



May 26, 2011

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

*via eTariff Filing*

**Gas Transmission Northwest LLC**  
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Re: Gas Transmission Northwest LLC  
Change in FERC Gas Tariff  
Docket No. RP11-

Dear Ms. Bose,

Pursuant to Section 4 of the Natural Gas Act and Section 154 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations, Gas Transmission Northwest LLC ("GTN") respectfully submits the tariff sections listed in Appendix A to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1-A ("Tariff"). As explained in greater detail below, GTN is proposing several housekeeping changes to its Tariff. GTN respectfully requests that the Commission accept these tariff sections to become effective June 27, 2011.

The names, titles, mailing address, and telephone numbers of the persons to whom correspondence and communications concerning this filing should be addressed are as follows:

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

#### Application of Existing Revenue-Based Capacity Allocation Methodology

On August 1, 2003, in Docket No. RP03-556-000, GTN<sup>1</sup> filed tariff sheets to implement a revenue-based interruptible transportation capacity allocation methodology. On August 25, 2003, the Commission accepted the tariff sheets.<sup>2</sup> The August 25 Order approved language whereby available interruptible capacity would be allocated first to the shipper(s) paying the highest rate, followed by a *pro rata* tie breaker based on confirmable nominations.<sup>3</sup> It has recently come to GTN's attention that language contained in Section 6.19.4, paragraph (c)(2), of GTN's Tariff is inconsistent with the revenue-based capacity allocation methodology approved in the August 25 Order. GTN is proposing in the instant filing to clarify that interruptible nominations submitted during the Timely, Evening, and Intraday 1 Nomination Cycles shall have priority over other nominated and scheduled interruptible volumes, subject to GTN's revenue-based capacity allocation methodology.

#### North American Energy Standards Board ("NAESB") Version 1.9 Standards

Additionally, language in Section 6.19.4, paragraph (b)(iv), of GTN's Tariff is inconsistent with Standard 1.3.2(iv) of the North American Energy Standards Board ("NAESB") Version 1.9

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<sup>1</sup> GTN was formerly known as PG&E Gas Transmission, Northwest Corporation.

<sup>2</sup> *PG&E Gas Transmission, Northwest Corporation*, Docket No. RP03-556-000 (August 25, 2003) (unpublished letter order) ("August 25 Order").

<sup>3</sup> See Tariff Sections 6.18.3 – GT&C, Interruptible Service paragraph (c), and 6.19.2 – GT&C, Priority of Interruptible Service.

standards, adopted in Commission Order No. 587-U.<sup>4</sup> Section 6.19.4, paragraph (b)(iv), describes the Intraday 2 Nomination Cycle, stating in part that firm nominations may not bump scheduled interruptible volumes. NAESB Version 1.9 Standard 1.3.2(iv) does not differentiate between transportation services concerning bumping, and does not allow bumping of any manner during the Intraday 2 Nomination Cycle. In the instant filing, GTN is proposing to modify its Section 6.19.4, paragraph (b)(iv), language to make the Intraday 2 Nomination Cycle language in GTN's Tariff consistent with NAESB Version 1.9 Standard 1.3.2(iv).

#### Expiration of Competitive Equalization Surcharge and Mitigation Revenue Recovery Surcharge

On November 30, 2004, in Docket No. RP05-99-000, GTN filed tariff sheets to remove from its Tariff references to its expired Competitive Equalization Surcharge and Mitigation Revenue Recovery Surcharge ("CES/MRRS" or "CES/MRRS Filing").<sup>5</sup> GTN requested an effective date of January 1, 2005, for the filed tariff sheets consistent with the schedule set forth in the Stipulation and Agreement resulting from GTN's general Section 4 rate case in Docket No. RP94-149, *et al.*, approved by the Commission on September 11, 1996.<sup>6</sup> In its CES/MRRS Filing, GTN eliminated references to the CES/MRRS from its Statement of Effective Rates and Charges, Rate Schedule FTS-1, and General Terms and Conditions. GTN failed, however, to remove other direct and indirect references to the CES/MRRS from Tariff Section 4.4—Statement of Rates, Competitive Equalization Surcharge ("Section 4.4"), Tariff Section 5.1.3.1—Rate Schedule FTS-1, Reservation Charge ("Section 5.1.3.1"), and Tariff Section 5.2.3.1—Rate Schedule LFS-1, Reservation Charge ("Section 5.2.3.1") when it submitted its CES/MRRS Filing. Section 4.4 includes a listing of customers that contracted for firm capacity that was made available as a result of the GTN system expansion authorized in Docket No. CP98-167,<sup>7</sup> and Sections 5.1.3.1 and 5.2.3.1 include several references to a "Reservation Surcharge" which are no longer applicable. GTN is proposing in the instant filing to remove Section 4.4 in its

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<sup>4</sup> *Standards for Business Practices for Interstate Natural Gas Pipelines, Order No. 587-U*, 130 FERC ¶ 61,212 (2010).

<sup>5</sup> The Commission accepted the revised tariff sheets on December 15, 2004. *GTN*, Docket No. RP05-99-000 (December 15, 2004) (unpublished Director's letter order).

<sup>6</sup> 76 FERC ¶ 61,246 (1996).

<sup>7</sup> GTN was granted permission to establish and charge the CES to new shippers subscribing to long-term firm capacity made available in whole or in part by the expansion. *PG&E Gas Transmission, Northwest Corporation*, 84 FERC ¶ 61,204 (1998).

entirety and reserve it for future use, and to remove the remaining references to Reservation Surcharge from Sections 5.1.3.1 and 5.2.3.1.

#### Additional Housekeeping Measures

Additionally, GTN is submitting in the instant filing the following housekeeping changes to its Tariff:

- A change to Sections 5.1.3 and 5.2.3 to change “Reservation Charge” to “Reservation Charges,” to accommodate references to multiple reservation charges within Rate Schedules FTS-1 and LFS-1;
- Modifications to Sections 5.1.3.1, 5.1.3.9, 5.1.3.10, 5.2.3.1, and 5.2.3.3 to reflect that GTN’s rates are assessed on a daily basis, not a monthly basis;<sup>8</sup>
- A change to Section 5.3.3.5 to clarify that GTN does not retain gas for fuel or line loss for backhauls or upstream deliveries;
- A change to Section 6.19.3 to make GTN’s Tariff language concerning the priority of authorized overrun service consistent with Commission precedent;<sup>9</sup>
- A change to Section 6.20 so that a transportation service reference corresponds with the accompanying Tariff section reference, and to clarify the order of curtailment;
- A change to Section 6.31 to clarify that negotiated rates do not apply as the price cap in a capacity release transaction of greater than one year, and to eliminate unessential language;
- In Sections 7.1, 7.2, 7.3, 7.4, 7.5, and 7.7, a change to the article entitled “Rate(s), Rate Schedules, and General Terms and Conditions of Service” of each Form of Service Agreement to stipulate that in addition to a Negotiated Rate, any applicable “discounted” rate, and its provisions, shall be set forth in an Exhibit B to the agreement; and additionally, to update the notice provision language in the Miscellaneous article of each Form of Service Agreement to provide for notice by “electronic means” rather than by “telex”;

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<sup>8</sup> GTN transitioned from monthly rates to daily rates as part of its rate case in Docket No. RP06-407-000. *Gas Transmission Northwest Corporation*, 116 FERC ¶ 61,109 (2006).

<sup>9</sup> *See, e.g., Ruby Pipeline, L.L.C.*, 128 FERC ¶ 61,224 at P 72 (2009).

- The removal of Sections 7.6 and 7.6.1, GTN’s Electronic Data Interchange (“EDI”) Agreement, as unnecessary given GTN’s utilization of the EDI agreement templates available through North American Energy Standards Board WGQ Standard 6.3.3; and
- A reference correction in Article VI-Operating Procedure of Section 7.7.

### **Other Filings That May Affect This Proceeding**

There are no other filings before the Commission that may significantly affect the changes proposed herein.

### **Effective Date**

GTN requests that the Commission accept these tariff sections to become effective June 27, 2011.

### **Materials Enclosed**

In accordance with Section 154.7 and 154.201 of the Commission’s regulations, GTN is submitting the following via its electronic tariff filing:

1. This transmittal letter;
2. The proposed tariff sections (Appendix A); and
3. A marked version of the proposed tariff sections (Appendix B).

### **Certificate of Service**

As required by Sections 154.7(b) and 154.208 of the Commission’s regulations, copies of this filing, are being served upon all of GTN’s existing customers and interested state regulatory agencies. A copy of this letter, together with the enclosed tariff sections and other attachments, are available during regular business hours for public inspection at GTN’s principal place of business.

Pursuant to Section 385.2005 and Section 385.2011, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of his knowledge and belief. Additionally, the undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to Joan Collins at (832) 320-5651.

Respectfully submitted,

GAS TRANSMISSION NORTHWEST LLC

A handwritten signature in black ink that reads "John A. Roscher". The signature is written in a cursive style with a long horizontal flourish extending to the right.

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John A. Roscher  
Director, Rates & Tariffs

Enclosures

# Appendix A

## Gas Transmission Northwest LLC – GTN Tariffs *FERC Gas Tariff, Fourth Revised Volume No. 1-A*

### Clean Tariff

<u>Section</u>	<u>Section Description</u>	<u>Version</u>
1	Part 1 – Table of Contents	v.3.0.0
4.4	4.4 - Statement of Rates, Reserved For Future Use	v.3.0.0
5.1.3	5.1.3 - Rate Schedule FTS-1, Rates	v.3.0.0
5.1.3.1	5.1.3.1 - Rate Schedule FTS-1, Reservation Charge	v.3.0.0
5.1.3.9	5.1.3.9 - Rate Schedule FTS-1, Reservation Charge Credit-Malin Primary Delivery Point	v.3.0.0
5.1.3.10	5.1.3.10 - Rate Schedule FTS-1, Reservation Chg. Credit-Other than Malin Primary Del. Point	v.3.0.0
5.2.3	5.2.3 - Rate Schedule LFS-1, Rates	v.3.0.0
5.2.3.1	5.2.3.1 - Rate Schedule LFS -1, Reservation Charge	v.3.0.0
5.2.3.3	5.2.3.3 - Rate Schedule LFS -1, Extension Charge	v.3.0.0
5.3.3.5	5.3.3.5 - Rate Schedule ITS -1, Backhauls	v.3.0.0
6.19.3	6.19.3 - GT&C, Priority of Authorized Overrun Service	v.3.0.0
6.19.4	6.19.4 - GT&C, Nominations	v.4.0.0
6.20	6.20 - GT&C, Curtailment	v.3.0.0
6.31	6.31 - GT&C, Negotiated Rates	v.3.0.0
7.1	7.1 - Service Agreements, Rate Schedule FTS-1	v.3.0.0
7.2	7.2 - Service Agreements, Rate Schedule ITS-1	v.3.0.0
7.3	7.3 - Service Agreements, Rate Schedule PS-1	v.3.0.0
7.4	7.4 - Service Agreements, Rate Schedule AIS-1	v.3.0.0
7.5	7.5 - Service Agreements, Rate Schedule LFS -1	v.3.0.0
7.6	7.6 – Service Agreements, Reserved For Future Use	v.3.0.0
7.6.1	7.6.1 – Service Agreements, Reserved For Future Use	v.3.0.0
7.7	7.7 - Service Agreements, Master Service Agreement-Daily Firm, FTS-1	v.3.0.0

TABLE OF CONTENTS

Description	Section No.
Table of Contents .....	1
Preliminary Statement .....	2
System Map .....	3
Statement of Rates	
FTS-1 and LFS-1 Rates .....	4.1
ITS-1 Rates .....	4.2
Footnotes to Statement of Effective Rates and Charges .....	4.3
Reserved For Future Use .....	4.4
Parking and Authorized Imbalance Services .....	4.5
Negotiated Rate Agreements - FTS-1 and LFS-1 .....	4.6
Footnotes for Negotiated Rates - FTS-1 and LFS-1 .....	4.7
Negotiated Rate Agreements - ITS-1, PS-1 and AIS-1 .....	4.8
Footnotes for Negotiated Rates - ITS-1, PS-1 and AIS-1 .....	4.9
Non-Conforming Service Agreement .....	4.10
Rate Schedules	
FTS-1 (Firm Transportation Service).....	5.1
LFS-1 (Limited Firm Transportation Service).....	5.2
ITS-1 (Interruptible Transportation Service) .....	5.3
USS-1 (Unbundled Sales Service).....	5.4
PS-1 (Parking Service).....	5.5

AIS-1 (Authorized Imbalance Service).....	5.6
Transportation General Terms and Conditions	
Definitions .....	6.1
Equality of Transportation Service .....	6.2
Quality of Gas .....	6.3
Measuring Equipment .....	6.4
Measurements .....	6.5
Inspection of Equipment and Records.....	6.6
Billing .....	6.7
Payment .....	6.8
Notice of Changes in Operating Conditions .....	6.9
Force Majeure .....	6.10
Warranty of Eligibility for Transportation .....	6.11
Possession of Gas and Responsibility .....	6.12
Indemnification .....	6.13
Arbitration.....	6.14
Governmental Regulations .....	6.15
Miscellaneous Provision.....	6.16
Transportation Service Agreement .....	6.17
Operating Provisions .....	6.18
Priority of Service, Scheduling and Nominations.....	6.19
Curtailement .....	6.20
Balancing .....	6.21
Annual Charge Adjustment (ACA) Provision .....	6.22
Informational Postings .....	6.23
Complaint Procedures .....	6.24
Information Concerning Availability and Pricing of Transportation Service and Capacity Available for Transportation.....	6.25
Market Centers.....	6.26
Planned GTN Capacity Curtailments and Interruptions.....	6.27
Capacity Release .....	6.28
Flexible Receipt and Delivery Points.....	6.29
Operational Flow Order (OFO) Procedures .....	6.30
Negotiated Rates .....	6.31
Reservation of Capacity for Expansion Projects .....	6.32
Right of First Refusal (ROFR) Upon Termination of Firm Service Agreement .....	6.33
Electronic Communications.....	6.34
Pipeline Integrity Plan (PIP) Surcharge .....	6.35
Crediting of Interruptible Transportation Revenues on Extensions.....	6.36
Discount Policy .....	6.37
Adjustment Mechanism for Fuel, Line Loss and Other Unaccounted	

For Gas Percentages .....	6.38
Incremental Fuel Reallocation Mechanism .....	6.39
Sales of Excess Gas.....	6.40
Gas Industry Standards.....	6.41
Form of Service Agreements	
FTS-1 (Firm Transportation Service).....	7.1
ITS-1 (Interruptible Transportation Service) .....	7.2
PS-1 (Parking Service).....	7.3
AIS-1 (Authorized Imbalance Service).....	7.4
LFS-1 (Limited Firm Transportation Service).....	7.5
Reserved For Future Use .....	7.6
MSA (Master Service Agreement - Daily Firm, FTS-1) .....	7.7

RESERVED FOR FUTURE USE

### 5.1.3 RATES

Shipper shall pay GTN each month the sum of the Reservation Charges, the Delivery Charge, plus any applicable Extension Charge, Overrun Charge and applicable surcharges for the quantities of natural gas delivered. The rate(s) set forth in GTN's current Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Fourth Revised Volume No. 1-A are applied to transportation service rendered under this rate schedule.

5.1.3.1 Reservation Charge.

The Reservation Charge shall be the sum of the Mileage and the Non-Mileage Component:

(a) Mileage Component.

The Mileage Component shall be the product of the currently effective Mileage Rate as set forth in Section 4.1, the distance, in pipeline miles, from the Primary Point(s) of receipt to the Primary Point(s) of Delivery on Mainline Facilities as set forth in Shipper's Contract, and the Shipper's Maximum Daily Quantity at such Point(s).

(b) Non-Mileage Component.

The Non-Mileage Component shall be the product of the currently effective Non-Mileage Rate as set forth in Section 4.1 and the Shipper's Maximum Daily Quantity at Primary Point(s) of Delivery on Mainline Facilities.

(c) Shipper's obligation to pay the Reservation Charge is independent of Shipper's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy, and shall begin with the execution of the Firm Transportation Service Agreement by both parties. The Reservation Charge due and payable shall be computed beginning in the month in which service is first available (prorated if beginning in the month in which service is available on a date other than the first day of the month). Thereafter, the daily Reservation Charge shall be due and payable each month during the Initial (and Subsequent) Term(s) of the Shipper's executed Firm Transportation Service Agreement and is unaffected by the quantity of gas transported by GTN to Shipper's delivery point(s) in any month except as provided for in Sections 5.1.3.9 and 5.1.3.10 of this rate schedule.

5.1.3.9 Reservation Charge Credit - Malin Primary Delivery Point.

If GTN fails to deliver to Malin, Oregon ninety-five percent (95%) or more of the aggregate Confirmed Daily Nominations (as hereinafter defined) of all Shippers with a Malin primary delivery point receiving service under this rate schedule (hereinafter referred to as the "Non-Deficiency Amount") for more than twenty-five (25) days in any given Contract Year, then for each day during that Contract Year in excess of twenty-five (25) days that GTN so fails to deliver the Non-Deficiency Amount (a "Credit Day") Shipper, as its sole remedy, shall be entitled to a Reservation Charge Credit calculated in the manner hereinafter set forth.

For the purpose of this Section 5.1.3.9, Confirmed Daily Nomination shall mean for any day, the lesser of (1) Shipper's Maximum Daily Quantity or (2) the actual quantity of gas that the connecting pipeline upstream of GTN is capable of delivering for Shipper's account to GTN at Shipper's primary point of receipt(s) on GTN less Shipper's requirement to provide compressor fuel and line losses under the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A or (3) the quantity of gas that Pacific Gas and Electric Company (PG&E) is capable of accepting at Malin for Shipper's account or (4) Shipper's nomination to GTN.

The Reservation Charge Credit for each Credit Day for a particular Shipper shall be computed as follows:

$$\begin{array}{rcl} \text{Reservation Charge} & & \text{A} \\ \text{Credit for Each} & & \\ \text{Credit Day} & = & \text{x } \frac{\text{B} - \text{C}}{(\text{B})} \end{array}$$

Where A = Shipper's Daily Reservation Charge  
B = Shipper's confirmed daily nomination for the Credit Day  
C = Actual quantity of gas delivered by GTN to PG&E Malin for Shipper's account for the Credit Day

Except as provided for in Section 5.1.3.10 of this rate schedule, this Reservation Charge Credit is Shipper's sole remedy for nondelivery of gas by GTN.

#### 5.1.3.10 Reservation Charge Credit - Other than Malin Primary Delivery Point.

If GTN fails to deliver Forward Haul service on a Primary Path to a primary delivery point on its system other than Malin, Oregon, ninety-five percent (95%) or more of the aggregate Confirmed Daily Nominations (as hereinafter defined) of all Shippers at such primary delivery point other than Malin receiving service under this rate schedule (hereinafter referred to as the "Non-Deficiency Amount") for more than twenty-five (25) days in any given Contract Year, then for each day during that Contract Year in excess of twenty-five (25) days that GTN so fails to deliver the Non-Deficiency Amount (a "Credit Day") Shipper, as its sole remedy, shall be entitled to a Reservation Charge Credit calculated in the manner hereinafter set forth.

For the purpose of this Section 5.1.3.10, Confirmed Daily Nomination shall mean for any day, the lesser of (1) Shipper's Maximum Daily Quantity or (2) the quantity of gas that the connecting downstream pipeline(s), local distribution company pipeline(s), or end-user(s) is/are capable of accepting for Shipper's account at Shipper's point(s) of primary delivery on GTN or (3) the quantity of gas that the connecting pipeline upstream of GTN is capable of delivering to GTN for Shipper's account to GTN at Shipper's primary point of receipt(s) on GTN less Shipper's requirement to provide compressor fuel and line losses under the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A or (4) Shipper's nomination to GTN.

The Reservation Charge Credit for each Credit Day for a particular Shipper shall be computed as follows:

$$\begin{array}{rcl} \text{Reservation Charge} & & A \\ \text{Credit for Each} & & \\ \text{Credit Day} & = & \frac{B - C}{( B )} \end{array}$$

Where A = Shipper's Daily Reservation Charge  
B = Shipper's confirmed daily nomination for the Credit Day  
C = Actual quantity of gas delivered by GTN to a Shipper's primary delivery point(s) (other than Malin) for Shipper's account for the Credit Day

Except as provided for in Section 5.1.3.9 of this rate schedule, this Reservation Charge Credit is Shipper's sole remedy for nondelivery of gas by GTN.

### 5.2.3 RATES

Shipper shall pay GTN each month the sum of the Reservation Charges, the Delivery Charge, plus any applicable Extension Charge, Overrun Charge and applicable surcharges for the quantities of natural gas delivered. The rate(s) set forth in GTN's current Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Fourth Revised Volume No. 1-A are applied to transportation service rendered under this rate schedule.

5.2.3.1 Reservation Charge.

The Reservation Charge shall be the sum of the Mileage and the Non-Mileage Component:

(a) Mileage Component.

The Mileage Component shall equal the product of the Daily Mileage Charge, the number of days in the month less the number of Limited Days, the distance in pipeline miles from the Primary Point(s) of receipt to the Primary Point(s) of delivery on Mainline Facilities as set forth in Shipper's Contract, and the Shippers Maximum Daily Quantity at such Point(s). To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.

(b) Non-Mileage Component.

The Non-Mileage Component shall be the product of the Daily Non-Mileage Charge, the number of days in the month less the number of Limited Days, and the Shipper's Maximum Daily Quantity at Primary Point(s) of Delivery on Mainline Facilities. To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.

(c) Obligation to Pay.

Shipper's obligation to pay the Reservation Charge is independent of Shipper's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy, and shall begin with the execution of the Limited Firm Transportation Service Agreement by both parties. The Reservation Charge due and payable shall be computed beginning in the month in which service is first available (prorated if beginning in the month in which service is available on a date other than the first day of the month). Thereafter, the daily Reservation Charge shall be due and payable each month during the Initial (and Subsequent) Term(s) of the Shipper's executed Limited Firm Transportation Service Agreement and is unaffected by the quantity of gas transported by GTN to Shipper's delivery point(s) in any month except as provided for in Sections 5.1.3.9 and 5.1.3.10 of Rate Schedule FTS-1.

5.2.3.3 Extension Charge.

If Shipper designates a Primary Point of delivery on an Extension Facility, then in addition to all other charges that are applicable, Shipper shall pay the Extension Charge, which shall consist of a reservation and delivery component.

- (a) The reservation component of the Extension Charge shall be the product of the Daily Extension Reservation Rate, the number of days in the month less the number of Limited Days, the distance in pipeline miles from the Receipt Point(s) to the Primary Point(s) of delivery on the Extension Facility as set forth in Shipper's Contract, and the Shipper's Maximum Daily Quantity at such Point(s). To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.
- (b) The delivery component of the Extension Surcharge shall be the product of the quantities delivered at the point(s) of delivery on the Extension Facility, the applicable Extension delivery rate as set forth in Section 4.1, and the distance, in pipeline miles, from the Receipt Point(s) on the Extension Facility to the point(s) of delivery.

5.3.3.5 Backhauls.

Backhauls or upstream deliveries shall be subject to the same charges as forward haul or downstream transportation arrangements except that no gas shall be retained by GTN, for fuel or line loss.

6.19.3 Priority of Authorized Overrun Service.

Authorized overrun service shall have a priority lower than firm, and the same priority as interruptible, as defined above.

#### 6.19.4 Nominations.

(a) Information to be Provided with Nomination.

A Shipper may nominate for transportation service on GTN electronically in accordance with Section 6.34 of the General Terms and Conditions of this Tariff. In accordance with NAESB Standard 1.3.5, all nominations should include Shipper-defined begin dates and end dates. All nominations excluding intraday nominations should have roll-over options. Specifically, Shippers should have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of Shipper's contract.

All nominations shall include, at a minimum:

- a daily quantity of gas to be transported (expressed in Dekatherms);
- previously approved and valid receipt and delivery points; and
- shipper defined begin dates and end dates.

Shipper shall provide as a component of its nomination such business conditional data sets as may be required by GTN to enable it to identify, confirm, and schedule the nomination. Shipper shall also prioritize nominated receipts and deliveries when there is more than one supplier and more than one Shipper customer, respectively. Shipper designated priorities will be used to allocate gas when upstream and downstream nominations vary from GTN's Shipper nominations.

Shipper may nominate for any period of days, provided the nomination begin and end dates are within the term of the Shipper's Transportation Service Agreement or exhibit. Such nominations shall be deemed "Standing Nominations." All types of Nominations must be clearly and separately identified so that priorities of service can be distinguished. As required by NAESB Standard 1.3.19, overrun quantities should be requested on a separate transaction.

The receipt of the nomination is notice that all necessary regulatory approvals have been received and that valid upstream and downstream transportation and other contractual arrangements are in place.

(b) Nomination Cycles.

In accordance with NAESB Standard 1.3.2, GTN will utilize the following standard nomination cycles:

(i) THE TIMELY NOMINATION CYCLE:

11:30 a.m. (CCT) (9:30 a.m. PCT) nominations leave control of the nominating party;

11:45 a.m. (CCT) (9:45 a.m. PCT) receipt of nominations by GTN (including from Title Transfer Tracking Service Providers (TTTSPs));

12:00 noon (CCT) (2:00 p.m. PCT) GTN sends Quick Response;

3:30 p.m. (CCT) (1:30 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

4:30 p.m. (CCT) (2:30 p.m. PCT) receipt of scheduled quantities by Shipper and point operator (Central Clock Time on the day prior to flow).

(ii) THE EVENING NOMINATION CYCLE:

6:00 p.m. (CCT) (4:00 p.m. PCT) nominations leave control of the nominating party;

6:15 p.m. (CCT) (4:15 p.m. PCT) receipt of nominations by GTN (including from TTTSPs);

6:30 p.m. (CCT) (4:30 p.m. PCT) GTN sends Quick Response;

9:00 p.m. (CCT) (7:00 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

10:00 p.m. (CCT) (8:00 p.m. PCT) GTN provides scheduled quantities to affected Shippers and point operators, and provides scheduled quantities and notice to bumped parties. Advance notice to bumped parties shall be provided by telephone, facsimile, or electronic mail, at the Shipper's option.

Scheduled quantities resulting from an Evening Nomination will be effective at 9:00 a.m. (CCT) (7:00 a.m. PCT) on gas day.

(iii) THE INTRADAY 1 NOMINATION CYCLE:

10:00 a.m. (CCT) (8:00 a.m. PCT) nominations leave control of the nominating party;

10:15 a.m. (CCT) (8:15 a.m. PCT) receipt of nominations by GTN (including from TTTSPs);

10:30 a.m. (CCT) (8:30 a.m. PCT) GTN sends Quick Response;

1:00 p.m. (CCT) (11:00 a.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

2:00 p.m. (CCT) (12:00 noon PCT) GTN provides scheduled quantities to affected Shippers and point operators, and provides scheduled quantities and notice to bumped parties. Advance notice to bumped parties shall be provided by telephone, facsimile, or electronic mail, at the Shipper's option.

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 5:00 p.m. (CCT) (3:00 p.m. PCT) on gas day.

(iv) THE INTRADAY 2 NOMINATION CYCLE:

5:00 p.m. (CCT) (3:00 p.m. PCT) nominations leave control of the nominating party;

5:15 p.m. (CCT) (3:15 p.m. PCT) receipt of nominations by GTN (including from TTTSPs);

5:30 p.m. (CCT) (3:30 p.m. PCT) GTN sends Quick Response;

8:00 p.m. (CCT) (6:00 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

9:00 p.m. (CCT) (7:00 p.m. PCT) GTN provides scheduled quantities to affected Shippers and point operators.

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 9:00 p.m. (CCT) (7:00 p.m. PCT) on gas day.

Bumping is not allowed during the Intraday 2 Nomination Cycle.

- (v) For purposes of NAESB Standards 1.3.2 ii, iii, and iv (reflected in Sections 6.19.4(b)(ii) through 6.19.4(b)(iv) above), "provide" shall mean, for transmittals pursuant to NAESB Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

Transporter shall, at the end of each business day, make available to each Shipper information containing scheduled quantities including scheduled intraday nominations and any other scheduling changes.

GTN shall have the discretion to accept nominations at such later times as operating conditions permit and without detrimental impact to other Shippers and upon confirmation that corresponding upstream and downstream arrangements in a manner satisfactory to GTN have been made. In the event later nominations are accepted, GTN will schedule those nominations after the nominations received before the nominations deadline, which is in accordance with NAESB Standard 1.3.6, that states nominations received after nomination deadline should be scheduled after the nominations received before the nomination deadline.

(c) Changes to Nominations.

(1) Changes to Standing Nominations.

In accordance with NAESB Standard 1.3.7, all nominations should be considered original nominations and should be replaced to be changed. When a nomination for a date range is received, each day within that range is considered an original nomination. When a subsequent nomination is received for one or more days within that range, the previous nomination is superseded by the subsequent nomination only to the extent of the days specified. The days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only. A nomination for a period within the start and end dates of a Standing Nomination replaces the Standing Nomination for the specific gas day(s) only and does not replace the remainder of the Standing Nomination.

Such nominations must be received by GTN's Transportation Department in accordance with the scheduling timelines set out in Section 6.19.4(b).

In the event GTN does not receive information of upstream or downstream adjustments, GTN shall use the lesser of the new nomination or the previous nomination.

(2) Intraday Nominations.

In accordance with NAESB Standard 1.3.8, all transportation service providers should allow for intraday nominations. Requests to amend previously scheduled nominations may be accepted during the gas day, subject to operational conditions and, further that corresponding upstream and downstream adjustments in a manner satisfactory to GTN can be confirmed. In accordance with NAESB Standard 1.3.11, such intraday nominations can be used to request increases or decreases in total flow, changes to receipt points, or changes to delivery points of scheduled gas. A request to increase a nomination for firm transportation up to the MDQ specified in the Service

Agreement will be accommodated to the extent operating conditions permit. Firm intraday nominations other than during the Intraday 2 Nomination Cycle shall have priority over nominated and scheduled interruptible volumes. Interruptible intraday nominations other than during the Intraday 2 Nomination Cycle shall have priority over other nominated and scheduled interruptible volumes subject to the interruptible service priorities set forth in Section 6.19.2.

Intraday Nominations do not have roll-over options and will replace the Standing Nomination only for the duration of the Gas Day. Quantities for Intraday Nominations will be expressed in Dekatherms, and represent the total quantities to be delivered prior to the end of the effective Gas Day.

- (3) In accordance with NAESB Standard 1.3.9, all nominations, including Intraday Nominations, should be based on a daily quantity; thus, an Intraday Nominator need not submit an hourly nomination. Intraday nominations should include an effective date and time. The interconnected parties should agree on the hourly flows of the Intraday Nomination, if not otherwise addressed in transporter's contract or tariff.

(d) Information Reliability.

GTN shall be allowed to rely conclusively on the information submitted as part of the nomination in confirming the nomination for scheduling and allocation. Shipper must provide electronically to GTN Shipper's current designated contact, after hours and emergency telephone numbers. Such information must be updated as often as changes to such information occurs. GTN may rely solely upon the information provided by Shipper and will not be liable to Shipper if Shipper's contact information is outdated and communication attempts with such Shipper are unsuccessful.

(e) Uniform Hourly Rates.

Scheduled quantities will be received and delivered at a uniform hourly rate of confirmed quantity divided by 24, unless as determined by GTN, variance from the hourly rate will not be detrimental to the operation of the pipeline or adversely affect other GTN Shippers.

(f) North American Energy Standards Board Standards.

Nominations for service on GTN shall be further governed by the following standards adopted by the North American Energy Standards Board.

1.3.13; 1.3.14; 1.3.16; 1.3.22; and 1.3.23.

(g) Nomination of Service Fee.

GTN may, upon mutual agreement with Shipper, enter into agency agreements on third-party pipelines that will allow GTN to place transportation service nominations for Shipper on both GTN and other third-party pipelines. A nomination of service fee shall be negotiated between GTN and Shipper for such service. GTN will provide this service on a non-discriminatory basis.

## 6.20 CURTAILMENT

GTN shall have the right to curtail, interrupt, or discontinue Transportation Service on any portion of its system at any time for reasons of Force Majeure or when capacity, supply, or operating conditions so require or it is necessary or desirable to make modifications, repairs, or operating changes to its system. GTN shall provide notice of such occurrences as is reasonable under the circumstances.

Capacity may become constrained at individual receipt points, delivery points or on segments of the pipeline. GTN shall exercise this curtailment provision only at the point(s) or segment(s) of the pipeline affected by the constraint. When capacity is constrained or otherwise insufficient to serve all the transportation requirements which are scheduled to receive service, GTN shall curtail Authorized Overrun Service and Interruptible Service, then Firm Service, as necessary.

Curtailement of Interruptible Service and Authorized Overrun Service, if necessary, shall be performed in the opposite order of scheduling as set forth in Sections 6.19.2 and 6.19.3 of this Tariff.

Curtailement of Firm Service if necessary, will be performed pro rata based on the MDQ across the contracts scheduled to use the capacity at the applicable receipt points, delivery point(s) or mainline segment(s) of pipeline.

## 6.31 NEGOTIATED RATES

1. Availability. Notwithstanding anything to the contrary contained in this Tariff, including the provisions of the rate schedules contained herein, GTN and Shipper may mutually agree to a Negotiated Rate under any Agreement, provided that Shipper has not acquired its capacity on a temporary basis under the capacity release provisions of Section 6.28 of these Transportation General Terms and Conditions. If a portion of the capacity under any existing Agreement is agreed to be priced at Negotiated Rates, the existing maximum or discounted tariff rates will continue to apply to the capacity not subject to the Negotiated Rates. As a recourse to the Negotiated Rates, any Shipper may receive service at applicable maximum tariff rates, including surcharges. The Negotiated Rate may be less than, equal to, or greater than the maximum and minimum applicable tariff rate; may be based on a rate design other than straight-fixed variable; and may include a minimum quantity. GTN's Recourse Rates shall be available to any Shipper that does not agree to a Negotiated Rate. Recourse Rates are set forth in the Rate Sections within this Tariff.

GTN and a Shipper may agree to a Negotiated Rate for the entire term of a Transportation Service Agreement, or may agree to a Negotiated Rate for some portion of the term of a Transportation Agreement. GTN and Shipper may agree to apply the Negotiated Rate to all or a portion of capacity under Shipper's Firm Transportation Service Agreement.

During the period a Negotiated Rate is in place, the Negotiated Rate shall govern and apply to the Shipper's service under the Negotiated Rate Agreement and the otherwise applicable rate, rate component, charge or credit which the parties have agreed to replace with the Negotiated Rate shall not apply to, or be available to, the Shipper. Only those rates, rate components, charges or credits identified by GTN and Shipper in writing as being superceded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges, or credits prescribed, required, established or imposed by this Rate Schedule or Tariff shall remain in effect. At the end of the period during which the Negotiated Rate is in effect, the otherwise applicable tariff rates or charges shall govern any service provided to Shipper.

2. Filing requirement. Unless GTN executes and files a non-conforming agreement, GTN will submit to the Commission on or before the commencement of service under a Negotiated Rate Contract a tariff section stating the exact legal name of the Shipper, Negotiated Rate, the rate schedule, the receipt and delivery points, the contract quantities and, where applicable, the Negotiated Rate Formula underlying a Negotiated Rate for any Negotiated Rate Agreement. The filing will contain a provision that the Negotiated Rate Agreement does not deviate any material respect from the Form of Agreement in the tariff for the applicable rate schedule.

3. **Rate Treatment.** GTN shall have the right to seek in future general rate proceedings discount-type adjustments in the design of its rates related to Negotiated Rate Agreements that were converted from pre-existing discount Agreements to Negotiated Rate Agreements. In those situations, GTN may seek a discount-type adjustment based upon the greater of: (a) the Negotiated Rate revenue received; or (b) the discounted tariff rate revenues which otherwise would have been received.
4. **Limitations.** This Section 6.31 does not authorize GTN to negotiate terms and conditions of service.
5. **Capacity Release.** Negotiated Rates do not apply as the price cap for capacity release transactions greater than one year.
6. **Accounting Treatment.** GTN shall maintain separate records for all revenues associated with Negotiated Rate transactions. Transactions related to Negotiated Rate Agreements which originated as a pre-existing discounted service and were subsequently converted will be recorded separately from those originating as Negotiated Rate Agreements. GTN shall record each volume transported, billing determinants, rate component, surcharge, and the revenue associated with its Negotiated Rates so that this information can be filed, separately identified, and separately totaled, as part of and in the format of Statements G, I, and J in GTN's next general rate change application.

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Gas Transmission Northwest LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_, (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on a firm basis, to transport certain quantities of natural gas from \_\_\_\_\_ to \_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify end-user, local distribution company, intrastate or interstate pipeline) on behalf of \_\_\_\_\_ (specify local distribution company or intrastate pipeline); and

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on a firm basis,

NOW, THEREFORE, the parties agree as follows:

I

Governmental Authority

- 1.1 This Firm Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.

- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

## II

### Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Statement of Effective Rates and Charges applicable to Rate Schedule FTS-1. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto.
- 2.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Section 6.19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1.

## III

### Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_.

Thereafter, this Agreement shall continue in full force and effect for an additional term of \_\_\_\_\_ unless \_\_\_\_\_ gives at least \_\_\_\_\_ prior written notice of its desire to terminate this agreement. Under this evergreen provision, parties capable of giving notice of termination may include

only Shipper (unilateral evergreen) or may include both Shipper and GTN (bilateral evergreen).

IV  
Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V  
Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate schedule FTS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such rate, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel, line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and of the applicable Transportation

General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.

- 6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                   GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"             \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention:            \_\_\_\_\_  
\_\_\_\_\_

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 This Agreement shall terminate upon the expiration of any transportation authority which is not superseded, for whatever reason, by permanent transportation authority.
- 7.9 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between GAS TRANSMISSION NORTHWEST LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_ (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline Facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis, to Transport certain quantities of natural gas from \_\_\_\_\_ to \_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify end-user, local distribution company, intrastate or interstate pipeline) on behalf of \_\_\_\_\_ (specify local distribution company or intrastate pipeline); and

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I

Governmental Authority

- 1.1 This Interruptible Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.

- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule ITS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

## II

### Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to rate Schedule ITS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto. The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Section 6.19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule ITS-1.

## III

### Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

IV  
Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V  
Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate schedule ITS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such rate, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Statement of Effective Rates and Charges and Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule ITS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the state of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"            GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"        \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 Reserved for future use.
- 7.9 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT

APPLICABLE TO PARKING SERVICE  
UNDER RATE SCHEDULE PS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between GAS TRANSMISSION NORTHWEST LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_ (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis, to park certain quantities of natural gas; and

WHEREAS, GTN is willing to park certain quantities of natural gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I

Governmental Authority

- 1.1 This Parking Service Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule PS-1. Shipper shall reimburse GTN for such fees at GTN's

designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable.

## II

### Quantity of Gas and Priority of Service

- 2.1 Quantities parked under Rate Schedule PS-1 will be as specified in Shipper's delivery schedule to be provided to GTN
- 2.2 The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.3 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule PS-1.

## III

### Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

## IV

### Points of Receipt

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 Shipper shall deliver or cause to be delivered to GTN the gas to be parked hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt.

## V

### Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to park gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the parking of gas for the account of Shipper pursuant to GTN's Rate Schedule PS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule PS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such rate, shall be set forth in Exhibit B attached hereto.
- 6.2 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule PS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.
- 6.3 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to Parking Service pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the state of California.
- 7.2 Shipper agrees to indemnify and hold GTN harmless for refusal to park gas hereunder in the event any upstream transporter fails to deliver gas as contemplated by this Agreement.
- 7.3 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                   GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"               \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.4 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.5 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.6 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.7 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT  
APPLICABLE TO AUTHORIZED IMBALANCE SERVICE  
UNDER RATE SCHEDULE AIS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between GAS TRANSMISSION NORTHWEST LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_ (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis, to obtain short-term advances of certain quantities of natural gas; and

WHEREAS, GTN is willing to advance, on a short-term basis, certain quantities of natural gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I  
Governmental Authority

- 1.1 This Authorized Imbalance Service Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule AIS-1. Shipper shall reimburse GTN for such fees at GTN's

designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable.

## II

### Quantity of Gas and Priority of Service

- 2.1 Beginning on the date specified in Article III and continuing for the remaining term specified in Article III, GTN agrees to advance quantities of gas to Shipper up to the Maximum Quantity (MQ) specified in Exhibit A.
- 2.2 The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.3 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule AIS-1.

## III

### Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

## IV

### Points of Delivery

- 4.1 The point(s) of delivery of gas advanced to Shipper is as designated in Exhibit A, attached hereto.

## V

### Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to advance gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the advancement and return of gas for the account of Shipper pursuant to GTN's Rate Schedule AIS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule AIS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such rate, shall be set forth in Exhibit B attached hereto.
- 6.2 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule AIS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part thereof.
- 6.3 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to Authorized Imbalance Service pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper agrees to indemnify and hold GTN harmless for refusal to advance gas hereunder in the event any downstream Transporter fails to receive gas as contemplated by this Agreement.
- 7.3 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"	GAS TRANSMISSION NORTHWEST LLC
	717 Texas Street, Suite 2400
	Houston, Texas 77002-2761
	Attention: Commercial Services

"Shipper" \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.4 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.5 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.6 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.7 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT  
APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Gas Transmission Northwest LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_, (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on a limited basis, to transport certain quantities of natural gas from \_\_\_\_\_ to \_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify end-user, local distribution company, intrastate or interstate pipeline) on behalf of \_\_\_\_\_ (specify local distribution company or intrastate pipeline); and

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on a limited basis,

NOW, THEREFORE, the parties agree as follows:

I

Governmental Authority

- 1.1 This Limited Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.

- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule LFS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

## II

### Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Exhibit A attached hereto. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto.
- 2.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Section 6.19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1.

## III

### Term of Agreement and Number of Limited Days

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_.
- 3.2 Shipper and GTN agree that the minimum number of Limited Days will be \_\_\_\_\_ and the maximum number of Limited Days will be \_\_\_\_\_.
- 3.3 Shipper \_\_\_\_\_ agrees \_\_\_\_\_ does not agree to accept "partial volume day" limiting at the discretion of GTN.

IV  
Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V  
Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule LFS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such rate, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel, line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Rate Schedule LFS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule LFS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.

6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                    GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"                    \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 This Agreement shall terminate upon the expiration of any transportation authority which is not superseded, for whatever reason, by permanent transportation authority.
- 7.9 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

FORM OF MASTER SERVICE AGREEMENT

APPLICABLE TO DAILY FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1

Master Service Agreement Number: \_\_\_\_\_

THIS Master Service Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Gas Transmission Northwest LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_, (hereinafter referred to as "Shipper").

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN to transport certain quantities of natural gas on a daily firm basis; and

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper on a daily firm basis.

WHEREAS, GTN and Shipper acknowledge that this is a Master Service Agreement entered into for the purpose of facilitating the contracting process for daily firm service.

NOW, THEREFORE, the parties agree as follows:

I  
Scope of Agreement

1.1 GTN and Shipper agree that the term, maximum daily quantity, points of receipt and delivery, rates, and other such terms as applicable, for each transaction under this Agreement, shall be communicated by GTN to Shipper in an Award Acknowledgment and executed by Shipper to confirm such terms. Shipper must execute an Award Acknowledgement for each transaction prior to submitting a nomination.

- 1.2 The terms of any such Award Acknowledgment are hereby incorporated by reference in this Agreement. GTN and Shipper agree that each Award Acknowledgment shall be regarded as a single contract. GTN and Shipper agree that service provided under this Agreement is daily and will not carry a right of first refusal.

## II Governmental Authority

- 2.1 This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 2.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 2.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

## III Quantity of Gas and Priority of Service

- 3.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Statement of Effective Rates and Charges applicable to Rate Schedule FTS-1.
- 3.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery shall be specified in the applicable Award Acknowledgement.
- 3.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Section 6.19 of GTN's Transportation General Terms and Conditions on file with the FERC.

- 3.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1.

IV  
Term of Agreement

- 4.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_. This Agreement shall continue following expiration of the primary term, subject to cancellation by either party upon one month written notice or immediately upon mutual consent. (The term of each transaction shall be specified in the applicable Award Acknowledgement.)

V  
Points of Receipt and Delivery

- 5.1 The point(s) of receipt of gas deliveries to GTN shall be specified in the applicable Award Acknowledgement.
- 5.2 The point(s) of delivery of gas to Shipper shall be specified in the applicable Award Acknowledgement.
- 5.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

VI  
Operating Procedure

- 6.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 6.2 Nothing in Section 6.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate schedule FTS-1.

VII  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 7.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such rate, shall be set forth in the applicable Award Acknowledgement.
- 7.2 Shipper shall compensate GTN each month for compressor station fuel, line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 7.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.
- 7.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VIII  
Miscellaneous

- 8.1 This Agreement shall be interpreted according to the laws of the State of California.
- 8.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified in the applicable Award Acknowledgement.
- 8.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

8.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"        GAS TRANSMISSION NORTHWEST LLC  
                 717 Texas Street, Suite 2400  
                 Houston, Texas 77002-2761  
                 Attention: Commercial Services

"Shipper"    \_\_\_\_\_  
                 \_\_\_\_\_  
                 \_\_\_\_\_  
                 \_\_\_\_\_  
                 \_\_\_\_\_  
                 Attention: \_\_\_\_\_  
                 \_\_\_\_\_

8.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

8.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.

8.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.

8.8 This Agreement shall terminate upon the expiration of any transportation authority which is not superseded, for whatever reason, by permanent transportation authority.

8.9 Award Acknowledgement(s) for service under this Agreement is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

# Appendix B

## Gas Transmission Northwest LLC – GTN Tariffs *FERC Gas Tariff, Fourth Revised Volume No. 1-A*

### Marked Tariff

<u>Section</u>	<u>Section Description</u>	<u>Version</u>
1	Part 1 – Table of Contents	v.3.0.0
4.4	4.4 - Statement of Rates, Reserved For Future Use	v.3.0.0
5.1.3	5.1.3 - Rate Schedule FTS-1, Rates	v.3.0.0
5.1.3.1	5.1.3.1 - Rate Schedule FTS-1, Reservation Charge	v.3.0.0
5.1.3.9	5.1.3.9 - Rate Schedule FTS-1, Reservation Charge Credit-Malin Primary Delivery Point	v.3.0.0
5.1.3.10	5.1.3.10 - Rate Schedule FTS-1, Reservation Chg. Credit-Other than Malin Primary Del. Point	v.3.0.0
5.2.3	5.2.3 - Rate Schedule LFS-1, Rates	v.3.0.0
5.2.3.1	5.2.3.1 - Rate Schedule LFS -1, Reservation Charge	v.3.0.0
5.2.3.3	5.2.3.3 - Rate Schedule LFS -1, Extension Charge	v.3.0.0
5.3.3.5	5.3.3.5 - Rate Schedule ITS -1, Backhauls	v.3.0.0
6.19.3	6.19.3 - GT&C, Priority of Authorized Overrun Service	v.3.0.0
6.19.4	6.19.4 - GT&C, Nominations	v.4.0.0
6.20	6.20 - GT&C, Curtailment	v.3.0.0
6.31	6.31 - GT&C, Negotiated Rates	v.3.0.0
7.1	7.1 - Service Agreements, Rate Schedule FTS-1	v.3.0.0
7.2	7.2 - Service Agreements, Rate Schedule ITS-1	v.3.0.0
7.3	7.3 - Service Agreements, Rate Schedule PS-1	v.3.0.0
7.4	7.4 - Service Agreements, Rate Schedule AIS-1	v.3.0.0
7.5	7.5 - Service Agreements, Rate Schedule LFS -1	v.3.0.0
7.6	7.6 – Service Agreements, Reserved For Future Use	v.3.0.0
7.6.1	7.6.1 – Service Agreements, Reserved For Future Use	v.3.0.0
7.7	7.7 - Service Agreements, Master Service Agreement-Daily Firm, FTS-1	v.3.0.0

TABLE OF CONTENTS

Description	Section No.
Table of Contents .....	1
Preliminary Statement .....	2
System Map .....	3
Statement of Rates	
FTS-1 and LFS-1 Rates .....	4.1
ITS-1 Rates .....	4.2
Footnotes to Statement of Effective Rates and Charges .....	4.3
<del>Competitive Equalization Surcharge</del> <u>Reserved For Future Use</u> .....	4.4
Parking and Authorized Imbalance Services .....	4.5
Negotiated Rate Agreements - FTS-1 and LFS-1 .....	4.6
Footnotes for Negotiated Rates - FTS-1 and LFS-1 .....	4.7
Negotiated Rate Agreements - ITS-1, PS-1 and AIS-1 .....	4.8
Footnotes for Negotiated Rates - ITS-1, PS-1 and AIS-1 .....	4.9
Non-Conforming Service Agreement .....	4.10
Rate Schedules	
FTS-1 (Firm Transportation Service) .....	5.1
LFS-1 (Limited Firm Transportation Service) .....	5.2
ITS-1 (Interruptible Transportation Service) .....	5.3
USS-1 (Unbundled Sales Service) .....	5.4
PS-1 (Parking Service) .....	5.5

AIS-1 (Authorized Imbalance Service).....	5.6
Transportation General Terms and Conditions	
Definitions .....	6.1
Equality of Transportation Service .....	6.2
Quality of Gas .....	6.3
Measuring Equipment .....	6.4
Measurements .....	6.5
Inspection of Equipment and Records.....	6.6
Billing .....	6.7
Payment .....	6.8
Notice of Changes in Operating Conditions .....	6.9
Force Majeure .....	6.10
Warranty of Eligibility for Transportation .....	6.11
Possession of Gas and Responsibility .....	6.12
Indemnification .....	6.13
Arbitration.....	6.14
Governmental Regulations .....	6.15
Miscellaneous Provision.....	6.16
Transportation Service Agreement .....	6.17
Operating Provisions .....	6.18
Priority of Service, Scheduling and Nominations.....	6.19
Curtailement .....	6.20
Balancing .....	6.21
Annual Charge Adjustment (ACA) Provision .....	6.22
Informational Postings .....	6.23
Complaint Procedures .....	6.24
Information Concerning Availability and Pricing of Transportation Service and Capacity Available for Transportation.....	6.25
Market Centers.....	6.26
Planned GTN Capacity Curtailments and Interruptions.....	6.27
Capacity Release .....	6.28
Flexible Receipt and Delivery Points.....	6.29
Operational Flow Order (OFO) Procedures .....	6.30
Negotiated Rates .....	6.31
Reservation of Capacity for Expansion Projects .....	6.32
Right of First Refusal (ROFR) Upon Termination of Firm Service Agreement .....	6.33
Electronic Communications.....	6.34
Pipeline Integrity Plan (PIP) Surcharge .....	6.35
Crediting of Interruptible Transportation Revenues on Extensions.....	6.36
Discount Policy .....	6.37
Adjustment Mechanism for Fuel, Line Loss and Other Unaccounted	

For Gas Percentages .....	6.38
Incremental Fuel Reallocation Mechanism .....	6.39
Sales of Excess Gas.....	6.40
Gas Industry Standards.....	6.41
Form of Service Agreements	
FTS-1 (Firm Transportation Service).....	7.1
ITS-1 (Interruptible Transportation Service) .....	7.2
PS-1 (Parking Service).....	7.3
AIS-1 (Authorized Imbalance Service).....	7.4
LFS-1 (Limited Firm Transportation Service).....	7.5
<del>EDI</del> —(Electronic Data Interface) <u>Reserved For Future Use</u> .....	7.6
MSA (Master Service Agreement - Daily Firm, FTS-1) .....	7.7

RESERVED FOR FUTURE USE  
STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS

Competitive Equalization Surcharge

Shippers to whom the Competitive Equalization Surcharge applies, other than Shippers obtaining service pursuant to Section 6.28 of the General Terms and Conditions, are:

<u>SHIPPER</u>	<u>QUANTITY</u> <u>(Dth/d)</u>	<u>PATH</u>	<u>CONTRACT</u> <u>NO.</u>
Avista Energy, Inc.	20,000	Kingsgate Malin	F-06430
Duke Energy Trading and Marketing, LLC	5,000	Kingsgate Malin	F-06432
Encana Marketing (USA) Inc.	10,000	Kingsgate Malin	F-08616
Burlington Resources Trading, Inc.	13,392	Kingsgate Stanfield	F-06431
Calpine Energy Services, L.P.	35,800	Kingsgate Malin	F-08096
Cascade Natural Gas Corporation	20,380	Kingsgate Malin (Winter Only Nov. Apr.)	F-08488
PPM Energy, Inc.	45,000	Kingsgate Malin	F-08554
Avista Corporation	16,500	Kingsgate Stanfield	F-08465

### 5.1.3 RATES

Shipper shall pay GTN each month the sum of the Reservation Charges, the Delivery Charge, plus any applicable Extension Charge, Overrun Charge and applicable surcharges for the quantities of natural gas delivered. The rate(s) set forth in GTN's current Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Fourth Revised Volume No. 1-A are applied to transportation service rendered under this rate schedule.

5.1.3.1 Reservation Charge.

The Reservation Charge shall be the sum of the Mileage and the Non-Mileage Component:

(a) Mileage Component.

The Mileage Component shall be the product of the currently effective Mileage Rate as set forth in Section 4.1, the distance, in pipeline miles, from the Primary Point(s) of receipt to the Primary Point(s) of Delivery on Mainline Facilities as set forth in Shipper's Contract, and the Shipper's Maximum Daily Quantity at such Point(s).

(b) Non-Mileage Component.

The Non-Mileage Component shall be the product of the currently effective Non-Mileage Rate as set forth in Section 4.1 and the Shipper's Maximum Daily Quantity at Primary Point(s) of Delivery on Mainline Facilities.

(c) Shipper's obligation to pay the Reservation Charge ~~and applicable Reservation Surcharge~~ is independent of Shipper's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy, and shall begin with the execution of the Firm Transportation Service Agreement by both parties. The Reservation Charge ~~and Reservation Surcharge~~ due and payable shall be computed beginning in the month in which service is first available (prorated if beginning in the month in which service is available on a date other than the first day of the month). Thereafter, the ~~daily~~ monthly Reservation Charge ~~and Reservation Surcharge~~ shall be due and payable each month during the Initial (and Subsequent) Term(s) of the Shipper's executed Firm Transportation Service Agreement and is unaffected by the quantity of gas transported by GTN to Shipper's delivery point(s) in any month except as provided for in Sections 5.1.3.9 and 5.1.3.10 of this rate schedule.

5.1.3.9 Reservation Charge Credit - Malin Primary Delivery Point.

If GTN fails to deliver to Malin, Oregon ninety-five percent (95%) or more of the aggregate Confirmed Daily Nominations (as hereinafter defined) of all Shippers with a Malin primary delivery point receiving service under this rate schedule (hereinafter referred to as the "Non-Deficiency Amount") for more than twenty-five (25) days in any given Contract Year, then for each day during that Contract Year in excess of twenty-five (25) days that GTN so fails to deliver the Non-Deficiency Amount (a "Credit Day") Shipper, as its sole remedy, shall be entitled to a Reservation Charge Credit calculated in the manner hereinafter set forth.

For the purpose of this Section 5.1.3.9, Confirmed Daily Nomination shall mean for any day, the lesser of (1) Shipper's Maximum Daily Quantity or (2) the actual quantity of gas that the connecting pipeline upstream of GTN is capable of delivering for Shipper's account to GTN at Shipper's primary point of receipt(s) on GTN less Shipper's requirement to provide compressor fuel and line losses under the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A or (3) the quantity of gas that Pacific Gas and Electric Company (PG&E) is capable of accepting at Malin for Shipper's account or (4) Shipper's nomination to GTN.

The Reservation Charge Credit for each Credit Day for a particular Shipper shall be computed as follows:

$$\begin{array}{r} \text{Reservation Charge} \\ \text{Credit for Each} \\ \text{Credit Day} \end{array} = \frac{\text{A}}{30.4} \times \frac{\text{B} - \text{C}}{\text{B}}$$

Where A = Shipper's ~~Daily~~ Monthly Reservation Charge  
B = Shipper's confirmed daily nomination for the Credit Day  
C = Actual quantity of gas delivered by GTN to PG&E Malin for Shipper's account for the Credit Day

Except as provided for in Section 5.1.3.10 of this rate schedule, this Reservation Charge Credit is Shipper's sole remedy for nondelivery of gas by GTN.

5.1.3.10 Reservation Charge Credit - Other than Malin Primary Delivery Point.

If GTN fails to deliver Forward Haul service on a Primary Path to a primary delivery point on its system other than Malin, Oregon, ninety-five percent (95%) or more of the aggregate Confirmed Daily Nominations (as hereinafter defined) of all Shippers at such primary delivery point other than Malin receiving service under this rate schedule (hereinafter referred to as the "Non-Deficiency Amount") for more than twenty-five (25) days in any given Contract Year, then for each day during that Contract Year in excess of twenty-five (25) days that GTN so fails to deliver the Non-Deficiency Amount (a "Credit Day") Shipper, as its sole remedy, shall be entitled to a Reservation Charge Credit calculated in the manner hereinafter set forth.

For the purpose of this Section 5.1.3.10, Confirmed Daily Nomination shall mean for any day, the lesser of (1) Shipper's Maximum Daily Quantity or (2) the quantity of gas that the connecting downstream pipeline(s), local distribution company pipeline(s), or end-user(s) is/are capable of accepting for Shipper's account at Shipper's point(s) of primary delivery on GTN or (3) the quantity of gas that the connecting pipeline upstream of GTN is capable of delivering to GTN for Shipper's account to GTN at Shipper's primary point of receipt(s) on GTN less Shipper's requirement to provide compressor fuel and line losses under the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A or (4) Shipper's nomination to GTN.

The Reservation Charge Credit for each Credit Day for a particular Shipper shall be computed as follows:

$$\begin{array}{l} \text{Reservation Charge} \\ \text{Credit for Each} \\ \text{Credit Day} \end{array} = \frac{\text{A}}{\text{(30.4)}} \times \frac{\text{B} - \text{C}}{\text{( B )}}$$

Where A = Shipper's ~~Daily~~ Monthly Reservation Charge  
B = Shipper's confirmed daily nomination for the Credit Day  
C = Actual quantity of gas delivered by GTN to a Shipper's primary delivery point(s) (other than Malin) for Shipper's account for the Credit Day

Except as provided for in Section 5.1.3.9 of this rate schedule, this Reservation Charge Credit is Shipper's sole remedy for nondelivery of gas by GTN.

### 5.2.3 RATES

Shipper shall pay GTN each month the sum of the Reservation Charges, the Delivery Charge, plus any applicable Extension Charge, Overrun Charge and applicable surcharges for the quantities of natural gas delivered. The rate(s) set forth in GTN's current Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Fourth Revised Volume No. 1-A are applied to transportation service rendered under this rate schedule.

5.2.3.1 Reservation Charge.

The Reservation Charge shall be the sum of the Mileage and the Non-Mileage Component:

(a) Mileage Component.

The Mileage Component shall equal the product of the Daily Mileage Charge ~~(equal to the currently effective Mileage Reservation Charge as set forth in Section 4.1 divided by the number of days in the month)~~, the number of days in the month less the number of Limited Days, the distance in pipeline miles from the Primary Point(s) of receipt to the Primary Point(s) of delivery on Mainline Facilities as set forth in Shipper's Contract, and the Shippers Maximum Daily Quantity at such Point(s). To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.

(b) Non-Mileage Component.

The Non-Mileage Component shall be the product of the Daily Non-Mileage Charge ~~(equal to the currently effective Non Mileage Reservation Charge as set forth in Section 4.1 divided by the number of days in the month)~~, the number of days in the month less the number of Limited Days, and the Shipper's Maximum Daily Quantity at Primary Point(s) of Delivery on Mainline Facilities. To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.

(c) Obligation to Pay.

Shipper's obligation to pay the Reservation Charge ~~and applicable Reservation Surcharge~~ is independent of Shipper's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy, and shall begin with the execution of the Limited Firm Transportation Service Agreement by both parties. The Reservation Charge ~~and Reservation Surcharge~~ due and payable shall be computed beginning in the month in which service is first available (prorated if beginning in the month in which service is available on a date other than the first day of the month). Thereafter, the ~~daily~~ monthly Reservation Charge ~~and Reservation Surcharge~~ shall be due and payable

each month during the Initial (and Subsequent) Term(s) of the Shipper's executed Limited Firm Transportation Service Agreement and is unaffected by the quantity of gas transported by GTN to Shipper's delivery point(s) in any month except as provided for in Sections 5.1.3.9 and 5.1.3.10 of Rate Schedule FTS-1.

5.2.3.3 Extension Charge.

If Shipper designates a Primary Point of delivery on an Extension Facility, then in addition to all other charges that are applicable, Shipper shall pay the Extension Charge, which shall consist of a reservation and delivery component.

- (a) The reservation component of the Extension Charge shall be the product of the Daily Extension Reservation Rate ~~(equal to the currently effective Extension Reservation Rate as set forth in Section 4.1 divided by the number of days in the month)~~, the number of days in the month less the number of Limited Days, the distance in pipeline miles from the Receipt Point(s) to the Primary Point(s) of delivery on the Extension Facility as set forth in Shipper's Contract, and the Shipper's Maximum Daily Quantity at such Point(s). To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.
- (b) The delivery component of the Extension Surcharge shall be the product of the quantities delivered at the point(s) of delivery on the Extension Facility, the applicable Extension delivery rate as set forth in Section 4.1, and the distance, in pipeline miles, from the Receipt Point(s) on the Extension Facility to the point(s) of delivery.

5.3.3.5 Backhauls.

Backhauls or upstream deliveries shall be subject to the same charges as forward haul or downstream transportation arrangements except that no gas shall be retained by GTN, for fuel or line lossgas.

6.19.3 Priority of Authorized Overrun Service.

Authorized overrun service shall have a priority lower than firm, and the same priority as  
or interruptible, as defined above. ~~Priority within the overrun class shall be determined~~  
~~using a first-come, first-serve procedure.~~

#### 6.19.4 Nominations.

(a) Information to be Provided with Nomination.

A Shipper may nominate for transportation service on GTN electronically in accordance with Section 6.34 of the General Terms and Conditions of this Tariff. In accordance with NAESB Standard 1.3.5, all nominations should include Shipper-defined begin dates and end dates. All nominations excluding intraday nominations should have roll-over options. Specifically, Shippers should have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of Shipper's contract.

All nominations shall include, at a minimum:

- a daily quantity of gas to be transported (expressed in Dekatherms);
- previously approved and valid receipt and delivery points; and
- shipper defined begin dates and end dates.

Shipper shall provide as a component of its nomination such business conditional data sets as may be required by GTN to enable it to identify, confirm, and schedule the nomination. Shipper shall also prioritize nominated receipts and deliveries when there is more than one supplier and more than one Shipper customer, respectively. Shipper designated priorities will be used to allocate gas when upstream and downstream nominations vary from GTN's Shipper nominations.

Shipper may nominate for any period of days, provided the nomination begin and end dates are within the term of the Shipper's Transportation Service Agreement or exhibit. Such nominations shall be deemed "Standing Nominations." All types of Nominations must be clearly and separately identified so that priorities of service can be distinguished. As required by NAESB Standard 1.3.19, overrun quantities should be requested on a separate transaction.

The receipt of the nomination is notice that all necessary regulatory approvals have been received and that valid upstream and downstream transportation and other contractual arrangements are in place.

(b) Nomination Cycles.

In accordance with NAESB Standard 1.3.2, GTN will utilize the following standard nomination cycles:

(i) THE TIMELY NOMINATION CYCLE:

11:30 a.m. (CCT) (9:30 a.m. PCT) nominations leave control of the nominating party;

11:45 a.m. (CCT) (9:45 a.m. PCT) receipt of nominations by GTN (including from Title Transfer Tracking Service Providers (TTTSPs));

12:00 noon (CCT) (2:00 p.m. PCT) GTN sends Quick Response;

3:30 p.m. (CCT) (1:30 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

4:30 p.m. (CCT) (2:30 p.m. PCT) receipt of scheduled quantities by Shipper and point operator (Central Clock Time on the day prior to flow).

(ii) THE EVENING NOMINATION CYCLE:

6:00 p.m. (CCT) (4:00 p.m. PCT) nominations leave control of the nominating party;

6:15 p.m. (CCT) (4:15 p.m. PCT) receipt of nominations by GTN (including from TTTSPs);

6:30 p.m. (CCT) (4:30 p.m. PCT) GTN sends Quick Response;

9:00 p.m. (CCT) (7:00 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

10:00 p.m. (CCT) (8:00 p.m. PCT) GTN provides scheduled quantities to affected Shippers and point operators, and provides scheduled quantities and notice to bumped parties. Advance notice to bumped parties shall be provided by telephone, facsimile, or electronic mail, at the Shipper's option.

Scheduled quantities resulting from an Evening Nomination will be effective at 9:00 a.m. (CCT) (7:00 a.m. PCT) on gas day.

(iii) THE INTRADAY 1 NOMINATION CYCLE:

10:00 a.m. (CCT) (8:00 a.m. PCT) nominations leave control of the nominating party;

10:15 a.m. (CCT) (8:15 a.m. PCT) receipt of nominations by GTN (including from TTTSPs);

10:30 a.m. (CCT) (8:30 a.m. PCT) GTN sends Quick Response;

1:00 p.m. (CCT) (11:00 a.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

2:00 p.m. (CCT) (12:00 noon PCT) GTN provides scheduled quantities to affected Shippers and point operators, and provides scheduled quantities and notice to bumped parties. Advance notice to bumped parties shall be provided by telephone, facsimile, or electronic mail, at the Shipper's option.

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 5:00 p.m. (CCT) (3:00 p.m. PCT) on gas day.

(iv) THE INTRADAY 2 NOMINATION CYCLE:

5:00 p.m. (CCT) (3:00 p.m. PCT) nominations leave control of the nominating party;

5:15 p.m. (CCT) (3:15 p.m. PCT) receipt of nominations by GTN (including from TTTSPs);

5:30 p.m. (CCT) (3:30 p.m. PCT) GTN sends Quick Response;

8:00 p.m. (CCT) (6:00 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

9:00 p.m. (CCT) (7:00 p.m. PCT) GTN provides scheduled quantities to affected Shippers and point operators.

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 9:00 p.m. (CCT) (7:00 p.m. PCT) on gas day.

~~Bumping is not allowed. Firm intraday nominations during the Intraday 2 Nomination Cycle may not bump nominated and scheduled interruptible volumes.~~

(v) For purposes of NAESB Standards 1.3.2 ii, iii, and iv (reflected in Sections 6.19.4(b)(ii) through 6.19.4(b)(iv) above), "provide" shall mean, for transmittals pursuant to NAESB Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

Transporter shall, at the end of each business day, make available to each Shipper information containing scheduled quantities including scheduled intraday nominations and any other scheduling changes.

GTN shall have the discretion to accept nominations at such later times as operating conditions permit and without detrimental impact to other Shippers and upon confirmation that corresponding upstream and downstream arrangements in a manner satisfactory to GTN have been made. In the event later nominations are accepted, GTN will schedule those nominations after the nominations received before the nominations deadline, which is in accordance with NAESB Standard 1.3.6, that states nominations received after nomination deadline should be scheduled after the nominations received before the nomination deadline.

(c) Changes to Nominations.

(1) Changes to Standing Nominations.

In accordance with NAESB Standard 1.3.7, all nominations should be considered original nominations and should be replaced to be changed. When a nomination for a date range is received, each day within that range is considered an original nomination. When a subsequent nomination is received for one or more days within that range, the previous nomination is superseded by the subsequent nomination only to the extent of the days specified. The days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only. A nomination for a period within the start and end dates of a Standing Nomination replaces the Standing Nomination for the specific gas day(s) only and does not replace the remainder of the Standing Nomination.

Such nominations must be received by GTN's Transportation Department in accordance with the scheduling timelines set out in Section 6.19.4(b).

In the event GTN does not receive information of upstream or downstream adjustments, GTN shall use the lesser of the new nomination or the previous nomination.

(2) Intraday Nominations.

In accordance with NAESB Standard 1.3.8, all transportation service providers should allow for intraday nominations. Requests to amend previously scheduled nominations may be accepted during the gas day, subject to operational conditions and, further that corresponding upstream and downstream adjustments in a manner satisfactory to GTN can be confirmed. In accordance with NAESB Standard 1.3.11, such intraday nominations can be used to request increases or decreases in total flow, changes to receipt points, or changes to delivery points of scheduled gas. A request to increase a

~~nomination for firm transportation up to the MDQ specified in the Service Agreement will be accommodated to the extent operating conditions permit. Firm intraday nominations other than during the Intraday 2 Nomination Cycle shall have priority over nominated and scheduled interruptible volumes. Interruptible intraday nominations other than during the Intraday 2 Nomination Cycle shall have priority over other nominated and scheduled interruptible volumes subject to the interruptible service priorities set forth in Section 6.19.2.A request to increase a nomination for interruptible transportation shall be permitted only to the extent that capacity is available and that no displacement of other interruptible transportation occurs. Such changes will become effective only when system operating conditions, as determined by GTN, permit changes to occur.~~

Intraday Nominations do not have roll-over options and will replace the Standing Nomination only for the duration of the Gas Day. Quantities for Intraday Nominations will be expressed in Dekatherms, and represent the total quantities to be delivered prior to the end of the effective Gas Day.

- (3) In accordance with NAESB Standard 1.3.9, all nominations, including Intraday Nominations, should be based on a daily quantity; thus, an Intraday Nominator need not submit an hourly nomination. Intraday nominations should include an effective date and time. The interconnected parties should agree on the hourly flows of the Intraday Nomination, if not otherwise addressed in transporter's contract or tariff.

(d) Information Reliability.

GTN shall be allowed to rely conclusively on the information submitted as part of the nomination in confirming the nomination for scheduling and allocation. Shipper must provide electronically to GTN Shipper's current designated contact, after hours and emergency telephone numbers. Such information must be updated as often as changes to such information occurs. GTN may rely solely upon the information provided by Shipper and will not be liable to Shipper if Shipper's contact information is outdated and communication attempts with such Shipper are unsuccessful.

(e) Uniform Hourly Rates.

Scheduled quantities will be received and delivered at a uniform hourly rate of confirmed quantity divided by 24, unless as determined by GTN, variance from the hourly rate will not be detrimental to the operation of the pipeline or adversely affect other GTN Shippers.

(f) North American Energy Standards Board Standards.

Nominations for service on GTN shall be further governed by the following standards adopted by the North American Energy Standards Board.

1.3.13; 1.3.14; 1.3.16; 1.3.22; and 1.3.23.

(g) Nomination of Service Fee.

GTN may, upon mutual agreement with Shipper, enter into agency agreements on third-party pipelines that will allow GTN to place transportation service nominations for Shipper on both GTN and other third-party pipelines. A nomination of service fee shall be negotiated between GTN and Shipper for such service. GTN will provide this service on a non-discriminatory basis.

## 6.20 CURTAILMENT

GTN shall have the right to curtail, interrupt, or discontinue Transportation Service on any portion of its system at any time for reasons of Force Majeure or when capacity, supply, or operating conditions so require or it is necessary or desirable to make modifications, repairs, or operating changes to its system. GTN shall provide notice of such occurrences as is reasonable under the circumstances.

Capacity may become constrained at individual receipt points, delivery points or on segments of the pipeline. GTN shall exercise this curtailment provision only at the point(s) or segment(s) of the pipeline affected by the constraint. When capacity is constrained or otherwise insufficient to serve all the transportation requirements which are scheduled to receive service, GTN shall curtail Authorized Overrun ~~Imbalance~~ Service; ~~followed by~~ and Interruptible Service, ~~then~~ and finally Firm Service, as necessary.

Curtailment of Interruptible Service and Authorized Overrun ~~Imbalance~~ Service, if necessary, shall be performed in the opposite order of scheduling as set forth in Sections 6.19.2 and 6.19.3 of this Tariff.

~~Curtailment of Interruptible Service, if necessary, will be performed in the opposite order of scheduling set forth in Section 6.19.2 of this Tariff.~~

Curtailment of Firm Service if necessary, will be performed pro rata based on the MDQ across the contracts scheduled to use the capacity at the applicable receipt points, delivery point(s) or mainline segment(s) of pipeline.

## 6.31 NEGOTIATED RATES

1. Availability. Notwithstanding anything to the contrary contained in this Tariff, including the provisions of the rate schedules contained herein, GTN and Shipper may mutually agree to a Negotiated Rate under any Agreement, provided that Shipper has not acquired its capacity on a temporary basis under the capacity release provisions of Section 6.28 of these Transportation General Terms and Conditions. If a portion of the capacity under any existing Agreement is agreed to be priced at Negotiated Rates, the existing maximum or discounted tariff rates will continue to apply to the capacity not subject to the Negotiated Rates. As a recourse to the Negotiated Rates, any Shipper may receive service at applicable maximum tariff rates, including surcharges. The Negotiated Rate may be less than, equal to, or greater than the maximum and minimum applicable tariff rate; may be based on a rate design other than straight-fixed variable; and may include a minimum quantity. GTN's Recourse Rates shall be available to any Shipper that does not agree to a Negotiated Rate. Recourse Rates are set forth in the Rate Sections within this Tariff.

GTN and a Shipper may agree to a Negotiated Rate for the entire term of a Transportation Service Agreement, or may agree to a Negotiated Rate for some portion of the term of a Transportation Agreement. GTN and Shipper may agree to apply the Negotiated Rate to all or a portion of capacity under Shipper's Firm Transportation Service Agreement.

During the period a Negotiated Rate is in place, the Negotiated Rate shall govern and apply to the Shipper's service under the Negotiated Rate Agreement and the otherwise applicable rate, rate component, charge or credit which the parties have agreed to replace with the Negotiated Rate shall not apply to, or be available to, the Shipper. Only those rates, rate components, charges or credits identified by GTN and Shipper in writing as being superceded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges, or credits prescribed, required, established or imposed by this Rate Schedule or Tariff shall remain in effect. At the end of the period during which the Negotiated Rate is in effect, the otherwise applicable tariff rates or charges shall govern any service provided to Shipper.

2. Filing requirement. Unless GTN executes and files a non-conforming agreement, GTN will submit to the Commission on or before the commencement of service under a Negotiated Rate Contract a tariff section stating the exact legal name of the Shipper, Negotiated Rate, the rate schedule, the receipt and delivery points, the contract quantities and, where applicable, the Negotiated Rate Formula underlying a Negotiated Rate for any Negotiated Rate Agreement. The filing will contain a provision that the Negotiated Rate Agreement does not deviate any material respect from the Form of Agreement in the tariff for the applicable rate schedule.

3. Rate Treatment. GTN shall have the right to seek in future general rate proceedings discount-type adjustments in the design of its rates related to Negotiated Rate Agreements that were converted from pre-existing discount Agreements to Negotiated Rate Agreements. In those situations, GTN may seek a discount-type adjustment based upon the greater of: (a) the Negotiated Rate revenue received; or (b) the discounted tariff rate revenues which otherwise would have been received.
4. Limitations. This Section 6.31 does not authorize GTN to negotiate terms and conditions of service.
5. Capacity Release. Negotiated Rates do not apply as the price cap for capacity release transactions greater than one year. ~~Further, capacity release bids must conform to GTN's applicable tariff rates, as further described in Section 6.28.6(b)(4) of these Transportation General Terms and Conditions.~~
6. Accounting Treatment. GTN shall maintain separate records for all revenues associated with Negotiated Rate transactions. Transactions related to Negotiated Rate Agreements which originated as a pre-existing discounted service and were subsequently converted will be recorded separately from those originating as Negotiated Rate Agreements. GTN shall record each volume transported, billing determinants, rate component, surcharge, and the revenue associated with its Negotiated Rates so that this information can be filed, separately identified, and separately totaled, as part of and in the format of Statements G, I, and J in GTN's next general rate change application.

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Gas Transmission Northwest LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_, (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on a firm basis, to transport certain quantities of natural gas from \_\_\_\_\_ to \_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify end-user, local distribution company, intrastate or interstate pipeline) on behalf of \_\_\_\_\_ (specify local distribution company or intrastate pipeline); and

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on a firm basis,

NOW, THEREFORE, the parties agree as follows:

I

Governmental Authority

- 1.1 This Firm Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.

- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

## II

### Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Statement of Effective Rates and Charges applicable to Rate Schedule FTS-1. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto.
- 2.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Section 6.19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1.

## III

### Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_.

Thereafter, this Agreement shall continue in full force and effect for an additional term of \_\_\_\_\_ unless \_\_\_\_\_ gives at least \_\_\_\_\_ prior written notice of its desire to terminate this agreement. Under this evergreen provision, parties capable of giving notice of termination may include

only Shipper (unilateral evergreen) or may include both Shipper and GTN (bilateral evergreen).

IV  
Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V  
Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate schedule FTS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such ~~Negotiated Rate~~, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel, line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and of the applicable Transportation

General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.

- 6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                   GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"             \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention:            \_\_\_\_\_  
\_\_\_\_\_

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 This Agreement shall terminate upon the expiration of any transportation authority which is not superseded, for whatever reason, by permanent transportation authority.
- 7.9 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between GAS TRANSMISSION NORTHWEST LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_ (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline Facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis, to Transport certain quantities of natural gas from \_\_\_\_\_ to \_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify end-user, local distribution company, intrastate or interstate pipeline) on behalf of \_\_\_\_\_ (specify local distribution company or intrastate pipeline); and

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I

Governmental Authority

- 1.1 This Interruptible Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.

- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule ITS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

## II

### Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to rate Schedule ITS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto. The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Section 6.19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule ITS-1.

## III

### Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

IV  
Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V  
Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate schedule ITS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such ~~Negotiated Rate~~, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Statement of Effective Rates and Charges and Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule ITS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the state of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means~~telex~~ with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"            GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"        \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 Reserved for future use.
- 7.9 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT

APPLICABLE TO PARKING SERVICE  
UNDER RATE SCHEDULE PS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between GAS TRANSMISSION NORTHWEST LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_ (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis, to park certain quantities of natural gas; and

WHEREAS, GTN is willing to park certain quantities of natural gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I  
Governmental Authority

- 1.1 This Parking Service Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule PS-1. Shipper shall reimburse GTN for such fees at GTN's

designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable.

## II

### Quantity of Gas and Priority of Service

- 2.1 Quantities parked under Rate Schedule PS-1 will be as specified in Shipper's delivery schedule to be provided to GTN
- 2.2 The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.3 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule PS-1.

## III

### Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

## IV

### Points of Receipt

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 Shipper shall deliver or cause to be delivered to GTN the gas to be parked hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt.

## V

### Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to park gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the parking of gas for the account of Shipper pursuant to GTN's Rate Schedule PS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule PS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such ~~Negotiated Rate~~, shall be set forth in Exhibit B attached hereto.
- 6.2 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule PS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.
- 6.3 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to Parking Service pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the state of California.
- 7.2 Shipper agrees to indemnify and hold GTN harmless for refusal to park gas hereunder in the event any upstream transporter fails to deliver gas as contemplated by this Agreement.
- 7.3 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means~~telex~~ with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                   GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"             \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.4 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.5 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.6 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.7 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT  
APPLICABLE TO AUTHORIZED IMBALANCE SERVICE  
UNDER RATE SCHEDULE AIS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between GAS TRANSMISSION NORTHWEST LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_ (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis, to obtain short-term advances of certain quantities of natural gas; and

WHEREAS, GTN is willing to advance, on a short-term basis, certain quantities of natural gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I  
Governmental Authority

- 1.1 This Authorized Imbalance Service Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule AIS-1. Shipper shall reimburse GTN for such fees at GTN's

designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable.

## II

### Quantity of Gas and Priority of Service

- 2.1 Beginning on the date specified in Article III and continuing for the remaining term specified in Article III, GTN agrees to advance quantities of gas to Shipper up to the Maximum Quantity (MQ) specified in Exhibit A.
- 2.2 The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.3 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule AIS-1.

## III

### Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

## IV

### Points of Delivery

- 4.1 The point(s) of delivery of gas advanced to Shipper is as designated in Exhibit A, attached hereto.

## V

### Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to advance gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the advancement and return of gas for the account of Shipper pursuant to GTN's Rate Schedule AIS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule AIS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such ~~Negotiated Rate~~, shall be set forth in Exhibit B attached hereto.
- 6.2 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule AIS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part thereof.
- 6.3 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to Authorized Imbalance Service pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper agrees to indemnify and hold GTN harmless for refusal to advance gas hereunder in the event any downstream Transporter fails to receive gas as contemplated by this Agreement.
- 7.3 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means~~telex~~ with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                      GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper" \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.4 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.5 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.6 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.7 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT  
APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Gas Transmission Northwest LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_, (hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on a limited basis, to transport certain quantities of natural gas from \_\_\_\_\_ to \_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify end-user, local distribution company, intrastate or interstate pipeline) on behalf of \_\_\_\_\_ (specify local distribution company or intrastate pipeline); and

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on a limited basis,

NOW, THEREFORE, the parties agree as follows:

I

Governmental Authority

- 1.1 This Limited Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.

- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule LFS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

## II

### Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Exhibit A attached hereto. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto.
- 2.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Section 6.19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1.

## III

### Term of Agreement and Number of Limited Days

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_.
- 3.2 Shipper and GTN agree that the minimum number of Limited Days will be \_\_\_\_\_ and the maximum number of Limited Days will be \_\_\_\_\_.
- 3.3 Shipper \_\_\_\_\_ agrees \_\_\_\_\_ does not agree to accept "partial volume day" limiting at the discretion of GTN.

IV  
Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V  
Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1.

VI  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule LFS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such ~~Negotiated Rate~~, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel, line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Rate Schedule LFS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule LFS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.

6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means~~telex~~ with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                   GAS TRANSMISSION NORTHWEST LLC  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"             \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 This Agreement shall terminate upon the expiration of any transportation authority which is not superseded, for whatever reason, by permanent transportation authority.
- 7.9 Exhibit(s) \_\_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

RESERVED FOR FUTURE USE  
FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

~~THIS ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT (the "Agreement"), is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between Gas Transmission Northwest LLC, a Delaware limited liability company, with its principal office at 717 Texas Street, Suite 2400, Houston, Texas 77002-2761 ("GTN"), and \_\_\_\_\_, a \_\_\_\_\_, with its principal office at \_\_\_\_\_ (the "User").~~

~~RECITALS~~

~~WHEREAS, the parties desire to facilitate transactions, reports and other information exchanged ("Transactions") by electronically transmitting and receiving data in agreed formats (the "EDI Process") in substitution for on-line transmittal and/or for conventional paper based documents; and~~

~~WHEREAS, the parties desire to assure that such Transactions are not legally invalid or unenforceable as a result of the use of available electronic technologies for the mutual benefit of the parties; and~~

~~WHEREAS, the parties desire to enter into this Agreement to govern their relationship with respect to electronic data interchange ("EDI") Transactions.~~

~~NOW THEREFORE, in consideration of the premises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:~~

~~Section 1. Prerequisites.~~

~~1.1 Documents: Standards. Each party may electronically transmit to or receive from the other party any of the transaction sets listed in the Exhibit(s) of Appendix A, and transaction sets which the parties by written agreement add to Appendix A (individually a "Document"; collectively "Documents"). Any transmission of data which is not a Document shall have no force or effect between the parties. Documents shall be transmitted in accordance with the terms and conditions of Appendix A attached hereto. Additional Exhibit(s) may be added from time to time, upon written agreement by the parties, and such Exhibit(s) shall be made a part of this Agreement.~~

~~In the event of a conflict between the provisions in Appendix A or an Exhibit and the terms and conditions of the body of this Agreement, the terms and conditions of the body of this Agreement shall govern.~~

~~1.2 — Third Party Service Providers.~~

~~1.2.1 Documents will be transmitted electronically to each party either, as specified in Appendix A, directly or through any third party service provider ("Provider") with which either party may contract. Either party may modify its election to use, not use or change a Provider upon 30 days prior written notice to the other party to this Agreement.~~

~~1.2.2 Each party shall be responsible for the costs of any Provider with which it contracts, unless otherwise set forth in Appendix A. Unless otherwise stated in Appendix A, the sending party shall pay all costs to transmit its data to the receiving party's Receipt Computer and the receiving party shall pay all costs to retrieve the data.~~

~~1.2.3 Due to the uncertain nature of the Worldwide Web/Internet, the parties acknowledge and agree that each party shall be liable for the acts or omissions of its Provider with regard to the transmission, receiving, storing or handling of Documents on behalf of such party; provided, that if both the parties use the same Provider to effect the transmission, receipt, storing and/or handling of a Document, the originating party shall be liable with regard to the transmission, receiving, storing or handling of such Document. This provision does not limit any claim of a party against a Provider in respect of any act or omission. NOTWITHSTANDING THE GENERALITY OF THE FOREGOING PROVISIONS OF THIS PARAGRAPH 1.2.3, USER ACKNOWLEDGES AND AGREES THAT USER IS SOLELY RESPONSIBLE FOR THE ACCURACY OF ALL INFORMATION AND DATA THAT USER TRANSMITS TO GTN AND GTN SHALL NOT BE LIABLE FOR ANY SUCH INACCURACIES.~~

~~1.3 — System Operations. Each party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive Documents. Any special data retention requirements shall be set forth in Appendix A.~~

~~1.4 — Security Procedures. Each party shall properly use those security procedures, including those specified in Appendix A, if any, which are reasonably sufficient to ensure that all transmissions of Documents are authorized and to protect its business records and data from improper access.~~

~~1.5 — Signatures. Each party shall adopt as its signature an electronic identification consisting of symbol(s) or code(s) which are to be affixed to or contained, where required, in the Document transmitted by such party ("Signature Code(s)"). Each Signature Code(s) shall be specified in Appendix A. In such cases where a Signature Code(s) is required for one or more Transaction Set(s), the requirement shall be specified in Appendix A applicable to such Transaction Set(s). Each party agrees that the Signature Code(s) of each party affixed to or contained in any transmitted Document shall be sufficient to verify such party originated such Document(s).~~

~~Neither party shall disclose to any unauthorized person the Signature Code(s) of the other party. User shall take all commercially reasonable measures to maintain the secrecy and confidentiality of the Signature Code of User. Without limiting the generality of the foregoing sentence, User shall, at all times, provide GTN with a list of all currently authorized representatives of User having access to the User's Signature Code and shall be solely responsible for any transmission utilizing User's Signature Code by anyone not set forth on such list and any and all consequences resulting from such unauthorized use of the User's Signature Code.~~

~~Section 2. Transmissions.~~

~~2.1 — Proper Receipt. Documents shall not be deemed to have been properly received, and no Document shall give rise to any obligation, until accessible to the receiving party at such party's Receipt Computer designated in Appendix A. Where the parties employ the services of Providers to transmit and receive Documents, the Receipt Computer shall be defined in Appendix A as the receiving party's electronic mailbox provided by the receiving party's Provider.~~

~~2.2 — Verification.~~

~~2.2.1 — Upon proper receipt of any Document, the receiving party shall promptly and properly transmit a functional acknowledgment in return, unless otherwise specified in Appendix A.~~

~~2.2.2 — For the purposes of this Agreement, a "functional acknowledgment" means an ASC X.12 Transaction Set 997, which confirms a Document (in the format specified by such acknowledgment) has been received and whether all required portions of the Document are syntactically correct, but which does not confirm the substantive content(s) of the related Document.~~

~~2.2.3 — By mutual agreement, the parties may designate in Appendix A a "response document" Transaction Set as a substitute for or in addition to an ASC X.12 Transaction Set 997. A "response document" confirms that a Document (in the format specified by such acknowledgment) has been received, and whether all required portions of the Document are syntactically correct, and contains data sent by the receiving party to the sending party in response to the substantive content of the related Document. If the parties designate a response document as a substitute for a functional acknowledgment, the time requirements in Appendix A applicable to functional acknowledgments shall apply to such response documents.~~

~~2.2.4 — A functional acknowledgment, or a response document that has been designated in Appendix A as a substitute for a functional acknowledgment, shall constitute conclusive evidence a Document has been properly received.~~

~~2.2.5 — Except as to conditions governed under Section 2.4, in the event the receiving party fails to promptly and properly transmit a functional acknowledgment or response document in return~~

~~for a properly received Document, where required, the originating party's records of the contents of the Document shall control.~~

~~2.3 — Acceptance. Unless otherwise provided in Appendix A, all Documents shall require a document (the "Acceptance Document") accepting the initial transmitted document and no obligation shall arise with regard to any Document until the originating party has properly received in return an Acceptance Document. The form and nature of each such Acceptance Document for each designated type of Document shall be specified in Appendix A with respect to each such Document. The validity and enforcement of all Documents and all Acceptance Documents shall be governed by the terms and conditions set forth in Section 3.3 of this Agreement.~~

~~2.4 — Garbled Transmissions. If any transmitted Document is received in an unintelligible or garbled form, the receiving party shall promptly notify the originating party (if identifiable from the received Document) in a reasonable manner. In the absence of such a notice and where a functional acknowledgment or response document has resulted, the originating party's records of the contents of such Document shall control.~~

~~2.5 — Retransmissions. If the originating party of a Document has not properly received a corresponding functional acknowledgment or response document within the Retransmission Timeframe indicated in Appendix A, the originating party shall retransmit the Document.~~

### ~~Section 3. Transaction Terms.~~

~~3.1 — Terms and Conditions. All Transmissions made pursuant to this Agreement shall be subject to the terms and conditions of this Agreement and no other terms and conditions shall apply unless the parties specifically agree to the applicability of such other terms and conditions. User agrees that it shall be bound by all the terms and conditions of this Agreement, as well as any and all applicable tariffs currently in effect for PGT as approved by the Federal Energy Regulatory Commission ("FERC"), or which may hereafter be implemented. Such tariffs are matters of public record, which User warrants it has reviewed and will review in the future.~~

~~3.2 — Confidentiality. No information contained in any Document or otherwise exchanged between the parties shall be considered confidential, except to the extent provided in Section 1.5, as shown in Appendix A, by written agreement between the parties, or by applicable law.~~

~~3.3 — Validity: Enforceability.~~

~~3.3.1 This Agreement has been executed by the parties to evidence their mutual intent to create binding obligations pursuant to the electronic transmission and receipt of Documents specifying certain of the applicable terms.~~

~~3.3.2 Any Document properly transmitted pursuant to this Agreement shall be considered, in connection with any Transaction, or this Agreement, to be a "writing" or "in writing"; and any~~

~~such Document when containing, or to which there is affixed, a Signature Code ("Signed Documents") shall be deemed for all purposes (a) to have been "signed" and (b) to constitute an "original" when printed from electronic files or records established and maintained by GTN in the normal course of GTN's business (the "GTN Electronic Files").~~

~~3.3.3 The conduct of the parties pursuant to this Agreement, including the use of Signed Documents properly transmitted pursuant to this Agreement, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the parties in furtherance of this Agreement and any Transaction.~~

~~3.3.4 Parties agree not to contest the validity or enforceability of Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. In the event a conflict exists between Signed Documents maintained on GTN's Electronic Files (hereinafter referred to as "GTN Electronic Signed Documents") and Signed Documents maintained on User's electronic files, GTN Electronic Signed Documents will control. Signed Documents will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of the above mentioned copies of Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.~~

#### ~~Section 4. Miscellaneous.~~

##### ~~4.1 Term; Termination and Modification of EDI Process.~~

~~4.1.1 This Agreement shall be effective as of the date first set forth above and shall remain in effect until terminated by either party as provided in this Section 4.1; provided, however, that written notice for purposes of this Section 4.1 shall not include notice provided pursuant to an EDI Transaction; further provided, however, that any termination shall not affect the respective obligations or rights of the parties arising under any Documents or otherwise under this Agreement prior to the effective date of termination.~~

~~4.1.1.1 Either party may terminate this Agreement upon not less than thirty (30) days prior written notice specifying the effective date of termination.~~

~~4.1.1.2 GTN may terminate this Agreement as provided by applicable tariff, and may further terminate, upon fifteen (15) days prior notice by GTN, for cause, including User's failure to honor this Agreement, failure to honor any Contract entered through the EDI Process, failure to pay required reservation or demand charges, failure to meet GTN's applicable credit requirements, or failure to comply with all applicable tariffs currently or hereafter in effect for GTN as approved by FERC (as such term is defined in Section 3.1).~~

~~4.1.2—GTN has the right to propose modifications to FERC related to the EDI Process and this Agreement, and in the event FERC approves any modifications to the EDI Process and this Agreement, the parties agree to be bound by such modifications.~~

~~4.2—Severability. Any provision of this Agreement which is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.~~

~~4.3—Entire Agreement. This Agreement and Appendix A constitute the complete agreement of the parties relating to the matters specified in this Agreement and supersede all prior representations or agreements, whether oral or written, with respect to such matters. No oral modification or waiver of any of the provisions of this agreement shall be binding on either party. No obligation to enter into any Transaction is to be implied from the execution or delivery of this Agreement. This Agreement is solely for the benefit of, and shall be binding solely upon, the parties, their agents and their respective successors and permitted assigns. This Agreement is not intended to benefit and shall not be for the benefit of any party other than the parties hereto and no other party shall have any right, claim or action as a result of this Agreement.~~

~~4.4—Governing Law; Dispute Resolution. User agrees that the laws of the State of California, without giving effect to choice of law provisions, shall govern the interpretation and enforcement of this Agreement. Any dispute or controversy arising from this Agreement or from the operation of the EDI Process, whether arising in tort, contract or otherwise, including any claims for punitive or exemplary damages, shall be submitted by the parties to binding arbitration for resolution.~~

~~4.4.1—Notice of a dispute or controversy by GTN or User shall be made in writing, delivered to the other party, by means of a written demand containing the substance of the party's dispute or claim and requesting resolution by binding arbitration.~~

~~4.4.2—Within thirty (30) days of receipt of the written demand, set forth in Section 4.4.1 or as soon thereafter as is practicable for the parties and the Arbitrator(s), the parties shall enter into binding arbitration. The proceeding shall be conducted pursuant to the Commercial Arbitration Rules of the American Arbitration Association then in effect. The parties shall select and agree upon a single Arbitrator and that one Arbitrator shall render the decision. If the parties are unable to agree upon a single Arbitrator, GTN and the User shall each select a single neutral arbitrator, and the two selected neutral Arbitrators shall select and agree upon a third neutral Arbitrator, and the three (3) Arbitrators shall render the decision. In the event that the two neutral Arbitrators selected by the parties are unable to select and agree upon a third neutral Arbitrator, GTN or the User may apply to any federal or state court of competent jurisdiction for appointment of a third neutral Arbitrator. Any arbitration award must be in writing, and must contain the Findings of Fact and Conclusions of Law upon which the Arbitrator(s) relied in making the decision. In the event there is a single Arbitrator, the arbitration award shall be rendered by a majority and signed by such Arbitrator. In the event the above provisions require~~

~~three (3) Arbitrators, a decision shall be rendered by a majority and signed by all of the Arbitrators. Any arbitration award may be entered as a judgment in any court having jurisdiction over the non-prevailing party. The Arbitrator(s) shall award all reasonable costs, including attorney fees, to the prevailing party. Arbitration proceedings shall take place in Portland, Oregon.~~

~~4.5 — Force Majeure. If either party hereto shall fail to perform any obligation imposed upon it by this Agreement, and such failure shall be caused, or materially contributed to, by "force majeure," which means any act of God, strikes, lockouts, or other industrial disturbances, acts of public enemies, sabotage (whether or not performed by persons affiliated with parties hereto), wars, blockades, insurrections, riots, epidemics, landslides, lighting, electrical power failures, telecommunication system failures, earthquakes, floods, storms, fires, washouts, extreme cold or freezing weather, arrests and restraints of rulers or people, civil disturbances, explosions, breakage of or accident to machinery or lines of pipe, materials or equipment, computer hardware or software failure, legislative, administrative or judicial action which has been resisted in good faith by all reasonable legal means, any acts, omissions or causes whether of the kind herein enumerated or otherwise not reasonably within the control of the party invoking this section and which by the exercise of due diligence such party could not have prevented the necessity for making repairs to, replacing, or reconditioning machinery, hardware, software, equipment, or pipelines, not resulting from the fault or negligence of the party involving this paragraph, such failure shall be deemed not to be a breach of the obligation of such party, but such party shall use reasonable diligence to put itself in a position to carry out its obligations.~~

~~4.5.1 — Nothing contained herein shall be construed to require either party to settle a strike or lockout by acceding against its judgment to the demands of the opposing parties. No such cause described in paragraph 4.5 affecting the performance of either party shall continue to relieve such party from its obligation after the expiration of a reasonable period of time within which by the use of due diligence such party could have remedied the situation preventing its performance, nor shall any such cause relieve either party from any obligation unless such party shall give notice thereof in writing to the other party with reasonable promptness; and like notice shall be given upon termination of such cause. Further, inasmuch as this Agreement relates solely to the EDI Process, no such cause as described in paragraph 4.5 shall, by the force of this Agreement, have any effect on other agreements or tariffs affecting the parties; specifically, no such cause as described in paragraph 4.5 shall affect User's obligation to pay any charges otherwise due to GTN.~~

~~4.6 — Exclusion of Certain Damages. Neither party shall be liable to the other for any special, incidental, exemplary or consequential damages arising from or as a result of any delay, omission or error in the electronic transmission or receipt of any Documents pursuant to this Agreement, even if either party has been advised of the possibility of such damages and REGARDLESS OF NEGLIGENCE OR FAULT. Any limitation on direct damages to software and hardware arising from this Agreement shall be set forth in Appendix A.~~

~~4.7 — Notices. All notices required or permitted to be given with respect to this Agreement shall be given by mailing the same postage prepaid, or given by fax or by courier, or by other methods specified in Appendix A to the addressee party at such party's address as set forth in Appendix A. Either party may change its address for the purpose of notice hereunder by giving the other party no less than five (5) days prior written notice of such new address in accordance with the preceding provisions.~~

~~4.8 — Assignment. This Agreement may not be assigned or transferred by either party without the prior written approval of the other party, which approval shall not be unreasonably withheld; provided, any assignment or transfer, whether by merger or otherwise, to a party's affiliate or successor in interest shall be permitted without prior consent if such party assumes this Agreement.~~

~~4.9 — Waivers. No forbearance by any party to require performance of any provisions of this Agreement shall constitute or be deemed a waiver of such provision or the right thereafter to enforce it.~~

~~4.10 — Counterparts. This Agreement may be executed in any number of original counterparts all of which shall constitute but one and the same instrument.~~

~~4.11 — Reasonable Care of User. User agrees to exercise due and reasonable care in the use of the EDI Process.~~

~~Each party has caused this Agreement to be properly executed on its behalf as of the date first above written.~~

~~GAS TRANSMISSION NORTHWEST LLC~~

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

~~Name: \_\_\_\_\_~~

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

~~{INSERT NAME OF "USER"}~~

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

~~Name: \_\_\_\_\_~~

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

~~RESERVED FOR FUTURE USE  
FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE  
APPENDIX A  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
(DATE) \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)~~

~~GENERAL PARTY INFORMATION~~

~~GAS TRANSMISSION NORTHWEST LLC  
717 TEXAS STREET, SUITE 2400  
HOUSTON, TEXAS 77002-2761~~

~~OTHER PARTY INFORMATION~~

~~ATTENTION: \_\_\_\_\_  
(NAME, TITLE)~~

~~PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_~~

~~OTHER NOTICE METHOD & ADDRESS:  
\_\_\_\_\_~~

~~DUNS NUMBER: \_\_\_\_\_~~

~~USER COMPANY NAME: \_\_\_\_\_~~

~~STREET ADDRESS: \_\_\_\_\_~~

~~CITY: \_\_\_\_\_ STATE/PROVINCE: \_\_\_\_\_~~

~~ZIP/POSTAL CODE: \_\_\_\_\_~~

~~ATTENTION: \_\_\_\_\_  
(NAME, TITLE)~~

~~PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_~~

~~OTHER NOTICE METHOD & ADDRESS:  
\_\_\_\_\_~~

DUNS NUMBER: \_\_\_\_\_

ALLOCATION OF COSTS:

~~Sender: Pays all costs to get its data to receiving party's Receipt Computer~~  
~~Receiver: Pays all costs to retrieve the data~~

LIST OF EXHIBITS

<del>EXHIBIT</del> <del>NUMBER</del>	<del>TRANSACTION</del> <del>SET NUMBER</del>	<del>NATURAL GAS</del> <del>DOCUMENT</del> <del>NAME</del>	<del>DATE EXHIBIT</del> <del>ENTERED INTO</del>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

~~All Exhibits attached hereto are to be considered attached to the Appendix A and made a part thereof. Where there are any provisions specified both in the Exhibits(s) and in the Appendix A, those contained in the Exhibits(s) govern.~~

~~The undersigned do hereby execute this Appendix A, which Appendix A is attached to and made a part of the above referenced Trading Partner Agreement. By execution below the parties hereby ratify said Agreement for all purposes set forth in this Appendix A and the attached Exhibits(s).~~

~~COMPANY NAME: Gas Transmission~~ \_\_\_\_\_ ~~COMPANY NAME:~~  
~~Northwest LLC~~

~~BY:~~ \_\_\_\_\_ ~~BY:~~ \_\_\_\_\_

~~PRINTED NAME:~~ \_\_\_\_\_ ~~PRINTED NAME:~~ \_\_\_\_\_

TITLE: \_\_\_\_\_ TITLE: \_\_\_\_\_

~~FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE~~

~~EXHIBIT XXX (Sequential Number)  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
DATED \_\_\_\_\_ TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
COVERING TRANSACTION SET NUMBER \_\_\_\_\_~~

~~1. DOCUMENT SPECIFIC OPERATING INFORMATION:~~

~~(This section covers only the originating Document and its Functional Acknowledgement or identification and timing of substitute Response Document.)~~

~~NATURAL GAS DESCRIPTIVE NAME:~~

\_\_\_\_\_

~~ASCX12 VERSION/RELEASE NO.:~~

\_\_\_\_\_

~~VAN ACCOUNT ID (as applicable):~~

\_\_\_\_\_

<del>ROW</del>	<del>ITEMS</del>	<del>ORIGINATING</del>	<del>RECEIVING</del>
<del>NO.</del>		<del>PARTY</del>	<del>PARTY</del>

~~1 COMPANY NAME~~

~~2 EDI COMMUNICATION~~

~~PHONE NUMBER~~

~~3 THIRD PARTY SERVICE~~

~~PROVIDER NAME~~

~~4 RECEIPT COMPUTER/~~

~~PHONE NUMBER~~

~~5 ISA QUALIFIER~~

~~6 ISA ID CODE~~

~~7 GS ID CODE~~

~~8 FUNCTIONAL 997 DOCUMENT \_\_\_\_\_ N/A~~

~~ACKNOWLEDGMENT (FA) (Y/N)~~

~~9 FA RETURN TIME \_\_\_\_\_ N/A~~

~~FRAME~~

~~10 RESPONSE DOCUMENT \_\_\_\_\_ N/A~~

	(RSP) NUMBER/NAME	
11	FUNCTIONAL ACKNOWLEDGEMENT OF RESPONSE	N/A
12	RSP RETURN TIME FRAME	N/A
13	ACCEPTANCE DOCUMENT (ACPT)	N/A
14	FUNCTIONAL ACKNOWLEDGMENT OF ACCEPTANCE	N/A
15	ACPT RETURN TIME FRAME	N/A
16	RETRANSMIT TIME FRAME (ORIGINAL DOCUMENT)	N/A
17	SIGNATURE CODE	

2. ~~SECURITY PROCEDURES: (Define security procedures, including but not limited to encryption and authentication, if any.)~~ \_\_\_\_\_
3. ~~LIST OF AUTHORIZED USERS: (List of authorized users of User's signature code as set forth in Section 1.5 of this Agreement.~~ \_\_\_\_\_
4. ~~ADDITIONAL TERMS AND CONDITIONS: (If no special terms and conditions have been agreed upon, enter "None".)~~ \_\_\_\_\_
5. ~~LIMITATION ON DIRECT DAMAGES: (If no limitation has been agreed upon, enter "NONE".)~~ \_\_\_\_\_
6. ~~CONFIDENTIAL INFORMATION: (See Section 3.2. If no limitation has been agreed upon, enter "None".)~~ \_\_\_\_\_

~~The undersigned do hereby execute this Exhibit pursuant to the Agreement referenced above and to which this Exhibit is to be attached and do hereby ratify said Agreement for all purposes set forth in this Exhibit.~~

~~COMPANY NAME: Gas Transmission~~ \_\_\_\_\_ ~~COMPANY NAME:~~  
~~Northwest LLC~~

~~BY: \_\_\_\_\_~~ ~~BY: \_\_\_\_\_~~

~~PRINTED NAME: \_\_\_\_\_~~ ~~PRINTED NAME: \_\_\_\_\_~~

~~TITLE: \_\_\_\_\_~~ ~~TITLE: \_\_\_\_\_~~

FORM OF MASTER SERVICE AGREEMENT

APPLICABLE TO DAILY FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1

Master Service Agreement Number: \_\_\_\_\_

THIS Master Service Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Gas Transmission Northwest LLC, a Delaware limited liability company (hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing under the laws of the State or Province of \_\_\_\_\_, (hereinafter referred to as "Shipper").

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN to transport certain quantities of natural gas on a daily firm basis; and

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper on a daily firm basis.

WHEREAS, GTN and Shipper acknowledge that this is a Master Service Agreement entered into for the purpose of facilitating the contracting process for daily firm service.

NOW, THEREFORE, the parties agree as follows:

I  
Scope of Agreement

1.1 GTN and Shipper agree that the term, maximum daily quantity, points of receipt and delivery, rates, and other such terms as applicable, for each transaction under this Agreement, shall be communicated by GTN to Shipper in an Award Acknowledgment and executed by Shipper to confirm such terms. Shipper must execute an Award Acknowledgement for each transaction prior to submitting a nomination.

- 1.2 The terms of any such Award Acknowledgment are hereby incorporated by reference in this Agreement. GTN and Shipper agree that each Award Acknowledgment shall be regarded as a single contract. GTN and Shipper agree that service provided under this Agreement is daily and will not carry a right of first refusal.

## II Governmental Authority

- 2.1 This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 2.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 2.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

## III Quantity of Gas and Priority of Service

- 3.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Statement of Effective Rates and Charges applicable to Rate Schedule FTS-1.
- 3.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery shall be specified in the applicable Award Acknowledgement.
- 3.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Section 6.19 of GTN's Transportation General Terms and Conditions on file with the FERC.

- 3.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1.

IV  
Term of Agreement

- 4.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_. This Agreement shall continue following expiration of the primary term, subject to cancellation by either party upon one month written notice or immediately upon mutual consent. (The term of each transaction shall be specified in the applicable Award Acknowledgement.)

V  
Points of Receipt and Delivery

- 5.1 The point(s) of receipt of gas deliveries to GTN shall be specified in the applicable Award Acknowledgement.
- 5.2 The point(s) of delivery of gas to Shipper shall be specified in the applicable Award Acknowledgement.
- 5.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

VI  
Operating Procedure

- 6.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 6.2 Nothing in Section ~~6~~5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate schedule FTS-1.

VII  
Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 7.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a discounted or Negotiated Rate, that rate, and any provisions governing such ~~Negotiated Rate~~, shall be set forth in the applicable Award Acknowledgement.
- 7.2 Shipper shall compensate GTN each month for compressor station fuel, line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 7.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Fourth Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.
- 7.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VIII  
Miscellaneous

- 8.1 This Agreement shall be interpreted according to the laws of the State of California.
- 8.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified in the applicable Award Acknowledgement.
- 8.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

8.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or electronic means~~telex~~ with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"        GAS TRANSMISSION NORTHWEST LLC  
              717 Texas Street, Suite 2400  
              Houston, Texas 77002-2761  
              Attention: Commercial Services

"Shipper"    \_\_\_\_\_  
                  \_\_\_\_\_  
                  \_\_\_\_\_  
                  \_\_\_\_\_  
                  \_\_\_\_\_  
                  Attention: \_\_\_\_\_  
                                  \_\_\_\_\_

8.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

8.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.

8.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.

8.8 This Agreement shall terminate upon the expiration of any transportation authority which is not superseded, for whatever reason, by permanent transportation authority.

8.9 Award Acknowledgement(s) for service under this Agreement is/are incorporated herein by reference and made a part hereof for all purposes.

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

GAS TRANSMISSION NORTHWEST LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_