

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

OFFICE OF ENERGY MARKET REGULATION

In Reply Refer To:  
Letter Order Pursuant to § 375.307  
Midwestern Gas Transmission Company  
Docket No. RP18-684-000

May 1, 2018

Midwestern Gas Transmission Company  
c/o ONEOK, Inc.  
100 West 5<sup>th</sup> Street  
Tulsa, OK 74103

Attention: Ron M. Mucci, Vice President  
Rates and Regulatory Affairs

Reference: Revisions to Parking and Lending Service

Dear Mr. Mucci:

On April 4, 2018, Midwestern Gas Transmission Company (Midwestern) filed tariff records<sup>1</sup> to (i) allow Midwestern and its customers to agree to a schedule, over which nominations may be ratable, for the initial park or loan period and the subsequent return period; (ii) revise Exhibit A to the Park and Loan (PAL) Agreement for Rate Schedule PAL and Rate Schedule Firm PAL to include a schedule as may be agreed to with the customer; and, (iii) make minor housekeeping revisions. The referenced tariff records are accepted effective May 4, 2018, as requested.

Public notice of the filing was issued on April 5, 2018. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 C.F.R § 154.210 (2017)). Pursuant to Rule 214 (18 C.F.R. § 385.214 (2017)), all timely filed motions to intervene and any unopposed motion to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the

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<sup>1</sup> Midwestern Gas Transmission Company, FERC NGA Gas Tariff, Midwestern - FERC Gas Tariff, [Part 7.15, Rate Schedule FPAL, 2.0.0](#); [Part 7.30, Rate Schedule PAL, 5.0.0](#); [Part 9.30, Park and Loan Agreement \(PAL\), 5.0.0](#).

proceeding will not disrupt the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

This acceptance for filing shall not be construed as a waiver of the requirements of section 7 of the Natural Gas Act, as amended; nor shall it be construed as constituting approval of the referenced filing or of any rate, charge, classification, or any rule, regulation, or practice affecting such rate or service contained in your tariff; nor shall such acceptance be deemed as recognition of any claimed contractual right or obligation associated therewith; and such acceptance is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against your company.

This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713 (2017).

Sincerely,

A handwritten signature in blue ink, appearing to read "Marsha K. Palazzi". The signature is fluid and cursive, with a large initial "M" and "P".

Marsha K. Palazzi, Director  
Division of Pipeline Regulation



April 4, 2018

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

Re: Midwestern Gas Transmission Company  
Tariff Volume No. 1  
Revisions to Parking and Lending Service  
Docket No. RP18-684-000

Dear Ms. Bose:

Pursuant to section 4 of the Natural Gas Act and Part 154 of the Federal Energy Regulatory Commission's (Commission) regulations, Midwestern Gas Transmission Company (Midwestern) respectfully submits for filing and acceptance the tariff records listed below for inclusion in its FERC Gas Tariff, Volume No. 1 (Tariff). The proposed tariff records are submitted to become effective May 4, 2018.

Part 7.15, Rate Schedule FPAL, v. 2.0.0  
Part 7.30, Rate Schedule PAL, v. 5.0.0  
Part 9.30, Park and Loan Agreement (PAL), v. 5.0.0

**Statement of Nature, Reasons and Basis for the Proposed Changes**

In the instant filing, Midwestern proposes certain enhancements to its Parking and Lending Service (PAL) that are intended to provide Midwestern and its customers greater parking and lending flexibility. Specifically, Midwestern proposes to update its Tariff to: (i) allow Midwestern and its customers to agree to a schedule, over which nominations may be ratable, for the initial park or loan period and the subsequent return period, as set forth in the proposed Tariff Parts 7.15 and 7.30, respectively; (ii) revise Exhibit A to the Park and Loan Agreement for Rate Schedule PAL and Rate Schedule FPAL, as found in Part 9.30 of Midwestern's Tariff, to include a schedule as may be agreed to with the customer; and, (iii) make minor housekeeping revisions.

**Parts 7.15 and 7.30: Rate Schedule FPAL and Rate Schedule PAL**

Midwestern currently provides parking and lending services under Rate Schedule FPAL and Rate Schedule PAL. The Rate Schedule FPAL service allows for firm parking

and lending services. The Rate Schedule PAL service options available to customers include Customer Nominated Parking/Lending (NPL), Customer Requested Term Parking/Lending (RPL), Company Offered Parking/Lending (OPL) and Customer Authorized Automatic Parking/Lending (APL). In the instant filing, Midwestern is proposing certain enhancements to its service options available to its customers under both Rate Schedule FPAL and Rate Schedule PAL. These enhancements are intended to provide Midwestern and its customers with greater parking and lending flexibility. Within Parts 7.15 and 7.30, respectively, Midwestern has proposed language to allow Midwestern and a shipper to agree to a PAL schedule that will apply to the initial park or loan period and also to the subsequent return period. Midwestern notes that the addition of a PAL schedule is consistent Commission precedent.<sup>1</sup>

### **Part 9.30: Park and Loan Agreement (PAL)**

Midwestern has revised Exhibit A to the Park and Loan Agreement for Rate Schedules PAL and FPAL, as found in Part 9.30 of Midwestern's Tariff, to include a schedule as may be agreed to with the customer. Furthermore, Midwestern has made additional housekeeping changes to capture both Midwestern and the customer's address, identify whether a ratable schedule has been agreed to, add a field to include a description of the terms of negotiated rate agreements where applicable, identify the PAL or FPAL agreement number and make minor formatting changes. Lastly, in regards to service options NPL and APL as identified on Exhibit A for Rate Schedule PAL, Midwestern has removed the terms Nominated, All Points Nominated and All Points from the respective fields. The aforementioned terms have been replaced with dashed lines to indicate that these fields will be mutually agreed upon by Midwestern and the customer prior to an agreement's execution.

### **Materials Enclosed**

In accordance with section 154.7 of the Commission's regulations, the following items are included in this filing:

1. an eTariff XML filing package containing the proposal in electronic format;
2. a transmittal letter in PDF format, which incorporates the Statement of Nature, Reasons and Basis for the filing required by section 154.7(a)(6) of the Commission's regulations;
3. Appendix A – a clean version of the tariff records in PDF format for publishing in eLibrary; and
4. Appendix B – a marked version of the tariff records in PDF format for publishing in eLibrary.

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<sup>1</sup> *Northern Border Pipeline Co.*, Docket No. RP16-135-000, Letter Order (Nov. 24, 2015); *Gas Transmission Northwest LLC*, 151 FERC ¶ 61,180 (2015).

**Proposed Effective Date**

Pursuant to section 154.7(a)(3) of the Commission's regulations, Midwestern respectfully requests that the tariff records submitted herewith be approved by the Commission effective May 4, 2018. In accordance with section 154.7(a)(9) of the Commission's regulations, Midwestern hereby files a motion to place the proposed tariff records into effect at the end of any suspension period if one is so ordered by the Commission in this proceeding.

**Waivers**

Pursuant to section 154.7(a)(7) of the Commission's regulations, Midwestern has not identified any waivers of the Commission's regulations needed to permit its filing to become effective as proposed; however, Midwestern respectfully requests that, should the Commission determine that any such waivers are required, the Commission grant such waivers as are necessary in order that the revised tariff record may be made effective as proposed.

**Service and Correspondence**

In accordance with section 154.208 of the Commission's regulations, the undersigned certifies that a copy of this filing has been served electronically on Midwestern's customers and affected state regulatory commissions. A paper copy of this filing may only be served if a customer has been granted waiver of electronic service pursuant to Part 390 of the Commission's regulations. In addition, a copy of this filing is available for public inspection during regular business hours at Midwestern's office at 100 West Fifth Street, Tulsa, Oklahoma 74103.

Pursuant to section 385.2005 and section 385.2011(c)(5) of the Commission's regulations, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best knowledge and belief of the undersigned.

It is requested that a copy of all communications, correspondence, and pleadings with respect to this filing be sent to:

Denise Adams Director, Rates and Regulatory Compliance ONEOK, Inc. 100 West 5th Street Tulsa, Oklahoma 74103 (918) 732-1408 Email: denise.adams@oneok.com	Lisa Nishimuta Managing Attorney, Interstate Regulatory ONEOK, Inc. 100 West 5th Street Tulsa, Oklahoma 74103 (918) 588-7730 Email: lisa.nishimuta@oneok.com
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Any questions regarding this filing may be directed to Denise Adams at (918) 732-1408.

Ms. Kimberly D. Bose

April 4, 2018

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Respectfully submitted,

/s/ Ron M. Mucci

Ron M. Mucci

Vice President, Rates and Regulatory Affairs

ONEOK, Inc.

100 West 5th Street

Tulsa, Oklahoma 74103

Attachments

# Appendix A

## Clean Tariff Records

RATE SCHEDULE FPAL  
FIRM PARK AND LOAN SERVICE

1. AVAILABILITY

1.1 Availability of Service

This Rate Schedule is available to any Person (hereinafter referred to as "Customer") who requests Firm Park and Loan Service (FPAL) from Company and has executed a PAL Agreement under this Rate Schedule. The PAL Agreement shall be considered a master PAL Agreement and Customer and Company may agree to additional PAL or FPAL services by executing additional PAL Agreement Exhibit A(s). Company shall provide PAL service on a non-discriminatory basis: (1) subject to availability and Company's flexibility to provide such service and (2) subject to the limitations set forth below.

1.2 Limits on Service

1.2.1 Existing Facilities

Company shall not be required to provide service under this Rate Schedule that would require Company to construct or acquire any new facilities.

1.2.2 Availability

FPAL Service is available on the Mainline and is not available on the Eastern Mainline. Company shall not provide FPAL service that will result in the total contracted firm capacity (transportation and FPAL) exceeding Company's peak operationally available capacity on any Mainline segment unless (1) Company, exercising reasonable judgment, determines that an FPAL transaction will have a positive effect on Company's system (i.e., a park of gas when line pack is below optimal levels or a loan of gas when line pack is above optimal levels). Company shall not provide an FPAL service that will result in the total contracted firm capacity (transportation and FPAL) exceeding Company's peak operationally available capacity at any Mainline Receipt Point or Delivery Point.

In addition to the above limitations, Company shall not provide FPAL services if, in its reasonable judgment, providing such service would interfere with the primary rights of any Customer that will hold firm capacity at the time the Customer requests FPAL service.

1.2.3 Creditworthiness

Company shall not be required to execute a PAL Agreement under this Rate Schedule prior to determining the creditworthiness of Customer. Furthermore, Company shall not be required to perform service under this Rate Schedule on behalf of any Customer who fails to demonstrate creditworthiness according to Section 25 of the General Terms and Conditions.

1.3 Use of Third Party Storage Services

Company may contract for storage services offered by third party service providers for use in providing FPAL service.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Applicability of Service

This Rate Schedule shall apply to all Firm PAL services Company provides.

2.2 Character of Service

Service under this Rate Schedule shall be provided for Parking and/or Lending service(s). Company shall park and/or lend a quantity of gas for/to Customer up to the Maximum PAL Quantity stated in Dekatherms as specified in the effective PAL Agreement Exhibit. Company and Customer may agree to a schedule, over which nominations may be ratable, for the initial park or loan period and the subsequent return period, as set forth on Exhibit "A" of Customer's Rate Schedule FPAL Service Agreement. Where Company and Customer have agreed to a ratable schedule, the quantities shall be nominated in an equal amount over the course of the corresponding period.

2.2.1 Parking Service provides for:

- (a) The receipt by Company of gas quantities that have been delivered by Customer at a Parking Point(s);
- (b) Company holding the parked gas quantities; and
- (c) The subsequent return of parked gas quantities to the Customer at such Parking Point(s), or a mutually agreeable alternative Parking Point(s) subject to 4.2 of this Rate Schedule.

2.2.2 Lending Service provides for:

- (a) The receipt of gas quantities by Customer from Company at a Lending Point(s); and
- (b) The subsequent return of the loaned gas quantities to the Company at such Lending Point(s), or a mutually agreeable alternative Lending Point(s) subject to 4.2 of this Rate Schedule.

2.3 Firm Park and Loan (PAL) Service

Firm PAL service is a Parking and Lending service that allows a Customer to request PAL service from Company for a mutually agreed upon term. The quantity of gas parked and/or loaned shall be the quantities set forth on Exhibit A of Customer's PAL Agreement. The FPAL service is subject to the applicable credits if Company is unable to provide the nominated FPAL service quantities as further described in Section 37 of the General Terms and Conditions.

Service under this Rate Schedule shall be subject to confirmation by Company prior to being scheduled.

2.4 Term of Service

Service under this Rate Schedule shall be provided for a minimum of one (1) day and a maximum term as set forth in the effective PAL Agreement Exhibit A between Customer and Company.

In the event parked quantities remain in Company's system and/or loaned quantities have not been returned to Company's system by the expiration of the term, Company and Customer may mutually agree to an extended time frame and/or modified terms, including the rate, of such PAL service or a replacement PAL service, to permit Customer to return such quantities to Company or to permit Company to return such quantities to Customer.

2.5 Nominations for Service

Customer shall nominate PAL services under this Rate Schedule in accordance with the nomination deadlines set forth in Section 3 of the General Terms and Conditions.

2.6 Confirmation and Scheduling of Service

Service under this Rate Schedule shall be subject to confirmation by Company prior to being scheduled. Confirmed and scheduled quantities of gas parked or loaned by Company cannot be bumped by new requests for parking and/or lending service. Service under this Rate Schedule shall be scheduled and confirmed with equal priority with other firm services.

2.7 Capacity Release

The capacity release mechanism specified in Section 21 of the General Terms and Conditions is applicable to this Rate Schedule.

2.8 Transportation Service

Customer shall pay for all charges, including any applicable Fuel Retention and/or Loss Quantity, for any transportation associated with FPAL service. If Customer repays a loan of gas at a point other than the initial Lending Point or retrieves parked gas at a point other than the initial Parking Point, it shall pay all associated transportation charges, including any applicable Fuel Retention and/or Loss Quantity. Customer shall enter into contracts under the appropriate Rate Schedules for the above-described transportation services.

3. RATE AND PAYMENT

3.1 Maximum and Minimum Rates

The daily Maximum and Minimum Rates for service under this Rate Schedule are listed on the Summary of Rates and Charges of Company's FERC Gas Tariff.

Customer shall pay the daily Maximum Rate for service under this Rate Schedule unless Customer and Company have executed an Exhibit A providing for a discounted or negotiated rate agreement pursuant to Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff. Company is not obligated to accept a rate for services rendered hereunder at less than the Maximum Rate.

3.2 Monthly Invoice

The charge to be invoiced monthly pursuant to Section 5 of the General Terms and Conditions for service under this Rate Schedule for FPAL services shall be the maximum or mutually agreed upon FPAL daily demand rate multiplied by the Maximum PAL Quantity plus the commodity rate multiplied by the actual quantity parked or loaned as set forth in Exhibit A for each day service is made available by Company. Charges shall commence on the first day of the agreed upon transaction and continue until the last day of the agreed upon term as set forth in Exhibit A of Customer's PAL Agreement.

4. RATE SCHEDULE PAL POINTS OF SERVICE

4.1 Listing of Available Parking and Lending Points

Company shall post the name and location of all Parking Points and Lending Points.

Each Parking Point and Lending Point shall be associated with a physical point of service identified pursuant to this Section, as updated from time to time pursuant to Section 4.2 of this Rate Schedule.

4.2 Addition or Deletion of Points of Service

Company shall post any additions or deletions to the list of available Parking Points or Lending Points. If Company terminates a Parking Point where parked quantities are to be returned to Customer or a Lending Point where loaned quantities are to be returned to Company, such point(s) shall remain available for the limited purpose of completing such outstanding transactions unless Customer and Company mutually agree to utilize a different Parking Point or Lending Point. If Customer and Company mutually agree to utilize a different Parking Point or Lending Point for the limited purpose of completing such outstanding transaction, Customer must contract separately for transportation service between the points.

4.3 Use of Location Codes

In order to facilitate PAL service under this Rate Schedule, Parking Points and Lending Points shall be assigned nominatable location codes. Such location codes shall be posted.

5. NOTIFICATIONS, ALLOCATIONS AND CURTAILMENT

5.1 Service under this Rate Schedule shall be allocated and curtailed with equal priority with other firm services.

5.2 Customer may be required, upon notification from Company to suspend or reduce deliveries for the agreed upon Park Service, or receipts for the agreed upon Loan Service. Further, Customer may be required, upon notification from Company, to remove quantities of gas previously provided to Company under the Park Service, or return quantities of gas previously loaned to Customer under the Loan Service. Such notification shall be by telephone, and also by Company's Information Postings web site, e-mail, or facsimile.

5.3 Should Company notify Customer to remove or return quantities of gas pursuant to Subsection 5.2, Company's notification shall specify the time frame within which Park Service quantities shall be removed, and/or Loan Service quantities shall be returned. Such notifications shall be consistent with Company's operating conditions, but in no event shall the specified time frame be less than three (3) business days from the date of Company's notification unless Company and Customer mutually agree to a different time frame. The obligation of Customer to comply with the issued notification shall be monitored until such time as Company is able to recommence the PAL services.

5.4 In the event Customer makes a timely nomination in response to a notification by Company pursuant to Subsection 5.2, the obligation of Customer to comply with that notification shall be suspended until such time as Company's operational conditions allow Company to schedule the nomination.

6. FAILURE BY CUSTOMER TO RESPOND

6.1 Park Service

- (a) In the event any of the following occurs, parked quantities shall become the property of Company at no cost to Company, free and clear of any adverse claims:
  - (i) Company's prevailing operations require Company to notify Customer that receipts of parked quantities must be suspended or be reduced, and Customer fails to comply with such notification; and/or
  - (ii) Company's prevailing operations require Company to notify Customer that all or part of Customer's parked quantities must be removed, and Customer fails to comply within the specified time frame; and/or
  - (iii) Subject to Subsection 2.4 herein, the FPAL account reflects a balance at the termination date of the associated Exhibit A to Customer's FPAL Agreement.
- (b) If, pursuant to Subsection 6.1(a)(i), Company notifies Customer that receipts of parked quantities must be suspended or be reduced, only those quantities parked in violation of the notification shall become the property of Company at no cost to Company, free and clear of any adverse claims.
- (c) No penalty will be assessed, pursuant to this Subsection, on a remaining balance if the Customer-submitted nominations related to that balance to clear the FPAL transaction cannot be scheduled by the Company, through no fault of the Customer.
- (d) In the event that parked quantities of natural gas become the property of Company, Company shall dispose of such excess gas pursuant to Subsection 22.2 of the General Terms and Conditions. Company shall categorize the proceeds of an excess-parked gas sale, net of incremental administrative charges, as PAL penalties.

6.2 Loan Service

- (a) In the event any of the following occurs, loaned quantities shall be sold to Customer at 150 percent of the weekly average spot price at the Midpoint Chicago LDC Citygate as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to Customer's PAL Agreement:
  - (i) Company's prevailing operations require Company to notify Customer that deliveries of Customer's loaned quantities must be suspended or be reduced, and Customer fails to comply with such notification; and/or
  - (ii) Company's prevailing operations require Company to notify Customer that all or part of Customer's loaned quantities must be returned to Company, and Customer fails to comply within the specified time frame; and/or
  - (iii) Subject to Subsection 2.4 herein, the PAL account reflects a balance at the termination date of the associated Exhibit A to Customer's PAL Agreement.
- (b) If, pursuant to Subsection 6.2(a)(i), Company notifies Customer that deliveries of Customer's loaned quantities must be suspended or be reduced, only those quantities loaned in violation of the notification shall be sold to Customer at 150 percent of the highest weekly Midpoint Chicago LDC Citygate price as reported in Gas Daily during

the term of the agreed upon transaction as set forth in the associated Exhibit A to Customer's PAL Agreement.

- (c) No penalty will be assessed, pursuant to this Subsection, on a remaining balance if the Customer-submitted nominations related to that balance to clear the PAL transaction cannot be scheduled by the Company, through no fault of the Customer.

### 6.3 Crediting of PAL Penalties

All amounts invoiced and collected by Company as payment of penalties assessed under this Rate Schedule, net of incremental administrative charges and loaned gas costs, shall be treated as PAL penalties and shall be allocated by Company to all Customers using the methodology set forth in Subsection 23.1 of the General Terms and Conditions. The loaned gas costs for gas sold pursuant to Section 6.2 of this Rate Schedule shall be the weekly average spot price at the Midpoint Chicago LDC Citygate as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to a PAL Agreement.

## 7. OTHER CONDITIONS OF SERVICE

Company shall not be required to provide service under this Rate Schedule in the event that all facilities needed to render the requested service do not exist or are not in service at the time the request is made or the time service is commenced.

## 8. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any PAL Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE PAL  
PARK AND LOAN SERVICE

1. AVAILABILITY

1.1 Availability of Service

This Rate Schedule is available to any Person (hereinafter referred to as "Customer") who requests interruptible Park and Loan Service (PAL) from Company and has executed a PAL Agreement under this Rate Schedule. The PAL Agreement shall be considered a master PAL Agreement and Customer and Company may agree to additional PAL or FPAL services by executing additional PAL Agreement Exhibit A(s). Company shall provide PAL service on a non-discriminatory basis: (1) subject to availability and Company's flexibility to provide such service and (2) subject to the limitations set forth below.

1.2 Limits on Service

1.2.1 Existing Facilities

Company shall not be required to provide service under this Rate Schedule that would require Company to construct or acquire any new facilities.

1.2.2 Existing Services

Company shall not be required to provide service under this Rate Schedule if such service would prevent Company from providing any other firm or interruptible transportation service.

1.2.3 Creditworthiness

Company shall not be required to execute a PAL Agreement under this Rate Schedule prior to determining the creditworthiness of Customer. Furthermore, Company shall not be required to perform service under this Rate Schedule on behalf of any Customer who fails to demonstrate creditworthiness according to Section 25 of the General Terms and Conditions.

1.3 Use of Third Party Storage Services

Company may contract for storage services offered by third party service providers for use in providing PAL service.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Applicability of Service

This Rate Schedule shall apply to all interruptible PAL services Company provides.

2.2 Character of Service

Service under this Rate Schedule shall be provided for Parking and/or Lending service(s).

2.2.1 Parking Service provides for:

- (a) The receipt by Company of gas quantities that have been delivered by Customer at a Parking Point(s);
- (b) Company holding the parked gas quantities; and
- (c) The subsequent return of parked gas quantities to the Customer at such Parking Point(s), or a mutually agreeable alternative Parking Point(s), subject to Subsections 2.3.3 and 4.2 of this Rate Schedule.

2.2.2 Lending Service provides for:

- (a) The receipt of gas quantities by Customer from Company at a Lending Point(s); and
- (b) The subsequent return of the loaned gas quantities to the Company at such Lending Point(s), or a mutually agreeable alternative Lending Point(s), subject to Subsection 2.3.3 and 4.2 of this Rate Schedule.

Company shall attempt to park and/or lend a quantity of gas for/to Customer up to the Maximum PAL Quantity stated in Dekatherms as specified in the effective PAL Agreement Exhibit. Company and Customer may agree to a schedule, over which nominations may be ratable, for the initial park or loan period and the subsequent return period, as set forth on Exhibit "A" of Customer's Rate Schedule PAL Service Agreement. Where Company and Customer have agreed to a ratable schedule, the quantities shall be nominated in an equal amount over the course of the corresponding period.

2.3 Park and Loan (PAL) Service Options

2.3.1 Customer Nominated Parking/Lending (NPL)

Customer Nominated Parking/Lending (NPL) is a service option that allows a Customer to nominate and link supplemental PAL service to nominated transportation service on Company's system in each of the supported nomination and scheduling cycles.

2.3.2 Customer Requested Term Parking/Lending (RPL)

Customer Requested Term Parking/Lending (RPL) is a service option that allows a Customer to request parking and/or lending service from Company for a mutually agreed upon term.

Requests for RPL service shall be considered if Customer has completed and submitted a proposed Exhibit A of an effective PAL Agreement reflecting the selection of RPL service for a specific time period.

If Company accepts Customer's request for RPL service, Company shall execute Customer's proposed Exhibit A to its effective PAL Agreement.

2.3.3 Company Offered Parking/Lending (OPL)

Company Offered Parking/Lending (OPL) is a service option that allows Company to offer parking and/or lending service to potential Customers for a mutually agreed upon term.

Company shall post all OPL offers, detailing the specific terms and conditions of each OPL offer, as well as provide electronic notification of such offers.

Bids for OPL service shall be considered only if Company has received from Customer a proposal for service under this Rate Schedule.

For the purposes of determining the Best Bid(s) for a posted Company Offered Parking/Lending Service, Company will award service on basis of highest rate bid. In the event there is more than one Best Bid, Company will allocate service on a pro-rata basis.

Company shall execute the proposed Exhibit A to a PAL Agreement(s) for the winning bid(s).

In the event that the Receipt and Delivery Points differ under a specific OPL transaction, then a separately stated amount for transportation shall be included in the bid. Such transportation amount shall not be priced at less than the Minimum Commodity Rate pursuant to Rate Schedule IT on a Dekatherm basis.

#### 2.3.4 Customer Authorized Automatic Parking/Lending (APL)

Customer Authorized Automatic Parking/Lending (APL) is a service option that allows a Customer to pre-authorize Company to nominate, on the Customer's behalf, parking and/or lending service within a supported nomination cycle in attempt to minimize the Customer's Stranded Allocated Capacity in such cycle.

To initiate or terminate APL on a prospective basis, a Customer must complete and submit to Company a proposed Exhibit A to its effective PAL Agreement.

Customer retains the right to prospectively adjust scheduled parking and/or lending activity nominated via APL in subsequent nomination cycles.

#### 2.3.5 For all options listed in Subsections 2.3.1 through 2.3.4 above, service under this Rate Schedule shall be subject to confirmation by Company prior to being scheduled.

### 2.4 Term of Service

Service under this Rate Schedule shall be provided for a minimum of one (1) day and a maximum term as set forth in the effective PAL Agreement Exhibit A between Customer and Company.

In the event parked quantities remain in Company's system and/or loaned quantities have not been returned to Company's system by the expiration of the term, Company and Customer may mutually agree to an extended time frame and/or modified terms, including the rate, of such PAL service or a replacement PAL service, to permit Customer to return such quantities to Company or to permit Company to return such quantities to Customer.

### 2.5 Nominations for Service

Customer shall nominate PAL services under this Rate Schedule in accordance with the nomination deadlines set forth in Section 3 of the General Terms and Conditions.

2.6 Confirmation and Scheduling of Service

Service under this Rate Schedule shall be confirmed and scheduled, after all other services offered by Company are scheduled and confirmed, on the basis of the Customer paying the highest rate at a Parking Point or Lending Point. Ties will be confirmed and scheduled on a pro rata basis.

Existing quantities of gas parked or loaned by Company cannot be bumped by new requests for parking and/or lending service.

2.7 Transportation Service

Customer shall pay for all charges, including any applicable Fuel Retention and/or Loss Quantity, for any transportation associated with PAL service. If Customer repays a loan of gas at a point other than the initial Lending Point or retrieves parked gas at a point other than the initial Parking Point, it shall pay all associated transportation charges, including any applicable Fuel Retention and/or Loss Quantity. Customer shall enter into contracts under the appropriate Rate Schedules for the above-described transportation services.

3. RATE AND PAYMENT

3.1 Maximum and Minimum Rates

The daily Maximum and Minimum Rates for service under this Rate Schedule are listed on the Summary of Rates and Charges of Company's FERC Gas Tariff.

Customer shall pay the daily Maximum Rate for service under this Rate Schedule unless Customer and Company have executed an Exhibit A providing for a discounted or negotiated rate agreement pursuant to Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff. Company is not obligated to accept a rate for services rendered hereunder at less than the Maximum Rate.

The charge to be invoiced monthly pursuant to Section 5 of the General Terms and Conditions for service under this Rate Schedule for PAL services shall be the maximum or mutually agreed upon PAL daily rate multiplied by the quantity of gas parked or loaned, for each separate transaction of Customer, multiplied by the number of days within such month that the quantity of gas is parked or loaned.

4. RATE SCHEDULE PAL POINTS OF SERVICE

4.1 Listing of Available Parking and Lending Points

Company shall post the name and location of all Parking Points and Lending Points.

Each Parking Point and Lending Point shall be associated with a physical point of service identified pursuant to this Section, as updated from time to time pursuant to Section 4.2 of this Rate Schedule.

4.2 Addition or Deletion of Points of Service

Company shall post any additions or deletions to the list of available Parking Points or Lending Points. If Company terminates a Parking Point where parked quantities are to be returned to Customer or a Lending Point where loaned quantities are to be returned to Company, such point(s) shall remain available for the limited purpose of completing such outstanding transactions unless Customer and Company mutually agree to utilize a different

Parking Point or Lending Point. If Customer and Company mutually agree to utilize a different Parking Point or Lending Point for the limited purpose of completing such outstanding transaction, Customer must contract separately for transportation service between the points.

4.3 Use of Location Codes

In order to facilitate PAL service under this Rate Schedule, Parking Points and Lending Points shall be assigned nominatable location codes. Such location codes shall be posted.

5. NOTIFICATIONS, ALLOCATIONS AND CURTAILMENT

5.1 For purposes of restricting PAL services, Company will give priority to PAL Agreements with the highest rate commitment to Company. For purposes of calculating the daily rate commitment, Customers willing to pay more than the Maximum Rate listed on the Summary of Rates and Charges of this FERC Gas Tariff will be considered to be paying the Maximum Rate. Service will be allocated or curtailed on a pro rata basis among Customers willing to make the same daily rate commitment to Company for PAL services.

5.2 Customer may be required, upon notification from Company, to suspend or reduce deliveries for the agreed upon Park Service, or receipts for the agreed upon Loan Service. Further, Customer may be required, upon notification from Company, to remove quantities of gas previously provided to Company under the Park Service, or return quantities of gas previously loaned to Customer under the Loan Service. Such notification shall be by telephone, and also by Company's Information Postings web site, e-mail, or facsimile.

5.3 Should Company notify Customer to remove or return quantities of gas pursuant to Subsection 5.2, Company's notification shall specify the time frame within which Park Service quantities shall be removed, and/or Loan Service quantities shall be returned. Such notifications shall be consistent with Company's operating conditions, but in no event shall the specified time frame be less than three (3) business days from the date of Company's notification unless Company and Customer mutually agree to a different time frame. The obligation of Customer to comply with the issued notification shall be monitored until such time as Company is able to recommence the PAL services.

5.4 In the event Customer makes a timely nomination in response to a notification by Company pursuant to Subsection 5.2, the obligation of Customer to comply with that notification shall be suspended until such time as Company's operational conditions allow Company to schedule the nomination.

6. FAILURE BY CUSTOMER TO RESPOND

6.1 Park Service

(a) In the event any of the following occurs, parked quantities shall become the property of Company at no cost to Company, free and clear of any adverse claims:

(i) Company's prevailing operations require Company to notify Customer that receipts of parked quantities must be suspended or be reduced, and Customer fails to comply with such notification; and/or

(ii) Company's prevailing operations require Company to notify Customer that all or part of Customer's parked quantities must be removed, and Customer fails to comply within the specified time frame; and/or

- (iii) Subject to Subsection 2.4 herein, the PAL account reflects a balance at the termination date of the associated Exhibit A to Customer's PAL Agreement.
- (b) If, pursuant to Subsection 6.1(a)(i), Company notifies Customer that receipts of parked quantities must be suspended or be reduced, only those quantities parked in violation of the notification shall become the property of Company at no cost to Company, free and clear of any adverse claims.
- (c) No penalty will be assessed, pursuant to this Subsection, on a remaining balance if the Customer-submitted nominations related to that balance to clear the PAL transaction cannot be scheduled by the Company, through no fault of the Customer.
- (d) In the event that parked quantities of natural gas become the property of Company, Company shall dispose of such excess gas pursuant to Subsection 22.2 of the General Terms and Conditions. Company shall categorize the proceeds of an excess-parked gas sale, net of incremental administrative charges, as PAL penalties.

## 6.2 Loan Service

- (a) In the event any of the following occurs, loaned quantities shall be sold to Customer at 150 percent of the weekly average spot price at the Midpoint Chicago LDC Citygate as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to Customer's PAL Agreement:
  - (i) Company's prevailing operations require Company to notify Customer that deliveries of Customer's loaned quantities must be suspended or be reduced, and Customer fails to comply with such notification; and/or
  - (ii) Company's prevailing operations require Company to notify Customer that all or part of Customer's loaned quantities must be returned to Company, and Customer fails to comply within the specified time frame; and/or
  - (iii) Subject to Subsection 2.4 herein, the PAL account reflects a balance at the termination date of the associated Exhibit A to Customer's PAL Agreement.
- (b) If, pursuant to Subsection 6.2(a)(i), Company notifies Customer that deliveries of Customer's loaned quantities must be suspended or be reduced, only those quantities loaned in violation of the notification shall be sold to Customer at 150 percent of the highest weekly Midpoint Chicago LDC Citygate price as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to Customer's PAL Agreement.
- (c) No penalty will be assessed, pursuant to this Subsection, on a remaining balance if the Customer-submitted nominations related to that balance to clear the PAL transaction cannot be scheduled by the Company, through no fault of the Customer.

## 6.3 Crediting of PAL Penalties

All amounts invoiced and collected by Company as payment of penalties assessed under this Rate Schedule, net of incremental administrative charges and loaned gas costs, shall be treated as PAL penalties and shall be allocated by Company to all Customers using the methodology set forth in Subsection 23.1 of the General Terms and Conditions. The loaned gas costs for gas sold pursuant to Section 6.2 of this Rate Schedule shall be the weekly average spot price at the Midpoint Chicago LDC Citygate as reported in Gas Daily during the

term of the agreed upon transaction as set forth in the associated Exhibit A to a PAL Agreement.

7. OTHER CONDITIONS OF SERVICE

Company shall not be required to provide service under this Rate Schedule in the event that all facilities needed to render the requested service do not exist or are not in service at the time the request is made or the time service is commenced.

8. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any PAL Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

MIDWESTERN GAS TRANSMISSION COMPANY  
PARK AND LOAN ("PAL") AGREEMENT  
Rate Schedule FPAL or PAL

THIS AGREEMENT (Agreement No. \_\_\_\_\_) is made and entered into as of \_\_\_\_\_, 20\_\_\_\_, by and between MIDWESTERN GAS TRANSMISSION COMPANY, hereinafter referred to as "Company" and \_\_\_\_\_, hereinafter referred to as "Customer." Company and Customer shall be collectively referred to as "Parties."

WITNESSETH:

That, in consideration of their respective covenants and agreements herein contained, Company and Customer agree as follows:

ARTICLE 1 - DEFINITIONS

The definitions found in Section 1 of the General Terms and Conditions of Company's FERC Gas Tariff are incorporated herein by reference.

ARTICLE 2 - BASIC RECEIPTS

On any day after the Commencement of Service Date on the Exhibit(s) A attached hereto, Customer shall be entitled to nominate a quantity of gas up to Customer's Maximum PAL Quantity set forth in the Exhibit(s) A attached hereto at a Parking Point. Once scheduled by Company, Company shall receive gas in accordance with the applicable terms and conditions of the applicable Rate Schedule (FPAL or PAL).

ARTICLE 3 - BASIC DELIVERIES

On any day after the Commencement of Service Date on the Exhibit(s) A attached hereto, Customer shall be entitled to nominate a quantity of gas up to Customer's Maximum PAL Quantity set forth in the Exhibit(s) A attached hereto at a Lending Point. Once scheduled by Company, Company shall deliver gas in accordance with the applicable terms and conditions of the applicable Rate Schedule (FPAL or PAL).

ARTICLE 4 - RATES

Rates for service under this Agreement shall be at Company's Maximum Rate plus all applicable surcharges in effect under the applicable Rate Schedule (FPAL or PAL) unless otherwise agreed to by the parties and set forth in the Exhibit(s) A attached hereto.

ARTICLE 5 - PAYMENTS

Customer shall make payments to Company in accordance with the terms and conditions specified on the Exhibit(s) A attached hereto, the applicable Rate Schedule (FPAL or PAL), Section 6 of the General Terms and Conditions, and the other applicable terms and provisions of this Agreement.

#### ARTICLE 6 - CHANGE IN TARIFF PROVISIONS

Upon notice to Customer, Company shall have the right to file with the Federal Energy Regulatory Commission any changes in the terms of any of its Rate Schedules, General Terms and Conditions or Form of Agreement as Company may deem necessary, and to make such changes effective at such times as Company desires and is possible under applicable law. Customer may protest any filed changes before the Federal Energy Regulatory Commission and exercise any other rights it may have with respect thereto.

#### ARTICLE 7 - TERM

Where no Exhibit(s) A has been executed by Company and attached hereto within five years of the date of execution of this Agreement then this Agreement shall automatically terminate. Where one or more Exhibit(s) A have been executed by Company and attached hereto, then this Agreement shall automatically terminate five years after the latest Termination of Service Date on such Exhibit(s) A.

Termination of this Agreement shall not relieve Customer of the obligation to pay money due hereunder to Company and shall be in addition to any other remedies that Company may have.

#### ARTICLE 8 - APPLICABLE LAW AND SUBMISSION TO JURISDICTION

This Agreement and Company's Tariff, and the rights and obligations of Company and Customer thereunder are subject to all relevant and United States lawful statutes, rules, regulations and orders of duly constituted authorities having jurisdiction. Subject to the foregoing, this Agreement shall be governed by and interpreted in accordance with the laws of the State of Oklahoma. For purposes of legal proceedings, this Agreement shall be deemed to have been made in the State of Oklahoma and performed there, and the Courts of that State shall have jurisdiction over all disputes which may arise under this Agreement, provided always that nothing herein contained shall prevent Company from proceeding at its election against Customer in the Courts of any other State, Province or Country.

At the Company's request, the Customer shall irrevocably appoint an agent in Oklahoma to receive, for it and on its behalf, service of process in connection with any judicial proceeding in Oklahoma relating to the Agreement. Such service shall be deemed completed on delivery to such process agent (even if not forwarded to and received by the Customer.) If said agent ceases to act as a process agent within Oklahoma on behalf of Customer, the Customer shall appoint a substitute process agent within Oklahoma and deliver to the Company a copy of the new agent's acceptance of that appointment within 30 days.

#### ARTICLE 9 - SUCCESSORS

Any person which shall succeed by purchase, amalgamation, merger or consolidation to the properties, substantially as an entirety, of Customer or of Company, as the case may be, and which shall assume all obligations under Customer's Agreement of Customer or Company, as the case may be, shall be entitled to the rights, and shall be subject to the obligations, of its predecessor under Customer's Agreement. Any such successor must obtain any required regulatory approvals to make such assignment or transfer. Either party to a Customer's Agreement may pledge or charge the same under provisions of any mortgage, deed of trust, indenture, security agreement or similar instrument which it has executed, or, subject to any required regulatory approvals, assign such Agreement to any affiliated Person (which for such purpose shall mean any person which controls, is under common control with or is controlled by such party). Nothing contained in this Article 9 shall, however, operate to release predecessor Customer from its obligation under its

Agreement unless Company shall, in its sole discretion, consent in writing to such release and Customer and the successor have obtained any required regulatory approvals. Company shall not release any Customer from its obligations under its Agreement unless: (a) such release is effected pursuant to an assignment of obligations by such Customer, and the assumption thereof by the assignee, and the terms of such assignment and assumption render the obligations being assigned and assumed no more conditional and no less absolute than those at the time provided therein; and (b) such release is not likely to have a substantial adverse effect upon Company. Customer shall, at Company's request, execute such instrument and take such other action as may be desirable to give effect to any such assignment of Company's rights under such Customer's Agreement or to give effect to the right of a Person whom the Company has specified pursuant to Section 6 of the General Terms and Conditions of Company's FERC Gas Tariff as the Person to whom payment of amounts invoiced by Company shall be made; provided, however, the: (a) Customer shall not be required to execute any such instruments or take any such other action the effect of which is to modify the respective rights and obligations of either Customer or Company under this Agreement; and (b) Customer shall be under no obligation at any time to determine the status or amount of any payments which may be due from Company to any Person whom the Company has specified pursuant to said Section 6 as the Person to whom payment of amounts invoiced by Company shall be made.

#### ARTICLE 10 - OTHER OPERATING PROVISIONS

(This Article to be utilized when necessary to specify other operating provisions.)

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#### ARTICLE 11 - EXHIBIT A OF AGREEMENT, RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS

Customer shall initiate a request for FPAL or PAL service by executing and delivering to Company one or more Exhibit(s) A. Upon execution by Company, Customer's Exhibit(s) A shall be incorporated in and made a part hereof.

Company's Rate Schedules and General Terms and Conditions, which are on file with the Federal Energy Regulatory Commission (FERC) and in effect, and Exhibit(s) A hereto are all applicable to this Agreement and are hereby incorporated by reference and made a part of this Agreement. To the extent a term or condition set forth in this Agreement is inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. Furthermore, to the extent a term or condition set forth in this Agreement is inconsistent with the applicable Rate Schedule, the Rate Schedule shall govern unless the relevant provision is inconsistent with General Terms and Conditions.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first set forth above.

MIDWESTERN GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
(NAME OF CUSTOMER)

By: \_\_\_\_\_

Title: \_\_\_\_\_

MIDWESTERN GAS TRANSMISSION COMPANY  
 EXHIBIT A TO PARK AND LOAN ("PAL") AGREEMENT  
 Rate Schedule PAL

COMPANY: Midwestern Gas Transmission Company  
 COMPANY'S ADDRESS: ONEOK Plaza  
 100 West 5th Street  
 Tulsa, Oklahoma 74103

CUSTOMER: \_\_\_\_\_  
 CUSTOMER'S ADDRESS: \_\_\_\_\_  
 Address Line 2: \_\_\_\_\_  
 P.O. Box: \_\_\_\_\_  
 City: \_\_\_\_\_ State/Prov: \_\_\_\_\_ Zip Code: \_\_\_\_\_

TYPE OF AGREEMENT: (Parking or Lending)

PARK AND LOAN (PAL) SERVICE OPTIONS:

	Check Option	Park/Loan Start Date	Park/Loan End Date	Withdrawal/ Payback Start Date	Withdrawal/ Payback End Date	Maximum PAL Quantity Dekatherms	Daily*** Rate per Dekatherm	Parking Point	Lending Point
1) Customer Nominated Parking/Lending Service (NPL)*	<input type="checkbox"/>						-----	-----	-----
2) Customer Requested Term Parking/Lending Service (RPL)**	<input type="checkbox"/>								
3) Company Offered Parking/Lending Service (OPL)**	<input type="checkbox"/>								
4) Customer Authorized Automatic Parking/ Lending Service (APL)*	<input type="checkbox"/>							-----	-----

Ratable Schedule: (Yes or No)

\*Maximum PAL Quantity available on a daily basis during the term of the Exhibit A.

\*\*Maximum PAL Quantity available during the term of the Exhibit A.

\*\*\*If this Exhibit A is at a Negotiated Rate, see description below.

Description of Negotiated Rate:

This Exhibit A is made and entered into as of \_\_\_\_\_, 20\_\_\_\_\_.

Agreement No. \_\_\_\_\_  
 Dealbook No. \_\_\_\_\_

MIDWESTERN GAS TRANSMISSION COMPANY  
EXHIBIT A TO FIRM PARK AND LOAN ("FPAL") AGREEMENT  
Rate Schedule FPAL

COMPANY: Midwestern Gas Transmission Company  
COMPANY'S ADDRESS: ONEOK Plaza  
100 West 5th Street  
Tulsa, Oklahoma 74103

CUSTOMER: \_\_\_\_\_  
CUSTOMER'S ADDRESS: \_\_\_\_\_  
Address Line 2: \_\_\_\_\_  
P.O. Box: \_\_\_\_\_  
City: \_\_\_\_\_ State/Prov: \_\_\_\_\_ Zip Code: \_\_\_\_\_

TYPE OF AGREEMENT: (Parking or Lending)

FIRM PARK AND LOAN (FPAL) SERVICE:

Park/Loan Start Date	Park/Loan End Date	Withdrawal/ Payback Start Date	Withdrawal/ Payback End Date	Maximum PAL* Quantity (Dth)	Daily Demand** Rate per Dekatherm	Commodity Rate per Dekatherm	Parking Point	Lending Point
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Ratable Schedule: (Yes or No)

\*Maximum FPAL Quantity available during the term of the Exhibit A.

\*\*If this Exhibit A is at a Negotiated Rate, see description below.

Description of Negotiated Rate:

This Exhibit A is made and entered into as of \_\_\_\_\_, 20\_\_\_\_.

Agreement No. \_\_\_\_\_

Dealbook No. \_\_\_\_\_

Appendix B  
Marked Tariff Records

RATE SCHEDULE FPAL  
FIRM PARK AND LOAN SERVICE

1. AVAILABILITY

1.1 Availability of Service

This Rate Schedule is available to any Person (hereinafter referred to as "Customer") who requests Firm Park and Loan Service (FPAL) from Company and has executed a PAL Agreement under this Rate Schedule. The PAL Agreement shall be considered a master PAL Agreement and Customer and Company may agree to additional PAL or FPAL services by executing additional PAL Agreement Exhibit A(s). Company shall provide PAL service on a non-discriminatory basis: (1) subject to availability and Company's flexibility to provide such service and (2) subject to the limitations set forth below.

1.2 Limits on Service

1.2.1 Existing Facilities

Company shall not be required to provide service under this Rate Schedule that would require Company to construct or acquire any new facilities.

1.2.2 Availability

FPAL Service is available on the Mainline and is not available on the Eastern Mainline. Company shall not provide FPAL service that will result in the total contracted firm capacity (transportation and FPAL) exceeding Company's peak operationally available capacity on any Mainline segment unless (1) Company, exercising reasonable judgment, determines that an FPAL transaction will have a positive effect on Company's system (i.e., a park of gas when line pack is below optimal levels or a loan of gas when line pack is above optimal levels). Company shall not provide an FPAL service that will result in the total contracted firm capacity (transportation and FPAL) exceeding Company's peak operationally available capacity at any Mainline Receipt Point or Delivery Point.

In addition to the above limitations, Company shall not provide FPAL services if, in its reasonable judgment, providing such service would interfere with the primary rights of any Customer that will hold firm capacity at the time the Customer requests FPAL service.

1.2.3 Creditworthiness

Company shall not be required to execute a PAL Agreement under this Rate Schedule prior to determining the creditworthiness of Customer. Furthermore, Company shall not be required to perform service under this Rate Schedule on behalf of any Customer who fails to demonstrate creditworthiness according to Section 25 of the General Terms and Conditions.

1.3 Use of Third Party Storage Services

Company may contract for storage services offered by third party service providers for use in providing FPAL service.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Applicability of Service

This Rate Schedule shall apply to all Firm PAL services Company provides.

2.2 Character of Service

Service under this Rate Schedule shall be provided for Parking and/or Lending service(s). Company shall park and/or lend a quantity of gas for/to Customer up to the Maximum PAL Quantity stated in Dekatherms as specified in the effective PAL Agreement Exhibit. Company and Customer may agree to a schedule, over which nominations may be ratable, for the initial park or loan period and the subsequent return period, as set forth on Exhibit "A" of Customer's Rate Schedule FPAL Service Agreement. Where Company and Customer have agreed to a ratable schedule, the quantities shall be nominated in an equal amount over the course of the corresponding period.

2.2.1 Parking Service provides for:

- (a) The receipt by Company of gas quantities that have been delivered by Customer at a Parking Point(s);
- (b) Company holding the parked gas quantities; and
- (c) The subsequent return of parked gas quantities to the Customer at such Parking Point(s), or a mutually agreeable alternative Parking Point(s) subject to 4.2 of this Rate Schedule.

2.2.2 Lending Service provides for:

- (a) The receipt of gas quantities by Customer from Company at a Lending Point(s); and
- (b) The subsequent return of the loaned gas quantities to the Company at such Lending Point(s), or a mutually agreeable alternative Lending Point(s) subject to 4.2 of this Rate Schedule.

2.3 Firm Park and Loan (PAL) Service

Firm PAL service is a Parking and Lending service that allows a Customer to request PAL service from Company for a mutually agreed upon term. The quantity of gas parked and/or loaned shall be the quantities set forth on Exhibit A of Customer's PAL Agreement. The FPAL service is subject to the applicable credits if Company is unable to provide the nominated FPAL service quantities as further described in Section 37 of the General Terms and Conditions.

Service under this Rate Schedule shall be subject to confirmation by Company prior to being scheduled.

2.4 Term of Service

Service under this Rate Schedule shall be provided for a minimum of one (1) day and a maximum term as set forth in the effective PAL Agreement Exhibit A between Customer and Company.

In the event parked quantities remain in Company's system and/or loaned quantities have not been returned to Company's system by the expiration of the term, Company and Customer may mutually agree to an extended time frame and/or modified terms, including the rate, of such PAL service or a replacement PAL service, to permit Customer to return such quantities to Company or to permit Company to return such quantities to Customer.

2.5 Nominations for Service

Customer shall nominate PAL services under this Rate Schedule in accordance with the nomination deadlines set forth in Section 3 of the General Terms and Conditions.

2.6 Confirmation and Scheduling of Service

Service under this Rate Schedule shall be subject to confirmation by Company prior to being scheduled. Confirmed and scheduled quantities of gas parked or loaned by Company cannot be bumped by new requests for parking and/or lending service. Service under this Rate Schedule shall be scheduled and confirmed with equal priority with other firm services.

2.7 Capacity Release

The capacity release mechanism specified in Section 21 of the General Terms and Conditions is applicable to this Rate Schedule.

2.8 Transportation Service

Customer shall pay for all charges, including any applicable Fuel Retention and/or Loss Quantity, for any transportation associated with FPAL service. If Customer repays a loan of gas at a point other than the initial Lending Point or retrieves parked gas at a point other than the initial Parking Point, it shall pay all associated transportation charges, including any applicable Fuel Retention and/or Loss Quantity. Customer shall enter into contracts under the appropriate Rate Schedules for the above-described transportation services.

3. RATE AND PAYMENT

3.1 Maximum and Minimum Rates

The daily Maximum and Minimum Rates for service under this Rate Schedule are listed on the Summary of Rates and Charges of Company's FERC Gas Tariff.

Customer shall pay the daily Maximum Rate for service under this Rate Schedule unless Customer and Company have executed an Exhibit A providing for a discounted or negotiated rate agreement pursuant to Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff. Company is not obligated to accept a rate for services rendered hereunder at less than the Maximum Rate.

3.2 Monthly Invoice

The charge to be invoiced monthly pursuant to Section 5 of the General Terms and Conditions for service under this Rate Schedule for FPAL services shall be the maximum or mutually agreed upon FPAL daily demand rate multiplied by the Maximum PAL Quantity plus the commodity rate multiplied by the actual quantity parked or loaned as set forth in Exhibit A for each day service is made available by Company. Charges shall commence on the first day of the agreed upon transaction and continue until the last day of the agreed upon term as set forth in Exhibit A of Customer's PAL Agreement.

4. RATE SCHEDULE PAL POINTS OF SERVICE

4.1 Listing of Available Parking and Lending Points

Company shall post the name and location of all Parking Points and Lending Points.

Each Parking Point and Lending Point shall be associated with a physical point of service identified pursuant to this Section, as updated from time to time pursuant to Section 4.2 of this Rate Schedule.

4.2 Addition or Deletion of Points of Service

Company shall post any additions or deletions to the list of available Parking Points or Lending Points. If Company terminates a Parking Point where parked quantities are to be returned to Customer or a Lending Point where loaned quantities are to be returned to Company, such point(s) shall remain available for the limited purpose of completing such outstanding transactions unless Customer and Company mutually agree to utilize a different Parking Point or Lending Point. If Customer and Company mutually agree to utilize a different Parking Point or Lending Point for the limited purpose of completing such outstanding transaction, Customer must contract separately for transportation service between the points.

4.3 Use of Location Codes

In order to facilitate PAL service under this Rate Schedule, Parking Points and Lending Points shall be assigned nominatable location codes. Such location codes shall be posted.

5. NOTIFICATIONS, ALLOCATIONS AND CURTAILMENT

5.1 Service under this Rate Schedule shall be allocated and curtailed with equal priority with other firm services.

5.2 Customer may be required, upon notification from Company to suspend or reduce deliveries for the agreed upon Park Service, or receipts for the agreed upon Loan Service. Further, Customer may be required, upon notification from Company, to remove quantities of gas previously provided to Company under the Park Service, or return quantities of gas previously loaned to Customer under the Loan Service. Such notification shall be by telephone, and also by Company's Information Postings web site, e-mail, or facsimile.

5.3 Should Company notify Customer to remove or return quantities of gas pursuant to Subsection 5.2, Company's notification shall specify the time frame within which Park Service quantities shall be removed, and/or Loan Service quantities shall be returned. Such notifications shall be consistent with Company's operating conditions, but in no event shall the specified time frame be less than three (3) business days from the date of Company's notification unless Company and Customer mutually agree to a different time frame. The obligation of Customer to comply with the issued notification shall be monitored until such time as Company is able to recommence the PAL services.

- 5.4 In the event Customer makes a timely nomination in response to a notification by Company pursuant to Subsection 5.2, the obligation of Customer to comply with that notification shall be suspended until such time as Company's operational conditions allow Company to schedule the nomination.

## 6. FAILURE BY CUSTOMER TO RESPOND

### 6.1 Park Service

- (a) In the event any of the following occurs, parked quantities shall become the property of Company at no cost to Company, free and clear of any adverse claims:
- (i) Company's prevailing operations require Company to notify Customer that receipts of parked quantities must be suspended or be reduced, and Customer fails to comply with such notification; and/or
  - (ii) Company's prevailing operations require Company to notify Customer that all or part of Customer's parked quantities must be removed, and Customer fails to comply within the specified time frame; and/or
  - (iii) Subject to Subsection 2.4 herein, the FPAL account reflects a balance at the termination date of the associated Exhibit A to Customer's<sup>2</sup> FPAL Agreement.
- (b) If, pursuant to Subsection 6.1(a)(i), Company notifies Customer that receipts of parked quantities must be suspended or be reduced, only those quantities parked in violation of the notification shall become the property of Company at no cost to Company, free and clear of any adverse claims.
- (c) No penalty will be assessed, pursuant to this Subsection, on a remaining balance if the Customer-submitted nominations related to that balance to clear the FPAL transaction cannot be scheduled by the Company, through no fault of the Customer.
- (d) In the event that parked quantities of natural gas become the property of Company, Company shall dispose of such excess gas pursuant to Subsection 22.2 of the General Terms and Conditions. Company shall categorize the proceeds of an excess-parked gas sale, net of incremental administrative charges, as PAL penalties.

### 6.2 Loan Service

- (a) In the event any of the following occurs, loaned quantities shall be sold to Customer at 150 percent of the weekly average spot price at the Midpoint Chicago LDC Citygate as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to Customer's<sup>2</sup> PAL Agreement:
- (i) Company's prevailing operations require Company to notify Customer that deliveries of Customer's loaned quantities must be suspended or be reduced, and Customer fails to comply with such notification; and/or
  - (ii) Company's prevailing operations require Company to notify Customer that all or part of Customer's loaned quantities must be returned to Company, and Customer fails to comply within the specified time frame; and/or

(iii) Subject to Subsection 2.4 herein, the PAL account reflects a balance at the termination date of the associated Exhibit A to Customer's PAL Agreement.

(b) If, pursuant to Subsection 6.2(a)(i), Company notifies Customer that deliveries of Customer's loaned quantities must be suspended or be reduced, only those quantities loaned in violation of the notification shall be sold to Customer at 150 percent of the highest weekly Midpoint Chicago LDC Citygate price as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to Customer's PAL Agreement.

(c) No penalty will be assessed, pursuant to this Subsection, on a remaining balance if the Customer-submitted nominations related to that balance to clear the PAL transaction cannot be scheduled by the Company, through no fault of the Customer.

### 6.3 Crediting of PAL Penalties

All amounts invoiced and collected by Company as payment of penalties assessed under this Rate Schedule, net of incremental administrative charges and loaned gas costs, shall be treated as PAL penalties and shall be allocated by Company to all Customers using the methodology set forth in Subsection 23.1 of the General Terms and Conditions. The loaned gas costs for gas sold pursuant to Section 6.2 of this Rate Schedule shall be the weekly average spot price at the Midpoint Chicago LDC Citygate as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to a PAL Agreement.

## 7. OTHER CONDITIONS OF SERVICE

Company shall not be required to provide service under this Rate Schedule in the event that all facilities needed to render the requested service do not exist or are not in service at the time the request is made or the time service is commenced.

## 8. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any PAL Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE PAL  
PARK AND LOAN SERVICE

1. AVAILABILITY

1.1 Availability of Service

This Rate Schedule is available to any Person (hereinafter referred to as "Customer") who requests interruptible Park and Loan Service (PAL) from Company and has executed a PAL Agreement under this Rate Schedule. The PAL Agreement shall be considered a master PAL Agreement and Customer and Company may agree to additional PAL or FPAL services by executing additional PAL Agreement Exhibit A(s). Company shall provide PAL service on a non-discriminatory basis: (1) subject to availability and Company's flexibility to provide such service and (2) subject to the limitations set forth below.

1.2 Limits on Service

1.2.1 Existing Facilities

Company shall not be required to provide service under this Rate Schedule that would require Company to construct or acquire any new facilities.

1.2.2 Existing Services

Company shall not be required to provide service under this Rate Schedule if such service would prevent Company from providing any other firm or interruptible transportation service.

1.2.3 Creditworthiness

Company shall not be required to execute a PAL Agreement under this Rate Schedule prior to determining the creditworthiness of Customer. Furthermore, Company shall not be required to perform service under this Rate Schedule on behalf of any Customer who fails to demonstrate creditworthiness according to Section 25 of the General Terms and Conditions.

1.3 Use of Third Party Storage Services

Company may contract for storage services offered by third party service providers for use in providing PAL service.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Applicability of Service

This Rate Schedule shall apply to all interruptible PAL services Company provides.

2.2 Character of Service

Service under this Rate Schedule shall be provided for Parking and/or Lending service(s).

2.2.1 Parking Service provides for:

- (a) The receipt by Company of gas quantities that have been delivered by Customer at a Parking Point(s);
- (b) Company holding the parked gas quantities; and
- (c) The subsequent return of parked gas quantities to the Customer at such Parking Point(s), or a mutually agreeable alternative Parking Point(s), subject to Subsections 2.3.3 and 4.2 of this Rate Schedule.

2.2.2 Lending Service provides for:

- (a) The receipt of gas quantities by Customer from Company at a Lending Point(s); and
- (b) The subsequent return of the loaned gas quantities to the Company at such Lending Point(s), or a mutually agreeable alternative Lending Point(s), subject to Subsection 2.3.3 and 4.2 of this Rate Schedule.

Company shall attempt to park and/or lend a quantity of gas for/to Customer up to the Maximum PAL Quantity stated in Dekatherms as specified in the effective PAL Agreement Exhibit.

Company and Customer may agree to a schedule, over which nominations may be ratable, for the initial park or loan period and the subsequent return period, as set forth on Exhibit "A" of Customer's Rate Schedule PAL Service Agreement. Where Company and Customer have agreed to a ratable schedule, the quantities shall be nominated in an equal amount over the course of the corresponding period.

2.3 Park and Loan (PAL) Service Options

2.3.1 Customer Nominated Parking/Lending (NPL)

Customer Nominated Parking/Lending (NPL) is a service option that allows a Customer to nominate and link supplemental PAL service to nominated transportation service on Company's system in each of the supported nomination and scheduling cycles.

2.3.2 Customer Requested Term Parking/Lending (RPL)

Customer Requested Term Parking/Lending (RPL) is a service option that allows a Customer to request parking and/or lending service from Company for a mutually agreed upon term.

Requests for RPL service shall be considered if Customer has completed and submitted a proposed Exhibit A of an effective PAL Agreement reflecting the selection of RPL service for a specific time period.

If Company accepts Customer's request for RPL service, Company shall execute Customer's proposed Exhibit A to its effective PAL Agreement.

2.3.3 Company Offered Parking/Lending (OPL)

Company Offered Parking/Lending (OPL) is a service option that allows Company to offer parking and/or lending service to potential Customers for a mutually agreed upon term.

Company shall post all OPL offers, detailing the specific terms and conditions of each OPL offer, as well as provide electronic notification of such offers.

Bids for OPL service shall be considered only if Company has received from Customer a proposal for service under this Rate Schedule.

For the purposes of determining the Best Bid(s) for a posted Company Offered Parking/Lending Service, Company will award service on basis of highest rate bid. In the event there is more than one Best Bid, Company will allocate service on a pro-rata basis.

Company shall execute the proposed Exhibit A to a PAL Agreement(s) for the winning bid(s).

In the event that the Receipt and Delivery Points differ under a specific OPL transaction, then a separately stated amount for transportation shall be included in the bid. Such transportation amount shall not be priced at less than the Minimum Commodity Rate pursuant to Rate Schedule IT on a Dekatherm basis.

#### 2.3.4 Customer Authorized Automatic Parking/Lending (APL)

Customer Authorized Automatic Parking/Lending (APL) is a service option that allows a Customer to pre-authorize Company to nominate, on the Customer's behalf, parking and/or lending service within a supported nomination cycle in attempt to minimize the Customer's Stranded Allocated Capacity in such cycle.

To initiate or terminate APL on a prospective basis, a Customer must complete and submit to Company a proposed Exhibit A to its effective PAL Agreement.

Customer retains the right to prospectively adjust scheduled parking and/or lending activity nominated via APL in subsequent nomination cycles.

#### 2.3.5 For all options listed in Subsections 2.3.1 through 2.3.4 above, service under this Rate Schedule shall be subject to confirmation by Company prior to being scheduled.

### 2.4 Term of Service

Service under this Rate Schedule shall be provided for a minimum of one (1) day and a maximum term as set forth in the effective PAL Agreement Exhibit A between Customer and Company.

In the event parked quantities remain in Company's system and/or loaned quantities have not been returned to Company's system by the expiration of the term, Company and Customer may mutually agree to an extended time frame and/or modified terms, including the rate, of such PAL service or a replacement PAL service, to permit Customer to return such quantities to Company or to permit Company to return such quantities to Customer.

### 2.5 Nominations for Service

Customer shall nominate PAL services under this Rate Schedule in accordance with the nomination deadlines set forth in Section 3 of the General Terms and Conditions.

#### 2.6 Confirmation and Scheduling of Service

Service under this Rate Schedule shall be confirmed and scheduled, after all other services offered by Company are scheduled and confirmed, on the basis of the Customer paying the highest rate at a Parking Point or Lending Point. Ties will be confirmed and scheduled on a pro rata basis.

Existing quantities of gas parked or loaned by Company cannot be bumped by new requests for parking and/or lending service.

#### 2.7 Transportation Service

Customer shall pay for all charges, including any applicable Fuel Retention and/or Loss Quantity, for any transportation associated with PAL service. If Customer repays a loan of gas at a point other than the initial Lending Point or retrieves parked gas at a point other than the initial Parking Point, it shall pay all associated transportation charges, including any applicable Fuel Retention and/or Loss Quantity. Customer shall enter into contracts under the appropriate Rate Schedules for the above-described transportation services.

### 3. RATE AND PAYMENT

#### 3.1 Maximum and Minimum Rates

The daily Maximum and Minimum Rates for service under this Rate Schedule are listed on the Summary of Rates and Charges of Company's FERC Gas Tariff.

Customer shall pay the daily Maximum Rate for service under this Rate Schedule unless Customer and Company have executed an Exhibit A providing for a discounted or negotiated rate agreement pursuant to Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff. Company is not obligated to accept a rate for services rendered hereunder at less than the Maximum Rate.

The charge to be invoiced monthly pursuant to Section 5 of the General Terms and Conditions for service under this Rate Schedule for PAL services shall be the maximum or mutually agreed upon PAL daily rate multiplied by the quantity of gas parked or loaned, for each separate transaction of Customer, multiplied by the number of days within such month that the quantity of gas is parked or loaned.

### 4. RATE SCHEDULE PAL POINTS OF SERVICE

#### 4.1 Listing of Available Parking and Lending Points

Company shall post the name and location of all Parking Points and Lending Points.

Each Parking Point and Lending Point shall be associated with a physical point of service identified pursuant to this Section, as updated from time to time pursuant to Section 4.2 of this Rate Schedule.

4.2 Addition or Deletion of Points of Service

Company shall post any additions or deletions to the list of available Parking Points or Lending Points. If Company terminates a Parking Point where parked quantities are to be returned to Customer or a Lending Point where loaned quantities are to be returned to Company, such point(s) shall remain available for the limited purpose of completing such outstanding transactions unless Customer and Company mutually agree to utilize a different Parking Point or Lending Point. If Customer and Company mutually agree to utilize a different Parking Point or Lending Point for the limited purpose of completing such outstanding transaction, Customer must contract separately for transportation service between the points.

4.3 Use of Location Codes

In order to facilitate PAL service under this Rate Schedule, Parking Points and Lending Points shall be assigned nominatable location codes. Such location codes shall be posted.

5. NOTIFICATIONS, ALLOCATIONS AND CURTAILMENT

5.1 For purposes of restricting PAL services, Company will give priority to PAL Agreements with the highest rate commitment to Company. For purposes of calculating the daily rate commitment, Customers willing to pay more than the Maximum Rate listed on the Summary of Rates and Charges of this FERC Gas Tariff will be considered to be paying the Maximum Rate. Service will be allocated or curtailed on a pro rata basis among Customers willing to make the same daily rate commitment to Company for PAL services.

5.2 Customer may be required, upon notification from Company, to suspend or reduce deliveries for the agreed upon Park Service, or receipts for the agreed upon Loan Service. Further, Customer may be required, upon notification from Company, to remove quantities of gas previously provided to Company under the Park Service, or return quantities of gas previously loaned to Customer under the Loan Service. Such notification shall be by telephone, and also by Company's Information Postings web site, e-mail, or facsimile.

5.3 Should Company notify Customer to remove or return quantities of gas pursuant to Subsection 5.2, Company's notification shall specify the time frame within which Park Service quantities shall be removed, and/or Loan Service quantities shall be returned. Such notifications shall be consistent with Company's operating conditions, but in no event shall the specified time frame be less than three (3) business days from the date of Company's notification unless Company and Customer mutually agree to a different time frame. The obligation of Customer to comply with the issued notification shall be monitored until such time as Company is able to recommence the PAL services.

5.4 In the event Customer makes a timely nomination in response to a notification by Company pursuant to Subsection 5.2, the obligation of Customer to comply with that notification shall be suspended until such time as Company's operational conditions allow Company to schedule the nomination.

6. FAILURE BY CUSTOMER TO RESPOND

6.1 Park Service

- (a) In the event any of the following occurs, parked quantities shall become the property of Company at no cost to Company, free and clear of any adverse claims:
  - (i) Company's prevailing operations require Company to notify Customer that receipts of parked quantities must be suspended or be reduced, and Customer fails to comply with such notification; and/or
  - (ii) Company's prevailing operations require Company to notify Customer that all or part of Customer's parked quantities must be removed, and Customer fails to comply within the specified time frame; and/or
  - (iii) Subject to Subsection 2.4 herein, the PAL account reflects a balance at the termination date of the associated Exhibit A to Customer's PAL Agreement.
- (b) If, pursuant to Subsection 6.1(a)(i), Company notifies Customer that receipts of parked quantities must be suspended or be reduced, only those quantities parked in violation of the notification shall become the property of Company at no cost to Company, free and clear of any adverse claims.
- (c) No penalty will be assessed, pursuant to this Subsection, on a remaining balance if the Customer-submitted nominations related to that balance to clear the PAL transaction cannot be scheduled by the Company, through no fault of the Customer.
- (d) In the event that parked quantities of natural gas become the property of Company, Company shall dispose of such excess gas pursuant to Subsection 22.2 of the General Terms and Conditions. Company shall categorize the proceeds of an excess-parked gas sale, net of incremental administrative charges, as PAL penalties.

## 6.2 Loan Service

- (a) In the event any of the following occurs, loaned quantities shall be sold to Customer at 150 percent of the weekly average spot price at the Midpoint Chicago LDC Citygate as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to Customer's PAL Agreement:
  - (i) Company's prevailing operations require Company to notify Customer that deliveries of Customer's loaned quantities must be suspended or be reduced, and Customer fails to comply with such notification; and/or
  - (ii) Company's prevailing operations require Company to notify Customer that all or part of Customer's loaned quantities must be returned to Company, and Customer fails to comply within the specified time frame; and/or
  - (iii) Subject to Subsection 2.4 herein, the PAL account reflects a balance at the termination date of the associated Exhibit A to Customer's PAL Agreement.
- (b) If, pursuant to Subsection 6.2(a)(i), Company notifies Customer that deliveries of Customer's loaned quantities must be suspended or be reduced, only those quantities loaned in violation of the notification shall be sold to Customer at 150 percent of the highest weekly Midpoint Chicago LDC Citygate price as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to Customer's PAL Agreement.

- (c) No penalty will be assessed, pursuant to this Subsection, on a remaining balance if the Customer-submitted nominations related to that balance to clear the PAL transaction cannot be scheduled by the Company, through no fault of the Customer.

6.3 Crediting of PAL Penalties

All amounts invoiced and collected by Company as payment of penalties assessed under this Rate Schedule, net of incremental administrative charges and loaned gas costs, shall be treated as PAL penalties and shall be allocated by Company to all Customers using the methodology set forth in Subsection 23.1 of the General Terms and Conditions. The loaned gas costs for gas sold pursuant to Section 6.2 of this Rate Schedule shall be the weekly average spot price at the Midpoint Chicago LDC Citygate as reported in Gas Daily during the term of the agreed upon transaction as set forth in the associated Exhibit A to a PAL Agreement.

7. OTHER CONDITIONS OF SERVICE

Company shall not be required to provide service under this Rate Schedule in the event that all facilities needed to render the requested service do not exist or are not in service at the time the request is made or the time service is commenced.

8. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any PAL Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

MIDWESTERN GAS TRANSMISSION COMPANY  
PARK AND LOAN ("PAL") AGREEMENT  
Rate Schedule FPAL or PAL

THIS AGREEMENT (Agreement No. \_\_\_\_\_) is made and entered into as of \_\_\_\_\_, 20\_\_\_\_, by and between MIDWESTERN GAS TRANSMISSION COMPANY, hereinafter referred to as "Company" and \_\_\_\_\_, hereinafter referred to as "Customer." Company and Customer shall be collectively referred to as "Parties."

WITNESSETH:

That, in consideration of their respective covenants and agreements herein contained, Company and Customer agree as follows:

ARTICLE 1 - DEFINITIONS

The definitions found in Section 1 of the General Terms and Conditions of Company's FERC Gas Tariff are incorporated herein by reference.

ARTICLE 2 - BASIC RECEIPTS

On any day after the Commencement of Service Date on the Exhibit(s) A attached hereto, Customer shall be entitled to nominate a quantity of gas up to Customer's Maximum PAL Quantity set forth in the Exhibit(s) A attached hereto at a Parking Point. Once scheduled by Company, Company shall receive gas in accordance with the applicable terms and conditions of the applicable Rate Schedule (FPAL or PAL).

ARTICLE 3 - BASIC DELIVERIES

On any day after the Commencement of Service Date on the Exhibit(s) A attached hereto, Customer shall be entitled to nominate a quantity of gas up to Customer's Maximum PAL Quantity set forth in the Exhibit(s) A attached hereto at a Lending Point. Once scheduled by Company, Company shall deliver gas in accordance with the applicable terms and conditions of the applicable Rate Schedule (FPAL or PAL).

ARTICLE 4 - RATES

Rates for service under this Agreement shall be at Company's Maximum Rate plus all applicable surcharges in effect under the applicable Rate Schedule (FPAL or PAL) unless otherwise agreed to by the parties and set forth in the Exhibit(s) A attached hereto.

ARTICLE 5 - PAYMENTS

Customer shall make payments to Company in accordance with the terms and conditions specified on the Exhibit(s) A attached hereto, the applicable Rate Schedule (FPAL or PAL), Section 6 of the General Terms and Conditions, and the other applicable terms and provisions of this Agreement.

#### ARTICLE 6 - CHANGE IN TARIFF PROVISIONS

Upon notice to Customer, Company shall have the right to file with the Federal Energy Regulatory Commission any changes in the terms of any of its Rate Schedules, General Terms and Conditions or Form of Agreement as Company may deem necessary, and to make such changes effective at such times as Company desires and is possible under applicable law. Customer may protest any filed changes before the Federal Energy Regulatory Commission and exercise any other rights it may have with respect thereto.

#### ARTICLE 7 - TERM

Where no Exhibit(s) A has been executed by Company and attached hereto within five years of the date of execution of this Agreement then this Agreement shall automatically terminate. Where one or more Exhibit(s) A have been executed by Company and attached hereto, then this Agreement shall automatically terminate five years after the latest Termination of Service Date on such Exhibit(s) A.

Termination of this Agreement shall not relieve Customer of the obligation to pay money due hereunder to Company and shall be in addition to any other remedies that Company may have.

#### ARTICLE 8 - APPLICABLE LAW AND SUBMISSION TO JURISDICTION

This Agreement and Company's Tariff, and the rights and obligations of Company and Customer thereunder are subject to all relevant and United States lawful statutes, rules, regulations and orders of duly constituted authorities having jurisdiction. Subject to the foregoing, this Agreement shall be governed by and interpreted in accordance with the laws of the State of Oklahoma. For purposes of legal proceedings, this Agreement shall be deemed to have been made in the State of Oklahoma and performed there, and the Courts of that State shall have jurisdiction over all disputes which may arise under this Agreement, provided always that nothing herein contained shall prevent Company from proceeding at its election against Customer in the Courts of any other State, Province or Country.

At the Company's request, the Customer shall irrevocably appoint an agent in Oklahoma to receive, for it and on its behalf, service of process in connection with any judicial proceeding in Oklahoma relating to the Agreement. Such service shall be deemed completed on delivery to such process agent (even if not forwarded to and received by the Customer.) If said agent ceases to act as a process agent within Oklahoma on behalf of Customer, the Customer shall appoint a substitute process agent within Oklahoma and deliver to the Company a copy of the new agent's acceptance of that appointment within 30 days.

#### ARTICLE 9 - SUCCESSORS

Any person which shall succeed by purchase, amalgamation, merger or consolidation to the properties, substantially as an entirety, of Customer or of Company, as the case may be, and which shall assume all obligations under Customer's Agreement of Customer or Company, as the case may be, shall be entitled to the rights, and shall be subject to the obligations, of its predecessor under Customer's Agreement. Any such successor must obtain any required regulatory approvals to make such assignment or transfer. Either party to a Customer's Agreement may pledge or charge the same under provisions of any mortgage, deed of trust, indenture, security agreement or similar instrument which it has executed, or, subject to any required regulatory approvals, assign such Agreement to any affiliated Person (which for such purpose shall mean any person which controls, is under common control with or is controlled by such party). Nothing contained in this Article 9 shall, however, operate to release predecessor Customer from its obligation under its

Agreement unless Company shall, in its sole discretion, consent in writing to such release and Customer and the successor have obtained any required regulatory approvals. Company shall not release any Customer from its obligations under its Agreement unless: (a) such release is effected pursuant to an assignment of obligations by such Customer, and the assumption thereof by the assignee, and the terms of such assignment and assumption render the obligations being assigned and assumed no more conditional and no less absolute than those at the time provided therein; and (b) such release is not likely to have a substantial adverse effect upon Company. Customer shall, at Company's request, execute such instrument and take such other action as may be desirable to give effect to any such assignment of Company's rights under such Customer's Agreement or to give effect to the right of a Person whom the Company has specified pursuant to Section 6 of the General Terms and Conditions of Company's FERC Gas Tariff as the Person to whom payment of amounts invoiced by Company shall be made; provided, however, the: (a) Customer shall not be required to execute any such instruments or take any such other action the effect of which is to modify the respective rights and obligations of either Customer or Company under this Agreement; and (b) Customer shall be under no obligation at any time to determine the status or amount of any payments which may be due from Company to any Person whom the Company has specified pursuant to said Section 6 as the Person to whom payment of amounts invoiced by Company shall be made.

#### ARTICLE 10 - OTHER OPERATING PROVISIONS

(This Article to be utilized when necessary to specify other operating provisions.)

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#### ARTICLE 11 - EXHIBIT A OF AGREEMENT, RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS

Customer shall initiate a request for FPAL or PAL service by executing and delivering to Company one or more Exhibit(s) A. Upon execution by Company, Customer's Exhibit(s) A shall be incorporated in and made a part hereof.

Company's Rate Schedules and General Terms and Conditions, which are on file with the Federal Energy Regulatory Commission (FERC) and in effect, and Exhibit(s) A hereto are all applicable to this Agreement and are hereby incorporated by reference and made a part of this Agreement. To the extent a term or condition set forth in this Agreement is inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. Furthermore, to the extent a term or condition set forth in this Agreement is inconsistent with the applicable Rate Schedule, the Rate Schedule shall govern unless the relevant provision is inconsistent with General Terms and Conditions.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first set forth above.

MIDWESTERN GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
(NAME OF CUSTOMER)

By: \_\_\_\_\_

Title: \_\_\_\_\_

MIDWESTERN GAS TRANSMISSION COMPANY  
 EXHIBIT A TO PARK AND LOAN ("PAL") AGREEMENT  
 Rate Schedule PAL

COMPANY: \_\_\_\_\_ Midwestern Gas Transmission Company \_\_\_\_\_ Contract  
 No. \_\_\_\_\_

Dealbook No. \_\_\_\_\_

COMPANY'S ADDRESS: ONEOK Plaza  
 100 West 5th Street  
 Tulsa, Oklahoma 74103

CUSTOMER: \_\_\_\_\_

CUSTOMER'S ADDRESS: \_\_\_\_\_

Address Line 2: \_\_\_\_\_

P.O. Box: \_\_\_\_\_

City: \_\_\_\_\_ State/Prov: \_\_\_\_\_ Zip Code: \_\_\_\_\_

TYPE OF AGREEMENT: (Parking or Lending) Park  or Loan  (check one)

PARK AND LOAN (PAL) SERVICE OPTIONS:

	Check Option	Commencemen t of Service Date <u>Start Date</u>	Park/Loan <u>End Date</u>	Termination of Service Date <u>Start Date</u>	Withdrawal/ Payback <u>End Date</u>	Maximum PAL Quantity Dekatherms	Daily*** Rate per Dekatherms	Parking Points	Lending Points
1) Customer Nominated Parking/Lending Service (NPL)*	<input type="checkbox"/>	_____	_____	_____	_____	_____	_____ <u>Nominated</u>	_____ <u>All Points Nominated</u>	_____ <u>All Points</u>
2) Customer Requested Term Parking/Lending Service (RPL)**	<input type="checkbox"/>	_____	_____	_____	_____	_____	_____ \$_____	_____	_____
3) Company Offered Parking/Lending Service (OPL)**	<input type="checkbox"/>	_____	_____	_____	_____	_____	_____ \$_____	_____	_____
4) Customer Authorized Automatic Parking/ Lending Service (APL)*	<input type="checkbox"/>	_____	_____	_____	_____	_____	_____ \$_____	_____ <u>All Points</u>	_____ <u>All Points</u>

Ratable Schedule: (Yes or No)

-\*Maximum PAL Quantity available on a daily basis during the term of the Exhibit A.

\*\*Maximum PAL Quantity available during the term of the Exhibit A.

\*\*\*If this Exhibit A is at a Negotiated Rate, ~~attach an explanation~~see description below.

Description of Negotiated Rate:

This Exhibit A is made and entered into as of \_\_\_\_\_, 20\_\_\_\_\_.

Agreement No. - \_\_\_\_\_

Dealbook No. \_\_\_\_\_

~~(This Exhibit A supersedes and cancels Exhibit A dated \_\_\_\_\_ to the PAL Agreement dated \_\_\_\_\_.)~~

MIDWESTERN GAS TRANSMISSION COMPANY  
 EXHIBIT A TO FIRM PARK AND LOAN (FPAL) AGREEMENT  
 Rate Schedule FPAL

COMPANY: \_\_\_\_\_ Midwestern Gas Transmission Company Contract  
 No. \_\_\_\_\_  
 Dealbook No. \_\_\_\_\_  
 COMPANY'S ADDRESS: ONEOK Plaza  
 100 West 5th Street  
 Tulsa, Oklahoma 7410574103

CUSTOMER: \_\_\_\_\_  
 CUSTOMER'S ADDRESS: \_\_\_\_\_  
 Address Line 2: \_\_\_\_\_  
 P.O. Box: \_\_\_\_\_  
 City: \_\_\_\_\_ State/Prov: \_\_\_\_\_ Zip Code: \_\_\_\_\_

TYPE OF AGREEMENT: (Parking or Lending) Park  or Loan  (check one)

FIRM PARK AND LOAN (FPAL) SERVICE\*\*:

<u>Commence</u> <u>ment of</u> <u>Service</u> <u>Date</u>	<u>Park/Loan</u> <u>End Date</u>	<u>Termination</u> <u>of Service</u> <u>Date</u>	<u>Withdrawal/</u> <u>Payback</u> <u>End Date</u>	<u>Maximum PAL*</u> <u>Quantity (Dth)</u>	<u>Daily Demand**</u> <u>Rate per</u> <u>Dekatherm</u>	<u>Commodity</u> <u>Rate per</u> <u>Dekatherm</u>	<u>Parking</u> <u>Points</u>	<u>Lending</u> <u>Points</u>
_____	_____	_____	_____	_____	_____	_____	_____	_____

Ratable Schedule: (Yes or No)

\*If this Exhibit A is at a Negotiated Rate, attach an explanation.

\*\*Maximum FPAL Quantity available during the term of the Exhibit A.

\*\*If this Exhibit A is at a Negotiated Rate, see description below.

Description of Negotiated Rate:

This Exhibit A is made and entered into as of \_\_\_\_\_, 20\_\_\_\_.

Agreement No. - \_\_\_\_\_

Dealbook No. \_\_\_\_\_  
(This Exhibit A supersedes and cancels Exhibit A dated \_\_\_\_\_ to the FPAL Agreement dated \_\_\_\_\_.)