

**DTE GAS COMPANY**  
**OPERATING STATEMENT**

**November 21, 2024**

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## GENERAL TERMS AND CONDITIONS

### SECTION 1 DEFINITIONS

- 1.1 “Annual Contract Quantity” or “ACQ” shall mean the maximum quantity of Natural Gas Shipper is entitled to nominate for Transportation and that Transporter is obligated to Transport for Shipper, subject to the terms and conditions of this Operating Statement, during a term consisting of the lesser of the contract term or one year.
- 1.2 “Authorized Overrun Service” shall mean a quantity of Gas that is in excess of a Shipper’s applicable ACQ, MDQ, MDIQ, MDWQ, MHQ, MSQ, or MLQ that Transporter agrees, pursuant to Section 11, to schedule on any Day.
- 1.3 “Balancing Service(s)” shall mean Interruptible Balancing Service, HBS-F, and HBS-I, as applicable.
- 1.4 “Balancing Account” shall mean the Gas balance held by Transporter for Shipper or owed by Shipper to Transporter under an Interruptible Balancing Service Agreement or an Hourly Balancing Service Agreement and shall equal the cumulative quantity of Gas received by Transporter for Shipper’s account at the Receipt Point minus the cumulative quantity of Gas delivered to Shipper by Transporter at the Delivery Point.
- 1.5 “Btu” shall mean British thermal unit, which refers to the quantity of heat that must be added to one pound avoirdupois of pure water to raise its temperature from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit under standard pressure. Standard pressure is 30 inches of mercury at 32 degrees Fahrenheit or 14.73 pounds per square inch absolute with acceleration due to gravity equal to 32 feet per second per second.
- 1.6 “Business Day” shall mean Monday through Friday from 8:00 A.M. to 5:00 P.M. Eastern Clock Time excluding Federal Banking Holidays.
- 1.7 “Eastern Clock Time” or “ECT” shall mean Eastern Standard Time (“EST”) except when Daylight Savings Time is in effect, when it shall mean one hour in advance of EST. All times referenced in this Operating Statement shall be in ECT.
- 1.8 “Commission” shall mean the Federal Energy Regulatory Commission or any successor to that agency.
- 1.9 “Day” or “Gas Day” shall mean a period of twenty-four (24) consecutive hours beginning and ending at 10:00 A.M. Eastern Clock Time. The reference date for any Day shall be the date of the beginning of such Day.
- 1.10 “Dekatherm” (or “Dth”) shall mean the quantity of heat energy which is equivalent to one (1) million (1,000,000) Btu; thus the term MDth shall mean one (1) thousand (1,000) Dth.

The conversion factor between Dth and gigajoule, the standard measure of heat energy in Canada, is 1.055056 gigajoules per Dth. The conversion factor between Dth and gigacalorie, the standard measure of heat energy in Mexico, is 0.251996 gigacalories per Dth.

- 1.11 “Delivery Point” shall mean the point or points specified in Shipper’s Service Agreement where Transporter shall deliver Gas to Shipper. Firm services may include any Delivery Point as a Primary Delivery Point or a Secondary Delivery Point. Shipper’s rights to utilize Delivery Points, including Primary and/or Secondary Delivery Point rights applicable to firm service shall be specified in Shipper’s Service Agreement.
- 1.12 “Equivalent Quantities” shall mean the thermally equivalent quantity of Gas received from Shipper or for the account of Shipper, at the Receipt Point(s), less the quantity of Gas withheld by Transporter for Fuel Use and Gas Lost and Unaccounted For.
- 1.13 “Exchange” shall mean Transportation service pursuant to which Transporter agrees on any Day to deliver to Shipper a quantity of Gas to a point of interconnection with or a point on a pipeline to which Shipper nominates and at which Transporter has agreed to provide exchange service (Delivery Point). Shipper shall nominate an equal quantity to be received by Transporter at an agreed-to Receipt Point on Transporter’s System. Transporter may accept intraday nominations. Transporter and Shipper agree that any quantity of Gas to be delivered by Transporter at a point of interconnection with or a point on a pipeline for delivery to Shipper shall be subject to acceptance by the pipeline. To the extent that the pipeline is unable or unwilling to accept such quantities or otherwise effectuate the transfer of such Gas at the designated Delivery Point, regardless of cause (unless attributable to Transporter’s sole negligence), this shall not be deemed a failure to deliver Gas by Transporter. Shipper shall remain obligated to deliver Gas to Transporter at the agreed-to Receipt Point and Shipper shall reimburse Transporter for all costs incurred as a result.
- 1.14 “Fuel Use and Gas Lost and Unaccounted For” shall mean a quantity of Gas retained by Transporter in accordance with this Operating Statement. Subject to the applicable maximum percentage set forth in Transporter’s Rate Book, the quantity of Gas retained by Transporter for Transportation services shall be the cost-based percentage set forth in Shipper’s Service Agreement. Fuel Use and Gas Lost and Unaccounted For percentages for Storage, Park and Loan, Interruptible Balancing Services, HBS-F, and HBS-I shall be at market-based rates established through discussions between Shipper and Transporter and set forth in Shipper’s Service Agreement.
- 1.15 “Gas” or “Natural Gas” shall mean any mixture of hydrocarbons or of hydrocarbons and non-combustible gases, in a gaseous state, consisting essentially of methane.
- 1.16 “Hourly Balancing Service” shall mean either Hourly Balancing Service-Firm or “HBS-F” or an Hourly Balancing Service-Interruptible or “HBS-I,” which provide for injections or withdrawals of gas at flow rates that vary from 1/24 MDWQ as stated in the applicable Service Agreement.

- 1.17 “Loaning,” “Loan” or “Loaned” shall mean the component of Park and Loan, Interruptible Balancing Service, or Hourly Balancing Service under which Transporter delivers Gas to Shipper, as nominated by Shipper, pursuant to a Firm Park and Loan Service Agreement, as described in Section 6, an Interruptible Balancing Service Agreement, as described in Section 7, an HBS-F Service Agreement, as described in Section 8, or an HBS-I Service Agreement, as described in Section 9 in such a manner as to result in a negative Storage Account or Balancing Account balance, subject to subsequent repayment of such Loaned quantities of Gas by Shipper in accordance with Shipper’s Service Agreement.
- 1.18 “MPSC” shall mean the Michigan Public Service Commission or any successor to that agency.
- 1.19 “Maximum Daily Injection Quantity” or “MDIQ” shall mean the maximum quantity of Gas that Shipper is entitled to nominate for injection into Storage and that Transporter is obligated to receive from Shipper for injection into Storage during a Day, subject to the terms and Conditions of this Operating Statement, exclusive of Fuel Use and Gas Lost and Unaccounted For Gas quantities.
- 1.20 “Maximum Daily Quantity” or “MDQ” shall mean the maximum quantity of Gas that Shipper is entitled to nominate for Transportation and that Transporter is obligated to receive from the Shipper at the Receipt Point(s) for Transportation, exclusive of Fuel Use and Gas Lost and Unaccounted For Gas quantities, or that Transporter is obligated to deliver for the Shipper at the Delivery Point(s) during a Day, subject to the terms and conditions of this Operating Statement.
- 1.21 “Maximum Daily Withdrawal Quantity” or “MDWQ” shall mean the maximum quantity of Gas that Shipper is entitled to nominate for withdrawal from Storage and that Transporter is obligated to withdraw from storage and deliver to the Shipper during a Day, subject to the terms and conditions of this Operating Statement.
- 1.22 “Maximum Hourly Quantity” or “MHQ” shall mean the maximum hourly quantity of Gas, expressed in Dth, that Transporter is obligated to receive or deliver during an hour of a Day, as specified in Shipper’s HBS-F Service Agreement or HBS-I Service Agreement.
- 1.23 “Maximum Loan Quantity” or “MLQ” shall mean the maximum quantity of Gas that Shipper is entitled to nominate as Loan Gas and that Transporter is obligated to Loan to Shipper at any time during the term of Shipper’s Firm Park and Loan Service Agreement, Interruptible Balancing Service Agreement, HBS-F Service Agreement, or HBS-I Service Agreement, subject to the terms and conditions of this Operating Statement.
- 1.24 “Maximum Park Quantity” or “MPQ” shall mean the maximum quantity of Gas that Shipper is entitled to nominate for Parking and the Transporter is obligated to Park for Shipper at any time during the term of Shipper’s Service Agreement, subject to the terms and conditions of this Operating Statement.

- 1.25 “Maximum Storage Quantity” or “MSQ” shall mean the maximum quantity of Gas that Shipper is entitled to nominate for Storage in Shipper’s Storage Account and that Transporter is obligated to Store in Shipper’s Storage Account during the term of Shipper’s Service Agreement, subject to the terms and conditions of this Operating Statement.
- 1.26 “Mcf” shall mean one thousand cubic feet of Gas.
- 1.27 “Michcon Generic” shall mean a collection of point locations on Transporter’s system, as identified on Transporter’s publicly-available website and updated from time to time.
- 1.28 “MMBtu” shall mean one million Btu.
- 1.29 “Month” shall mean the period beginning at 10:00 a.m. Eastern Clock Time on the first Day of the calendar Month and ending at 10:00 a.m. Eastern Clock Time on the first Day of the next succeeding calendar Month.
- 1.30 “Nominate,” “Nominating” or “Nomination” shall mean Shipper’s request to schedule Gas for receipt or delivery pursuant to Section 11 of this Operating Statement.
- 1.31 “Parking,” “Park” or “Parked” shall mean the component of Park and Loan or Interruptible Balancing Service under which Transporter receives Gas from Shipper, as nominated by Shipper, pursuant to a Firm Park and Loan Service Agreement, as described in Section 6, or an Interruptible Balancing Service Agreement, as described in Section 7, in such a manner as to result in a positive Storage Account or Balancing Account balance, subject to subsequent redelivery of such Parked quantities of Gas by Transporter to Shipper in accordance with Shipper’s Service Agreement.
- 1.32 “Park and Loan” shall mean the service provided on a firm basis pursuant to Section 6. Interruptible Balancing Service rendered pursuant to Section 7 is a form of interruptible Park and Loan service.
- 1.33 “Person” shall mean an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.
- 1.34 “Rate Book” shall mean Transporter’s Rules, Regulations, and Rate Schedules (collectively referred to as the “Rate Book for Natural Gas Service”) on file with and approved by the MPSC.
- 1.35 “Receipt Point” shall mean the designated point or points specified in Shipper’s Service Agreement where Transporter shall receive Gas from Shipper. Firm services may include any Receipt Point as a Primary Receipt Point or a Secondary Receipt Point. Shipper’s rights to utilize Receipt Points, including Primary and/or Secondary Receipt Point rights applicable to firm service shall be specified in Shipper’s Service Agreement.

- 1.36 “Scheduled Daily Quantity” shall mean the quantity of Gas nominated by Shipper and confirmed by Transporter for flow in accordance with Section 11.
- 1.37 “Service Agreement” shall mean the agreement by and between Transporter and Shipper to enter into Firm Transportation, Firm Storage, Firm Park, Firm Loan, Interruptible Balancing, Interruptible Storage, Interruptible Transportation, Hourly Balancing Service-Firm, or Hourly Balancing Service-Interruptible transactions pursuant to, and in accordance with, this Operating Statement. A Service Agreement shall be substantially in the form prescribed by this Operating Statement. The term “Service Agreement” shall include the Form of General Service Agreement and any Exhibits thereto. Each Service Agreement shall incorporate this Operating Statement and applicable Commission rules and regulations by reference.
- 1.38 “Shipper” shall mean any eligible Person who contracts for any of the Services offered by Transporter pursuant to this Operating Statement.
- 1.39 “Storage” shall mean Transporter’s scheduled retention of Shipper’s Gas on its System. Storage may be firm or interruptible.
- 1.40 “Storage Account” shall mean, for accounting purposes, the account maintained by Transporter into which, or from which, Shipper nominates Gas under a Service Agreement for Storage Service, Firm Park and Loan Service, Interruptible Balancing Service, HBS-F Service, or HBS-I Service. The Storage Account may not have a negative balance, except for Gas Loaned in accordance with Shipper’s Firm Park and Loan Service Agreement, Interruptible Balancing Service Agreement, HBS-F Service Agreement, or HBS-I Service Agreement.
- 1.41 “Summer” shall mean the period from April 1 of each calendar year through October 31 of such year.
- 1.42 “Swap” shall mean Transportation service pursuant to which Transporter agrees on any Day to receive from Shipper a quantity of Gas at a point of interconnection with or a point on a pipeline to which Shipper nominates and at which Transporter has agreed to provide Swap service (Receipt Point). Shipper shall nominate an equal quantity for delivery from Transporter at an agreed-to Delivery Point on Transporter’s System. Transporter may accept intraday nominations. Transporter and Shipper agree that any quantity of Gas to be received by Transporter at a point of interconnection with or a point on a pipeline for delivery to Transporter shall be subject to acceptance by the pipeline. To the extent that the pipeline is unable or unwilling to accept such quantities or otherwise effectuate the transfer of such gas at the designated Receipt point, regardless of cause (unless attributable to Transporter’s sole negligence), this shall not be deemed a failure to receive Gas by Transporter, Transporter shall not be required to deliver Gas to Shipper at the agreed-to Delivery Point, and Shipper shall reimburse Transporter for all costs incurred as a result.
- 1.43 “Taxes” shall mean any tax (other than ad valorem, unless levied on a transaction under this Operating Statement, income or excess profits), license, fee or charge that is levied,

assessed, or made by any governmental authority on the Gas itself or on the act, right, or privilege of producing, severing, gathering, storing, transporting, handling, selling, or delivering Gas under this Operating Statement. "Taxes" shall not include any tax that is included in the costs of service used to derive the maximum rates approved by the MPSC which are incorporated into this Operating Statement.

- 1.44 "Transportation" shall mean Transporter's receipt of Gas from Shipper at a Receipt Point, plus Fuel and Gas Lost and Unaccounted For, and Transporter's delivery of an Equivalent Quantity of Gas, less the Gas tendered as Fuel and Gas Lost and Unaccounted For, to Shipper at a Delivery Point on a coincidental time basis. Transportation shall include forward haul, backhaul, Exchange, Swap, or any other method of Gas Transportation, except Storage, Firm Park and Loan, Interruptible Balancing or Hourly Balancing Service. Transportation may be firm or interruptible.
- 1.45 "Transporter" shall mean DTE Gas Company or its successor and permitted assigns.
- 1.46 "Transporter's System" or "System" shall mean Transporter's local distribution system, storage fields, transmission pipeline and other facilities owned and operated by Transporter and subject to regulation by the MPSC.
- 1.47 "Unauthorized Overrun" shall mean a quantity of Gas in excess of Shipper's applicable ACQ, MDQ, MSQ, MPQ, MLQ, MDIQ, MDWQ, or MHQ that Transporter does not agree, pursuant to Section 11, to schedule on any Day. Unauthorized Overrun Quantities will be subject to the Unauthorized Overrun Charge stated in the Statement of Currently Effective Rates contained in this Operating Statement.
- 1.48 "Winter" shall mean the period beginning November 1 of each calendar year and ending March 31 of the following calendar year.

## **SECTION 2 FIRM TRANSPORTATION SERVICE**

- 2.1 Subject to Transporter having available capacity and Shipper meeting the eligibility requirements set forth in this Operating Statement, Transporter shall offer Firm Transportation Service to Shippers on a non-discriminatory basis in accordance with this Operating Statement. Transporter shall provide Firm Transportation Service to Shipper in accordance with a Service Agreement executed by Transporter and Shipper.
- 2.2 Pursuant to this service, Transporter will transport Natural Gas quantities on a firm basis, for Shipper on Transporter's System up to a Maximum Daily Quantity, subject to an Annual Contract Quantity, if applicable. Transporter may, on a not unduly discriminatory basis, agree to differing levels in the Shipper's Maximum Daily Quantity during specified periods during the term of Shipper's Service Agreement. Shipper's Maximum Daily Quantity and any periods of varying Maximum Daily Quantity shall be specified in Shipper's Service Agreement. Transporter shall have the right to determine if capacity is available for firm transportation under this Operating Statement.



- 2.3 The rate for Firm Transportation Service shall consist of a Reservation Rate per Dth of MDQ and a Usage Rate per Dth of Gas transported by Transporter on Shipper's behalf plus a Fuel Use and Gas Lost and Unaccounted For component.
- 2.4 For the purpose of scheduling capacity, subject to Section 11, Firm Transportation Service shall be scheduled prior to interruptible services offered under this Operating Statement and prior to interruptible services offered by Transporter pursuant to its Rate Book.
- 2.5 Transporter shall receive Gas from Shipper or for the account of Shipper at the Receipt Point(s) and deliver Equivalent Quantities, to Shipper or for the account of Shipper at the Delivery Point(s). Shipper shall submit Nominations in accordance with the Nominations procedures contained in Section 11. Transporter may receive from Shipper Gas for Transportation in excess of the MDQ and/or ACQ on an interruptible basis as Authorized Overrun Service. If Shipper takes Gas at one or more Delivery Points in excess of Shipper's MDQ and/or ACQ without Transporter's prior consent, then Transporter shall be authorized to invoice Shipper for such Gas at an amount equal to the Unauthorized Gas Usage Charge. The Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.
- 2.6 The Receipt Point(s) and Delivery Point(s) shall be mutually agreed upon by Transporter and Shipper and set forth in the Service Agreement. Any rates, terms and conditions not covered by this Operating Statement shall be as contained in the Service Agreement.
- 2.7 Shipper shall be responsible for contracting and paying for any necessary transportation service at and upstream of the Receipt Point as well as at and downstream of the Delivery Point. Pursuant to Sections 11, 18, and 19, Shipper shall indemnify and hold Transporter harmless from all suits, claims, damages, costs, including court costs and reasonable attorneys' fees, losses, expenses, and encumbrances of whatever nature brought by any Person against Transporter with respect to Gas transported or scheduled to be transported hereunder.
- 2.8 Transporter and Shipper shall work to keep the Gas flow in balance at all times. If at any time, the quantities of Gas received by Transporter at the Receipt Point(s) are greater or lesser than the quantities of Gas delivered at the Delivery Point(s), as adjusted for Fuel Use and Gas Lost and Unaccounted For, Transporter may refuse, increase or decrease deliveries to correct the imbalances. If, upon termination of a Service Agreement, Shipper has not delivered to Transporter quantities of Gas that are equal to those Shipper has taken at the Delivery Point(s), Shipper must deliver the deficient quantities to Transporter, within 60 days of the termination of Service Agreement, at a mutually

agreeable rate of delivery. If Shipper fails to correct the imbalance within the 60 day period, then Transporter shall be authorized to invoice Shipper for such Gas at an amount equal to the Unauthorized Gas Usage Charge. The Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.

### **SECTION 3 INTERRUPTIBLE TRANSPORTATION SERVICE**

- 3.1 Subject to Transporter having available capacity and Shipper meeting the eligibility requirements set forth in this Operating Statement, Transporter shall offer Interruptible Transportation Service to shippers on a non-discriminatory basis in accordance with this Operating Statement. Transporter shall provide Interruptible Transportation Service to Shipper in accordance with a Service Agreement executed by Transporter and Shipper.
- 3.2 Pursuant to this service, Transporter will transport Natural Gas quantities on an interruptible basis up to a Maximum Daily Quantity for Shipper on Transporter's System. Transporter may, on a not unduly discriminatory basis, agree to differing levels in the Shipper's Maximum Daily Quantity during specified periods during the term of Shipper's Service Agreement. Shipper's Maximum Daily Quantity and any periods of varying Maximum Daily Quantity shall be specified in Shipper's Service Agreement. Transporter shall have the right to determine, on a Day-to-Day basis, if capacity is available for interruptible transportation under this Operating Statement.
- 3.3 The rate for Interruptible Transportation Service shall consist of a Usage Rate per Dth of Gas transported by Transporter on Shipper's behalf plus a Fuel Use and Gas Lost and Unaccounted For component.
- 3.4 For the purpose of scheduling capacity, subject to Section 11, Interruptible Transportation Service shall be subordinate to firm services offered under this Operating Statement and to firm services offered by Transporter pursuant to its Rate Book. Once Interruptible Transportation Service is nominated and scheduled for a Day, Transporter may curtail such Service at any time in accordance with Section 11.
- 3.5 Transporter shall receive Gas from Shipper or for the account of Shipper at the Receipt Point(s) and deliver Equivalent Quantities, to Shipper or for the account of Shipper at the Delivery Point(s). Shipper shall submit Nominations in accordance with the Nominations procedures contained in Section 11. Transporter may receive from Shipper Gas for Transportation in excess of the MDQ on an interruptible basis as Authorized Overrun Service. If Shipper takes Gas at one or more Delivery Points in excess of Shipper's MDQ without Transporter's prior consent, Transporter shall be authorized to invoice Shipper for such Gas at an amount equal to the Unauthorized Gas Usage Charge. The

Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.

- 3.6 The Receipt Point(s) and Delivery Point(s) shall be mutually agreed upon by Transporter and Shipper and set forth in the Service Agreement. Any rates, terms and conditions not covered by this Operating Statement shall be as contained in the Service Agreement.
- 3.7 Shipper shall be responsible for contracting and paying for any necessary transportation service at and upstream of the Receipt Point as well as at and downstream of the Delivery Point. Pursuant to Sections 11, 18, and 19, Shipper shall indemnify and hold Transporter harmless from all suits, claims, damages, costs, including court costs and reasonable attorneys' fees, losses, expenses, and encumbrances of whatever nature brought by any Person against Transporter with respect to Gas transported or scheduled to be transported hereunder.
- 3.8 Transporter and Shipper shall work to keep the Gas flow in balance at all times. If at any time, the quantities of Gas received by Transporter at the Receipt Point(s) are greater or lesser than the quantities of Gas delivered at the Delivery Point(s), as adjusted for Fuel Use and Gas Lost and Unaccounted For, Transporter may refuse, increase or decrease deliveries to correct the imbalances. If, upon termination of a Service Agreement, Shipper has not delivered to Transporter quantities of Gas that are equal to those Shipper has taken at the Delivery Point(s), Shipper must deliver the deficient quantities to Transporter, within 60 days of the termination of Service Agreement, at a mutually agreeable rate of delivery. If Shipper fails to correct the imbalance within the 60 day period, then Transporter shall be authorized to invoice Shipper for such Gas at an amount equal to the Unauthorized Gas Usage Charge. The Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.

#### **SECTION 4 FIRM STORAGE SERVICE**

- 4.1 Subject to Transporter having available and uncommitted Storage capacity and Shipper meeting the eligibility requirements set forth in this Operating Statement, Transporter shall offer Firm Storage Service to Shippers on a non-discriminatory basis in accordance with this Operating Statement. Transporter shall provide Firm Storage Service to Shipper in accordance with a Service Agreement executed by Transporter and Shipper.

- 4.2 A Firm Storage Service Agreement shall be in effect for a term agreed to by Transporter and Shipper, as set forth in the Service Agreement.
- 4.3 During the term of the Service Agreement, Transporter shall provide Firm Storage service for Shipper with a Maximum Storage Quantity, Maximum Daily Injection Quantity, and Maximum Daily Withdrawal Quantity.
- 4.4 Transporter may receive Gas from Shipper for firm injection on any Day, subject to Shipper's Service Agreement. Shipper may request that Transporter withdraw Gas on a firm basis for delivery to Shipper on any Day, subject to Shipper's Service Agreement.
- 4.5 The MDIQ and the MDWQ shall be stated in the Service Agreement. Transporter may, on a not unduly discriminatory basis, agree to differing levels in the Shipper's MDIQ and MDWQ during specified periods during the term of Shipper's Service Agreement. Shipper's MDIQ and any periods of varying MDIQ and Shipper's MDWQ and any periods of varying MDWQ shall be specified in Shipper's Service Agreement.
- 4.6 The portion of MDIQ and MDWQ available for Shipper's use on any given Day shall be deemed to be reduced in accordance with the ratchets, if any, set forth in Shipper's Service Agreement. Such ratchets may provide for Shipper's Daily injection and/or withdrawal rights to be reduced to zero and/or stated as interruptible quantities for certain time periods during the term of Shipper's Service Agreement.
- 4.7 Transporter shall account for Gas stored on Shipper's behalf in Shipper's Storage Account up to the MSQ.
- 4.8 The rates for Firm Storage Service shall consist of (1) a Monthly Deliverability Rate per Dth of MDWQ; (2) a Capacity Rate per Dth of MSQ ; (3) an Injection Rate per Dth of Gas injected by Transporter into Shipper's Storage Account; and (4) a Withdrawal Rate per Dth of Gas withdrawn by Transporter from Shipper's Storage Account. Transporter shall assess a Fuel Use and Gas Lost and Unaccounted For component on quantities injected into Storage. The forgoing shall be market-based rates established through discussions between Shipper and Transporter and set forth in Shipper's Service Agreement.
- 4.9 Transporter may receive from Shipper Gas for injection into Storage in excess of the MDIQ, and permit Shipper to withdraw Gas from Storage in excess of the MDWQ on an interruptible basis as Authorized Overrun Service. Unless Transporter permits Authorized Overrun, Shipper may not inject gas in excess of its MSQ. Shipper may not withdraw Gas in excess of its Storage Account balance.
- 4.10 For scheduling purposes, subject to Section 11, Firm Storage Service shall be scheduled prior to interruptible services offered under this Operating Statement and prior to interruptible services offered by Transporter pursuant to its Rate Book.

- 4.11 Shipper shall be responsible for contracting and paying for any necessary transportation service at and upstream of the Receipt Point and at and downstream of the Delivery Point. Pursuant to Sections 11, 18, and 19, Shipper shall indemnify and hold Transporter harmless from all suits, claims, damages, costs, including court costs and reasonable attorneys' fees, losses, expenses, and encumbrances of whatever nature brought by any Person against Transporter with respect to Gas transported or scheduled to be stored and transported hereunder.
- 4.12 Transporter is authorized to charge Shipper the Unauthorized Gas Usage Charge for any portion of Shipper's injections into or withdrawals from Storage that exceed the MDIQ, MDWQ and/or MSQ set forth in the Shipper's Service Agreement that is made by Shipper without Transporter's prior consent. Such charge shall not apply to any Gas tendered as Fuel Use and Gas Lost and Unaccounted For. The Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.
- 4.13 Shipper shall request the withdrawal of all its Gas in Storage for delivery to the Delivery Point(s) on or before the last Gas Day of the term of the Service Agreement. If, upon termination of the Service Agreement, Shipper has not requested the withdrawal of all its Gas in Storage, then the Shipper's remaining quantities shall be deemed sold to Transporter at a rate of the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, less \$0.5000 per Dth. Payment for the quantities left in Storage shall appear as a credit on the last statement rendered by Transporter. To the extent that the credit exceeds the total charges in that statement, Transporter shall pay the difference to Shipper.

## **SECTION 5 INTERRUPTIBLE STORAGE SERVICE**

- 5.1 Subject to Transporter having available and uncommitted Storage capacity and Shipper meeting the eligibility requirements set forth in this Operating Statement, Transporter shall offer Interruptible Storage Service to Shippers on a non-discriminatory basis in accordance with this Operating Statement. Transporter shall provide Interruptible Storage Service to Shipper in accordance with a Service Agreement executed by Transporter and Shipper.
- 5.2 During the term of the Service Agreement, Transporter shall provide Interruptible Storage Service for Shipper with a MSQ, MDIQ, and MDWQ.
- 5.3 The MSQ, MDIQ and MDWQ shall be stated in the Shipper's Service Agreement. Transporter may, on a not unduly discriminatory basis, agree to differing levels in the

Shipper's MDIQ and MDWQ during specified periods during the year. Shipper's MDIQ and any periods of varying MDIQ and Shipper's MDWQ and any periods of varying MDWQ shall be specified in Shipper's Service Agreement.

- 5.4 Transporter shall account for Gas stored on Shipper's behalf in Shipper's Storage Account up to the MSQ.
- 5.5 The portion of MDIQ and MDWQ available for Shipper's use on any given Day shall be deemed to be reduced in accordance with the ratchets, if any, set forth in Shipper's Service Agreement. Such ratchets may provide for Shipper's Daily injection and/or withdrawal rights to be reduced to zero for certain time periods during the term of Shipper's Service Agreement.
- 5.6 To the extent Interruptible Storage Service capacity utilized by a Shipper hereunder is needed by Transporter in order to satisfy Transporter's obligations to Firm Transportation Service, Firm Storage Service, or Firm Park and Loan Service Shippers, Transporter shall require such Shipper to withdraw all, or any portion of, Gas quantities held in such Shipper's Storage Account as specified by Transporter. Unless Transporter otherwise agrees, Shipper shall be required to make ratable withdrawals.

In the event Transporter needs to require Shipper to withdraw its Gas from Storage pursuant to this Section, Transporter shall provide day-ahead notice to Shipper that it must withdraw Gas at its MDWQ during the next Day. Transporter shall repeat this notice on a daily basis until all of Shipper's Gas is withdrawn from storage or until the circumstances necessitating interruption are resolved. In the event Shipper makes a timely nomination in response to a notification by Transporter pursuant to this paragraph, and Transporter's operating conditions prevent Shipper from withdrawing gas as nominated, Shipper's obligation to comply with that notification shall be suspended until such time as Transporter's operational conditions allow Transporter to schedule the nomination.

Transporter's notice to Shipper may be given electronically, in writing, or orally. In the event Shipper makes a timely nomination in response to a notification by Transporter pursuant to this Section 5.6, and Shipper is prevented from withdrawing gas as nominated due to a Force Majeure event or Transporter's operating conditions, Shipper's obligation to comply with that notification shall be suspended until such time as the Force Majeure event has ended or Transporter's operational conditions allow Transporter to schedule the nomination.

Subject to this Section 5.6, if Shipper fails to withdraw such Gas from its Storage Account, Transporter may take, free and clear of any adverse claims, title to such Gas in Shipper's Storage Account as Shipper was instructed to withdraw.

- 5.7 The rate for Interruptible Storage Service shall consist of (1) a Usage Rate paid on each Dekatherm of Gas stored in Shipper's Storage Account at the end of each Day during the Month in which the Gas is stored; (2) an Injection Rate per Dth of Gas injected by

Transporter into Shipper's Storage Account; and (3) a Withdrawal Rate per Dth of Gas withdrawn by Transporter from Shipper's Storage Account. Transporter shall assess a Fuel Use and Gas Lost and Unaccounted For component on quantities injected into Storage. The forgoing shall be market-based rates established through discussions between Shipper and Transporter and set forth in Shipper's Service Agreement.

- 5.8 Transporter may receive from Shipper Gas for injection into Storage in excess of the MDIQ, and permit Shipper to withdraw Gas from Storage in excess of the MDWQ on an interruptible basis as Authorized Overrun Service. Unless Transporter permits Authorized Overrun, Shipper may not inject gas in excess of its MSQ. Shipper may not withdraw Gas in excess of its Storage Account balance.
- 5.9 For scheduling purposes, subject to Section 11, Interruptible Storage Service shall be subordinate to firm services offered under this Operating Statement and to firm services offered by Transporter pursuant to its Rate Book. Once Interruptible Storage Service is nominated and scheduled for a Day, Transporter may curtail such Service at any time in accordance with Section 11.
- 5.10 Shipper shall be responsible for contracting and paying for any necessary transportation service at and upstream of the Receipt Point and at and downstream of the Delivery Point. Pursuant to Sections 11, 18, and 19, Shipper shall indemnify and hold Transporter harmless from all suits, claims, damages, costs, including court costs and reasonable attorneys' fees, losses, expenses, and encumbrances of whatever nature brought by any Person against Transporter with respect to Gas transported or scheduled to be stored and transported hereunder.
- 5.11 Transporter is authorized to charge Shipper the Unauthorized Gas Usage Charge for any portion of Shipper's injections into or withdrawals from Storage that exceed the MDIQ, MDWQ and/or MSQ set forth in the Shipper's Service Agreement that is made by Shipper without Transporter's prior consent. Such charge shall not apply to any Gas tendered as Fuel Use and Gas Lost and Unaccounted For. The Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.
- 5.12 Shipper shall request the withdrawal of all its Gas in Storage for delivery to the Delivery Point(s) on or before the last Gas Day on the term of the Service Agreement. If, upon termination of the Service Agreement, Shipper has not requested the withdrawal of all its Gas in Storage, then the Shipper's remaining quantities shall be deemed sold to Transporter at a rate of the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, less \$0.5000 per Dth. Payment for the

quantities left in Storage shall appear as a credit on the last statement rendered by Transporter. To the extent that the credit exceeds the total charges in that statement, Transporter shall pay the difference to Shipper.

## **SECTION 6 FIRM PARK AND LOAN SERVICE**

- 6.1 Subject to Transporter determining that it has available and uncommitted Storage capacity and/or Gas available to Loan and Shipper meeting the eligibility requirements set forth in this Operating Statement, Transporter shall offer Firm Park and Loan Service to Shippers on a non-discriminatory basis in accordance with this Operating Statement. Transporter shall provide Firm Park and Loan Service to Shipper in accordance with a Service Agreement executed by Transporter and Shipper.
- 6.2 A Firm Park and Loan Service Agreement shall be in effect for a term agreed to by Transporter and Shipper, as set forth in the Service Agreement.
- 6.3 During the term of the Service Agreement, Transporter shall provide Firm Park and Loan Service for Shipper with a Maximum Park Quantity, Maximum Loan Quantity, Maximum Daily Injection Quantity, and Maximum Daily Withdrawal Quantity. Firm Parking Service shall consist of an Injection Period, followed by a Storage Period, and ending with a Withdrawal Period. Firm Loan Service shall consist of a Withdrawal Period, followed by a Loan Period, and ending with an Injection Period. The foregoing time periods and quantities shall be set forth in Shipper's Service Agreement.
- 6.4 Transporter may receive Gas from Shipper for firm injection on any Day during the Injection Period set forth in Shipper's Service Agreement. Shipper may request that Transporter withdraw Gas on a firm basis for delivery to Shipper on any Day during the Withdrawal Period stated in the Service Agreement. Shipper shall not be permitted to inject gas during the Withdrawal Period, Storage Period or Loan Period. Shipper shall not be permitted to withdraw gas during the Injection Period, Storage Period or Loan Period.
- 6.5 Transporter shall account for Gas Parked on Shipper's behalf or Loaned to Shipper using Shipper's Storage Account up to Shipper's MPQ or MLQ, as applicable.
- 6.6 The rates for Firm Park and Loan Service shall consist of (1) a Reservation Rate per Dth of MPQ and/or MLQ; (2) an Injection Rate per Dth of Gas injected by Transporter into Shipper's Storage Account; and (3) a Withdrawal Rate per Dth of Gas withdrawn by Transporter from Shipper's Storage Account. Transporter shall assess a Fuel Use and Gas Lost and Unaccounted For component on quantities of Gas injected into Storage. The forgoing shall be market-based rates established through discussions between Shipper and Transporter and set forth in Shipper's Service Agreement.



- 6.7 For scheduling purposes, subject to Section 11, Firm Park and Loan Service shall be scheduled prior to interruptible services offered under this Operating Statement and prior to interruptible services offered by Transporter pursuant to its Rate Book.
- 6.8 Shipper shall be responsible for contracting and paying for any necessary transportation service at and upstream of the Receipt Point and at and downstream of the Delivery Point. Pursuant to Sections 11, 18, and 19, Shipper shall indemnify and hold Transporter harmless from all suits, claims, damages, costs, including court costs and reasonable attorneys' fees, losses, expenses, and encumbrances of whatever nature brought by any Person against Transporter with respect to Gas transported or scheduled to be stored and transported hereunder.
- 6.9 Transporter is authorized to charge Shipper the Unauthorized Gas Usage Charge for any portion of Shipper's injections into or withdrawals from Storage that exceed the MDIQ, MDWQ and/or MPQ set forth in the Shipper's Service Agreement, or that result in Loan service with a negative Loan balance (not within MLQ), that is made by Shipper without Transporter's prior consent. Such charge shall not apply to any Gas tendered as Fuel Use and Gas Lost and Unaccounted For. The Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.
- 6.10 Shipper shall request the withdrawal of all its Gas in Storage for delivery to the Delivery Point(s) on or before the last Gas Day of the term of the Service Agreement. If, upon termination of the Service Agreement, Shipper has not requested the withdrawal of all its Gas in Storage, then the Shipper's remaining quantities shall be deemed sold to Transporter at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, less \$0.5000 per Dth. Payment for the quantities left in Storage shall appear as a credit on the last statement rendered by Transporter. To the extent that the credit exceeds the total charges in that statement, Transporter shall pay the difference to Shipper.
- 6.11 Shipper shall deliver to Transporter for injection all of its Loaned Gas borrowed from Transporter, plus applicable Fuel Use and Gas Lost and Unaccounted For, on or before the last Gas Day of the term of the Service Agreement. If, upon termination of the Service Agreement, Shipper has not requested the reduction of its Loan balance to zero via such deliveries for injection to Storage, then Shipper shall be deemed to have purchased its outstanding Loan balance, plus applicable Fuel Use and Gas Lost and Unaccounted For, from Transporter at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, plus \$0.5000 per Dth. Transporter shall invoice Shipper for such amounts on the last statement

rendered by Transporter. Shipper shall pay such invoiced amounts in accordance with Section 17 of this Operating Statement.

## **SECTION 7**

### **INTERRUPTIBLE BALANCING SERVICE**

- 7.1 Subject to Transporter's determining that it has available and uncommitted Storage capacity and/or Gas available to Loan and Shipper meeting the eligibility requirements set forth in this Operating Statement, Transporter shall offer Interruptible Balancing Service to Shippers on a non-discriminatory basis in accordance with this Operating Statement. Transporter shall provide Interruptible Balancing Service to Shipper in accordance with a Service Agreement executed by Transporter and Shipper.
- 7.2 During the term of the Service Agreement, Transporter shall provide Interruptible Balancing Service for Shipper with a Maximum Park Quantity and a Maximum Loan Quantity. The foregoing quantities shall be stated in Shipper's Service Agreement. Shipper may nominate deliveries of Gas to Transporter for Parking on any Day in quantities up to Shipper's MPQ, provided that Shipper may not exceed its MPQ on an aggregate basis. Shipper may nominate withdrawals of Parked Gas from Storage for delivery by Transporter on any Day in quantities up to Shipper's Balancing Account positive balance, not to exceed Shipper's MPQ. Shipper may nominate to receive Gas withdrawn from storage as Loaned Gas on any Day in quantities up to Shipper's MLQ, provided that Shipper may not exceed its MLQ on an aggregate basis. Shipper may nominate to deliver Gas to Transporter on any Day in quantities up to Shipper's Balancing Account negative balance, not to exceed Shipper's MLQ. Shipper may nominate Parking and Loaning activities during the same Day, subject to the limits of Shipper's MPQ and MLQ. Shipper shall submit one combined nomination for Parking and Loaning activities during the same Day.
- 7.3 Transporter shall account for Gas Parked on Shipper's behalf or Loaned to Shipper using Shipper's Balancing Account up to Shipper's Maximum Park Quantity or Maximum Loan Quantity, as applicable.
- 7.4 The rate for Interruptible Balancing Service shall consist of (1) a Usage Rate paid on each Dekatherm of Gas Parked or Loaned in Shipper's Balancing Account at the end of each Day during the Month (other than during an Extension Period) in which the Gas is Parked or Loaned; (2) an Extension Period Usage Rate paid on each Dekatherm of Gas Parked or Loaned in Shipper's Balancing Account at the end of each Day of the Month during an Extension Period in which the Gas is Parked or Loaned; (3) an Injection Rate per Dth of Gas injected by Transporter into Shipper's Balancing Account; and (4) a Withdrawal Rate per Dth of Gas withdrawn by Transporter from Shipper's Balancing Account. Transporter shall assess a Fuel Use and Gas Lost and Unaccounted For component on quantities of Gas injected into Storage. The foregoing shall be market-based rates established through discussions between Shipper and Transporter and set forth in Shipper's Service Agreement.

- 7.5 For scheduling purposes, subject to Section 11, Interruptible Balancing Service shall be subordinate to firm services offered under this Operating Statement and to firm services offered by Transporter pursuant to its Rate Book. Once Interruptible Balancing Service is nominated and scheduled for a Day, Transporter may curtail such Service at any time in accordance with Section 11.
- 7.6 Shipper shall be responsible for contracting and paying for any necessary transportation service at and upstream of the Receipt Point and at and downstream of the Delivery Point. Pursuant to Sections 11, 18, and 19, Shipper shall indemnify and hold Transporter harmless from all suits, claims, damages, costs, including court costs and reasonable attorneys' fees, losses, expenses, and encumbrances of whatever nature brought by any Person against Transporter with respect to Gas transported or scheduled to be stored and transported hereunder.
- 7.7 Shipper shall reduce the Parking quantity in its Balancing Account to zero (0) at least once every thirty (30) Days during each period December 16 to August 14 and at least once every five (5) Days during each period August 15 through December 15. Shipper reducing its Balancing Account from a positive balance to a negative balance shall qualify as reducing Shipper's Parking quantity to zero (0) and initiating a Gas Loan, which shall be subject to the timing provisions of Section 7.8.
- 7.8 Shipper shall reduce the Loan quantity in its Balancing Account to zero (0) at least once every thirty (30) Days during each period May 1 to December 14 and at least once every five (5) Days during each period December 15 through April 30. Shipper reducing its Balancing Account from a negative (Loan) balance to a positive balance shall qualify as reducing Shipper's Loan quantity to zero (0) and initiating a Gas Park, which shall be subject to the timing provisions of Section 7.7.
- 7.9 If Shipper fails to comply with the requirements that it obtain a zero (0) balance in its Balancing Account stated in Sections 7.7 and 7.8, Transporter may, at Shipper's request, in a nondiscriminatory matter, consent to an "Extension Period" for Shipper to achieve such zero (0) balance. The duration of an Extension Period shall equal either thirty (30) Days or five (5) Days on the basis of the same time of year provisions set forth in Sections 7.7 and 7.8. Shipper's Interruptible Balancing Service during an Extension Period shall be subject to the Extension Period Usage Rate set forth in Shipper's Service Agreement until Shipper achieves the required zero(0) Park or Loan balance, as applicable. Transporter may consent to successive Extension Periods.
- 7.10 If Shipper fails to achieve a zero Park quantity in its Balancing Account as required pursuant to Section 7.7, as may be extended to include any Extension Period pursuant to Section 7.9, then the Shipper's Parked quantity shall be deemed sold to Transporter at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, less \$0.5000 per Dth. Payment for such quantity of Gas shall appear as a credit on the next statement rendered by Transporter. To the extent that

the credit exceeds the total charges in that statement, Transporter shall pay the difference to Shipper.

- 7.11 If Shipper fails to achieve a zero Loan quantity in its Balancing Account as required pursuant to Section 7.8, as may be extended to include any Extension Period pursuant to Section 7.9, then Shipper shall be deemed to have purchased its outstanding Loan balance, plus applicable Fuel Use and Gas Lost and Unaccounted For, from Transporter at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, plus \$0.5000 per Dth. Transporter shall invoice Shipper for such amounts on the next statement rendered by Transporter. Shipper shall pay such invoiced amounts in accordance with Section 17 of this Operating Statement.
- 7.12 During any five (5) Day Extension Period, Shipper shall use due diligence to either take delivery of the Parked Gas quantities from Transporter or return the Loan Gas quantities to Transporter promptly.

**SECTION 8**  
**HOURLY BALANCING SERVICE-FIRM**  
**HBS-F**

- 8.1 Subject to Transporter having available capacity and Shipper meeting the eligibility requirements set forth in this Operating Statement, Transporter shall offer Hourly Balancing Service-Firm to Shippers on a non-discriminatory basis in accordance with this Operating Statement. Transporter shall provide HBS-F to Shipper in accordance with a Service Agreement executed by Transporter and Shipper.
- 8.2 An HBS-F Service Agreement shall be in effect for a term agreed to by Transporter and Shipper, as set forth in the Service Agreement.
- 8.3 During the term of the Service Agreement, Transporter shall provide HBS-F for Shipper with an MSQ, MLQ, MDIQ, MDWQ, and MHQ.
- 8.4 Transporter may receive Gas from Shipper for firm injection on any Day, subject to Shipper's Service Agreement. Shipper may request that Transporter withdraw Gas on a firm basis for delivery to Shipper on any Day, subject to Shipper's Service Agreement.
- 8.5 The MSQ, MLQ, MDIQ, MDWQ, and MHQ shall be stated in the Service Agreement. Transporter may, on a not unduly discriminatory basis, agree to differing levels in the Shipper's MDIQ, MDWQ, and MHQ during specified periods during the term of Shipper's Service Agreement. Shipper's MDIQ and any periods of varying MDIQ, Shipper's MDWQ and any periods of varying MDWQ, and Shippers MHQ and any periods of varying MHQ shall each be specified in Shipper's Service Agreement.
- 8.6 The portion of MDIQ, MDWQ, and MHQ available for Shipper's use on any given Day shall be deemed to be reduced in accordance with the ratchets, if any, set forth in

Shipper's Service Agreement. Such ratchets may provide for Shipper's Daily injection and/or withdrawal rights to be reduced to zero and/or stated as interruptible quantities for certain time periods during the term of Shipper's Service Agreement.

8.7 Transporter shall account for Gas stored on Shipper's behalf in Shipper's Storage Account up to the MSQ or loaned to Shipper from Shipper's Storage Account up to the MLQ.

8.8

(a.) HBS-F shall consist of:

(1.) The receipt on any Day of Shipper's Gas up to the MDIQ as stated in Shipper's HBS-F Service Agreement at the Receipt Point(s) and the injection of Gas so received into storage, provided that Shipper's Storage Account has not exceeded Shipper's MSQ;

(2.) The storage of Gas in amounts up to the MSQ, or the loan of Gas to Shipper up to the MLQ, as stated in the Shipper's HBS-F Service Agreement;

(3.) The withdrawal from storage on any Day of Shipper's Gas up to the MDWQ as stated in Shipper's HBS-F Service Agreement and the delivery of such Gas to the Delivery Point(s) provided that Shipper has a quantity of Gas in Shipper's Storage Account not less than the quantity Shipper shall have withdrawn on such Day or the quantity of Gas withdrawn from the Shipper's Storage Account does not exceed MLQ on such Day; and

(4.) For each hour during a Day, subject to the MHQ as set forth in Shipper's HBS-F Service Agreement, the receipt or delivery by Transporter at the Receipt and/or Delivery Point designated by Shipper of hourly balancing quantities of Gas which shall be the difference, on an hourly basis, between (i) the injections of Gas into or withdrawals of Gas from the Shipper's Storage Account to meet Shipper's hourly pattern of deliveries at its delivery point(s) on the transporting pipeline system(s); and (ii) Shipper's ratable flow quantities on Transporter's system (1/24 of the Daily quantities); provided that hourly balancing quantities shall not cause Shipper's Storage Account to exceed the MSQ or the MLQ set forth in Shipper's HBS-F Service Agreement.

(b.) HBS-F is not intended to serve as an operational balancing agreement to account for hourly deviations between scheduled volumes and volumes actually taken by Shipper at its delivery point(s) on the transporting pipeline(s). Such deviations shall be subject to reconciliation pursuant to the Shipper's transportation agreement(s) with its pipeline transporter(s) and their tariff(s).

8.9 The rate for HBS-F shall consist of:

- (1.) HBS-F Storage Reservation Rate for each Dth of Shipper's MSQ and/or MLQ;
- (2.) HBS-F Hourly Reservation Rate for each Dth of Shipper's MHQ set forth in the executed HBS-F Service Agreement;
- (3.) Injection Rate per Dth times the quantity of Gas injected by Transporter into Shipper's Storage Account; and
- (4.) Withdrawal Rate per Dth times the quantity of Gas withdrawn by Transporter from Shipper's Storage Account.

Transporter shall assess a Fuel Use and Gas Lost and Unaccounted For component on quantities injected and withdrawn. The forgoing shall be market-based rates established through discussions between Shipper and Transporter and set forth in Shipper's Service Agreement.

- 8.10 Transporter may receive from Shipper Gas for injection into Storage in excess of the MDIQ, permit Shipper to withdraw Gas from Storage in excess of the MDWQ, and permit hourly quantities in excess of MHQ on an interruptible basis as Authorized Overrun Service. Unless Transporter permits Authorized Overrun, Shipper may neither inject gas in excess of its MSQ nor withdraw Gas in excess of its MLQ.
- 8.11 For scheduling purposes, subject to Section 11, HBS-F shall be scheduled prior to interruptible services offered under this Operating Statement and prior to interruptible services offered by Transporter pursuant to its Rate Book.
- 8.12 Shipper accepts responsibility for arranging any transportation service required for utilization of the storage service provided under this Operating Statement, including making any necessary arrangements with transporting pipeline(s) for Shipper to utilize Hourly Balancing Service at one or more delivery point(s) on the transporting pipeline system (any such arrangements for utilization of Hourly Balancing Service must be acceptable to Transporter, in its reasonable judgment).
- 8.13 Transporter is authorized to charge Shipper the Unauthorized Gas Usage Charge for any portion of Shipper's injections into or withdrawals from Storage that exceed the MDIQ, MDWQ, MHQ, MSQ and/or MLQ set forth in the Shipper's Service Agreement. Such charge shall not apply to any Gas tendered as Fuel Use and Gas Lost and Unaccounted For. The Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.

- 8.14 Shipper shall request the withdrawal of all its Gas in Storage for delivery to the Delivery Point(s) on or before the last Gas Day of the term of the Service Agreement. If, upon termination of the Service Agreement, Shipper has not requested the withdrawal of all its Gas in Storage, then the Shipper's remaining quantities shall be deemed sold to Transporter at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, less \$0.5000 per Dth. Payment for the quantities left in Storage shall appear as a credit on the last statement rendered by Transporter. To the extent that the credit exceeds the total charges in that statement, Transporter shall pay the difference to Shipper.
- 8.15 Shipper shall deliver to Transporter for injection all of its Loaned Gas borrowed from Transporter, plus applicable Fuel Use and Gas Lost and Unaccounted For, on or before the last Gas Day of the term of the Service Agreement. If, upon termination of the Service Agreement, Shipper has not requested the reduction of its Loan balance to zero via such deliveries for injection to Storage, then Shipper shall be deemed to have purchased its outstanding Loan balance, plus applicable Fuel Use and Gas Lost and Unaccounted For, from Transporter at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, plus \$0.5000 per Dth. Transporter shall invoice Shipper for such amounts on the last statement rendered by Transporter. Shipper shall pay such invoiced amounts in accordance with Section 17 of this Operating Statement.

**SECTION 9**  
**HOURLY BALANCING SERVICE-INTERRUPTIBLE**  
**HBS-I**

- 9.1 Subject to Transporter having available and uncommitted Storage capacity and Shipper meeting the eligibility requirements set forth in this Operating Statement, Transporter shall offer Hourly Balancing Service-Interruptible Service to Shippers on a non-discriminatory basis in accordance with this Operating Statement. Transporter shall provide HBS-I to Shipper in accordance with a Service Agreement executed by Transporter and Shipper.
- 9.2 An HBS-I Service Agreement shall be in effect for a term agreed to by Transporter and Shipper, as set forth in the Service Agreement.
- 9.3 During the term of the Service Agreement, Transporter shall provide HBS-I for Shipper with an MSQ, MLQ, MDIQ, MDWQ, and MHQ.
- 9.4 The MSQ, MLQ, MDIQ, MDWQ, and MHQ shall be stated in the Shipper's Service Agreement. Transporter may, on a not unduly discriminatory basis, agree to differing levels in the Shipper's MDIQ, MDWQ, and MHQ during specified periods during the year.

Shipper's MDIQ and any periods of varying MDIQ; Shipper's MDWQ and any periods of varying MDWQ; and Shipper's MHQ and any periods of varying MHQ shall be specified in Shipper's Service Agreement.

- 9.5 The portion of MDIQ, MDWQ, and MHQ available for Shipper's use on any given Day shall be deemed to be reduced in accordance with the ratchets, if any, set forth in Shipper's Service Agreement. Such ratchets may provide for Shipper's Daily injection and/or withdrawal rights to be reduced to zero for certain time periods during the term of Shipper's Service Agreement.
- 9.6 Transporter shall account for Gas stored on Shipper's behalf in Shipper's Storage Account up to the MSQ or loaned to Shipper from Shipper's Storage Account up to the MLQ.
- 9.7 To the extent HBS-I capacity utilized by a Shipper hereunder is needed by Transporter in order to satisfy Transporter's obligations to Firm Transportation Service, Firm Storage Service, Firm Park and Loan Service, or Hourly Balancing Service-Firm Shippers, Transporter shall require Shipper to withdraw all, or any portion of, Gas quantities held in such Shipper's Storage Account as specified by Transporter. Unless Transporter otherwise agrees, Shipper shall be required to make ratable withdrawals.

In the event Transporter needs to require Shipper to withdraw its Gas from Storage pursuant to this Section 9, Transporter shall provide day-ahead notice to Shipper that it must withdraw Gas at its MDWQ during the next Day. Transporter shall repeat this notice on a daily basis until all of Shipper's Gas is withdrawn from storage or until the circumstances necessitating interruption are resolved. In the event Shipper makes a timely nomination in response to a notification by Transporter pursuant to this paragraph, and Transporter's operating conditions prevent Shipper from withdrawing gas as nominated, Shipper's obligation to comply with that notification shall be suspended until such time as Transporter's operational conditions allow Transporter to schedule the nomination.

Transporter's notice to Shipper may be given electronically, in writing, or orally. In the event Shipper makes a timely nomination in response to a notification by Transporter pursuant to this Section 9.7, and Shipper is prevented from withdrawing gas as nominated due to a Force Majeure event or Transporter's operating conditions, Shipper's obligation to comply with that notification shall be suspended until such time as the Force Majeure event has ended or Transporter's operational conditions allow Transporter to schedule the nomination.

Subject to this Section 9.7, if Shipper fails to withdraw such Gas from its Storage Account, Transporter may take, free and clear of any adverse claims, title to such Gas in Shipper's Storage Account as Shipper was instructed to withdraw.

9.8



- (a.) HBS-I Service rendered to Shipper under this HBS-I Rate Schedule shall consist of:
- (1.) The receipt on any Day of Shipper's Gas up to the MDIQ as stated in Shipper's HBS-I Service Agreement at the Receipt Point(s) and the injection of Gas so received into storage, provided that all Transporter's firm service obligations have been satisfied and Shipper's Storage Account has not exceeded MSQ;
  - (2.) The storage of Gas in amounts up to the MSQ or the Loan of Gas in amounts up to the MLQ, as stated in Shipper's HBS-I Service Agreement, provided that all Transporter's firm service requests have been satisfied;
  - (3.) The withdrawal from storage on any Day up to the MDWQ as stated in Shipper's HBS-I Service Agreement and the delivery of such Gas to the Delivery Point(s), provided that all Transporter's firm service obligations have been satisfied, and the Shipper's withdrawal does not exceed Shipper's MLQ; and
  - (4.) For each hour during the Day, subject to the MHQ as set forth in Shipper's HBS-I Service Agreement, the receipt or delivery by Transporter at the Receipt and/or Delivery Point(s) designated by Shipper of hourly balancing quantities of Gas which shall be the difference, on an hourly basis, between (i) the injections of Gas into or withdrawals of Gas from the Shipper's Storage Account to meet Shipper's hourly pattern of deliveries at its delivery point(s) on the transporting pipeline system(s) and (ii) Shipper's ratable flow quantities on Transporter's System (1/24 of Daily quantities); provided that all firm service obligations have been satisfied and that hourly balancing quantities shall not cause Shipper's Storage Account to exceed the MSQ or the MLQ set forth in Customer's HBS-I Service Agreement.
- (b.) HBS-I is not intended to serve as an operational balancing agreement to account for hourly deviations between scheduled volumes and volumes actually taken by Shipper at its delivery point(s) on the transporting pipeline(s). Such deviations shall be subject to reconciliation pursuant to the Shipper's transportation agreement(s) with its pipeline transporter(s) and their tariff(s).

9.9 The rate for HBS-I shall consist of:

- (1.) The HBS-I Hourly Balancing Rate for hourly balancing quantities injected to or withdrawn from storage or Shipper's account;
- (2.) The HBS-I Usage Rate that shall be calculated based on each Dekatherm of Gas stored in or Loaned from Shipper's Storage Account, at the end of each Day, for each Day during a given Month;

- (3.) Injection Rate per Dth times the quantity of Gas injected by Transporter into Shipper's Storage Account; and
- (4.) Withdrawal Rate per Dth times the quantity of Gas withdrawn by Transporter from Shipper's Storage Account.

Transporter shall assess a Fuel Use and Gas Lost and Unaccounted For component on quantities injected and withdrawn. The forgoing shall be market-based rates established through discussions between Shipper and Transporter and set forth in Shipper's Service Agreement.

- 9.10 Transporter may receive from Shipper Gas for injection into Storage in excess of the MDIQ, permit Shipper to withdraw Gas from Storage in excess of the MDWQ, and permit hourly quantities in excess of MHQ on an interruptible basis as Authorized Overrun Service. Unless Transporter permits Authorized Overrun, Shipper may neither inject gas in excess of its MSQ nor withdraw Gas in excess of its MLQ.
- 9.11 For scheduling purposes, subject to Section 9, HBS-I shall be subordinate to firm services offered by Transporter in this Operating Statement and under its Rate Book. Once HBS-I is scheduled for a Day, Transporter may curtail such service at any time in accordance with Section 11.
- 9.12 Shipper accepts responsibility for arranging any transportation service required for utilization of the storage service provided under this Operating Statement, including making any necessary arrangements with transporting pipeline(s) for Shipper to utilize Hourly Balancing Service at one or more delivery point(s) on the transporting pipeline system (any such arrangements for utilization of Hourly Balancing Service must be acceptable to Transporter, in its reasonable judgment).
- 9.13 Transporter is authorized to charge Shipper the Unauthorized Gas Usage Charge for any portion of Shipper's injections into or withdrawals from Storage that exceed the MDIQ, MDWQ, MHQ, MSQ and/or MLQ set forth in the Shipper's Service Agreement. Such charge shall not apply to any Gas tendered as Fuel Use and Gas Lost and Unaccounted For. The Unauthorized Gas Usage Charge shall be the Unauthorized Overrun Charge of \$10.00 per Dth plus the highest price among the prices reported in Gas Daily in the midpoint column of the Daily Price Survey for the following locations for the month in which the Unauthorized Gas Use occurred: Dawn, Ontario; Chicago city-gates; Consumers city-gate; or MichCon city-gate. In the event Gas Daily discontinues its reporting of such prices, Transporter will select a comparable reporting service.
- 9.14 Shipper shall request the withdrawal of all its Gas in Storage for delivery to the Delivery Point(s) on or before the last Gas Day of the term of the Service Agreement. If, upon termination of the Service Agreement, Shipper has not requested the withdrawal of all its Gas in Storage, then the Shipper's remaining quantities shall be deemed sold to Transporter at a rate equal to the MichCon City Gate Index (or its successor index point)

as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, less \$0.5000 per Dth. Payment for the quantities left in Storage shall appear as a credit on the last statement rendered by Transporter. To the extent that the credit exceeds the total charges in that statement, Transporter shall pay the difference to Shipper.

- 9.15 Shipper shall deliver to Transporter for injection of all its Loaned Gas borrowed from Transporter, plus applicable Fuel Use and Gas Lost and Unaccounted For, on or before the last Gas Day of the term of the Service Agreement. If, upon termination of the Service Agreement, Shipper has not requested the reduction of its Loan balance to zero via such deliveries for injection to Storage, then Shipper shall be deemed to have purchased its outstanding Loan balance, plus applicable Fuel Use and Gas Lost and Unaccounted For, from Transporter at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, plus \$0.5000 per Dth. Transporter shall invoice Shipper for such amounts on the last statement rendered by Transporter. Shipper shall pay such invoiced amounts in accordance with Section 17 of this Operating Statement.

## **SECTION 10 REQUESTS FOR SERVICE**

- 10.1 All Shippers may provide requests for firm or interruptible service to Transporter electronically, in writing, or orally. Requests for service shall be sent to an appropriate Transporter contact identified on a contact list posted on Transporter's internet web site, as such list may be amended from time to time.
- 10.2 A request for service shall not be valid and Transporter shall not be required to grant such request for service if: (i) Transporter determines, in accordance with the criteria set forth in Section 23, that the requesting Shipper is not creditworthy; (ii) the service requested would require the construction, modification, expansion, or acquisition of any facilities; (iii) the service requested would not comply with this Operating Statement; (iv) for firm service requests, Transporter lacks the capacity or capability to perform the requested service; or (v) the service is requested at less than the applicable maximum rate if a maximum rate is stated in this Operating Statement. For services under this Operating Statement subject to maximum rates, Transporter may agree to provide such services at less than the applicable maximum rates.
- 10.3 Transporter shall tender a Service Agreement upon its acceptance of the Person's request for service. If Transporter does not accept any Person's request for service, it shall advise the Person orally or provide confirmation in writing of the non-acceptance and the reason therefor as soon as practicable after Transporter's receipt of the request for service. Shipper must execute the Service Agreement within a reasonable time period as specified by the Transporter. If Transporter is unable to accept, in full, a request for service which requests firm service, Transporter shall tender a Service Agreement reflecting the maximum contract quantities that Transporter is able to accommodate. If

more than one such request for service is received on the same Business Day, and Transporter does not have sufficient available capacity to accept, in full, all such Requests for Service, then Transporter shall tender Service Agreements to Persons that submitted Requests for Service on such Business Day starting with the request for service with the highest rate and continuing to the next highest rate until available capacity is filled. In the event two or more shippers submit the same rate, and insufficient capacity is available to accept, in full, such Requests for Service, capacity will be allocated to such shippers on a pro rata basis based on the amount of capacity requested.

## **SECTION 11 NOMINATIONS, SCHEDULING, AND CURTAILMENT**

- 11.1 Shipper may designate a third party as agent for purposes of Nominating, and for giving and receiving notices related to Nominations. Shipper shall provide Transporter with written notice of such designation. Any such designation shall be effective starting the Month following the receipt of the notice and will remain in effect until revoked in writing by Shipper.
- 11.2 All Nominations shall be submitted electronically through eNominator, or by such other mutually agreed upon method. Specific information to be included in the Nomination is posted on Transporter's web site and displayed on the eNominator Nomination screen. Transporter may amend or modify the Nominating procedures or system at any time.
- 11.3 Nomination Timeline
- (a.) Shippers will have five (5) cycles during which nominations can be submitted: the Timely Nomination Cycle, the Evening Nomination Cycle, the Intraday 1 Nomination Cycle, the Intraday 2 Nomination Cycle, and the Intraday 3 Nomination Cycle, which is the last cycle of the Gas Day. Nominations submitted during the Evening, Intraday 1, Intraday 2, and Intraday 3 Nomination Cycles shall be known as intraday nominations.
  - (b.) Transporter and its Shippers shall follow the North American Energy Standards Board timeline for the nomination and confirmation of gas quantities (all times shown are Central Clock Time (CCT)).

	Day Prior to Gas Flow		On Gas Day		
	Timely Nomination	Evening Nomination	Intraday 1	Intraday 2	Intraday 3
Nomination leaves control of Shipper	1:00 PM	6:00 PM	10:00 AM	2:30 PM	7:00 PM
Nomination due to Transporter	1:15 PM	6:15 PM	10:15 AM	2:45 PM	7:15 PM
Quick Response sent to those Shippers nominating via EDI	1:30 PM	6:30 PM	10:30 AM	3:00 PM	7:30 PM
Transporter receives completed confirmations from Confirming Parties	4:30 PM	8:30 PM	12:30 PM	5:00 PM	9:30 PM
Shippers and Point Operator receive scheduled quantities from Transporter	5:00 PM	9:00 PM	1:00 PM	5:30 PM	10:00 PM
Effective Gas Flow Time	9:00 AM	9:00 AM	2:00 PM	6:00 PM	10:00 PM
IT Bumping	N/A	Yes	Yes	Yes	No

- (c.) If Shipper fails to provide a Nomination for any Day, the daily Nomination is assumed to be zero (0).
- (d.) Nominations under the Intraday 3 Nomination cycle shall be on a best efforts basis, subject to pipeline operations.
- (e.) 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.
- (f.) Intraday nominations span only one Gas Day and do not replace the remainder of a standing nomination.
- (g.) Once service is nominated and scheduled for any Gas Day as Firm Capacity and/or secondary firm service, such service shall not be bumped by another Customer for the purpose of scheduling any other service, including primary firm service, for such Gas Day.
- (h.) Once service is nominated and scheduled for any Gas Day under any interruptible rate schedule, such service can only be bumped by another Customer prior to the Intraday 3 Nomination Cycle for the purpose of scheduling a higher priority firm service for such Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.
- (i.) Transporter may, on a not unduly discriminatory basis, extend the “Nomination due to Transporter” deadline stated herein, provided that such action does not adversely impact any other Shipper(s) on Transporter’s pipeline system.

## 11.4 Capacity Allocation

Transporter shall schedule all Transportation, Storage, Park and Loan, Interruptible Balancing Service, and Hourly Balancing Service, quantities as nominated by Shippers in accordance with the available capacity and consistent with the following priorities:

- (a.) Firm Transportation (within applicable MDQ and ACQ), Firm Storage Injection and Withdrawal quantities (within applicable MSQ, MDIQ and MDWQ), Firm Park and Loan Injection and Withdrawal quantities (within applicable MPQ, MLQ, MDIQ and MDWQ), and Hourly Balancing Service-Firm Injection, Withdrawal, and Hourly Quantities (within applicable MSQ, MLQ, MDIQ, MDWQ, and MHQ) pursuant to firm services offered by Transporter at Primary Receipt and Delivery Points other than Michcon Generic, pro rata based on each Shipper's Nomination;
- (b.) Firm Transportation (within applicable MDQ and ACQ), Firm Storage Injection quantities (within applicable MSQ, MDIQ), Firm Park and Loan Injection quantities (within applicable MPQ, MLQ, and MDIQ), and Hourly Balancing Service-Firm Injection, and Hourly Quantities (within applicable MSQ, MLQ, MDIQ, and MHQ) pursuant to firm services offered by Transporter at a Primary Michcon Generic Receipt Points, pro rata based on each Shipper's Nomination;
- (c.) Firm Transportation (within applicable MDQ and ACQ), Firm Storage Injection and Withdrawal quantities (within applicable MSQ, MDIQ and MDWQ), Firm Park and Loan Injection and Withdrawal quantities (within applicable MPQ, MLQ, MDIQ and MDWQ), and Hourly Balancing Service-Firm Injection, Withdrawal, and Hourly Quantities (within applicable MSQ, MLQ, MDIQ, MDWQ, and MHQ) pursuant to firm services offered by Transporter at Secondary Receipt and Delivery Points pro rata based on Shipper nominations within this group; and
- (d.) Interruptible Transportation and injections and withdrawals pursuant to interruptible services offered by Transporter, including Interruptible Storage Service, Interruptible Balancing Service, Hourly Balancing Service-Interruptible, and Authorized Overrun Service (including firm service overruns in excess of MSQ, MLQ, MDQ, MDIQ, MDWQ, or MHQ), by price from highest to lowest, except that scheduling shall be pro rata based on nominated quantities among Shippers paying the same rate.

11.5 Transporter shall have the unqualified right to curtail Interruptible Services in order to provide Transporter's Firm Services provided pursuant to this Operating Statement and to Transporter's Rate Book. Interruptible Services shall be interrupted in sequence, by magnitude of rate, from lowest to highest. Interruptible Service at the same rate shall be interrupted on a pro-rata basis based on Nominations.

- 11.6 Transporter shall only curtail Firm Services after curtailing all Interruptible Services in accordance with Section 11.5. Transporter shall curtail Firm Services on a pro rata basis based on Nominations. In order to enable prompt action in an emergency situation where capacity is insufficient, Transporter shall have the authority to take all necessary and appropriate actions, as then may appear necessary, to preserve the operational integrity of its System.
- 11.7 Transporter shall have the right to curtail or discontinue services, in whole or in part on all or a portion of its System at any time for reasons of Force Majeure or when in Transporter's judgment, capacity or operating conditions so require or it is desirable or necessary to make modifications, repairs or operating changes to its System.
- 11.8 When in Transporter's judgment Transporter will be unable to satisfy all scheduled deliveries on any portion of its System due to the failure of Shippers to deliver or cause to be delivered scheduled receipts, Transporter may reduce, in whole or in part, deliveries to Shippers with receipts scheduled on any portion of Transporter's System showing deficient receipts.
- 11.9 All quantities received and/or taken in violation of Transporter's curtailment or interruption orders shall constitute unauthorized receipts or deliveries of Gas and will be subject to a charge calculated as the highest price reported for MichCon, Consumers Energy and Chicago LDCs (or their respective successor index points) during the applicable Month as reported by Gas Daily or, in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, plus the Unauthorized Overrun Charge of \$10.00 per Dth. Such charge shall be applicable to all such unauthorized receipts and deliveries following notification of curtailment or interruption pursuant to Section 11.6 or 11.8, above, which may be given by telephone, confirmed electronically or by any other reasonable means.
- 11.10 Transporter shall provide Shipper with notice of curtailment or interruption at a time and in a manner that is reasonable under then existing conditions, and shall in any event confirm in writing or electronically the notice given if originally provided telephonically. Shipper shall have the responsibility to inform its end-users, suppliers, other transporters and all others involved in the transaction, as to any curtailment or interruption.
- 11.11 Shipper shall indemnify Transporter against and hold Transporter harmless from any and all damages, claims, suits, actions or proceedings whatsoever threatened or initiated as a result of any curtailment or interruption invoked by Transporter; which shall include any curtailment or interruptions described in any part of this Section 11. Shipper shall not be required to indemnify Transporter as stated above to the extent that the curtailment or interruption is a result of Transporter's gross negligence, bad faith, fault or willful misconduct.
- 11.12 Notwithstanding anything to the contrary in this Operating Statement, and except as permitted pursuant to an Interruptible Balancing Service Agreement, HBS-F Service Agreement, or HBS-I Service Agreement, Shipper may not nominate injections into and

withdrawals from Storage for the same nomination cycle on the same Gas Day under the same Service Agreement or otherwise engage in any nomination pattern that would result in Shipper receiving the equivalent of unbundled transportation service, unless through Firm Transportation Service or Interruptible Transportation Service provided by Transporter pursuant to an executed Service Agreement.

#### 11.13 Confirmation Process

- (a.) With respect to the timely nomination/confirmation process at a receipt or delivery point, in the absence of agreement to the contrary, the lesser of the confirmation quantities shall be the confirmed quantity. If there is no response to a Request for Confirmation or an unsolicited Confirmation Response, the lesser of the confirmation quantity or the scheduled quantity for the Timely Nomination Cycle of the previous Gas Day shall be the new confirmed quantity.
- (b.) With respect to the processing of requests for increases during the intraday nomination/confirmation process, in the absence of agreement to the contrary, the lesser of the confirmation quantities shall be the new confirmed quantity. If there is no response to a Request for Confirmation or an unsolicited Confirmation Response, the scheduled quantity for the previous intraday nomination cycle shall be the new confirmed quantity.
- (c.) With respect to the processing of requests for decreases during the intraday nomination/confirmation process, in the absence of an agreement to the contrary, the lesser of the confirmation quantities shall be the new confirmed quantity, but in any event no less than the elapsed-prorated-scheduled quantity. If there is no response to a Request for Confirmation or an unsolicited Confirmation Response, the greater of the confirmation quantity or the elapsed-prorated-scheduled quantity shall be the new confirmed quantity.
- (d.) With respect to the above confirmation rules, if there is no response to a Request for Confirmation or an unsolicited Confirmation Response, Transporter shall provide the Service Requester with the following information to explain why the nomination failed, as applicable:
  - (1.) Transporter did not conduct the confirmation;
  - (2.) The upstream Confirming Party did not conduct the confirmation;
  - (3.) The upstream Service Requester did not have the gas or submit the nomination;
  - (4.) The downstream Confirming Party did not conduct the confirmation;
  - (5.) The downstream Service Requester did not have the market or submit the nomination.



This information shall be imparted to the Service Requester on the Scheduled Quantity document.

- (e.) Ranking shall be included in the list of data elements. Transporter shall use Service Requester provided rankings when making reductions during the scheduling process when this does not conflict with operating statement -based rules.
- (f.) The Explicit Confirmation process requires that the Confirming Party respond to a Request for Confirmation or initiate an unsolicited Confirmation Response. Absent mutual agreement to the contrary, Explicit Confirmation is the default methodology.

#### 11.14 Post Cycle

- (a.) Transporter will accept requests for increases or decreases to Nominations scheduled during the Intraday 3 Nomination cycle process for a Gas Day which are received after the deadline identified in Section 11.3 until 08:00 a.m. CCT of the applicable Gas Day (Post Cycle) provided that:
  - i. the interconnecting pipeline(s) at the applicable points of receipt or delivery and Transporter consent in writing; provided however, Transporter shall not unreasonably withhold its consent;
  - i. it is operationally feasible to accommodate the requested Nomination change;
  - i. it is consistent with any Operating Statement limitations applicable to such Gas Day; and
  - i. Shipper reasonably demonstrates to Transporter that the need for a Post Cycle Nomination change is due to one of the following reasons: (A) Shipper experiencing an unexpected change in operations at its electric generating resource after the last intraday nomination cycle that was beyond its control and that prevented Shipper from taking delivery of the quantities it had nominated in a nomination cycle for the applicable Gas Day; or (B) an unexpected change in dispatch instructions to Shipper's electric generating resource by the Midcontinent Independent System Operator after the last intraday nomination cycle for the applicable Gas Day.
- (b.) Transporter will provide scheduled quantities to affected Shippers and applicable interconnecting pipeline(s) by 9:00 a.m. CCT at the end of the applicable Gas Day.

## **SECTION 12 RATES**

- 12.1 The maximum and minimum rates for Gas Transportation service under this Operating Statement are provided in the Statement of Currently Effective Rates at Section 26. This Operating Statement incorporates the Transportation rates stated in Transporter's Rate Book pursuant to its rate election under 18 C.F.R. § 284.123(b). Transporter may periodically offer and agree to non-discriminatory discounting of maximum rates. Discounted rates shall not exceed the applicable maximum rates, if any, approved by the Commission from time to time for the type of service provided. Rates for Storage, and Park and Loan and Balancing Services shall be market-based, pursuant to the authorization granted by the Federal Energy Regulatory Commission, established through discussions between Shipper and Transporter and set forth in Shipper's Service Agreement.
- 12.2 Shippers shall provide Fuel Use and Gas Lost and Unaccounted For in kind.
- 12.3 Transporter reserves the right to seek authorization from the Commission to increase, decrease, or restructure the rates charged under this Operating Statement, including the Fuel Use and Gas Lost and Unaccounted For percentage, to assure Transporter's right to charge and collect fair and equitable rates under the Commission's applicable rules and regulations; provided however, that any market-based rates established through discussions between Transporter and its Shipper(s) shall remain in effect during the term(s) of the Service Agreement(s) specifying such rates. Nothing herein shall be construed to deny any Shipper any rights that it may have under the Commission's rules and regulations to participate fully in rate or certificate proceedings to contest any proposed change in rates charged in this Operating Statement.

## **SECTION 13 REGULATORY REQUIREMENTS**

- 13.1 Any and all service transactions under this Operating Statement must be interstate service eligible under, and shall be fully subject to, the applicable requirements of 18 CFR § 284.224 of the Commission's rules and regulations, as they may be revised from time to time. Shipper's request for service shall constitute its warranty that Shipper satisfies such requirements, and Transporter shall have the right to request information from Shipper to verify its eligibility.

## **SECTION 14 PRESSURES**

- 14.1 All deliveries of Gas by Shipper and Transporter shall be made at Transporter's prevailing pressure.

## **SECTION 15 MEASUREMENT**

- 15.1 All quantities of Gas received at Receipt Point(s) by Transporter for the account of Shipper shall be measured at the Receipt Point(s) by Transporter or its designee in accordance with, and shall comply with the measurement specifications contained in:
- (a.) Transmission Measurement Committee Report #3, Natural Gas Department, American Gas Association, including the Appendix thereto, dated September 1985, (“Gas Measurement Report #3”)
  - (b.) Transmission Measurement Committee Report #7, Natural Gas Department, American Gas Association, including the Appendix thereto, dated April 1996, (“Gas Measurement Report #7”)
  - (c.) Transmission Measurement Committee Report #8, Natural Gas Department, American Gas Association, including the Appendix thereto, dated July 1992, (“Gas Measurement Report #8”)
  - (d.) Transmission Measurement Committee Report #9, Natural Gas Department, American Gas Association, including the Appendix thereto, dated June 2000, (“Gas Measurement Report #9”)
  - (e.) And any subsequent modifications and amendments thereof.
- 15.2 All quantities of Gas delivered at the Delivery Point(s) by Transporter to Shipper, of for the account of Shipper, shall be measured at the Delivery Point(s) by Transporter, or its designee, in accordance and in compliance with the measurement specifications contained in the American Gas Association’s Gas Measurement Report #3, Gas Measurement Report #7, Gas Measurement Report #8 and Gas Measurement Report #9.

## **SECTION 16 QUALITY**

- 16.1 Gas delivered to Transporter shall meet the following requirements:
- (a.) Gas shall not contain more that 0.0005 percent (5 ppm) oxygen by volume;
  - (b.) Gas shall be commercially free from objectionable odors, solid or liquid matter, bacteria, dust, gum or gum-forming constituents which might interfere with its merchantability or cause injury to or interference with proper operation of the lines, regulators, meters or other appliances through which it flows;
  - (c.) Gas shall not contain more than 0.25 grain of hydrogen sulphide nor more than 0.5 grain of mercaptan sulphur per 100 cubic feet;

- (d.) Gas shall not contain more than 5.0 grains of total sulphur (including hydrogen sulfide and mercaptan sulphur) per 100 cubic feet;
  - (e.) Gas shall not at any time have a carbon dioxide content in excess of two percent by volume;
  - (f.) Gas shall not contain an amount of moisture that at any time exceeds five pounds per million cubic feet;
  - (g.) Gas shall be fully interchangeable in accordance with the provisions of AGA Research Bulletin No. 36 and any subsequent modifications and amendments thereof;
  - (h.) The temperature of the Gas shall not exceed 100° F; and
  - (i.) The temperature of the Gas shall not be less than 40° F; and
  - (j.) The hydrocarbon dew point of the Gas shall not exceed 0° F at 500 pounds per square inch.
- 16.2 The Gas delivered by Shipper shall have a Total Heating Value Per Cubic Foot of not less than 950 Btu nor more than 1,100 Btu.
- 16.3 If the Gas delivered by Shipper at any Receipt Point fails to meet the qualities stipulated in this Section 16.1 and in Section 16.2, then Transporter shall notify Shipper of such deficiency and thereupon may, at its option, refuse to accept delivery pending correction. Upon demonstration that the Gas being tendered meets the Gas quality specifications of Section 16.1 and Section 16.2, Transporter shall resume taking delivery of Gas.

## **SECTION 17 BILLING AND PAYMENT**

- 17.1 On or before the tenth (10th) Business Day of each Month, Transporter shall render (for purposes of this Section 17.1, “render” shall mean either (a) postmarked or (b) time-stamped and transmitted electronically to the designated site, whichever is applicable) to Shipper a statement of the amount due for the preceding Month under the applicable Rate Schedule(s). When information necessary for billing purposes is in the control of Shipper, Shipper shall furnish such information to Transporter on or before the third (3rd) Business Day of the Month. Both Transporter and Shipper have the right to examine at reasonable times upon prior notice and at its own expense, books, records and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions hereof.
- 17.2 Shipper shall pay Transporter the amount due for the preceding Month within ten (10) Days of receiving the statement from the Transporter.

- 17.3 Payments by Shipper to Transporter shall be made in the form of wire transfer in immediately available funds directed to a bank account designated by Transporter's Controller, unless otherwise agreed. If payment differs from the invoiced amount, remittance detail should be provided with the payment within two (2) Business Days of the payment due date. Interest on the unpaid portion of the bill shall accrue at the current rate as set forth in Section 154.501(d) of the Commission's Rules and Regulations, from the due date until the date of payment. If such failure to pay continues for thirty (30) Days after payment is due, Transporter, in addition to any other remedy it may have hereunder, may suspend further delivery of Gas until such amount is paid.
- 17.4 If Shipper in good faith disputes the amount of any such bill or part thereof and pays to Transporter such amounts, if any, as it concedes to be correct and, at any time thereafter within thirty (30) Days of a demand made by Transporter, furnishes a good and sufficient surety bond in an amount and with surety satisfactory to Transporter or other assurance acceptable to Transporter, guaranteeing payment to Transporter of the unpaid amount, then Transporter shall not be entitled to suspend further delivery of such Gas unless and until default be made in the conditions of such bond.
- 17.5 In the event an error is discovered in the amount billed in any statement rendered by Transporter, such error shall be adjusted within thirty (30) Days of the determination thereof, provided that claim therefore shall have been made within thirty (30) Days from the date of discovery of such error, but in any event within six (6) Months from the date of such statement, provided, however, that the party harmed by the adjustment shall have up to three (3) Months to dispute such adjustment. The timing of billing claims and adjustments referenced in the previous sentence shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not be diminished by this standard. If parties are unable to agree on the adjustment of any claimed error, any resort by either of the parties to legal proceedings shall be commenced within fifteen (15) Months after the supposed cause of action is alleged to have arisen, or shall thereafter be forever barred.
- 17.6 All invoices and payments, other than those related to Taxes, shall be final unless questioned within twelve (12) Months from the date of such invoice or payment. Any error discovered as a result of a timely claim shall be adjusted within thirty (30) Days of the determination of such error as stated in Section 16.4 of this Operating Statement.
- 17.7 Shipper shall reimburse Transporter for all Taxes that may be levied upon and/or paid by Transporter with respect to the service performed under this Operating Statement. Shipper shall be responsible for establishing any exemption from Taxes and shall provide satisfactory evidence of such exemption to Transporter.
- 17.8 Shipper shall reimburse Transporter for any and all filing fees or related charges incurred by Transporter for the filing of any report or reports with any governmental agency or other body, including the Commission, with respect to the nature and timing of any service specifically provided to the Shipper.

**SECTION 18**  
**CONTROL AND POSSESSION**

- 18.1 As between Transporter and Shipper, Shipper shall be deemed in exclusive control and possession of the Gas transported hereunder and responsible for any loss, damage, or injury caused thereby until it is delivered to Transporter at the Receipt Point(s) and after it is delivered by Transporter at the Delivery Point(s). Transporter shall be deemed in exclusive control and possession of said Gas and responsible for any loss, damage, or injury caused thereby after it is delivered by Shipper, or for Shipper's account, at the Receipt Point(s) and until it is delivered by Transporter at the Delivery Point(s).
- 18.2 Shipper agrees to indemnify and hold Transporter harmless from all suits, claims, liens, damages, costs, including court costs and attorneys' fees, losses, expenses and encumbrances of whatever nature arising from Shipper's delivery of Gas to Transporter's System and at all times when Shipper is deemed in exclusive control and possession of the Gas transported hereunder. Transporter agrees to indemnify and hold Shipper harmless from all suits, claims, liens, damages, costs, including court costs and attorneys' fees, losses, expenses and encumbrances of whatever nature arising from Transporter's receipt and control of Gas after the Receipt Point, except for those arising from Shipper's delivery to Transporter's System of Gas that fails to meet the quality specifications set forth in this Operating Statement.
- 18.3 Except as provided in this Operating Statement, title to the Gas transported or stored shall not transfer to Transporter when it takes possession of the Gas, or at any other time, unless the parties specifically agree otherwise. However, this shall not restrict Transporter from entering into operating arrangements that allow for the movement of Gas via exchange or displacement. Title to Gas Loaned under Firm Park and Loan, HBS-F, HBS-I, or Interruptible Balancing Services shall pass from Transporter to Shipper when the Gas is delivered for Shipper's account to a Delivery Point and title shall pass from Shipper to Transporter when Loaned Gas is returned by Shipper to a Receipt Point; provided that, for Gas flowing in international commerce, title to Loaned Gas shall be deemed to transfer (to Shipper or to Transporter, as applicable) at a point on Transporter's system on the United States side of the international boundary with Canada.

**SECTION 19**  
**WARRANTY**

- 19.1 Shipper warrants, for itself, its successors and assigns, that it will have, at the time of delivery of Gas hereunder good and marketable title to the Gas delivered, or it will otherwise have the right to deliver such Gas, and that such Gas shall be free and clear of all liens, encumbrances, and claims. Shipper warrants that it will indemnify Transporter and save it harmless from suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any and all persons to said Gas or to royalties, taxes, license fees or charges thereon.

**SECTION 20**  
**GOVERNMENT REGULATION**

- 20.1 All of the provisions of this Operating Statement are hereby expressly made subject to all present and future applicable federal, state, or local laws, regulations, rules, and orders of governmental authorities having jurisdiction. Except as otherwise provided herein, in the event any provision of this Operating Statement is found to be inconsistent with or contrary to any such federal, state, or local laws, regulations, rules, and orders, the latter shall be deemed to control this Operating Statement, to the extent possible, shall be deemed modified accordingly and as so modified shall continue in full force and effect.
- 20.2 Shipper and Transporter recognize that Transporter has entered into transactions hereunder based on its good faith understanding that all acts, obligations, and services performed or to be performed under this Operating Statement and charges therefore, are exempt from regulation of the Commission, except as otherwise provided for by 18 CFR § 284.224 of the Commission's rules and regulations. If any governmental authority shall take any action that is, with respect to or as a result of this Operating Statement, designed to subject or otherwise subjects either party or any of its transmission, distribution, or related facilities to any greater or different regulation or jurisdiction than that existing on the date any Service Agreement between the parties was entered into (or thereafter as such regulation or jurisdiction may have changed and been accepted by such party), then upon written notice to the other, the party so affected may cancel and terminate such Service Agreement effective one (1) Day prior to the effective date of such governmental action without further obligation to the other party except (i) Shipper's obligation to pay amounts due and owing for services rendered pursuant to the Service Agreement, and (ii) to correct any Gas imbalance existing on the date of such cancellation and termination.
- 20.3 Transporter shall file all necessary reports and/or notices required by Subpart C of Part 284 of the Commission's regulations. Shipper shall provide Transporter with any necessary compliance information requested by Transporter in connection with preparing such reports.

**SECTION 21**  
**FORCE MAJEURE**

- 21.1 Neither Shipper nor Transporter shall be liable in damages, or in any other remedy, legal or equitable, to the other for any act, omission, or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, sabotage, terrorism, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests, and restraints of rulers and peoples, civil disturbances, failure of electronic data, explosions, breakage, or accident to machinery or lines of pipe or the necessity to make repairs, or alteration to machinery or lines of pipe, line freeze-ups, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, or any other cause,

whether of the kind herein enumerated, or otherwise, and whether caused or occasioned by or happening on the account of the act or omission of one of the parties hereto or some person or concern not a party hereto, not within the control of the party claiming suspension and which by the exercise of due diligence such Party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered a matter within control of the party claiming suspension. Under no circumstances will the following events constitute Force Majeure: (i) Shipper's lack of finances, (ii) inadequate or uneconomic markets for Shipper's Gas, or (iii) insufficiency of Shipper's Gas supplies. Such causes or contingencies affecting the performance of any obligations under any rate schedule or agreement by either Shipper or Transporter, shall not relieve it of liability in the event of its concurrent negligence or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting performance of any obligation relieve Shipper from its obligation to make payments of amounts then due, nor shall such causes or contingencies relieve either Shipper or Transporter of liability unless such party shall give notice and full particulars of the same in writing, including by electronic communication, to the other party as soon as possible after the occurrence relied on.

## **SECTION 22 NOTICES**

- 22.1 All notices, bills and payments required or permitted to be given in connection with service shall be sent to the address specified in Shipper's Service Agreement shall be in writing and shall be valid and sufficient if delivered in person, electronically, dispatched by first class mail, or overnight mail.

## **SECTION 23 CREDITWORTHINESS**

- 23.1 Shippers taking service under this Operating Statement shall be subject to the following provisions:
- (a.) At the time of its request for service, and upon Transporter's request at any time thereafter, Shipper shall demonstrate creditworthiness. Transporter is not required to commence service or to continue to provide service if Shipper, when requested by Transporter to demonstrate creditworthiness, fails to do so to Transporter's satisfaction. A Shipper shall be deemed creditworthy (1) if it has and maintains a credit rating for long-term senior unsecured debt of investment grade defined as a rating of at least "BBB-" by Standard & Poor's Corporation, a rating of at least "Baa3" by Moody's Investors Service, or a rating of at least "BBB-" by Fitch Ratings, but if Shipper is rated by more than one agency, the lowest rating shall be considered in determining creditworthiness; or (2) if public credit reports are not available, it has an equivalent rating of investment grade as determined by Transporter based on the financial rating methodology, criteria and ratios for the industry of Shipper as published by the above rating agencies from



time to time. For purposes of credit evaluation, Transporter will consider the following, as applicable:

- (1.) audited financial statements;
  - (2.) annual reports;
  - (3.) most recent filed statements with the Securities and Exchange Commission (or an equivalent authority) or such other publicly available information;
  - (4.) for public entities, the most recent publicly available interim financial statements, with an attestation by its Chief Financial Officer, Controller or equivalent that such statements constitute a true, correct and fair representation of financial condition prepared in accordance with Generally Accepted Accounting Principles (GAAP) or equivalent;
  - (5.) publicly available credit reports from credit and bond rating agencies;
  - (6.) private credit ratings, bank or trade references;
  - (7.) past payment history to Transporter;
  - (8.) whether Shipper has filed for bankruptcy protection and/or is operating under any chapter of the bankruptcy laws;
  - (9.) whether Shipper is subject to liquidation or debt reduction procedures such as an assignment for the benefit of creditors or any creditors' committee agreement;
  - (10.) whether Shipper's credit rating has been downgraded by a credit rating agency within the last six Months; or
  - (11.) such other information as may be mutually agreed to by Transporter and Shipper.
- (b.) If Transporter determines that Shipper is not creditworthy, then within 5 Business Days of notice from Transporter, Shipper shall provide Transporter with one of the following alternate forms of credit support: (1) a corporate guaranty of all of Shipper's obligations from a creditworthy guarantor; (2) an irrevocable standby letter of credit in form and from an institution satisfactory to Transporter; (3) a prepayment for service, provided that such prepayments shall be considered collateral held for security and not advance payments for services, or (4) such other security, as reasonably determined by Transporter. Shipper's obligation to

provide credit assurance shall terminate only after all of Shipper's obligations to Transporter have been satisfied.

The value in U.S. Dollars of the credit support set forth above to be provided by Shipper (other than for a corporate guaranty) shall be in an amount equal to: (1) in the case of firm services, reservation charges payable at the rate specified in Shipper's Service Agreement for a period of three (3) Months or the duration of the Shipper's Service Agreement, whichever is shorter and (2) in the case of interruptible services, the Interruptible charge(s) calculated on a one hundred percent (100%) load factor basis payable for a period of three (3) Months or the duration of the Shipper's Service Agreement, whichever is shorter, plus, for both (1) and (2) the market value of any quantities of Gas Loaned pursuant to Shipper's Service Agreement. Transporter shall re-compute the market value of any quantities of Gas Loaned to a Shipper pursuant to Shipper's Service Agreement on a daily basis. Shipper shall be required to provide additional credit support upon two (2) Business Days' notice any time Transporter's re-computation indicates a dollar amount for credit support that exceeds the level of credit support previously posted by Shipper pursuant to this Section 24.1(b.) by ten percent (10%) or more.

- (1.) A guarantor shall be deemed creditworthy provided it has an investment grade rating for its long-term senior unsecured debt from at least two of the recognized rating agencies listed below. The minimum acceptable investment grade rating from each of the indicated rating agencies is:

Moody's      Baa3  
S&P      BBB-  
Fitch Ratings      BBB-

If Guarantor is rated by more than one agency, the lowest rating shall be considered in determining creditworthiness.

- (2.) A guarantor that is considered creditworthy at the time it provided the guaranty but, at a later date, no longer meets the creditworthiness standards of this subsection will be required to provide other security acceptable to Transporter within five business days of notice from Transporter that the guarantor fails to meet the creditworthiness standards of this subsection.

## **SECTION 24 ACQUIRED CAPACITY**

- 24.1 Transporter may from time to time enter into agreements with off-System entities (Acquired Capacity). Transporter may use Acquired Capacity for its System operational needs and to render service to its Shippers. Except as provided in Section 24.2, Transporter states that, if it provides Transportation, Storage, Park and Loan or

Interruptible Balancing Services for others using Acquired Capacity, such services will be provided pursuant to the same rates and operating conditions that are applicable to Shippers on Transporter's System, as such rates and operating conditions may change from time to time. For purposes of the use of Acquired Capacity covered by this section the "shipper must hold title" requirement is waived.

- 24.2 Nothing herein shall be read to preclude Transporter from filing with the Commission for different operating conditions applicable to any service which Transporter provides using Acquired Capacity; provided, that the waiver of the "shipper must hold title" requirement hereunder shall not apply in such a circumstance, and Transporter will be required to seek a case-specific waiver of that requirement from the Commission.

## **SECTION 25 MISCELLANEOUS**

- 25.1 Transporter shall have the right at any time to amend or modify any and all of the provisions to this Operating Statement and the General Terms and Conditions thereto without liability to or consent from any Shipper.
- 25.2 No Shipper shall be considered or deemed by interpretation of this Operating Statement or any Service Agreement to have any rights in, to, or through Transporter's System or facilities.
- 25.3 Transporter shall have the right to waive any one or more specific defaults by any Shipper of any provision of the Service Agreement; provided, however, that no such waiver shall operate or be construed as a waiver of any other existing or future default or defaults, whether of a like or different character. Any waiver shall be granted or denied in a non-discriminatory manner.
- 25.4 This Operating Statement and Service Agreement shall be governed by the laws of the state of Michigan without regard to principles of conflicts of laws. The forum of any litigation shall be in a state or Federal court located in Detroit, Michigan.
- 25.5 The Service Agreement contains the entire agreement between the parties, and except as stated in the Service Agreement, there are no promises, agreements, warranties, obligations, assurances, or conditions precedent or otherwise affecting it.
- 25.6 Any change, modification, or alteration of a Service Agreement shall be in writing, signed by the parties to the Service Agreement, and no course of dealing or course of performance between the parties shall be construed to alter the terms of the Service Agreement, except as stated in the Service Agreement.
- 25.7 Transporter and Shipper may agree to contract extensions for any Service under this Operating Statement, including evergreens, rollovers, and other extensions, which shall be specified in the applicable Service Agreement.

- 25.8 Transporter and Shipper may agree to provisions providing for the termination of any Service under this Operating Statement prior to the termination date set forth in the applicable Service Agreement, including payment by Shipper of an exit fee upon termination, which provisions shall be specified in the applicable Service Agreement.
- 25.9 The captions and headings in this Operating Statement and in the Service Agreement are inserted for convenience of reference only and shall not affect the construction or interpretation of the Operating Statement or the Service Agreement.
- 25.10 Transporter and Shipper agree that there is no third party beneficiary of any Service Agreement and that the provisions of a Service Agreement do not impart enforceable rights to anyone who is not a party.
- 25.11 The terms of any Service Agreement shall be kept confidential by the parties, except for any required disclosure to a regulatory body, governmental entity or agency having jurisdiction. In case of such disclosure, the disclosing party shall attempt to obtain an appropriate protective order or enter into an appropriate protective agreement. In addition, Shipper may disclose the terms of the Service Agreement to any Person that is providing credit support to the Shipper.
- 25.12 **In no event shall Transporter or Shipper be held liable to the other for consequential, indirect, special, punitive, or exemplary damages arising out of service provided under this Operating Statement.**
- 25.13 Transporter reserves the right at any time to assign or otherwise delegate to any independent third party or a duly authorized agent any or all of the administrative duties associated with the services provided pursuant to this Operating Statement. No such delegation shall relieve Transporter of its obligations to Shipper.
- 25.14 Transporter agrees to provide services contained in this Operating Statement pursuant to Subpart C of Section 284 of the Federal Energy Regulatory Commission's Regulations, as they be revised from time to time. Subpart C sets forth the Commission's regulations governing transportation services provided by intrastate and Hinshaw pipelines, including rates, charges, terms, and conditions.

**SECTION 26  
DTE GAS COMPANY  
STATEMENT OF CURRENTLY EFFECTIVE RATES**

Gas Transportation Services

	Maximum Rate Per Dth	Minimum Rate Per Dth
<u>Firm Transportation Service</u>		
Reservation Rate	\$14.3293	\$0.0000
Usage Rate	\$0.0000	\$0.0000
<u>Interruptible Transportation Service</u>		
Usage Rate	\$0.4711	\$0.0000
<u>Authorized Overrun Service</u>		
Usage Rate	\$0.4711	\$0.0000
<u>Unauthorized Overrun Charge</u>	\$10.0000	
<u>Fuel Use and Gas Lost and Unaccounted For</u>		Up to maximum percentage stated in Transporter's Rate Book

Storage and Storage-Related Services

	<u>Market-Based Rates (Per Dth)</u>	
<u>Firm Storage Service</u>		
Deliverability Rate	Market-Based	
Capacity Rate	Market-Based	
Injection Rate	Market-Based	
Withdrawal Rate	Market-Based	
Authorized Overrun Service Usage Rate	Market-Based	
<u>Interruptible Storage Service</u>		
Usage Rate	Market-Based	
Injection Rate	Market-Based	
Withdrawal Rate	Market-Based	
Authorized Overrun Service Usage Rate	Market-Based	
<u>Firm Park and Loan Service</u>		
Reservation Rate	Market-Based	
Injection Rate	Market-Based	
Withdrawal Rate	Market-Based	

-

Interruptible Balancing Service

Usage Rate	Market-Based
Extension Period Usage Rate	Market-Based
Injection Rate	Market-Based
Withdrawal Rate	Market-Based

Hourly Balancing Service-Firm

HBS-F Storage Reservation Rate	Market-Based
HBS-F Hourly Reservation Rate	Market-Based
Injection Rate	Market-Based
Withdrawal Rate	Market-Based
Authorized Overrun Service Usage Rate	Market-Based

Hourly Balancing Service-Interruptible

HBS-I Hourly Balancing Rate	Market-Based
HBS-I Usage Rate	Market-Based
Injection Rate	Market-Based
Withdrawal Rate	Market-Based
Authorized Overrun Service Usage Rate	Market-Based

Unauthorized Overrun Charge

\$10.0000

Fuel Use and Gas Lost and  
Unaccounted For

Market-Based



### GENERAL SERVICES AGREEMENT

This General Services Agreement is entered into between DTE Gas Company (“DTE”) and \_\_\_\_\_ (“Customer”).

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
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**General Terms and Conditions:**

1. Subject to available capacity, DTE agrees to provide gas transportation, storage, park and loan and/or balancing services to Customer in accordance with the Contract, which consists of this General Services Agreement and, (1) if intrastate (non-interstate) services are provided, Exhibit A and the rules and regulations of DTE’s Rate Book, including the General Provisions and Definitions contained in Section E respectively, as revised from time to time by the Michigan Public Service Commission (“MPSC”), (2) if interstate services are provided, Exhibit B and DTE’s Operating Statement filed with the Federal Energy Regulatory Commission (“FERC”), as revised from time to time by FERC, and/or (3) if interruptible balancing services are provided, Exhibit C, in conjunction with DTE’s Rate Book, including the General Provisions and Definitions contained in Section E on file with the MPSC and/or DTE’s Operating Statement on file with the FERC.
2. This General Services Agreement is the base contract for any gas transportation, storage, park and loan and/or balancing service(s) that DTE may provide to Customer. Any services shall be confirmed with a document, in the form of an Exhibit A, Exhibit B and/or Exhibit C respectively, which shall state the terms of the transaction. The entire agreement between the parties shall consist of this General Services Agreement and any executed Exhibit(s) A, B and/or C together with DTE’s Rate Book and Operating Statement (together referred to as the “Agreement” or the “Contract”). Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.
3. Customer shall pay any taxes, duties or other related fees however designated, levied, or charged resulting from this Contract, including without limitation, all state and local privilege or excise taxes and any amount in lieu of such taxes and duties paid or payable by DTE, exclusive however of taxes based on the net income of DTE, property taxes, and DTE’s Michigan Corporate Income Tax. Customer shall reimburse DTE for any such taxes and duties which are collected and remitted or paid on Customer’s behalf by DTE because of Customer’s failure to pay.

**General Terms and Conditions: (Cont'd)**

4. This Contract shall be effective from \_\_\_\_\_ and terminate on \_\_\_\_\_. Thereafter, the term of this Contract shall automatically extend for successive periods of one month, unless terminated by either party upon 30 days prior written notice to the other party or as otherwise agreed in writing by the parties. However, if Customer provides notice for termination of this Contract, such termination shall not be effective until all outstanding services terminate and, if applicable, Customer's Balancing Account equals zero.
5. DTE may amend or modify the nominating procedures or system at any time.
6. If for any reason DTE determines that services provided under this Contract violate any laws, orders or regulations, DTE may, at its discretion and upon five days prior written notice to Customer, modify and if cannot reach agreement, unilaterally terminate this Contract. DTE shall not be liable to Customer for any damages or losses Customer might suffer due to suspension, discontinuance or termination of the services pursuant to this Contract.
7. During the duration of this Contract, the term "Dth" may be used synonymous with the term "MMBtu."

Agreed to and Accepted this _____ Day of _____, 20__ :	DTE:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____
	Customer:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____





**INTERSTATE FIRM LOAN SERVICES TRANSACTION  
EXHIBIT B**

**Type of Service:**

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
<p>1. The Firm Gas Loan Service (“Service”) provided hereunder is governed by the General Services Agreement # _____ dated _____ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.</p> <p>2. This Exhibit, the General Services Agreement and DTE’s Operating Statement on file with FERC, as amended from time to time, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.</p> <p>3. The term for the Service provided under this Exhibit shall be effective on _____ and terminate on _____.</p>	

**PARAMETERS OF SERVICE:**

Loan Service:	
MLQ	Dth
Time Periods for Firm Loan Service:	

Withdrawal Period	MDWQ
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Injection Period	MDIQ
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(Insert additional lines if necessary)

The Loan Period shall begin on the Day following the end of the Withdrawal Period and end on the Day before the beginning of the Injection Period.

**RECEIPT POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u>
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**RECEIPT POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u>
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<b>Receipt Provisions:</b>	
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**DELIVERY POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u>
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**DELIVERY POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u>
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<b>Delivery Provisions:</b>	
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**RATES:**

Loan Service:	
	Reservation Rate: \$ per Dth
	Injection Rate: \$ per Dth
	Withdrawal Rate: \$ per Dth
	Fuel Use and Gas Lost and Unaccounted For: %
Imbalance:	
	Per DTE's Operating Statement.

**ADDITIONAL PROVISIONS:**

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Agreed to and Accepted this _____ Day of _____, 20__:	DTE:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____
	Customer:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____



**INTERSTATE FIRM PARK SERVICES TRANSACTION  
EXHIBIT B**

**Type of Service:**

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
<p>1. The Firm Gas Park Service (“Service”) provided hereunder is governed by the General Services Agreement # _____ dated _____ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.</p> <p>2. This Exhibit, the General Services Agreement and DTE’s Operating Statement on file with FERC, as amended from time to time, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.</p> <p>3. The term for the Service provided under this Exhibit shall be effective on _____ and terminate on _____.</p>	

**PARAMETERS OF SERVICE:**

Park Service:	
MPQ	Dth
Time Periods for Firm Park Service:	
Injection Period	MDIQ
Withdrawal Period	MDWQ
(Insert additional lines if necessary)	
The Storage Period shall begin on the Day following the end of the Injection Period and end on the Day before the beginning of the Withdrawal Period.	

**RECEIPT POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u>
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**RECEIPT POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u>
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<b>Receipt Provisions:</b>	
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**DELIVERY POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u>
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**DELIVERY POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u>
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<b>Delivery Provisions:</b>	
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**RATES:**

Park Service:			
	Reservation Rate:	\$	per Dth
	Injection Rate:	\$	per Dth
	Withdrawal Rate:	\$	per Dth
	Fuel Use and Gas Lost and Unaccounted For:		%
Imbalance:			
	Per DTE's Operating Statement.		

**ADDITIONAL PROVISIONS:**

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Agreed to and Accepted this _____ Day of _____, 20__:	DTE:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____
	Customer:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____



Contract #  
Amendment #

**INTERSTATE FIRM STORAGE SERVICES TRANSACTION  
EXHIBIT B**

**Type of Service:**

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
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1. The Firm Gas Storage Service (“Service”) provided hereunder is governed by the General Services Agreement # \_\_\_\_\_ dated \_\_\_\_\_ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.
2. This Exhibit, the General Services Agreement and DTE’s Operating Statement on file with FERC, as amended from time to time, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.
3. The term for the Service provided under this Exhibit shall be effective on \_\_\_\_\_ and terminate on \_\_\_\_\_.

**PARAMETERS OF SERVICE:**

Storage Service:	
Maximum Storage Quantity:	Dth

Applicable Period	MDIQ
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Applicable Period	MDWQ
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(Insert additional lines if necessary)

The foregoing MDIQ and/or MDWQ quantities shall be subject to the following ratchet provisions:

**RECEIPT POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u> (if different than aggregate MDIQ)
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**RECEIPT POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u> (if different than aggregate MDIQ)
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<b>Receipt Provisions:</b>	
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**DELIVERY POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u> (if different than aggregate MDWQ)
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**DELIVERY POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u> (if different than aggregate MDWQ)
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<b>Delivery Provisions:</b>	
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**RATES:**

<b>Storage Service:</b>																			
	<table style="width: 100%;"> <tr> <td>Deliverability Rate:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">per Dth</td> </tr> <tr> <td>Capacity Rate:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">per Dth</td> </tr> <tr> <td>Injection Rate:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">per Dth</td> </tr> <tr> <td>Withdrawal Rate:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">per Dth</td> </tr> <tr> <td>Authorized Overrun Service Usage Rate:</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">per Dth</td> </tr> <tr> <td>Fuel Use and Gas Lost and Unaccounted For:</td> <td></td> <td style="text-align: right;">%</td> </tr> </table>	Deliverability Rate:	\$	per Dth	Capacity Rate:	\$	per Dth	Injection Rate:	\$	per Dth	Withdrawal Rate:	\$	per Dth	Authorized Overrun Service Usage Rate:	\$	per Dth	Fuel Use and Gas Lost and Unaccounted For:		%
Deliverability Rate:	\$	per Dth																	
Capacity Rate:	\$	per Dth																	
Injection Rate:	\$	per Dth																	
Withdrawal Rate:	\$	per Dth																	
Authorized Overrun Service Usage Rate:	\$	per Dth																	
Fuel Use and Gas Lost and Unaccounted For:		%																	
<b>Imbalance:</b>																			
	Per DTE's Operating Statement.																		



**ADDITIONAL PROVISIONS:**

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  Agreed to and Accepted this _____ Day of _____, 20__ :	DTE:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____
	Customer:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____



Contract #  
Amendment #

**INTERSTATE FIRM TRANSPORTATION SERVICES TRANSACTION**  
**EXHIBIT B**

**Type of Service:**

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
<p>1. The Firm Gas Transportation Service (“Service”) provided hereunder is governed by the General Services Agreement # _____ dated _____ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.</p> <p>2. This Exhibit, the General Services Agreement and DTE’s Operating Statement on file with FERC, as amended from time to time, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.</p> <p>3. The term for the Service provided under this Exhibit shall be effective on _____ and terminate on _____.</p>	

**PARAMETERS OF SERVICE:**

Transportation Service:
Applicable Period _____ to _____ MDQ _____ Dth
(Insert additional lines if necessary)

**RECEIPT POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDQ</u>
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**RECEIPT POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDQ</u>
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<b>Receipt Provisions:</b>	
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**DELIVERY POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDQ</u>
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**DELIVERY POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDQ</u>
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<b>Delivery Provisions:</b>	
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**RATES:**

Transportation Service:	
	Reservation Rate: \$ per Dth
	Usage Rate: \$ per Dth
	Authorized Overrun Service Usage Rate: \$ per Dth
	Fuel Use and Gas Lost and Unaccounted For: %
	(Customer shall be charged the maximum rates set forth in DTE's Operating Statement for any transportation service rates not set forth in this Exhibit B)
Imbalance:	
	Per DTE's Operating Statement.

**ADDITIONAL PROVISIONS:**

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<p>Agreed to and Accepted this _____ Day of _____, 20__ :</p>	<p>DTE:</p>	<p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Signature Date: _____</p>
	<p>Customer:</p>	<p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Signature Date: _____</p>



Contract #  
Amendment #

**INTERSTATE INTERRUPTIBLE STORAGE SERVICES TRANSACTION  
EXHIBIT B**

**Type of Service:**

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
<p>1. The Interruptible Gas Storage Service (“Service”) provided hereunder is governed by the General Services Agreement # _____ dated _____ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.</p> <p>2. This Exhibit, the General Services Agreement and DTE’s Operating Statement on file with FERC, as amended from time to time, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.</p> <p>3. The term for the Service provided under this Exhibit shall be effective on _____ and terminate on _____.</p>	

**PARAMETERS OF SERVICE:**

Storage Service:	
Maximum Storage Quantity:	Dth
Applicable Period	MDIQ
Applicable Period	MDWQ
(Insert additional lines if necessary)	

**RECEIPT POINT(S):**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u> (if different than aggregate MDIQ)
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<b>Receipt Provisions:</b>	
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**DELIVERY POINT(S):**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u> (if different than aggregate MDWQ)
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<b>Delivery Provisions:</b>	
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**RATES:**

Storage Service:	
	Usage Rate: \$ per Dth
	Injection Rate: \$ per Dth
	Withdrawal Rate: \$ per Dth
	Authorized Overrun Service Usage Rate: \$ per Dth
	Fuel Use and Gas Lost and Unaccounted For: %
Imbalance:	
	Per DTE's Operating Statement.

**ADDITIONAL PROVISIONS:**

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<p style="text-align: center;">Agreed to and Accepted this ____ Day of _____, 20__:</p>	<p>DTE:</p>	<p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Signature Date: _____</p>
	<p>Customer:</p>	<p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Signature Date: _____</p>



Contract #  
Amendment #

**INTERSTATE INTERRUPTIBLE TRANSPORTATION SERVICES TRANSACTION  
EXHIBIT B**

**Type of Service:**

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
<p>1. The Interruptible Gas Transportation Service (“Service”) provided hereunder is governed by the General Services Agreement # _____ dated _____ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.</p> <p>2. This Exhibit, the General Services Agreement and DTE’s Operating Statement on file with FERC, as amended from time to time, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.</p> <p>3. The term for the Service provided under this Exhibit shall be effective on _____ and terminate on _____.</p>	

**PARAMETERS OF SERVICE:**

Transportation Service:
Applicable Period _____ to _____ MDQ _____ Dth (Insert additional lines if necessary)



**RECEIPT POINT(S):**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDQ</u>
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<b>Receipt Provisions:</b>	
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**DELIVERY POINT(S):**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDQ</u>
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<b>Delivery Provisions:</b>	
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**RATES:**

Transportation Service:	
	Usage Rate: \$ per Dth
	Authorized Overrun Service Usage Rate: \$ per Dth
	Fuel Use and Gas Lost and Unaccounted For: %
(Customer shall be charged the maximum rates set forth in DTE's Operating Statement for any transportation service rates not set forth in this Exhibit B)	
Imbalance:	
	Per DTE's Operating Statement.

**ADDITIONAL PROVISIONS:**

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<p style="text-align: center;">Agreed to and Accepted this _____ Day of _____, 20__:</p>	<p>DTE:</p>	<p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Signature Date: _____</p>
	<p>Customer:</p>	<p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Signature Date: _____</p>



**INTERRUPTIBLE BALANCING SERVICES TRANSACTION  
EXHIBIT C**

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
<ol style="list-style-type: none"> <li>1. The interruptible gas balancing service (“Service”) provided hereunder is governed by the General Services Agreement # _____ dated _____ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.</li> <li>2. This Exhibit, the General Services Agreement and DTE’s Rate Book on file with the MPSC and/or DTE’s Operating Statement on file with the FERC, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.</li> <li>3. The term for the Service provided under this Exhibit shall be effective on _____ and terminate on _____. Thereafter, the term for this Service shall automatically extend for successive periods of one month, unless terminated by either party upon 30 days prior written notice to the other party or as otherwise agreed in writing by the parties.</li> </ol>	

**BALANCING SERVICE:**

<ol style="list-style-type: none"> <li>1. “Balancing Service” shall mean either an Interruptible Park Service or an Interruptible Loan Service and shall be defined as the quantity of gas held or owed respectively by DTE on behalf of Customer in the Balancing Account.</li> <li>2. “Balancing Account” shall mean the gas balance held by DTE for Customer or owed by Customer to DTE under this Contract and shall equal the quantity of Gas received by DTE for Customer’s account at the Receipt Point minus the quantity of gas delivered to Customer by DTE at the Delivery Point.</li> <li>3. “Park” or “Park Service” shall mean when Customer’s Balancing Account is a positive number, DTE shall be deemed to be providing a Park Service.</li> <li>4. “Loan” or “Loan Service” shall mean when Customer’s Balancing Account is a negative number, DTE shall be deemed to be providing a Loan Service.</li> <li>5. The Balancing Service provided under this Contract shall be on an interruptible basis. DTE may, at its discretion, interrupt the Balancing Service at any time without notice to Customer.</li> </ol>
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6. On any specified day, DTE shall either (1) receive a quantity of gas from Customer and credit Customer's Balancing Account such quantity of gas as Customer nominates or (2) deliver a quantity of gas to Customer and debit Customer's Balancing Account such quantity of gas as Customer nominates.
7. Customer shall reduce the Park quantity in its Balancing Account to zero (0) at least once every thirty (30) days during each period December 16 through August 14 and at least once every five (5) days during each period August 15 through December 15. Customer reducing its Balancing Account from a positive balance to a negative balance shall qualify as reducing Customer's Parking quantity to zero (0) and initiating a Gas Loan, which shall be subject to the timing provisions of paragraph 8.
8. Customer shall reduce the Loan quantity in its Balancing Account to zero (0) at least once every thirty (30) days during each period May 1 to December 14 and at least once every five (5) days during each period December 15 through April 30. Customer reducing its Balancing Account from a negative (Loan) balance to a positive balance shall qualify as reducing Customer's Loan quantity to zero (0) and initiating a Gas Park, which shall be subject to the timing provisions of paragraph 7.
9. If Customer fails to comply with the requirements that it obtain a zero (0) balance in its Balancing Account stated in paragraphs 7 and 8, DTE may, at Customer's request, in a nondiscriminatory manner, consent to an "Extension Period" for Customer to achieve such zero (0) balance. The duration of an Extension Period shall equal either thirty (30) days or five (5) days on the basis of the same time of year provisions set forth in paragraphs 7 and 8. Customer's Balancing Service during an Extension Period shall be subject to the Extension Period Usage Rate set forth in Customer's Service Agreement until Customer achieves the required zero (0) Park or Loan balance, as applicable. DTE may consent to successive Extension Periods.
10. If Customer fails to achieve a zero Park quantity in its Balancing Account as required pursuant to paragraph 7, as may be extended to include any Extension Period pursuant to paragraph 9, then the Customer's Parked quantity shall be deemed sold to DTE at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, less \$0.5000 per Dth. Payment for such quantity of Gas shall appear as a credit on the next statement rendered by DTE. To the extent that the credit exceeds the total charges in that statement, DTE shall pay the difference to Customer.
11. If Customer fails to achieve a zero Loan quantity in its Balancing Account as required pursuant to paragraph 8, as may be extended to include any Extension Period pursuant to paragraph 9, then Customer shall be deemed to have purchased its outstanding Loan balance, plus applicable Fuel Use and Gas Lost and Unaccounted For, from DTE at a rate equal to the MichCon City Gate Index (or its successor index point) as published in Gas Daily, or in the event that Gas Daily discontinues its reporting of such prices, any comparable reporting service, plus \$0.5000 per Dth. DTE shall invoice Customer for such amounts on the next statement rendered by DTE. Customer shall pay such invoiced amounts in accordance with DTE's Operating Statement.
12. During any five (5) day Extension Period, Customer shall use due diligence to either take delivery of the Parked Gas quantities from Transporter or return the Loan Gas quantities to DTE promptly.

**PARAMETERS OF SERVICE:**

Interruptible Balancing Service:		
	Maximum Park Quantity (MPQ)	Dth
	Maximum Loan Quantity (MLQ)	Dth

**RECEIPT POINT(S):**

Receipt Point:	Interconnect Company	Interconnect Name
		MCGC Generic Points (Subject to Availability)
Receipt Provisions:	Customer may deliver gas to DTE, up to the MPQ and MLQ, on any day during the Term of this Exhibit.	

**DELIVERY POINT(S):**

Delivery Point:	Interconnect Company	Interconnect Name
	DTE Gas Company	Willow MCGC-Trading Point
Delivery Provisions:	Customer may receive gas from DTE, up to the MPQ and MLQ, on any day during the Term of this Exhibit.	

**RATES/CHARGES:**

Interruptible Balancing:		
	Usage Rate:	\$ <u>As Posted</u> per Dth
	Extension Period Usage Rate:	\$ <u>As Posted</u> per Dth
	Injection Rate:	\$ <u>As Posted</u> per Dth
	Withdrawal Rate:	\$ <u>As Posted</u> per Dth
	Fuel Use and Gas Lost and Unaccounted For/Gas in Kind	Per DTE's Rate Book

**ADDITIONAL PROVISIONS:**

Current effective rates are posted in the Tariff section of the DTE website.
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<p>Agreed to and Accepted this _____ Day of _____, 20__:</p>	<p>DTE:</p> <p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Signature Date: _____</p>
	<p>Customer:</p> <p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Signature Date: _____</p>



**INTERSTATE HOURLY BALANCING SERVICE TRANSACTION - FIRM  
EXHIBIT B**

**Type of Service:**

<b>DTE:</b> DTE Gas Company  <b>Attention:</b>  <b>Phone:</b> <b>Email:</b>	<b>Customer:</b>  <b>Attention:</b>  <b>Phone:</b> <b>Email:</b>
<p>1. The Firm Gas Balancing Service (“Service”) provided hereunder is governed by the General Services Agreement # _____ dated _____ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.</p> <p>2. This Exhibit, the General Services Agreement and DTE’s Operating Statement on file with FERC, as amended from time to time, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.</p> <p>3. The term for the Service provided under this Exhibit shall be effective on _____ and terminate on _____.</p>	

**PARAMETERS OF SERVICE:**

Hourly Balancing Service - Firm:

Maximum Storage Quantity:	Dth
Maximum Loan Quantity:	Dth
Maximum Hourly Quantity:	Dth

Applicable Period	MDIQ
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Applicable Period	MDWQ
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(Insert additional lines if necessary)

The foregoing MDIQ, MDWQ, and/or MHQ quantities shall be subject to the following ratchet provisions:

**RECEIPT POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u> (if different than aggregate MDIQ)
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**RECEIPT POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>
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<b>Receipt Provisions:</b>	
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**DELIVERY POINT(S): PRIMARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u> (if different than aggregate MDWQ)
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**DELIVERY POINT(S): SECONDARY**

<u>Interconnect Company</u>	<u>Interconnect Name</u>
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<b>Delivery Provisions:</b>	
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**RATES:**

Hourly Balancing Service - Firm:			
	HBS-F Storage Reservation Rate:	\$	per Dth
	HBS-F Hourly Reservation Rate:	\$	per Dth
	Injection Rate:	\$	per Dth
	Withdrawal Rate:	\$	per Dth
	Authorized Overrun Service Usage Rate:	\$	per Dth
	Fuel Use and Gas Lost and Unaccounted For:		%

Imbalance:	
	Per DTE's Operating Statement.

**ADDITIONAL PROVISIONS:**

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<p>Agreed to and Accepted this _____ Day of _____, 20__:</p>	DTE:	Signature: _____
		Printed Name: _____
		Title: _____
		Signature Date: _____
	Customer:	Signature: _____
		Printed Name: _____
		Title: _____
		Signature Date: _____



**INTERSTATE HOURLY BALANCING SERVICE TRANSACTION - INTERRUPTIBLE  
EXHIBIT B**

**Type of Service:**

<p><b>DTE:</b> DTE Gas Company</p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>	<p><b>Customer:</b></p> <p><b>Attention:</b></p> <p><b>Phone:</b></p> <p><b>Email:</b></p>
<ol style="list-style-type: none"> <li>1. The Interruptible Gas Balancing Service (“Service”) provided hereunder is governed by the General Services Agreement # _____ dated _____ between DTE Gas Company (“DTE”) and Customer. DTE agrees to provide and Customer agrees to pay for such Service.</li> <li>2. This Exhibit, the General Services Agreement and DTE’s Operating Statement on file with FERC, as amended from time to time, (together referred to as the “Agreement” or the “Contract”) are the entire agreement between the parties concerning the subject matter hereof. Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Contract may be modified or amended only by writing duly executed by both parties.</li> <li>3. The term for the Service provided under this Exhibit shall be effective on _____ and terminate on _____.</li> </ol>	

**PARAMETERS OF SERVICE:**

Hourly Balancing Service - Interruptible:	
Maximum Storage Quantity:	Dth
Maximum Loan Quantity:	Dth
Hourly Balancing Quantity:	Dth
Applicable Period	MDIQ
Applicable Period	MDWQ
(Insert additional lines if necessary)	
The foregoing MDIQ, MDWQ and/or MHQ quantities shall be subject to the following ratchet provisions:	

**RECEIPT POINT(S):**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDIQ</u> (if different than aggregate MDIQ)
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<b>Receipt Provisions:</b>	
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**DELIVERY POINT(S):**

<u>Interconnect Company</u>	<u>Interconnect Name</u>	<u>MDWQ</u> (if different than aggregate MDWQ)
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<b>Delivery Provisions:</b>	
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**RATES:**

Hourly Balancing Service - Interruptible:		
	HBS-I Hourly Balancing Rate:	\$ per Dth
	HBS-I Usage Rate:	\$ per Dth
	Injection Rate:	\$ per Dth
	Withdrawal Rate:	\$ per Dth
	Authorized Overrun Service Usage Rate:	\$ per Dth
	Fuel Use and Gas Lost and Unaccounted For:	%
Imbalance:		
	Per DTE's Operating Statement.	

**ADDITIONAL PROVISIONS:**

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<p style="text-align: center;">Agreed to and Accepted this _____ Day of _____, 20__:</p>	DTE:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____
	Customer:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____



CONTRACT # \_\_\_\_\_  
AMENDMENT # \_\_\_\_\_

**AMENDMENT**

This Amendment No. \_\_\_\_\_ (this "Amendment") is executed and effective as of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_ and between DTE Gas Company ("DTE"), and \_\_\_\_\_ ("Customer"), hereinafter referred to as the "Parties" or "Party".

- a. The Parties are parties to the following checked agreement, dated \_\_\_\_\_ (the "Agreement"). Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Agreement.
  - i. \_\_\_\_\_ Intrastate Firm Services Transaction – Exhibit A
  - ii. \_\_\_\_\_ Intrastate Interruptible Services Transaction – Exhibit A
  - iii. \_\_\_\_\_ Interstate Firm Loan Services Transaction – Exhibit B
  - iv. \_\_\_\_\_ Interstate Firm Park Services Transaction – Exhibit B
  - v. \_\_\_\_\_ Interstate Firm Storage Services Transaction – Exhibit B
  - vi. \_\_\_\_\_ Interstate Firm Transportation Services Transaction – Exhibit B
  - vii. \_\_\_\_\_ Interstate Interruptible Storage Services Transaction – Exhibit B
  - viii. \_\_\_\_\_ Interstate Interruptible Transportation Services Transaction – Exhibit B
  - ix. \_\_\_\_\_ Interstate Hourly Balancing Service Transaction – Firm – Exhibit B
  - x. \_\_\_\_\_ Interstate Hourly Balancing Service Transaction–Interruptible –Exhibit B
  - xi. \_\_\_\_\_ Interruptible Balancing Services Transaction – Exhibit C
- b. Type of Service: \_\_\_\_\_
- c. The Parties desire to amend, or if previously amended, to further amend the Agreement.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein, and intending to be legally bound, the Parties agree as follows:

*[NOTE TO DRAFTER: Include the applicable amended language here in one of the two following formats starting with "1." and listing subsequent related items as "2,""3," etc. Sections a) and b) below are examples of how to structure the amendment language:]*

- 1)
  - a) Section: \_\_\_\_\_ of the Agreement is deleted in its entirety and replaced with the following: "[INSERT NEW SECTION HERE]" OR
  - b) Describe the change being made with specific reference to the section in which the change is being made.  
[CONTINUE IN SEPARATE NUMBERED PARAGRAPHS WITH AS MANY CHANGES AS ARE REQUIRED]

- 2) Effect of Amendment. Except as modified herein, the Agreement remains in full force and effect. This Amendment, along with the Agreement and any previous Amendments (if applicable), constitutes the entire agreement between the Parties and supersedes any prior or contemporaneous oral or written representations with regards to the matters denoted herein.

3) Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which, taken together, shall constitute one and the same instrument. A .pdf copy of this Amendment bearing the signature of a Party shall be binding upon such Party to the same extent as an original counterpart bearing such Party's signature.

The Parties have signed this Amendment to the Agreement as of the date first written above.

DTE GAS COMPANY

CUSTOMER: [Insert full proper entity name]

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

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

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

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

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

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