheeling Service (Rate Schedule IW)**

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

Point of Receipt	<u>Quantity</u>	<u>\$/Dth</u>	<u>Point of Delivery</u>	Quantity
	\$/Dth			

_____	Acadia_Cleco	_____	_____	_____
_____	Acadia_Entergy	_____	_____	_____
_____	ANR_ML2	_____	_____	_____
_____	ANR_SE	_____	_____	_____
_____	CGT_Mainline	_____	_____	_____
_____	FGT_ZN2	_____	_____	_____
_____	KMLA Pipeline	_____	_____	_____
_____	Pine_Prairie_Hub	_____	_____	_____
_____	TETCO_WLA	_____	_____	_____
_____	TGP_800L	_____	_____	_____
_____	Transeo_Z3	_____	_____	_____
_____	TX_Gas_SL	_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____

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

_____	Acadia_Cleco	_____	_____	_____
_____	Acadia_Entergy	_____	_____	_____
_____	ANR_ML2	_____	_____	_____
_____	ANR_SE	_____	_____	_____
_____	CGT_Mainline	_____	_____	_____
_____	FGT_ZN2	_____	_____	_____
_____	KMLA Pipeline	_____	_____	_____
_____	Pine_Prairie_Hub	_____	_____	_____
_____	TETCO_WLA	_____	_____	_____
_____	TGP_800L	_____	_____	_____
_____	Transeo_Z3	_____	_____	_____
_____	TX_Gas_SL	_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____

<u>Acadia_Cleco</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>Acadia_Cleco</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>Acadia_Entergy</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>Acadia_Entergy</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>ANR_ML2</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>ANR_ML2</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>ANR_SE</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>ANR_SE</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>CGT_Mainline</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>CGT_Mainline</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>FGT_ZN2</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>FGT_ZN2</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>KMLA Pipeline</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>KMLA Pipeline</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>Pine_Prairie_Hub</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>Pine_Prairie_Hub</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>TETCO_WLA</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>TETCO_WLA</u>	<u>Dth</u>	<u>\$/Dth</u>

<u>TGP 800L</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>TGP 800L</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>Transco Z3</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>Transco Z3</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>TX Gas SL</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>TX Gas SL</u>	<u>Dth</u>	<u>\$/Dth</u>
	<u>Dth</u>	<u>\$/Dth</u>		<u>Dth</u>	<u>\$/Dth</u>
	<u>Dth</u>	<u>\$/Dth</u>		<u>Dth</u>	<u>\$/Dth</u>

Begin Date _____

End Date _____

Fuel Reimbursement _____

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**Exhibit "C" to the Hub Services Agreement
 between PPEC and _____ (Customer) dated _____
 Interruptible Balancing Service (Rate Schedule IB)**

Maximum Storage Quantity _____ Dth

Maximum Loan Quantity _____ Dth

Maximum Daily Injection Quantity _____ Dth

Maximum Daily Withdrawal Quantity _____ Dth

Begin Date _____

End Date _____

Interruptible Balancing Charge _____ \$/Dth

Interruptible Balancing Injection Charge ~~Quantity~~ _____ ~~\$/Dth~~

Acadia_Cleco	_____	_____
Acadia_Entergy	_____	_____
ANR_ML2	_____	_____
ANR_SE	_____	_____
CGT_Mainline	_____	_____
FGT_ZN2	_____	_____
KM LA Pipeline	_____	_____
Pine_Prairie_Hub	_____	_____
TETCO_WLA	_____	_____
TGP_800L	_____	_____
Transeo_Z3	_____	_____
TX_Gas_SL	_____	_____
	_____	_____
	_____	_____
	_____	_____

Interruptible Balancing Withdrawal Charge

<u>Point of Receipt</u>	<u>Quantity</u>	<u>\$/Dth</u>	<u>Point of Delivery</u>	<u>Quantity</u>	<u>\$/Dth</u>
	\$/Dth				
Acadia_Cleco	_____	_____	Acadia_Cleco	_____	_____
Acadia_Entergy	_____	_____	Acadia_Entergy	_____	_____
Acadia_Entergy	_____	_____			
ANR_ML2	_____	_____			
	_____	_____	ANR_ML2	_____	_____
	Dth	\$/Dth	ANR_ML2	Dth	\$/Dth
ANR_SE	_____	_____			
	_____	_____	ANR_SE	_____	_____
	Dth	\$/Dth	ANR_SE	Dth	\$/Dth
CGT_Mainline	_____	_____			
	_____	_____	CGT_Mainline	_____	_____
	Dth	\$/Dth	CGT_Mainline	Dth	\$/Dth
FGT_ZN2	_____	_____			
	_____	_____	FGT_ZN2	_____	_____
	Dth	\$/Dth	FGT_ZN2	Dth	\$/Dth

KM LA Pipeline					
<u>Dth</u>	<u>\$/Dth</u>	<u>KM LA Pipeline</u>	<u>Dth</u>	<u>\$/Dth</u>	
Pine_Prairie_Hub					
<u>Dth</u>	<u>\$/Dth</u>	<u>Pine Prairie Hub</u>	<u>Dth</u>	<u>\$/Dth</u>	
TETCO_WLA					
		<u>TGP_800L</u>			
		<u>Transco Z3</u>			
		<u>TX_Gas_SL</u>			
				<u>Dth</u>	<u>\$/Dth</u>
<u>TETCO_WLA</u>		<u>Dth</u>	<u>\$/Dth</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>TGP_800L</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>TGP_800L</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>Transco Z3</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>Transco Z3</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>TX_Gas_SL</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>TX_Gas_SL</u>	<u>Dth</u>	<u>\$/Dth</u>
	<u>Dth</u>	<u>\$/Dth</u>		<u>Dth</u>	<u>\$/Dth</u>
	<u>Dth</u>	<u>\$/Dth</u>		<u>Dth</u>	<u>\$/Dth</u>

Fuel Reimbursement

Note: Add as many commodity rates for different Point(s) of Receipt and Point(s) of Delivery as necessary:

Fuel Reimbursement

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

<u>Dth</u>	<u>\$/Dth</u>	<u>TETCO WLA</u>	<u>Dth</u>	<u>\$/Dth</u>	
<u>TGP 800L</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>TGP 800L</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>Transco Z3</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>Transco Z3</u>	<u>Dth</u>	<u>\$/Dth</u>
<u>TX Gas SL</u>	<u>Dth</u>	<u>\$/Dth</u>	<u>TX Gas SL</u>	<u>Dth</u>	<u>\$/Dth</u>
	<u>Dth</u>	<u>\$/Dth</u>		<u>Dth</u>	<u>\$/Dth</u>
	<u>Dth</u>	<u>\$/Dth</u>		<u>Dth</u>	<u>\$/Dth</u>

Begin Date _____

End Date _____

Fuel Reimbursement _____

Note: PPEC and Customer may enter into multiple versions of Exhibit “D” that cover different Excess Injection Gas and /or Excess Withdrawal Rights.

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

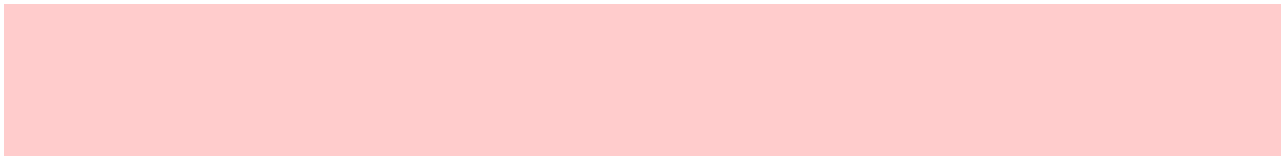
By: _____

Name: _____

Name: _____

Title: _____

Title: _____



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

Capacity Release Umbrella Agreement

Execution Copy

Agreement No.

Date

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

7.9 CAPACITY RELEASE UMBRELLA AGREEMENT UNDER RATE SCHEDULES FSS, FP AND FL

This ~~Capacity Release Umbrella~~ Agreement, ~~is~~ made ~~and entered into this~~ as of the ___ day of _____, ___ by and between _____, a _____ (herein called “Replacement Customer”), and PINE PRAIRIE ENERGY CENTER, LLC, a Delaware limited liability company herein called “PPEC,” and _____, an _____, herein called “Customer.” (each of PPEC and Customer, ~~a~~ may individually be referred to as “Party,” and collectively, referred to as the “Parties”), pursuant to the following recitals and representations:

For and in consideration of the mutual covenants and promises herein contained, the Replacement Customer and PPEC hereby agree as follows:

ARTICLE I - SCOPE OF AGREEMENT

Subject to the terms, conditions and limitations hereof, so long as the financial evaluation and credit appraisal requirements are met in order for Replacement Customer to be on PPEC’s approved bidder list for capacity releases and to execute this Capacity Release Umbrella Agreement pursuant to GT&C ~~4 of PPEC’s Tariff, 4~~, and this Capacity Release Umbrella Agreement is effective, Replacement Customer may bid from time to time on proposed capacity releases under Rate Schedules FSS, FP and FL pursuant to the procedure set forth in GT&C 4. If at any time a bid submitted by Replacement Customer is accepted by PPEC with respect to a given capacity release, PPEC will promptly finalize the appropriate Addendum to this Capacity Release Umbrella Agreement, in the format attached hereto. The parties agree that each Addendum is an integral part of this Capacity Release Umbrella Agreement as if executed by the parties hereto and fully copied and set forth herein at length and is binding on the parties hereto. Upon finalization of such Addendum, Replacement Customer and PPEC agree that Replacement Customer shall be considered for all purposes as a Customer with respect to the released service.

Upon the finalization of an Addendum, subject to the terms, conditions and limitations hereof and of PPEC’s Rate Schedules FSS, FP and FL, PPEC agrees to provide the released service for Replacement Customer under the applicable Rate Schedule, provided however, the Replacement Customer shall have qualified under the financial evaluation and credit appraisal requirements set forth in GT&C 31.

Replacement Customer hereby agrees promptly to provide any information necessary for PPEC to reevaluate PPEC’s credit appraisal as contemplated by GT&C 31 and to advise PPEC of any material change in the information previously provided by the Replacement Customer to PPEC.

ARTICLE II - TERM OF AGREEMENT

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

ARTICLE III - RATE SCHEDULES

~~This Capacity Release Umbrella Agreement does not have separate terms and conditions for particular services, but only provides a means by which a Replacement Customer may utilize a service subject to the applicable provisions of the relevant Storage Service Agreement and the terms and conditions of Rate Schedules FSS, FP and FL by finalization of a copy of an Addendum attached hereto and fully incorporated herein as a part of this Capacity Release Umbrella Agreement.~~

Replacement Customer agrees that PPEC shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to this Capacity Release Umbrella Agreement (b) the terms and conditions of this Capacity Release Umbrella Agreement, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions applicable to this Capacity Release Umbrella Agreement. PPEC agrees that the Replacement Customer may protest or contest the aforementioned filings, and the Replacement Customer does not waive any rights it may have with respect to such filings.

ARTICLE IV - NOTICES

Notices shall be sent in accordance with PPEC's Tariff, GT&C 18, as follows:

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

COMMERCIAL

COMMERCIAL

Pine Prairie Energy Center, LLC

Customer

333 Clay Street, Suite 1500

Address Line 1

~~333 Clay Street, Suite 1500~~

~~Address Line 1~~

Houston, Texas 77002

Address Line 2

Contact: Sr. Vice President - Commercial

Contact:

Telephone: 713-652-3678

Telephone:

~~Fax: 713-652-3700~~

~~Fax:~~

~~Attention: Benjamin J. Reese~~

~~Attention:~~

E-Mail: bjreese@pnglp.com

E-Mail:

~~OPERATIONAL NOTICES~~

~~OPERATIONAL NOTICES~~

~~Pine Prairie Energy Center, LLC~~

~~Customer~~

~~333 Clay Street, Suite 1500~~

~~Address Line 1~~

~~Houston, Texas 77002~~

~~Address Line 2~~

~~Telephone: 713-646-4462~~

~~Telephone:~~

~~Fax: 713-652-3700~~

~~Fax:~~

~~Attention: Daniel D. Noack~~

~~Attention:~~

~~E-Mail: ddnoack@pnglp.com~~

~~E-Mail:~~

~~CONTRACT ADMINISTRATION~~

~~CONTRACT ADMINISTRATION~~

~~Pine Prairie Energy Center, LLC~~

~~Customer~~

~~333 Clay Street, Suite 1500~~

~~Address Line 1~~

~~Houston, Texas 77002~~

~~Address Line 2~~

~~Telephone: 713-646-4161~~

~~Telephone:~~

~~Fax: 713-652-3700~~

~~Fax:~~

~~Attention: Contract Administration~~

~~Attention:~~

Pine Prairie Energy Center, LLC

Customer

333 Clay Street, Suite 1500

Address Line 1

Houston, Texas 77002

Address Line 2

Contact: Contract Administration
Telephone: 713-646-4161
E-Mail: cadministration@pnglp.com

Contact:
Telephone:
E-Mail:

BILLING

BILLING

~~Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Telephone: 713-646-4161
Fax: 713-652-3700
Attention: Donald C. O'Shea~~

~~Customer
Address Line 1
Address Line 2
Telephone:
Fax:
Attention:~~

Pine Prairie Energy Center, LLC
333 Clay Street, Suite 1500
Houston, Texas 77002
Contact: Accounting
Telephone: 713-993-5253
E-Mail: dcoshea@pnglp.com

Customer
Address Line 1
Address Line 2
Contact:
Telephone:
E-Mail:

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

ARTICLE V - RELATIONSHIP BETWEEN REPLACEMENT CUSTOMER AND RELEASING CUSTOMER

~~The parties recognize that, pursuant to Commission orders, Releasing Customer may require that the Replacement Customer agree that a breach of this Capacity Release Umbrella Agreement, including a failure to pay, or to pay timely, by Replacement Customer under this Capacity Release Umbrella Agreement, constitutes a breach of contract as between Replacement Customer and Releasing Customer. The existence of such an agreement will be indicated on the appropriate Addendum to this Capacity Release Umbrella Agreement.~~ If Replacement Customer fails to pay PPEC, fails to timely pay PPEC, or otherwise breaches this Capacity Release Umbrella Agreement or Replacement Customer's Replacement ESS Agreement, Replacement FP Agreement or Replacement Customer's FL Agreement with PPEC: (a) both Replacement Customer and Releasing Customer (except to the extent otherwise provided in ~~Section 4 of the General Terms and Conditions~~GT&C 4 and except with respect to penalties attributable to Replacement Customer's conduct) shall be liable to PPEC for such failure to pay or breach (it being understood that nothing in this Article ~~VI~~V relieves Releasing Customer from responsibility to pay PPEC in accordance with its Storage Service Agreements with PPEC) and (b) if, as a result of such breach by Replacement Customer, Releasing Customer is accordingly required to pay PPEC or otherwise perform, Releasing Customer may have a cause of action for breach against Replacement Customer.

ARTICLE VI – INCORPORATION OF TARIFF PROVISIONS

This Agreement is subject to the provisions of PPEC's Tariff, as amended from time to time and on file with the Federal Energy Regulatory Commission.

ARTICLE VII - LAW OF AGREEMENT

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

ARTICLE VIII – LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

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

ARTICLE IX– MISCELLANEOUS

- 9.1. ~~This~~Except as otherwise provided herein, this Agreement sets forth all understandings and agreements between the Parties respecting the subject matter hereof, and all prior agreements, understandings and representations, whether written or oral, respecting the subject matter hereof are superseded by this Agreement. No modification of the terms and provisions of this Agreement shall be made except by the execution by both Parties of a written agreement.
- 9.2. No waiver by a Party of any default(s) by the other Party in the performance of any provision, condition or requirement of this Agreement shall operate or be construed as a waiver of any future default(s), whether of a like or of a different character, nor in any manner release the defaulting Party from performance of any other provision, condition or requirement set forth herein.
- 9.3. If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use ~~their~~ commercially reasonable efforts to agree upon an equitable adjustment of the provisions of this Agreement with a view to effecting its purpose.

- 9.4 No presumption shall operate in favor of or against any Party as a result of any responsibility or role that any Party may have had in the drafting of this Agreement.
- 9.5 This Agreement shall not create any rights in third parties, and no provisions hereof shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than PPEC or Customer.
- 9.6 This Agreement may be executed in counterparts, and all such executed counterparts shall form part of this Agreement. An electronic signature shall be deemed to be an original signature for purposes of this Agreement. Documents delivered electronically shall be deemed to be originals for purposes of this Agreement.

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

PINE PRAIRIE ENERGY CENTER, LLC

CUSTOMER _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Addendum
~~Released~~ Capacity Release Umbrella Agreement

Deal No. __:

Addendum Contract No.:

Capacity Release Agreement No.

~~Capacity Release Rate Schedule~~

Replacement Customer: _____

Releasing Customer: _____

Released Agreement No.: _____

Begin Date of Release: _____

End Date of Release: _____

Rates:

~~Reservation Charge~~ _____ \$/Dth/Month

~~Reservation Charge~~ _____ \$/Dth/Month

~~Reservation Charge~~ _____ \$/Dth/Month

~~Commodity Charge~~ _____ \$/Dth

~~Commodity Charge~~ _____ \$/Dth

~~Commodity Charge~~ _____ \$/Dth

~~Commodity Charge~~ _____ \$/Dth

~~Fuel Reimbursement~~ _____

Quantity Commitment:

~~MSQ (FSS only)~~ _____ Dth

~~MPQ (FP only)~~ _____ Dth

~~MLQ (FL only)~~ _____ Dth

~~MDIQ~~ _____ Dth

~~MDWQ~~ _____ Dth

~~MDRQ~~ _____ Dth

~~MDDQ~~ _____ Dth

Point(s) of Receipt

Is the release of capacity a total release or partial release? Total Partial

Point(s) of Delivery

Is the release permanent or temporary? Permanent Temporary

Is this capacity subject recall? Yes No

Recall Conditions (if applicable)

Are there any restrictions on released capacity? Yes No

Restrictions (if applicable)

Were PPEC's default bid evaluation criteria used? Yes No

Evaluation Criteria (if applicable)

Were contingent bids accepted? Yes No

Contingency comments (if applicable)

Is inventory included with the release? Yes No

Comments (if applicable)

Other Terms and Conditions of Release [e.g., restrictions on release, third-party agent and terms of third-party agency relationship, and agreements between Replacement Customer and Releasing Customer, ~~Inventory Transfer~~]

I. Capacity Release Attachment

Attach Replacement Customer's new FSS Exhibit "A"

~~This Addendum, entered into, pursuant to PPEC's capacity release program and to the executed Capacity Release Umbrella Agreement between PPEC and the Replacement Customer, is hereby made a part of and subject to the aforementioned Capacity Release Umbrella Agreement.~~

Attach Replacement Customer's new FP Exhibit "A"

Attach Replacement Customer's new FL Exhibit "A"