

Predetermined allocations information

Midwestern Gas Transmission Company (MGT) currently utilizes operational balancing agreements (OBA's) to allocate gas at all interconnects. When a balancing agreement is in place, the two parties on both sides of the meter agree to recognize the confirmed, scheduled DKT nomination as the actual allocated volume. The difference between the confirmations and the actual flow is then maintained as an OBA imbalance between the two interconnecting parties. OBA imbalances at interconnects with pipelines are paid back "in kind" through future scheduling/flow adjustments.

As an example, with a total nomination of 40,000 and actual flow of 43,546:

	<u>Nomination</u>	<u>Allocated</u>	<u>Imbalance</u>
Shipper A (firm)	20,000	20,000	0
Shipper B (firm)	15,000	15,000	0
Shipper C (IT)	5,000	5,000	0
OBA Imbalance	<u>0</u>	<u>3,546</u>	<u>3,546</u>
Total	<u>40,000</u>	<u>43,546</u>	<u>3,546</u>

If you have any questions on Midwestern Gas Transmission Company's predetermined allocation methods, please call:

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