

FERC NGA GAS TARIFF
ORIGINAL VOLUME NO. 1

of

CHENIERE CORPUS CHRISTI PIPELINE, L.P.

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PRELIMINARY STATEMENT

Cheniere Corpus Christi Pipeline, L.P. (hereinafter called "Transporter") is a natural gas transmission company engaged in the business of transporting natural gas. It is authorized to operate facilities in the State of Texas supplying transportation service through its pipeline system, the general location of which is shown on the map in Section 3 of this FERC NGA Gas Tariff.

SYSTEM MAP

The system map is available on Transporter's EBB. It may be accessed using the following link:

<http://lngconnection.cheniere.com>

STATEMENT OF CURRENTLY EFFECTIVE RATES FOR SERVICES

	Maximum Rates		
	Base	Surcharge	Total
RATE SCHEDULE FTS			
Reservation Charge			
Maximum (\$/Dth)	\$2.8172	\$0.0000	\$2.8172
Minimum (\$/Dth)	\$0.0000	\$0.0000	\$0.0000
Usage Charge			
Maximum (\$/Dth)	\$0.0000	\$0.0000	\$0.0000
Minimum (\$/Dth)	\$0.0000	\$0.0000	\$0.0000
Authorized Overrun Charge (\$/Dth)			
RATE SCHEDULE ITS			
Usage Charge			
Maximum (\$/Dth)	\$0.0926	\$0.0000	\$0.0926
Minimum (\$/Dth)	\$0.0000	\$0.0000	\$0.0000
RATE SCHEDULE PALS			
Usage Charge			
Maximum (\$/Dth)	\$0.0926	\$0.0000	\$0.0926
Minimum (\$/Dth)	\$0.0000	\$0.0000	\$0.0000
Retainage Percentage	0.50%		

The Rate Schedule FTS Authorized Overrun Rate is calculated as the 100% load factor equivalent of the FTS Reservation and Usage Charges and is equal to the Maximum Rate Schedule ITS Charge.

Shipper and Transporter may mutually agree to a negotiated rate pursuant to Section 6.30 of the General Terms and Conditions. A Negotiated rate shall be stipulated in the Shipper's executed Service Agreement.

The Retainage Percentage shall include fuel, loss and unaccounted for gas and any imbalances due to meter equipment tolerances between receipt and delivery point meters.

* The ACA unit charge is applicable to the Rate Schedules set forth in Section 6.23 of the General Terms and Conditions and pursuant to Section 154.402 of the Commission's Regulation and the requirements of Order No. 776.

RATE SCHEDULES

RATE SCHEDULE FTS
Firm Transportation Service

5.1.1 AVAILABILITY

This Rate Schedule is available for Firm Transportation Service provided by Corpus Christi Pipeline, L.P. (hereinafter called "Transporter") for any party (herein after called "Shipper") where:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule FTS; and
- (c) Shipper has complied with the requirements of Section 5.1.3 hereof.

5.1.2 APPLICABILITY AND CHARACTER OF SERVICE

Transportation from the Primary Receipt Point to Primary Delivery Points under this Rate Schedule shall be performed on a firm basis. Deliveries and receipts hereunder shall be specifically subject to the provisions of Section 6.8 (Force Majeure), Section 6.18 (Operational Flow Orders) and Section 6.26 (Flexible Primary and Secondary Receipt and Delivery Points) of the General Terms and Conditions of this FERC NGA Gas Tariff.

Transporter shall receive for transportation hereunder at the receipt point the quantity of gas made available by or for the account of Shipper and transport and make available for delivery to or for the account of Shipper gas in accordance with this Rate Schedule; less Retainage provided, however, that such quantity made available at the receipt point by or for the account of Shipper shall not exceed on any day the applicable Maximum Daily Transportation Quantity (MDTQ) specified in the executed Service Agreement for service under this Rate Schedule.

Service shall commence under this Rate Schedule on the effective date of the Rate Schedule FTS Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide firm transportation service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event shall service be provided prior to the in-service date of any facilities necessary to provide such service. Gas received for transportation hereunder may be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

5.1.3 REQUESTS FOR FIRM TRANSPORTATION SERVICE

A. Transportation Requests

The specific information required from a Shipper for a valid request for transportation under this Rate Schedule FTS must be provided to Transporter in accordance with Section 6.22.A of the General Terms and Conditions.

B. Execution of Service Agreement

Shipper shall return to Transporter the fully executed Service Agreement applicable to this Rate Schedule within thirty (30) days after receipt thereof. In the event Transporter does not receive the fully executed Service Agreement within thirty (30) days, Shipper's request for transportation under this Rate Schedule shall be null and void.

C. Extension of Term

Requests for extension of the term of a Service Agreement are subject to the provisions of Section 6.21 (Pre-Granted Abandonment and Right of First Refusal) of the General Terms and Conditions.

5.1.4 RATES AND CHARGES

A. The applicable rates for service under this Rate Schedule are set forth in Section 4 of this FERC NGA Gas Tariff and are hereby incorporated herein.

1. Transportation Charges - For all gas service rendered hereunder, Shipper shall pay Transporter each month the sum of the charges listed below if applicable:

(a) Reservation Charge - The Reservation Charge multiplied by the MDTQ in Shipper's Rate Schedule FTS Service Agreement for the billing month. For purposes of computation of the initial Reservation Charge, such computation shall be based on the commencement of service as of the date specified in Section 5.1.2 above.

(b) Usage Charge - The Usage Charge multiplied by the allocated delivered quantity of gas for the account of Shipper by Transporter during the billing month.

- (c) Authorized Overrun Charges – The Authorized Overrun Charge multiplied by the allocated delivered quantity of authorized overrun gas for the billing month.
 - (d) Surcharges - The surcharges, as set forth in the Surcharge column in Section 4 of this FERC NGA Gas Tariff multiplied by the allocated delivered quantity of gas for the account of Shipper by Transporter during the billing month.
 - (e) Retainage – Transporter shall retain from Shipper’s gas tendered at receipt points for transportation hereunder, a percentage as compensation actual compressor station fuel usage, heater fuel usage, incidental fuel usage, lost and unaccounted for gas and to account for any measurement meter tolerance differentials between receipt and delivery meter points on Transporter’s pipeline system ("Retainage"). Such percentage shall be specified in Section 4 of this FERC NGA Gas Tariff.
2. Incidental Charges - Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service. Such charges may include:
- (a) reporting or filing fees relating to this service,
 - (b) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Shipper and Transporter, and
 - (c) such other applicable charges as may be authorized by the Commission.

Incidental charges shall be subject to prior Commission approval.

B. Authorized and Unauthorized Overruns

- 1 Authorized Overrun Service - Transporter may authorize Shipper on a daily basis from time to time to transport quantities of gas in excess of Shipper’s MDTQ when in the sole and reasonable judgment of Transporter such excess quantities can be transported without affecting the ability of Transporter to meet its other firm service obligations. Shipper shall submit a request for Authorized Overrun Service pursuant to Section 6.22.A (Requests for Service) of the General Terms and Conditions of this Tariff, but which contains only the information relevant to the quantity requested.

- 2 Unauthorized Overrun Gas - Quantities of gas delivered in excess of Shipper's MDTQ which have not been authorized pursuant to Section 5.1.4.B(1) above shall be considered Unauthorized Overrun Gas.
- (a) Unauthorized Overrun Gas shall be charged the Authorized Overrun Rates set forth in Section 4 of this FERC NGA Gas Tariff, plus a Penalty Rate equal to the greater of \$10.00 per Dth or 200% of the Spot Price Index for the Flow Day on which the Unauthorized Overrun Gas is transported. The Spot Price Index for the Flow Day shall be determined based on the Midpoint Average of the Henry Hub index price as given in Platt's Monthly Price Guide.
 - (b) Transporter shall waive the Penalty Rate in circumstances where Transporter is able to meet the scheduled obligations of all other non-offending Shippers, and where transportation of a Shipper's Unauthorized Overrun quantities do not result in Transporter issuing an OFO pursuant to Section 6.18 (Operational Flow Orders) of the General Terms and Conditions of this Tariff.
 - (c) In the event transportation of a Shipper's Unauthorized Overrun quantities result in Transporter issuing an OFO pursuant to Section 6.18 (Operational Flow Orders) of the General Terms and Conditions of this Tariff, Shipper will be subject to the OFO penalty provision of Section 6.18.G of the General Terms and Conditions of this Tariff and not the penalties stated in Section 5.1.4.B.2(a) of this Tariff.
 - (d) Unauthorized Overrun Gas penalties shall be accounted for and refunded annually, net of Transporter's costs, to all Shippers not penalized under Unauthorized Overrun procedure based on the ratio of the quantity of gas to each Shipper transports in Transporter's pipeline system to the total quantity of gas transported by non-offending shipper in Transporter's pipeline system.
- C. Discounted Rates - Pursuant to the provisions of Section 6.27 (Discounting) of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for transportation service under Rate Schedule FTS a Reservation or Usage Charge which is lower than such charge based on the maximum rates set forth in Section 4 of this FERC NGA Gas Tariff provided however, that Transporter's discretion shall not be exercised on an unduly discriminatory basis and that such charge may not be less than the

minimum rates set forth in Section 4 of this FERC NGA Gas Tariff applicable for Rate Schedule FTS.

- D. Negotiated Rates - Pursuant to the provisions of Section 6.30 (Negotiated Rates) of the General Terms and Conditions of this Tariff, Transporter and Shipper may mutually agree to a Negotiated Rate that is higher, lower or of a different rate design than reflected in the rates shown in Section 4 of this FERC NGA Gas Tariff, and for the length of term or terms negotiated.
- E. Reports - Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charges, the individual Shippers affected, the total quantity transported and any other information as may be required.
- F. Capacity Release Rates – Pursuant to the provisions of Section 6.19 (Capacity Release) of the General Terms and Conditions of this Tariff, for a capacity release term of one (1) year or less, and where the release is to take effect on or before one (1) year from the date on which Transporter is notified of such release, a Shipper may release firm capacity at any rate, including at a rate higher than the maximum rates set forth in Section 4 of this FERC NGA Gas Tariff.

5.1.5 MAXIMUM DAILY TRANSPORTATION QUANTITY (MDTQ)

The MDTQ shall be set forth in each Service Agreement under this Rate Schedule. The MDTQ shall be the largest quantity of gas, expressed in Dth, that Transporter is obligated to transport and make available for delivery at the applicable Point(s) of Delivery to Shipper under each such Service Agreement on any one day.

5.1.6 MAXIMUM DAILY QUANTITY (MDQ)

The MDQ for any single receipt or delivery point shall be the quantity set forth in the executed Service Agreement for service under this Rate Schedule, which shall represent the maximum quantity that Transporter will accept receipt of at a receipt point and make available for delivery less Retainage at a delivery point on any one day.

5.1.7 RECEIPT POINTS

A. Primary Receipt Point(s)

The Primary Receipt Point(s) shall be listed in Exhibit A to a Shipper's FTS Service Agreement, along with the MDQ applicable for each Primary Receipt Point. Subject to the availability of firm capacity, a Shipper may request changes in Primary Receipt Points under an executed Service Agreement at any time by submitting a request pursuant to Sections 6.22.A and 6.26.A of the General Terms

and Conditions of this Tariff, but which contains only the information relevant to the changes requested.

B. Secondary Receipt Point(s)

Shipper may nominate gas at Secondary Receipt Point(s), subject to the provisions of Section 6.10 of the General Terms and Conditions and provided on any given day the sum of volumes nominated for receipt at all Primary and Secondary Receipt Points does not exceed the total MDTQ under a Shipper's FTS Service Agreement.

All quantities nominated and transported up to the MDTQ under the FTS Service Agreement, including those received at a Secondary Receipt Point, shall be billed at the rates for service under this Rate Schedule.

All receipt points on Transporter's pipeline system qualify as Secondary Receipt Points. A list of Transporter's receipt points is maintained on its Internet Website.

5.1.8 DELIVERY POINTS

A. Primary Delivery Point(s)

The Primary Delivery Point(s) shall be listed in Exhibit B to a Shipper's FTS Service Agreement, along with the MDQ applicable for each Primary Delivery Point. Subject to the availability of firm capacity, a Shipper may request changes in Primary Delivery Points under an executed Service Agreement at any time by submitting a request pursuant to Sections 6.22.A and 6.26.A of the General Terms and Conditions of this Tariff, but which contains only the information relevant to the changes requested.

B. Secondary Delivery Point(s)

Shipper may nominate gas for delivery at Secondary Delivery Point(s), subject to the provisions of Section 6.10 of the General Terms and Conditions and provided on any given day the sum of volumes nominated for delivery at all Primary and Secondary Delivery Points does not exceed the MDTQ under a Shipper's FTS Service Agreement.

All quantities nominated and transported up to the MDTQ under the FTS Service Agreement, including those delivered at a Secondary Delivery Point, shall be billed at the rates for service under this Rate Schedule.

All delivery points on Transporter's pipeline system qualify as Secondary Delivery Points. A list of Transporter's delivery points is maintained on its Internet Website.

5.1.9 RESERVATION CHARGE CREDITS

- A. To the extent Transporter fails to deliver the Entitlement Quantity (as defined below), the Transporter is obligated by the FTS Service Agreement to deliver to Shipper on any Gas Day due to an outage other than a Force Majeure event that is defined in Section 6.8 of the General Terms and Conditions of this Tariff, Transporter will provide reservation charge credits for any Entitlement Quantity that Transporter fails to deliver as set forth herein. Reservation charge credits will be determined by outages on Transporter's system and shall not be triggered by outages or issues on upstream or downstream facilities.
- B. When Transporter has posted notice of an outage before the first opportunity to nominate service on a Gas Day, a Shipper's Entitlement Quantity for any Gas Day during the outage shall be the Shipper's average usage of Rate Schedule FTS service, up to Shipper's MDTQ, for the seven (7) Gas Days prior to the first Gas Day of the outage. If Transporter has not posted notice of an outage before the first opportunity to nominate service for a Gas Day, a Shipper's Entitlement Quantity shall be the quantities nominated by Shipper at Shipper's Primary Receipt and Delivery Points that were delivered during the outage.
- C. Transporter will provide reservation charge credits for service at Primary Receipt and Delivery Points, but not for service at Secondary Receipt and Delivery Points. If Shipper nominated to or from Secondary Receipt and Delivery Points during the outage, Transporter shall not provide reservation charge credits for nominations to Secondary Receipt and Delivery Points.
- D. Reservation charge credits will equal Shipper's applicable daily Reservation Charge per Dekatherm multiplied by the number of Dekatherms subject to the credit (that is, for any Gas Day, the Entitlement Quantity less the quantity Transporter delivered).
- E. Where the Shipper has released a portion or all of its MDTQ, the reservation charge credit will be determined by the number of Dekatherms subject to the credit (that is, for any Gas Day, the Entitlement Quantity less the quantity Transporter delivered) multiplied by the lower of the Reservation Charge of the Releasing Shipper or the Reservation Charge of the Replacement Shipper. However, Transporter shall not provide a credit to a Replacement Shipper receiving service under a volumetric rate. Under no circumstances will the total of the reservation charge credits exceed the reservation charge credits Transporter would have paid for the affected Entitlement Quantity under a FTS Service Agreement absent a capacity release. The Entitlement Quantity shall not be increased if Shipper has segmented its capacity, released its capacity, or partially assigned its capacity.

5.1.10 GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Transporter's FERC NGA Gas Tariff are hereby made a part of this Rate Schedule.

RATE SCHEDULE ITS
Interruptible Transportation Service

5.2.1 AVAILABILITY

This Rate Schedule is available for Interruptible Transportation Service provided by Cheniere Corpus Christi Pipeline, L.P. (hereinafter called "Transporter") for any party (hereinafter called "Shipper") where:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule; and
- (c) Shipper has complied with the requirements of Section 5.2.3 hereof.

5.2.2 APPLICABILITY AND CHARACTER OF SERVICE

Transportation of natural gas under this Rate Schedule shall be performed on an interruptible basis and shall be subject to interruption as provided in Section 6.8 (Force Majeure) and Section 6.18 (Operational Flow Orders) of the General Terms and Conditions. Gas received for transportation hereunder may be commingled with other gas in Transporter's pipeline system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

Gas transported by Transporter for Shipper under this Rate Schedule shall be on an interruptible basis when capacity exists on Transporter's pipeline system. Transporter shall receive for transportation hereunder the quantity of gas made available by or for the account of Shipper and transport and make available for delivery to or for the account of Shipper, gas in accordance with this Rate Schedule, less Retainage, provided however, that such quantity made available at the receipt point by or for the account of Shipper shall not exceed on any day the contracted interruptible capacity specified in the executed Service Agreement for service under this Rate Schedule.

5.2.3 REQUESTS FOR INTERRUPTIBLE TRANSPORTATION SERVICE

A. Transportation Requests

The specific information required from a Shipper for a valid request for transportation under this Rate Schedule ITS must be provided to Transporter in accordance with Section 6.22.A of the General Terms and Conditions.

B. Execution of Service Agreement

Shipper shall return to Transporter the fully executed ITS Service Agreement within thirty (30) days after receipt thereof. In the event Transporter does not receive the fully executed Service Agreement within thirty (30) days, Shipper's request for transportation under this Rate Schedule shall be null and void.

Service shall commence under this Rate Schedule ITS on the effective date of the ITS Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide firm transportation service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event shall service be provided prior to the in-service date of any facilities necessary to provide such service. Gas received for transportation hereunder may be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

5.2.4 RATES AND CHARGES

A. The applicable rates for service under this Rate Schedule are set forth in Section 4 of this FERC NGA Gas Tariff and are hereby incorporated herein.

1. Transportation Charges - For all gas service rendered hereunder, Shipper shall pay Transporter each month the sum of the charges listed below, as applicable:
 - (a) Usage Charge - The Usage Charge multiplied by the allocated delivered quantity of gas for the account of Shipper by Transporter during the billing month.
 - (b) Surcharges - The surcharges as set forth in the Surcharge column Section 4 of this FERC NGA Gas Tariff multiplied by the allocated delivered quantity of gas for the account of Shipper by Transporter during the billing month.
 - (c) Retainage – Transporter shall retain from Shipper's gas tendered at receipt points for transportation hereunder, a percentage as compensation for actual compressor station fuel usage, heater fuel usage, incidental fuel usage, lost and unaccounted for gas and to account for any measurement meter tolerance differentials between receipt and delivery meter points on Transporter's pipeline system

("Retainage"). Such percentage shall be specified in Section 4 of this FERC NGA Gas Tariff.

2. Incidental Charges - Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service. Such charges may include only:
 - (a) reporting or filing fees relating to this service;
 - (b) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Shipper and Transporter, and
 - (c) such other applicable charges as may be authorized by the Commission.

Incidental charges shall be subject to prior Commission approval.

B. Authorized and Unauthorized Overruns

- 1 Authorized Overrun Service - Transporter may authorize Shipper on a daily basis from time to time to transport quantities of gas in excess of Shipper's MDTQ when in the sole and reasonable judgment of Transporter such excess quantities can be transported without affecting the ability of Transporter to meet its other firm service obligations. Shipper shall submit a request for Authorized Overrun Service pursuant to Section 6.22.A (Requests for Service) of the General Terms and Conditions of this Tariff, but which contains only the information relevant to the quantity requested.
- 2 Unauthorized Overrun Gas - Quantities of gas delivered in excess of Shipper's MDTQ which have not been authorized pursuant to Section 5.2.4.B(1) above shall be considered Unauthorized Overrun Gas.
 - (a) Unauthorized Overrun Gas shall be charged the Authorized Overrun Rates set forth in Section 4 of this FERC NGA Gas Tariff, plus a Penalty Rate equal to the greater of \$10.00 per Dth or 200% of the Spot Price Index for the Flow Day on which the Unauthorized Overrun Gas is transported. The Spot Price Index for the Flow Day shall be determined based on the Midpoint Average of the Henry Hub index price as given in Platt's Monthly Price Guide.

- (b) Transporter shall waive the Penalty Rate in circumstances where Transporter is able to meet the scheduled obligations of all other non-offending Shippers, and where transportation of a Shipper's Unauthorized Overrun quantities do not result in Transporter issuing an OFO pursuant to Section 6.18 (Operational Flow Orders) of the General Terms and Conditions of this Tariff.
 - (c) In the event transportation of a Shipper's Unauthorized Overrun quantities result in Transporter issuing an OFO pursuant to Section 6.18 (Operational Flow Orders) of the General Terms and Conditions of this Tariff, Shipper will be subject to the OFO penalty provision of Section 6.18.G of the General Terms and Conditions of this Tariff and not the penalties stated in Section 5.2.4.B.2(a) above.
 - (d) Unauthorized Overrun Gas penalties shall be accounted for and refunded annually, net of Transporter's costs, to all Shippers not penalized under Unauthorized Overrun procedure based on the ratio of the quantity of gas to each Shipper transports in Transporter's pipeline system to the total quantity of gas transported by non-offending shipper in Transporter's pipeline system.
- C. Discount Rates - Pursuant to the provisions of Section 6.27 (Discounting) of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for transportation service under Rate Schedule ITS a Usage Charge which is lower than such charge based on the maximum rates set forth in Section 4 of this FERC NGA Gas Tariff; provided, however, that Transporter's discretion to charge any such reduced charge shall not be exercised on an unduly discriminatory basis and provided further that such charge may not be less than the minimum rates set forth in Section 4 of this FERC NGA Gas Tariff for Rate Schedule ITS.
- D. Reports - Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charge, the individual Shippers affected, the quantity transported and any other information which may be required.

5.2.5 CONTRACTED INTERRUPTIBLE CAPACITY

The contracted interruptible capacity shall be set forth in each Service Agreement under this Rate Schedule. The contracted interruptible capacity shall be the largest quantity of gas, expressed in Dth, that Transporter may transport and make available for delivery at the applicable Point(s) of Delivery to Shipper under each such Service Agreement on any one day.

5.2.6 GENERAL TERMS AND CONDITIONS:

The General Terms and Conditions of Transporter's FERC NGA Gas Tariff are hereby made a part of this Rate Schedule.

RATE SCHEDULE PALS
Parking And Lending Service

5.3.1 AVAILABILITY

This rate schedule is available for Parking And Lending Service of natural gas by Cheniere Corpus Christi Pipeline, L.P. (hereinafter called "Transporter") for any party (hereinafter called "Shipper") when:

- (a) Transporter has sufficient capacity to provide such service;
- (b) Shipper and Transporter have executed a Service Agreement for service under this Rate Schedule; and
- (c) Shipper has complied with the requirements of Section 5.3.3 hereof.

5.3.2 APPLICABILITY AND CHARACTER OF SERVICE

- A. This Rate Schedule PALS and the rate set forth herein shall apply to all parking and lending service rendered under the Rate Schedule PALS Service Agreement. The service provided hereunder is subject to curtailment or interruption in Transporter's sole discretion. The Parking and Lending Service shall be provided to the extent Transporter is able and willing to offer such service and the provision of such service shall not prevent Transporter from meeting all of its firm and interruptible transportation service obligations, including Transporter's system needs.
- B. Natural gas may be parked or loaned for a minimum period of one day and up to a maximum period as mutually agreed to between Transporter and Shipper.
- C. Transporter shall establish and maintain a Parking and Lending Account for each Shipper utilizing the services herein. A credit balance indicates natural gas parked on Transporter's pipeline system; whereas, a debit balance indicates natural gas loaned by Transporter to the Shipper. The Parking and Lending Account balance will be stated in Dth's.
- D. To the extent tendered by Shipper or Shipper's agent, Transporter shall receive from Shipper, or for the account of Shipper, at points on Transporter's system (hereinafter referred to as "PALS Point(s)") for parking or repayment of loaned natural gas at the PALS points specified in Shipper's Rate Schedule PALS Service Agreement. Such quantities received shall be credited to Shipper's Parking and Lending Account.

E. Transportation Requests

The specific information required from a Shipper for a valid request for service under this Rate Schedule PALS must be provided to Transporter in accordance with Section 6.22.A of the General Terms and Conditions.

F. Execution of Service Agreement

Shipper shall return to Transporter the fully executed Rate Schedule PALS Service Agreement within thirty (30) days after receipt thereof. In the event Transporter does not receive the fully executed Service Agreement within thirty (30) days, Shipper's request for service under this Rate Schedule shall be null and void.

Service shall commence under this Rate Schedule PALS on the effective date of the Rate Schedule PALS Service Agreement, but in no event prior to Transporter's receipt and acceptance of any necessary regulatory authorization to provide service to Shipper in accordance with the terms of this Rate Schedule and such executed Service Agreement, and further, in no event shall service be provided prior to the in-service date of any facilities necessary to provide such service. Gas received for service hereunder may be commingled with other gas in Transporter's system, and the specific gas made available by Shipper or for Shipper's account for transportation may not be the same gas delivered to Shipper or for its account.

5.3.3 RATES AND CHARGES

- A. Usage Charge. The applicable maximum and minimum usage charges are set forth in Section 4 of this FERC NGA Gas Tariff and are hereby incorporated herein. The applicable unit rate to be charged on any day by Transporter for Parking and Lending Service shall not be in excess of the maximum usage charge nor less than the minimum usage charge. The minimum and maximum rates are applicable whether the balance in the Parking and Lending Account is a credit or debit balance.
- B. Monthly Bill. The monthly bill for Parking and Lending Service shall be the product of the daily account balance of gas in Shipper's Parking and Lending Account and the maximum Rate Schedule PALS rate set forth in Section 4 of this FERC NGA Gas Tariff, unless Transporter elects to discount such rates.
- C. Billing Adjustment. If on any day Shipper nominates quantities of gas to be withdrawn or borrowed from its Parking and Lending Account, but Transporter is unable to schedule all such quantities nominated, Transporter shall suspend the

rate charges for the quantity nominated but not scheduled until such time that Transporter is able to schedule such quantity nominated but not scheduled.

- D. **Incidental Charges.** Shipper shall reimburse Transporter for any incidental charges incurred by Transporter in providing this service. Such charges may include only:
- (i) reporting or filing fees relating to this service;
 - (ii) costs of construction or acquisition of new facilities necessary to render this service, to the extent agreed to by Shipper and Transporter, and
 - (iii) such other applicable charges as may be authorized by the Commission.

Incidental charges shall be subject to prior Commission approval.

- E. **Discount Rates -** Pursuant to the provisions of Section 6.27 (Discounting) of the General Terms and Conditions, Transporter may from time to time and at any time at its sole discretion charge any individual Shipper for parking and lending service under Rate Schedule PALS a Usage Charge which is lower than such charge based on the maximum rates set forth in Section 4 of this FERC NGA Gas Tariff; provided, however, that Transporter's discretion to charge any such reduced charge shall not be exercised on an unduly discriminatory basis and provided further that such charge may not be less than the minimum rates set forth in Section 4 of this FERC NGA Gas Tariff for Rate Schedule PALS.
- F. **Reports -** Transporter shall file with the Commission any and all reports as required by the Commission's Regulations setting forth the applicable charge, the individual Shippers affected, the quantity transported and any other information which may be required.

5.3.4 NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERY

If Shipper desires to utilize the Parking and Lending Service under this rate schedule, Shipper shall provide a nomination to Transporter in accordance with Section 6.10 of the General Terms and Conditions of this Tariff. Based upon the nomination of Shipper, Transporter shall schedule receipts into and deliveries from the Shipper's Parking and Lending Account in accordance with the General Terms and Conditions of this Tariff. It is the responsibility of Shipper to adjust its deliveries and receipts to conform to the General Terms and Conditions of this Tariff.

5.3.5 OTHER OPERATING CONDITIONS

- A. Transporter may require Shipper to remove all or any portion of parked quantities or return all or any portion of loaned quantities upon notification by Transporter within thirty (30) days of Transporter's notice to Shipper. Unless mutually agreed to by Shipper and Transporter:
- (i) any parked quantities specified by Transporter in a Critical Notice, not removed within thirty (30) days of Transporter's notice shall become the property of Transporter at no cost to Transporter free and clear of any adverse claims. Any revenues of parked quantities that become the property of Transporter under this Section 5.3.5.A(i) shall be accounted for and refunded annually, net of Transporter's costs, to all Shippers not penalized under this Section 5.3.5A(i) based on the ratio of the quantity of gas each Shipper parks in Transporter's pipeline system to the total quantity of gas parked by non-offending Shippers in Transporter's pipeline system.
 - (ii) any loaned quantities not returned within thirty (30) days of Transporter's notice will be purchased by Transporter and sold to Shipper for the applicable costs associated with this purchase. Transporter's notice to Shipper may be verbal and in such case shall be followed by a written confirmation.
- B. Not more than thirty (30) days after the termination of the Parking and Lending Service Agreement executed by Shipper under this Rate Schedule, Transporter will notify Shipper of Shipper's Parking and Lending Account balance. If there is a balance remaining, Shipper will nominate for withdrawal or repay such quantities within thirty (30) days of the date of Transporter's notice.
- C. Parking and Lending Service shall be subject to curtailment pursuant to Section 6.18 of the General Terms and Conditions contained in this Tariff.

5.3.6 GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC NGA Gas Tariff are hereby made a part of this rate schedule.

GENERAL TERMS AND CONDITIONS

6.1 DEFINITIONS

The following terms shall have the meanings defined below:

- a. "Affected Area" – An affected area is a physical, geographic area, locale or region of Transporter's pipeline system which is affected by an overpressure or underpressure situation such that Transporter's ability to meet firm service obligations or to provide scheduled service to Shippers in or utilizing that area is impaired.
- b. "Billing Month" – Shall mean a calendar month.
- c. "Bump" – Shall mean the displacement of scheduled quantities of a Shipper with lower priority service with quantities of a Shipper with higher priority service.
- d. "Business Day" – Shall mean Monday through Friday, exclusive of federal banking holidays, unless notified otherwise.
- e. "Btu" – Shall mean a British thermal unit and is further defined as the quantity of heat required to raise the temperature of one pound (avoirdupois) of pure water from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit at a constant pressure of 14.73 pounds per square inch absolute. The Btu content of all gas shall be reported to 3 or more decimal places.
- f. "Central Clock Time" – Shall be the Central Time, as adjusted for Daylight Savings Time and Standard Time. Unless otherwise stated, as used herein "Central Time" shall mean Central Clock Time.
- g. "Contact Person" – Shall mean the person(s) specified by Shipper that is available by telephone or paging device to receive communication from Transporter at any and all times and upon whose written, oral, or electronic communications Transporter may exclusively rely. Every Shipper must have a contact person and Shipper must provide Transporter with sufficient information to conclusively contact and communicate with such contact person.
- h. "Critical Notice" – Notification of an imminent or existing operational condition on Transporter's pipeline system that, if continued, would affect scheduling or adversely affect scheduled gas flow; such condition would be expected to result in an Operational Flow Order in order to remedy the condition.
- i. "Cubic foot of gas" – Shall be the amount of gas necessary to fill a cubic foot of space when the gas is at a temperature of sixty (60) degrees Fahrenheit and under a pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia).

- j. "Dekatherm" or "Dth" – Shall be the standard unit for purposes of nominations, scheduling, invoicing and balancing, shall mean a million Btu and shall be deemed equivalent to one MMBtu.
- k. "Designee" or "Agent" – Shall mean a contractually authorized agent of Shipper or Transporter under Section 6.10E of these General Terms and Conditions.
- l. "Electronic Communication" – Shall mean the sending and receiving of information between parties electronically, including email, internet websites, facsimile and telephone.
- m. "Electronic Notice Delivery Mechanism" or "EDM" – Shall mean the electronic means of Transporter and Shipper communications for sending and receiving Critical Notices or notices of non-critical nature. Such EDM may include Transporter's Internet Website, electronic bulletin board, email, telephone, facsimile or any other electronic means. Transporter will inform Shippers of the EDM methods available.
- n. "Eligible Capacity" – Shall mean the portion of capacity elected to be released by a Shipper under Rate Schedule FTS pursuant to Section 6.19 of the General Terms and Conditions of this FERC NGA Gas Tariff.
- o. "Firm Capacity or Firm Capacity Right" – The right of Shipper to receive and obligation of Transporter to make available for delivery quantities at Shipper's Primary Delivery Points up to the stated MDQ within the Shipper's MDTQ and within the specified maximum hourly quantity provided Shipper has nominated such quantity pursuant to Section 6.10 and Transporter has been able to confirm said quantity also pursuant to Section 6.10; and subject to the force majeure provisions of Section 6.8 and the Operational Flow Order provisions of Section 6.18 and further provided that Shipper's deliveries of gas into Transporter's system by or for the account of Shipper pursuant to Section 6.11.C are equal to scheduled receipt point quantities on a uniform hourly basis, unless Shipper and Transporter have agreed to a different flow rate for deliveries of gas into Transporter's system.
- p. "Gas Day" – A period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time.
- q. "Gas Month" – The period beginning on the first Gas Day of a calendar month and ending at the beginning of the first Gas Day of the next succeeding calendar month.

- r. "Internet Website" – Shall mean Transporter's World Wide Web website accessible by computer.
- s. "LNG" – Shall mean liquefied natural gas.
- t. "Maximum Daily Quantity" or "MDQ" – Shall mean the greatest number of Dekatherms that Transporter is obligated to receive or delivery at any single receipt or delivery point on Transporter's system on any Gas Day pursuant to a Service Agreement.
- u. "Maximum Daily Transportation Quantity" or "MDTQ" – Shall mean the greatest quantity of gas Transporter is obligated to transport for Shipper between all receipt and delivery points pursuant to a Service Agreement.
- v. "Meter Point(s)" – Shall mean the Receipt Point(s) and/or Delivery Point(s) on Transporter's pipeline system where gas measurement equipment exists.
- w. "MCF" – Shall mean one thousand (1,000) cubic feet of gas.
- x. "MMBtu" – Shall mean a million Btu and shall be deemed equivalent to one Dekatherm.
- y. "Month" – A period beginning on the first day and ending on the last day of the calendar month.
- z. "NAESB" – North American Energy Standards Board or any successor organization.
- aa. "Operational Imbalance Area" – is the term used to describe Transporter's designation of the largest possible area(s) on its system in which imbalances have a similar operational effect.
- bb. "Parties" – shall include Transporter and Shipper, and Shipper's Designee(s) or Agent(s), if applicable.
- cc. "Package ID" – Shall mean a way to differentiate between discrete business transactions.
- dd. "Point of Delivery" or "Delivery Point" – Shall mean the point at the connection of the facilities of Transporter and of a downstream third party facility at which the natural gas transported by Transporter leaves the outlet side of the measuring equipment of Transporter and enters that downstream third party facility.

- ee. "Point of Receipt" or "Receipt Point" – Shall mean the point at which gas is received by Transporter into Transporter's system from an upstream source or facility.
- ff. "Primary Delivery Point(s)" – Shall mean those Delivery Point(s) listed on Exhibit B of Shipper's FTS Service Agreement which is assigned an MDQ.
- gg. "Primary Receipt Point(s)" – Shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS Service Agreement which are assigned an MDQ.
- hh. "Release" – Shall mean a release of firm capacity right(s) by a Shipper pursuant to Section 6.19 of these General Terms and Conditions.
- ii. "Release Notice" – Shall mean Shipper notification to Transporter of Shipper's desire to release firm capacity right(s) pursuant to the information requirements of Section 6.19 of the General Terms and Conditions.
- jj. "Reput" – Shall mean the return of capacity recalled by a Releasing Shipper back to a Replacement Shipper.
- kk. "Responsible Shipper" – Shall mean Shipper(s) whose actions or lack of actions are responsible for Transporter having to issue a Critical Notice or Operational Flow Order (OFO).
- ll. "Scheduled Receipts" – Shall mean the daily quantity of natural gas nominated by Shipper and scheduled for delivery by Transporter at Point(s) of Receipt.
- mm. "Shipper" – Shall mean any party that has executed a Service Agreement for firm or interruptible transportation service through the facilities of Cheniere Corpus Christi Pipeline, L.P.
- nn. "Secondary Delivery Point(s)" – Shall mean Delivery Point(s) other than those listed in Exhibit B of Shipper's FTS Service Agreement for nominations in excess of Shipper's MDQ at its Primary Delivery Point.
- oo. "Secondary Receipt Point(s)" – Shall mean Point(s) of Receipt other than those listed in Exhibit A of Shipper's FTS Service Agreement for nominations in excess of Shipper's MDQ at its Primary Receipt Point.
- pp. "Taxes" – The term "tax" wherever used or referred to in this Tariff shall mean any tax, fee, charge or assessment and shall include, but not be limited to, occupation, production, severance, gathering transportation, pipeline, footage, sales or other excise tax or tax of similar nature now or hereafter imposed by any

lawful authority upon Transporter whether under direct imposition by Federal, State or local authorities or pursuant to the terms of any present or future contract.

- qq. "Transporter" – Shall mean Cheniere Corpus Christi Pipeline, L.P.; the party receiving gas at the receipt points and transporting quantities to the points of delivery.
- rr. "Year" – Shall mean a period of twelve consecutive months.

6.2 QUALITY

- A. Gas delivered by Shipper or for its account into Transporter's pipeline system and gas delivered by Transporter to Shipper or for Shippers account shall conform to the following quality standards:
- i. shall be free from objectionable odors, solid matter, dust, gums, and gum forming constituents, or any other substance which might interfere with the merchantability of the gas stream, or cause interference with proper operation of the lines, meters, regulators, or other appliances through which it may flow;
 - ii. shall contain not more than seven (7) pounds of water vapor per one thousand (1,000) cubic feet;
 - iii. shall contain not more than one quarter (1/4) grain of hydrogen sulphide per one hundred (100) cubic feet of gas;
 - iv. shall contain not more than ten (10) grains of total sulphur per one hundred (100) cubic feet of gas;
 - v. shall contain not more than a combined total of two percent (2%) by volume of carbon dioxide and/or nitrogen;
 - vi. shall contain not more than zero point two percent (0.2%) by volume of oxygen;
 - vii. shall have a temperature not less than forty (40) degrees and not more than one hundred twenty (120) degrees Fahrenheit; and
 - viii. shall have a Btu content of not less than nine hundred fifty (950) Btu per cubic foot or more than twelve hundred (1200) Btu per cubic foot provided, however that Transporter has the right to reduce the Btu specification to effect flow on downstream pipelines.
- B. Transporter may refuse to accept any gas which fails to conform with the quality standards itemized in Subsections (i) through (viii) of Section 6.2.A. herein. Transporter, in its reasonable discretion exercised on a not unduly discriminatory basis, may waive the quality standards for gas delivered into its pipeline system provided that such waiver will not affect Transporter's ability to maintain an acceptable gas quality in its pipeline and to provide adequate service to its Shippers consistent with the applicable Rate Schedule and these General Terms and Conditions. Such waiver will not be effective unless in writing and signed by an authorized representative of Transporter.

6.3 PRESSURE

Shipper shall deliver gas to Transporter at the pressure required from time to time to enable the gas to enter Transporter's facilities at the Receipt Point(s), but in no event shall such pressure exceed the maximum allowable operating pressure of Transporter's system at such point(s). Transporter's pipeline system may be subject to reduced maximum operating pressures at certain locations pursuant to the requirements of regulatory authorities.

Transporter shall deliver gas to Shipper or Shipper's designee at Transporter's line pressure existing at the Delivery Point(s).

6.4 MEASUREMENT

The volume and total heating value of the gas shall be determined as follows:

- A. The unit of gas transported shall be one million (1,000,000) Btu's (MMBtu), as defined in Section 6.1 of the General Terms and Conditions. The number of MMBtu's received or delivered shall be determined by multiplying the number of cubic feet of gas received or delivered, measured on the measurement basis hereinafter specified, by the total heating value of such gas, in British thermal units per cubic foot, rounded to not less than 6 decimal places and by dividing the product by one million (1,000,000).
- B. The unit of volume for the purpose of measurement and for the determination of total heating value shall be one cubic foot of gas at a temperature of sixty (60) degrees Fahrenheit and an absolute pressure of 14.73 psia.
- C. The average atmospheric pressure of gas transported by Transporter shall be assumed to be fourteen and seventy-three hundredths (14.73) pounds per square inch absolute (14.73 psia) irrespective of actual elevation or location of the point of delivery above or below sea level or variations in such atmospheric pressure from time to time.
- D. At points of measurement; (i) where the installation of a recording thermometer is provided, the arithmetic average of the temperature of the gas, flowing through the meters, as recorded, shall be used in computing gas volumes; or (ii) where recording thermometers, correcting indices or temperature compensating meters are not installed, the temperature of the gas shall be assumed to be the climatological standard normal average monthly temperature as established by the nearest National Oceanic and Atmospheric Administration weather bureau and published by the U. S. Department of Commerce.
- E. When ultrasonic meters are used to measure volume of gas received or delivered, the volume of gas shall be computed in accordance with the most current edition of American Gas Association Committee Report No. 9.
- F. When orifice meters are used to measure volumes of gas received or delivered, the volume of gas shall be computed in accordance with the most current edition of the American Gas Association Committee Report No. 3 (API 14.3)
- G. Specific gravity of the gas delivered shall be determined with an Edwards or other standard type gravity balance by test made as near the first day of each month as is practicable; or by a recording gravitometer of standard

manufacture installed at a suitable location; or by use of on-line chromatography at a suitable point on Transporter's line with the calculations based on GPA Standard 2172; or by any other industry-approved method if agreed to by Transporter and Shipper. When a recording gravitometer is provided, the daily arithmetic average of the gravity as recorded shall be used in computing gas quantities.

- H. The total heating value of the gas delivered/received shall be determined by Transporter by using a gas chromatograph or other standard type of recording calorimeter, which shall be so located, at a suitable point on Transporter's line, in order that the Btu content of the gas delivered/received may be properly obtained or by use of on-line chromatography at a suitable point on Transporter's line with calculations based on GPA Standard 2172; or by any other industry-approved method if agreed to by Transporter and Shipper. In the event that Transporter's recording calorimeter or system chromatograph is not operating properly, the total heating value of gas delivered by Transporter during the period when such instrument is not operating properly shall be determined by estimating an appropriate Btu for that location based upon the best information available.
- I. The water vapor content of the gas shall be determined daily and shall be taken into account in determining the total heating value of the gas delivered. Gas with a water vapor content of seven (7) pounds of water vapor per one thousand (1000) Mcf or less shall be considered dry gas.
- J. In preparing monthly measurement statements, Transporter shall include any corrections to monthly deliveries, which are received by Transporter on or before the fifth working day after the end of the month for which the monthly measurement statements are being prepared. The monthly measurement statements will serve as the basis upon which allocations are performed under Section 6.11 (Determination of Daily and Monthly Receipts) or Section 6.12 (Determination of Daily and Monthly Deliveries) of this FERC NGA Gas Tariff. A measurement adjustment or measurement correction which is received more than five (5) Business Days after the end of the month shall be considered a Prior Period Adjustment ("PPA") to such month. The time limitation for disputes of allocations shall be six (6) months from the date of the initial month-end allocation, with a three (3) month rebuttal period for an affected party. This time limitation shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. To the extent an inter-connecting party is contractually or statutorily permitted to process adjustments beyond the six (6) month and three (3) month periods stated above, Transporter shall be permitted to process such corresponding adjustments to Shippers.

6.5 MEASURING EQUIPMENT

A. Installation and Operation.

Transporter shall install, maintain and operate, at its own expense, except as provided in Section 6.31 (Construction of Facilities) of the General Terms and Conditions, at or near each point of delivery, a meter or meters and other necessary measuring equipment by which the volume of gas delivered to the Shipper shall be measured.

B. Check Measuring Equipment.

A Shipper may install, maintain and operate such check measuring equipment as it shall desire, provided that such equipment shall be so installed as not to interfere with the operation of the Transporter's measuring equipment at or near the point of delivery. Upon notice to Shipper, Transporter shall have access to such check measuring equipment at all reasonable hours, but the reading, calibrating and adjusting thereof and the changing of charts for such check measuring equipment shall be done only by the Shipper.

C. Access to Equipment and Records.

Both the Transporter and the Shipper shall be notified and shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting, calibrating or adjusting done in connection with the other's measuring equipment used in measuring deliveries hereunder. The records from such measuring equipment shall remain the property of the owner, who upon request will submit to the other such records and charts, together with calculations therefrom, for the other's inspection and verification, subject to return within ten (10) days after receipt thereof.

D. Care in Installation.

All installations of measuring equipment, applying to or affecting deliveries of gas, shall be made in such manner as to permit an accurate determination of the volume of gas delivered and ready verification of the accuracy of measurement. Reasonable care shall be exercised by both the Transporter and the Shipper in the installation, maintenance and operation of pressure regulating equipment so as to avoid, so far as practicable, any inaccuracy in the determination of the volume of gas delivered hereunder.

E. Failure of Meters.

In the event a meter is out of service or registering inaccurately as defined in Section 6.5.F below, the volume of gas delivered hereunder shall be estimated:

1. by using the registration of any check meter or meters if installed and accurately registering, or
2. by correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation, or
3. by estimating the volume of delivery by reference to deliveries made by Transporter through such meter during the most recent period under similar conditions when the meter was registering accurately.

F. Test of Meters.

The accuracy of the Transporter's measuring equipment shall be verified by Transporter at reasonable intervals, and at least annually, and, if requested, in the presence of representatives of the Shipper; but Transporter shall not be required to verify the accuracy of such equipment more frequently than once in any thirty-day (30) period. In the event either Transporter or the Shipper shall notify the other party that it desires a special test of any measuring equipment, Transporter and the Shipper shall cooperate to secure a prompt verification of the accuracy of such equipment.

- G. Correction of Meter Errors. If, upon test, any measuring equipment is found to be not more than one (1) percent fast or slow, except chromatographs, recording calorimeters or gravimeters whose allowable margin of error shall be not more than one half of one percent (0.5%) fast or slow, previous recordings of such equipment shall be considered correct in computing deliveries of gas hereunder; but such equipment shall be adjusted at once to record accurately. If, upon test, any measuring equipment shall be found to be inaccurate by an amount exceeding one (1) percent, at a recording corresponding to the average hourly rate of flow for the period since the last preceding test, or with respect to chromatographs, recording calorimeters or gravimeters greater than one half of one percent (0.5%), then any previous recordings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon such corrections shall be for a period extending over one-half of the time elapsed since the date of the last test of such equipment, not exceeding a correction period of thirty (30) days.

- H. Turbine Meters. When turbine meters are used, the equipment will be installed and operated in accordance with the specifications of American Gas Association, Gas Measurement Committee Report No. 7 dated 1981 as amended from time to time.

- I. Orifice Meters. When orifice meters are used the equipment will be installed and operated in accordance with the specifications of the most current edition of the American Gas Association, Gas Measurement Committee Report No. 3 as amended from time to time.
- J. Ultrasonic Meters. When ultrasonic meters are used the equipment will be installed and operated in accordance with the specifications of the most current edition of the American Gas Association, Gas Measurement Committee Report No. 9, as amended from time to time.
- K. Preservation of Records. Both Transporter and Shipper shall preserve all test data, charts and other similar records for such period of time as the Federal Energy Regulatory Commission shall specify from time to time in its Schedule of Records and Periods of Retention.

6.6 MAXIMUM HOURLY AND DAILY QUANTITIES

- A. The MDQ and MDTQ, as applicable, shall be the quantity as defined in the applicable Rate Schedule. The maximum daily quantity for any single receipt or delivery point, as applicable, shall be the quantity as set forth in the applicable Service Agreement.
- B. Maximum Hourly Quantity shall be the maximum quantity that Transporter is capable of delivering through its metering facilities at the delivery points set out in the Service Agreements between Shipper and Transporter in any one hour period. The Maximum Hourly Quantity, unless otherwise agreed, shall not exceed 1/24th of the maximum daily capacity for each delivery or receipt point as set forth in Section 6.6.A herein.

6.7 POSSESSION OF GAS, INDEMNIFICATION AND TITLE

A. Possession of Gas and Responsibility

Transporter shall be deemed to be in control and possession of the gas to be transported by it upon receipt of such gas at the point of receipt by Transporter until it shall have been delivered to Shipper, or for Shipper's account, and Shipper shall be deemed to be in control and possession of such gas prior to such receipt by Transporter and after such delivery to Shipper or for its account. Each party, while deemed to be in control and possession of such gas, shall be responsible for, and will indemnify and hold the other party harmless from, any and all claims, actions, suits, including attorney's fees, arising out of or relating in any way to the custody and control of such gas.

B. Warranty of Title to Gas

Shipper warrants that Shipper will have title to all gas delivered by it or for its account to Transporter for transportation and delivery by Transporter to or for the account of Shipper. Notwithstanding the foregoing, Shipper warrants that such gas will, at the time of receipt by Transporter, be free and clear of all liens and encumbrances. Transporter warrants that at the time of delivery of such gas to Shipper or for its account at the delivery point such gas will be free and clear of all liens and encumbrances arising by, through, or under Transporter. Shipper shall indemnify Transporter and save Transporter harmless from all suits, actions, debts, accounts, damages, costs (including attorney's fees), losses and expenses arising out of the adverse claim of any person or persons to said gas including claims for any taxes, licenses, fees, or charges which are applicable to said gas prior to its delivery to Transporter and subsequent to delivery of such gas by Transporter.

Transporter agrees to indemnify and hold Shipper harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising out of the adverse claim of any person or persons arising by or from Transporter's action while in possession of the gas for transportation by Transporter. Shipper shall indemnify Transporter and save it harmless from all taxes levied and assessed upon the transportation and delivery of such gas to Shipper or for Shipper's account and upon such gas prior to and upon delivery of such gas to Shipper or for its account and upon such gas prior to and upon delivery of such gas to Transporter for transportation. In the event any adverse claim in respect to such gas is asserted, or Shipper breaches its warranty herein, Transporter shall not be required to perform or, subject to of any necessary regulatory authorization, to continue service under the applicable Rate Schedule for Shipper until such claim has been finally determined; provided however, that Shipper may receive service if (i) in the case of an adverse claim, Shipper furnishes a sufficient bond to Transporter in the

amount of such claim and with sureties satisfactory to Transporter, conditioned for the protection of Transporter with respect to such claim; or (ii) in the case of a breach of warranty, Shipper furnishes Transporter evidence of Shipper's title satisfactory to Transporter.

C. Release and Indemnification

Shipper shall waive and release Transporter from any claims for any and all damages, costs, losses or expenses resulting from or arising out of interruption of service, whether caused by capacity or supply constraints on Transporter's system, where such interruption is caused by (i) the failure of Shipper(s) to have delivered to Transporter sufficient quantities of gas to meet their delivery requirements from Transporter; (ii) the failure of Shipper(s) to comply with a directive of Transporter pursuant to Section 6.18 (Operational Flow Orders) of the General Terms and Conditions, or (iii) Shipper(s) taking deliveries in excess of scheduled or authorized quantities. Provided however, that the foregoing shall not result in the waiver or release of a claim against Transporter for Transporter's negligence or willful misconduct. Further, Shipper shall indemnify and hold Transporter harmless from any and all suits, actions, debts, accounts, damages, costs, losses and/or expenses brought by or accruing to or for the benefit of end-users downstream of such Shipper's delivery point resulting from or arising out of curtailment of service whether caused by capacity or supply constraints on Transporter's system, including without limitation, such constraints caused by the failure of Shippers to have delivered to Transporter sufficient quantities of gas to meet their delivery requirements from Transporter; provided however, that the foregoing shall not require Shipper to indemnify and hold Transporter harmless from a claim against Transporter for Transporter's negligence or willful misconduct. Nothing in this Section 6.7.C. shall prevent a Shipper from asserting a claim against another Shipper, and, in the event of such a claim between Shippers, Transporter, when requested to do so, will make available such information in its possession that is relevant to such claim.

6.8 FORCE MAJEURE/IMPAIRMENT OF SERVICE

- A. In the event that either party is rendered unable, wholly or in part, by force majeure to carry out its obligations under the Service Agreement, other than to make payments due hereunder, it is agreed that subject to such party giving notice and full particulars of such force majeure in writing to the other party as soon as possible after the occurrence of the cause relied on, then the obligations of the party giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.
- B. In the event of any nonperformance caused by any of the forces described in Section 6.8.C. herein, the party affected shall as soon as reasonably practicable notify the other party verbally and within five (5) Working Days provide the other party with written confirmation of the nature, cause, date of commencement and anticipated extent of such nonperformance.
- C. The term "Force Majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, (but only to the extent such breakage to machinery or lines of pipe were caused by events that would be defined as events of Force Majeure herein), freezing of wells or lines of pipe, unplanned outages on Shipper's facilities, unplanned outages on Transporter's pipeline system, other unforeseen conditions on Transporter's system, the inability of Transporter's pipeline system to deliver gas, acts of civil or military authority (including, but not limited to, courts or administrative or regulatory agencies), partial or entire failure of source of supply, and any other cause, whether of the kind herein enumerated or otherwise, 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; such term shall likewise include in those instances where either party is required to obtain servitudes, rights of way grants, permits or licenses to enable such party to fulfill its obligations hereunder, the inability of such party to acquire, or the delays on the part of such party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such servitudes, rights of way grants, permits or licenses; and in those instances where either party is required to furnish materials and supplies for the purpose of constructing or maintaining facilities or is required to secure grants or permissions from any governmental agency to enable such party to fulfill its obligations hereunder, the inability of such party to acquire, or the delays on the part of such party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such materials and supplies, permits and permissions (provided that to

the extent such party has contracted with an affiliate to obtain such materials and supplies, permits, and permissions, such party shall be entitled to rely on this provision to excuse such inability or delay only to the extent of an inability or delay reasonable in comparison to arms-length transactions with non-affiliates). An event associated with compliance with any court order or ordinance promulgated by any governmental authority having jurisdiction, either federal, Indian, state or local, civil or military and/or the necessity for testing (as required by governmental authority or as deemed necessary for safe operation by the testing party) shall be considered a force majeure event only when the event is outside of Transporter's control.

- D. It is understood and agreed that the settlement of strikes or lockouts or other industrial disturbances shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of the opposing party when such course is inadvisable in the discretion of the party having the difficulty.

- E. In the event that Transporter is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under the Service Agreement, then after ten (10) days following the occurrence of such Force Majeure incident on its timely nomination cycle, Transporter shall credit Shipper's Reservation Charges in proportion to the reduced quantity of service caused by the Force Majeure incident for the period beginning after 10 days following the occurrence and ending at such time that the Force Majeure incident is cured.

6.9 ELECTRONIC COMMUNICATIONS

Transporter will maintain an Internet Website for transactional and non-transactional data for use by interested persons and accessible by way of the Internet's World Wide Web at Transporter's Internet Website at <http://lngconnection.chenire.com/>. Any Shipper desiring to conduct electronic transactions with Transporter through its Internet Website shall first execute an electronic transaction agreement. A copy of Transporter's electronic transaction agreement may be obtained on Transporter's Internet Website.

Transporter's Internet Website will provide a search function and/or site map that facilitates the location of information, and menus that permit access to system-wide notices of capacity constraints, curtailment, Force Majeure, maintenance, operational flow orders, press releases, company news, phone lists, and other relevant information including affiliate information as described below.

Transporter shall maintain and retain daily back-up records of the information displayed for three (3) years and permit review of those records, which will be archived and reasonably accessible. Information on the most recent entries will appear ahead of older information.

The above categories shall provide information including, but not limited to FERC Order No. 717 relating to Marketing Affiliate information, operationally available and unsubscribed capacity, index of Shippers, the tariff, and the availability of firm and interruptible capacity including: (a) a listing of any receipt or delivery point constraints, (b) the availability of capacity on the mainline(s), and (c) whether the capacity is available from Transporter directly, or through Transporter's Capacity Release mechanism as set forth in Section 6.19 (Capacity Release) of the General Terms and Conditions.

Shipper shall provide Transporter information on the form of communications they wish to utilize for communicating transactional and non-transactional information, including telephone, facsimile, internet site, email address or such other Electronic Delivery Mechanism (EDM) that may be mutually agreed upon from time to time between Transporter and Shipper.

6.10 NOMINATIONS, CONFIRMATIONS AND SCHEDULING

A. Nominations

1. General

Except in the event of a failure of EDM equipment, Internet or third party communication equipment, or other similar emergency event, Shipper shall furnish an electronic nomination in the format set forth in the NAESB Standards. Transporter may allow Shipper to submit written nominations in the event of a failure of EDM equipment, Internet, or third party service provided, however, that such event shall be documented by an affidavit provided by Shipper to Transporter within one (1) business day of such event. Moreover, any such requests for emergency treatment shall be handled on a not unduly discriminatory basis by Transporter.

All quantities shall be reflected in Dekatherms per day and shall be nominated as receipts onto and deliveries off of Service Agreements between Shipper and Transporter and those quantities which are scheduled by Transporter shall be as set forth in Section 6.10.B. herein.

A receipt point nomination shall specify the quantity per day rounded to the nearest dekatherm, the receipt meter designation on Transporter's system for receipts onto the Service Agreement, an upstream entity or Service Agreement identifier to the extent appropriate and the associated upstream Transporter or operator contact person and phone number.

A delivery point nomination shall specify the quantity per day, the delivery meter designation on Transporter's system for deliveries off of the Service Agreement, a downstream entity or Service Agreement identifier to the extent appropriate, and the associated downstream Transporter or operator contact person and phone number.

The total receipt point nominations, less Retainage must equal the total delivery point nominations. Unless agreed to in advance, any quantities to address imbalances must be nominated. Nominations shall be scheduled by Transporter in accordance with Section 6.10.C. herein.

Shipper shall provide gas flow commencement and termination dates on each nomination. Once submitted, nominations, except for intra-day nominations, will remain in effect for the specified time period unless a prospective electronic nomination change is received from Shipper or, in the case of an interruptible Shipper, bumping as described in Section 6.10.A.2(c) herein occurs.

A Package ID is a way to differentiate between discrete business transactions. When used, Package ID should be:

- (a) supported for nominating and scheduling;
- (b) mutually agreed between the applicable parties for allocations and imbalance reporting;
- (c) supported for invoicing (sales and purchase); and
- (d) mutually agreed for transport invoicing.

Use of the Package ID is at the discretion of the service requestor, and if sent, should be accepted and processed by the service provider.

2. Nomination Timeline

(a) Nominations for the Upcoming Gas Day

(i) The Timely Nomination Cycle (In Central Clock Time)

On the day prior to gas flow:

- 1:00 p.m. for nominations leaving control of the nominating party;
- 1:15 p.m. for receipt of nominations by Transporter;
- 1:30 p.m. to send Quick Response;
- 4:30 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties;
- 5:00 p.m. for receipt of scheduled quantities by Shipper and point operator.

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

(ii) The Evening Nomination Cycle (Central Clock Time)

On the day prior to gas flow:

- 6:00 p.m. for nominations leaving control of the nominating party;
- 6:15 p.m. for receipt of nominations by Transporter;
- 6:30 p.m. to send Quick Response;

- 8:30 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties;
- 9:00 p.m. for Transporter to provide scheduled quantities to affected Shippers and point operators and to provide scheduled quantities to bumped parties (notice to bumped parties).

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

(b) Intraday Nominations

(i) The Intraday 1 Nomination Cycle
(Central Clock Time)

On the current Gas Day:

- 10:00 a.m. for nominations leaving control of the nominating party;
- 10:15 a.m. for receipt of nominations by Transporter;
- 10:30 a.m. to send Quick Response;
- 12:30 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties;
- 1:00 p.m. for Transporter to provide scheduled quantities to affected Shippers and point operators and to provide scheduled quantities to bumped parties (notice to bumped parties).

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

(ii) The Intraday 2 Nomination Cycle
(Central Clock Time)

On the current Gas Day:

- 2:30 p.m. for nominations leaving control of the nominating party;
- 2:45 p.m. for receipt of nominations by Transporter;

- 3:00 p.m. to send Quick Response;
- 5:00 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties;
- 5:30 p.m. for Transporter to provide scheduled quantities to affected Shippers and point operators and to provide scheduled quantities to bumped parties (notice to bumped parties).

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

(iii) The Intraday 3 Nomination Cycle
(Central Clock Time)

On the current Gas Day:

- 7:00 p.m. for nominations leaving control of the nominating party;
- 7:15 p.m. for receipt of nominations by Transporter;
- 7:30 p.m. to send Quick Response;
- 9:30 p.m. for receipt of completed confirmations by Transporter from upstream and downstream connected parties;
- 10:00 p.m. for Transporter to provide scheduled quantities to affected Shippers and point operators.

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

There is no limitation as to the number of intraday nominations which a Shipper may submit at any one standard nomination cycle or in total across all standard nomination cycles. Intraday nominations may be used to request increases or decreases in total flow or to reflect changes in the specified receipt or delivery points. Intraday nominations may be used to nominate new supply or market.

Intraday nominations will be effective for a single Gas Day, and will not remain in effect for prospective gas days. There is no need

to re-nominate if an intraday nomination modified an existing nomination. To the extent a Shipper submits an intraday nomination (including nominations received after the nomination deadline) which specifies an effective term of longer than one day, Transporter shall make the nomination effective only for the first day of the specified effective period on an intraday basis for the applicable Nomination Cycle.

For purposes of NAESB WGQ Standard No. 1.3.2(ii), (iii), (iv), and (v), the word "provides" shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send and post.

(c) Bumping

Nominations submitted by a firm Shipper during the Evening, Intraday 1, or Intraday 2 Nomination Cycles shall be given scheduling priority over nominated and scheduled quantities for interruptible Shippers. Bumping is not permitted during the Intraday 3 Nomination Cycle.

When an interruptible Shipper's scheduled quantities are to be reduced as a result of a nomination submitted by a firm Shipper during the Evening, Intraday 1, or Intraday 2 Nomination Cycles, Transporter shall provide such interruptible Shipper advance notice that its scheduled quantities are to be reduced, including whether penalties will apply on the day of the reduction. Such notification shall be as set forth in Section 6.10.D herein.

Intraday nomination is a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of the Gas Day.

(d) Extension of Standard Nomination Timeline

Transporter shall post electronically its intent to accept nominations or schedule service after the time deadlines set forth in Section 6.10.A.2 above and post the new deadline applicable to the same. Such posting shall remain on Transporter's Internet Website until such new deadline has expired.

Any nomination received after the above stated or extended deadline may result in failure to schedule service under Section

6.10.C. Such late nominations will be treated as intraday nominations in accordance with Section 6.10.A.2(b).

3. Nomination Information Required

The following nomination information is required for a valid nomination:

- (a) The service requestor's Service Agreement number under which service is being nominated;
- (b) The receipt location, and quantity in Dekatherms of gas to be tendered at each receipt point;
- (c) (The delivery location, and quantity in Dekatherms of gas to be delivered at each delivery location;
- (d) A beginning and ending date for each nomination;
- (e) The upstream and downstream party identifier and Service Agreement identifier.
- (f) A receipt and delivery rank for each upstream and downstream party identifier and Service Agreement identifier.
- (g) Standard nominations shall be treated as nomination in effect for the entire gas day.
- (h) A transaction type indicator which specifies whether the quantity is intended for current business. To the extent nominating party does not supply a transaction type, the quantity will be deemed to be nominated for current business.

If Shipper fails to comply with nomination informational provisions (a) through (h) of this sub-section, Transporter shall not schedule the commencement of service or change to a prior nomination.

B. Confirmation

Promptly upon the close of the nomination deadline for each day, Transporter shall evaluate all timely daily nominations in light of the estimated demand for service, the capacity expected to be available on the affected segments of Transporter's system and other estimated operating conditions.

Nominations will not become effective and are not eligible for scheduling until Transporter has confirmed nominated receipts and deliveries with the upstream and downstream confirming parties. It is Shipper's responsibility to provide information necessary to enable Transporter to confirm the nomination with upstream or downstream confirming parties. If such confirmation cannot be obtained, transportation service will be delayed until it is obtained.

With respect to the Timely Nomination Cycle at a receipt or delivery point pursuant to Section 6.10.A.2(a) herein, in the absence of agreement to the contrary, the lesser of the confirmation quantities will 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 previously scheduled quantity for the Timely Nomination Cycle of the previous Gas Day will be the new confirmed quantity.

With respect to the processing of requests for increases during the Evening, Intraday 1, Intraday 2 or Intraday 3 Nomination Cycles, in the absence of agreement to the contrary, the lesser of the confirmation quantities will be the new confirmed quantity. If there is no response to a Request for Confirmation or an unsolicited Confirmation Response, the previously scheduled quantity will be the new confirmed quantity.

With respect to the processing of requests for decreases during the Evening, Intraday 1, Intraday 2 or Intraday 3 Nomination Cycles, in the absence of agreement to the contrary, the lesser of the confirmation quantities will 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 should be the new confirmed quantity.

With respect to the preceding three paragraphs, if there is no response to a request for confirmation or an unsolicited confirmation response, the Transporter should provide the Shipper with the following information to explain why the nomination failed, as applicable:

1. the upstream or downstream confirming party did not conduct the confirmation;
2. the Shipper is told by Transporter that the upstream confirming party did not conduct the confirmation;
3. the Shipper is told by Transporter that the upstream Shipper did not have the gas or submit the nomination.

This information should be imparted to the Shipper on the Scheduled Quantity document.

Transporter shall notify Shipper of the quantities of gas confirmed for receipt from and delivery to or for the account of Shipper. In the event of an inability of Transporter to obtain an upstream or downstream confirmation, Transporter may notify Shipper of such lack of confirmation contact in order that confirmation may otherwise be obtained.

Transporter reserves the right to verify that the quantities of gas, requested by the Shipper, are flowing as confirmed and scheduled by the Transporter and to interrupt receipts or deliveries pursuant to an Operational Flow Order under Section 6.18 of the General Terms and Conditions to the extent such quantities are not flowing as scheduled.

C. Scheduling

The term "Scheduling" herein refers to the allocation of available capacity among confirmed nominations for each day on Transporter's system, as set forth below. Following confirmation of upstream receipts and downstream deliveries, Transporter will then schedule services to the extent of availability, allocating capacity if required pursuant to the scheduling priorities set forth in Sections 6.10.C.1 and 6.10.C.2 below.

1. Scheduling Priorities - Mainline Capacity

- a. Firm transportation service under Rate Schedule FTS utilizing Primary Receipt and Delivery Points within Maximum Daily Transportation Quantities specified in the Service Agreement (Primary in-Path). The path is defined as between a Shipper's Primary Receipt and Primary Delivery Points.
- b. Transportation service under Rate Schedule FTS utilizing Secondary Receipt or Delivery Points located within a Shipper's path (Secondary In-Path).
- c. Transportation services under Rate Schedule FTS utilizing Secondary Receipt or Delivery Points not located in a Shipper's path (Secondary Out-of-Path).

- d. Interruptible services under Rates Schedules ITS and PALS, and Firm overrun transportation service under Rate Schedule FTS in any segment which is over the Maximum Daily Transportation Quantities specified in the Service Agreement.
- e. In the event nominations for service exceed capacity available, nominations will be ranked as described under this Section 6.10.C.1. For Sections 6.10.C.1 (a) through (d) transporter will schedule service on a pro rata basis. For services scheduled under Section 6.10.C.1 (e), confirmed nominations will be reduced in the order of lowest effective rate to highest effective rate. Services of identical rates will be scheduled pro rata.

2. Receipt and Delivery Point Scheduling Priorities

To the extent capacity at a specific point of receipt or delivery is insufficient to schedule the nominations of Shipper's awarded capacity in Section 6.10.C.1 above, Transporter shall allocate capacity at the subject receipt or delivery point based on the following categories:

- (a) Firm Transportation Service for Shippers under Rate Schedules FTS nominating quantities at Primary Receipt or Delivery Points within the Maximum Daily Quantity specified in the service agreement (Primary Point).
- (b) Transportation service under Rate Schedule FTS utilizing Secondary Receipt or Delivery Points (Secondary Point). Transportation from Secondary Receipt Points located between a Shipper's Primary Receipt and Delivery Points shall have a scheduling priority over transportation from Secondary Receipt Points not located between a Shipper's Primary Receipt and Delivery Points.
- (c) Interruptible services under Rate Schedules ITS and PALS and Firm transportation service under Rate Schedule FTS over the Maximum Daily Quantities specified in the Service Agreement .
- (d) In the event nominations for service exceed Receipt or Delivery Point capacity available, nominations will be ranked as described under this Section 6.10.C.2. For Sections 6.10.C.2 (a) through (c) transporter will schedule service on a pro rata basis. For services scheduled under Section 6.10.C.1(d), confirmed nominations will

be reduced in the order of lowest effective rate to highest effective rate. Services of identical rates will be scheduled pro rata.

D. Communication of Scheduled Quantities

Following scheduling of confirmed nominations, Transporter shall furnish a report to the Nominating Party showing the scheduled receipt and delivery quantities by Service Agreement number and meter description. Transporter shall provide a report in accordance with the NAESB standards to affected Shippers, point Transporters and bumped parties for receipt on or before the times established for the Nomination Cycles set forth in Section 6.10.A.2(a) and (b). At the end of each Gas Day, Transporter shall also provide the final scheduled quantities for the just completed Gas Day. With respect to the implementation of this process via the NAESB 1.4.x scheduled quantity related standards, Transporter shall send end of Gas Day Scheduled Quantity and Scheduled Quantity for operator document. Receivers of the end of Gas Day Scheduled Quantity document can waive Transporter's sending of the end of gas day Scheduled Quantity document. In addition to notification through the scheduled quantities report described herein, Transporter shall provide direct notice of any bumped quantities using Internet E-mail or direct notification to interruptible Shipper's Internet URL address. Shipper is responsible for providing current addresses to Transporter. Failure of Shipper to maintain current addresses on file with Transporter will relieve Transporter of this obligation.

Transporter should provide affected parties with notification of intraday bumps, Operational Flow Orders and Critical Notices through the affected party's choice of EDM.

Unless the affected party and the Transporter have agreed to exclusive notification via Transporter's Electronic Notice Delivery Mechanism, the affected party should provide the Transporter with at least one Internet E-mail address to be used for Electronic Notice Delivery of intraday bumps, Operational Flow Orders and Critical Notices. The obligation of the Transporter to provide notification is waived until the above requirement has been met.

Transporters should support the concurrent sending of electronic notification of intraday bumps, Operational Flow Orders and Critical Notices to two Internet E-mail addresses for each affected party.

E. Designees

1. A Shipper may name Designee(s) to perform Shipper's obligations with regard to nominations, confirmations and any other administrative duties under Shipper's Service Agreement subject to the following conditions:

- (a) A request to name a Designee must be made in writing and must be submitted at least two (2) business days prior to the requested effective date, except where a creditworthiness determination is required under subsection (f) herein.
 - (b) The written request shall be signed by Shipper and the Designee and shall specify the limits of authority of the representative, including the term of designation; provided, however, that Transporter may reject the request if the limitations would result in an undue administrative burden.
 - (c) Transporter may rely on communications from the Designee for all purposes, except to the extent expressly limited in the written request. Likewise, communications by Transporter to Designee shall be deemed to be notice to Shipper for all purposes in the tariff, except to the extent the Designee is explicitly limited with respect to receipt of notice.
 - (d) To the extent the designation involves delegation of responsibility for receipt point nominations for Rate Schedule FTS, the request must specify the primary receipt point capacity subject to the designation. A Designee responsible for scheduling receipt point quantities shall be considered a "Supply Designee."
 - (e) To the extent the designation involves delegation of responsibility for delivery point nominations for Rate Schedule FTS, the request must specify the primary delivery point capacity subject to the designation. A Designee responsible for scheduling delivery point quantities shall be considered a "Market Designee".
 - (f) Unless otherwise agreed upon in writing by Transporter, Shipper shall remain liable for any and all actions or failures to act of Shipper's designee, including liability for all charges under Shipper's Service Agreement and the applicable Rate Schedule.
2. At Transporter's request, Shipper shall permit Transporter to name a Designee to perform Transporter's obligations with regard to nominations, scheduling, invoicing, and/or receiving payment. Transporter shall not name more than one Designee to perform each such specified obligation under any Service Agreement. Transporter shall remain liable for any and all actions or failures to act of Transporter's designee. Payment in full for transportation services provided to Shipper by Transporter to Transporter's Designee by Shipper shall be deemed payment in full of all such amounts

due, Transporter. Transporter specifically disclaims any right or claim to be paid by Shipper with regard to payment of amounts paid by Shipper to Transporter's Designee.

F. Balancing at Termination of Service Agreement

Following the termination of a Service Agreement, Shipper under that Service Agreement shall be required to correct any outstanding imbalance in receipts and deliveries within sixty (60) days after Transporter determines, and notifies Shipper, that such an imbalance exists, or within such longer period of time agreed to by Shipper and Transporter.

Following the termination of a Service Agreement under Rate Schedule PALS, Shipper shall be required to correct any outstanding imbalance pursuant to the period of time set forth in Section 5.3.5 of Rate Schedule PALS.

6.11 DETERMINATION OF DAILY AND MONTHLY RECEIPTS

For purposes of this Section 6.11, "Actual Quantity Received" shall be defined as the measured quantities provided by upstream transporters, "Overage" shall be defined as Scheduled Receipts less than Actual Quantities Received, and "Underage" shall be defined as Scheduled Receipts greater than Actual Quantities Received. Overages and Underages under this section shall include prior period adjustments, as determined under Section 6.4.J of Transporter's General Terms and Conditions.

A. Allocation of Underages and Overages

In the event actual quantities received by Transporter at the receipt point do not equal the Scheduled Receipts for such point, any Overage or Underage shall be allocated as follows:

1. To the extent Transporter has entered into an Operational Balancing Agreement ("OBA") as set forth in Subsection 6.11.B below which covers the point(s) of receipt and delivery, any Overages or Underages at such point(s) shall not be allocated to Shippers, but shall be resolved in accordance with the OBA:
2. To the extent there is not an OBA, Transporter and the interconnecting party will agree as to which party is responsible for the predetermined allocation (PDA) and to the extent the interconnecting party has agreed to submit the PDA to Transporter, such Underages or Overages shall be allowed in accordance with the PDA;
3. To the extent there is no OBA or PDA, Transporter shall allocate quantities pro-rata based on scheduled and confirmed quantities.
4. The responsibility for calculating and reporting of allocated quantities will rest with the party responsible for accepting NAESB allocation types. The party receiving nominations will provide allocation statements.

B. Operational Balancing Agreement (OBA)

1. An OBA is a contract between two parties which specifies the procedures to manage operating variances at an interconnect. For the purpose of minimizing operational conflicts between various pipeline facilities with respect to the delivery of gas to and from Transporter's pipeline system, Transporter is willing to negotiate and execute OBAs with appropriate parties that operate natural gas facilities which interconnect with Transporter's system (hereinafter OBA Party). Such OBAs shall specify the gas custody transfer procedures to be followed by Transporter and the

OBA Party for the confirmation of scheduled quantities at points of interconnection with the OBA Party. Such OBAs will provide that any variance between actual quantities and scheduled and confirmed quantities for any day shall be resolved in-kind promptly or cashed-out pursuant to the terms of the OBAs. To facilitate such determination of variances on a timely basis, Transporter and the OBA Party will agree in the OBA on necessary measurement and accounting procedures.

2. It is Transporter's intent to negotiate and execute OBAs on a non-discriminatory basis with any OBA Party. However, Transporter shall have no obligation to negotiate and execute OBAs with any party that:
 - (a) is not creditworthy as determined pursuant to Section 6.17 (Creditworthiness) of Transporter's General Terms and Conditions;
 - (b) does not maintain dispatching operations which are staffed on a continuous basis;
 - (c) does not have electronic flow measurement equipment to which Transporter has access at the interconnect points which are proposed to be subject to the OBA;
 - (d) does not commit to timely and final determination of variances based on prompt in-kind resolution provisions.
3. Nothing in this Section 6.11 or in any executed OBA shall limit Transporter's rights to take action as may be required to adjust receipts and deliveries under any transportation agreement to alleviate operating conditions which threaten the integrity of Transporter's system.

C. Predetermined Allocation Statements (PDA)

Any PDA's established by an upstream Interconnecting Party must be submitted to Transporter in writing or by electronic communications following the NAESB Standards before the first day of the allocation period in which the PDA is to be effective. To the extent interconnecting party submits a PDA by electronic communication, Transporter shall send a Quick Response, as such term has been defined by NAESB, confirming the receipt of such PDA. The PDA shall specify how any Underage or Overage from the confirmed quantity is to be allocated at a contract or such lower level of detail which is provided on the nomination level. The PDA methods shall include ranked, pro rata, percentage, swing, and Transporter provided value, as such terms are used in the NAESB Standards and the PDA methods shall be available at any receipt or delivery point except those covered by an OBA. The PDA may require new allocation detail as nomination

changes occur. Transporter shall be entitled to rely exclusively on an effective PDA in allocating gas received at a receipt or delivery point and the interconnect party holds Transporter harmless against actions taken and allocations made in reliance upon such PDA. No retroactive changes to a PDA may be made unless Transporter and all affected parties agree in writing.

D. Daily Tolerances

Shipper shall deliver, or cause to be delivered, to Transporter at the point(s) of receipt on a uniform hourly basis, that quantity of natural gas that has been scheduled for transportation. To the extent Shipper deviates significantly from the uniform hourly basis, Transporter reserves the right to implement an Operational Flow Order pursuant to Section 6.18 (Operational Flow Orders) of the General Terms and Conditions.

6.12 DETERMINATION OF DAILY AND MONTHLY DELIVERIES

- A. Transporter shall undertake to redeliver to Shipper at its Point of Delivery a quantity of gas containing the gross heating content of gas received from Shipper by Transporter at the Point of Receipt, less actual compressor station fuel usage, heater fuel usage, incidental fuel usage, lost and unaccounted for gas and to account for any measurement meter tolerance differentials between receipt and delivery meter points on Transporter's pipeline system ("Retainage").
- B. The timing for reporting daily operational allocations after the gas has begun flowing is within one business day after the end of the gas day. If the best available data for reporting daily operational allocations is the scheduled quantity, that quantity should be used for the daily operational allocation. Precise balancing shall be on a monthly basis.
- C. Delivery point allocations should be performed at the lowest level of detail provided by nominations. The determination of deliveries applicable to Shipper shall be made based on the gross heating content of the gas unless a PDA methodology in accordance with the PDA provision herein or an operating arrangement satisfactory to Shipper, Transporter and any third party transporting to or from Transporter's system is submitted.
- D. The responsibility for calculation and reporting of allocated delivery quantities should rest with the party responsible for accepting NAESB allocation types. The party receiving nominations should provide allocation statements. The upstream or downstream party providing the point confirmation should submit the pre-determined allocation to the allocating party after or during confirmation and before the start of the gas day.
- E. To the extent there is no PDA, Transporter shall allocate deliveries pro rata based on confirmed quantities. As a minimum, allocations should be provided by both contract and location. The types of PDA methodologies available shall be provided in a list from which the parties may agree on the methodology to use. If the parties cannot mutually agree upon an allocation methodology, a pro rata methodology based upon confirmed nominations shall be used as the default methodology. The PDA methodologies shall include ranked, pro rata, percentage, swing, and operator provided value, as such terms are used in the NAESB Standards. The same standard allocation methodologies should be available for use at all delivery points.
- F. The party responsible for custody transfer (the party performing the measurement function) should provide the allocation. A new allocation detail may be needed when a nomination changes. Transporter shall be entitled to rely exclusively on an effective PDA in allocating gas delivered to a point. No retroactive changes to a

PDA may be made unless Transporter and all affected parties agree in writing. The allocating party should send back confirmation of receipt of the pre-determined allocation within 15 minutes. A party may change the PDA during a calendar month provided;

- (i) such PDA change will have prospective effect only,
- (ii) all Shippers on Transporter's system with scheduled deliveries at such point have been notified and agree on the change and the effective date of the change, and
- (iii) the interconnecting party identifies and holds Transporter and Shippers utilizing such points harmless against actions taken and allocations made in reliance upon such change in PDA.

6.13 MONTHLY BALANCING

All imbalances accrued by Shipper under its Service Agreement(s) shall be resolved through the following mechanism.

A. Calculation of Monthly Imbalances

Transporter will calculate the imbalance for each Service Agreement by determining the difference between (i) the total quantities of gas allocated for the account of Shipper at the Receipt Point(s), which shall be based on allocated quantities received into Transporter's pipeline system during the Month of flow less Retainage and (ii) the total quantities of gas allocated for the account of Shipper for delivery at the Delivery Point(s) during such Month of flow. All imbalances accrued by Shipper under each of its Service Agreement(s) will be combined to derive a net under-delivery or over-delivery imbalance for imbalance resolution purposes, subject only to the assessment of any applicable transportation charges.

Transporter shall provide Shippers with a preliminary Balancing Statement at the same time it renders transportation usage invoices for a particular month and shall post a listing of Imbalances of all Shippers on its Internet Website. Transporter shall provide the ability for Shippers to post and trade imbalances until at least the close of the seventeenth (17th) business day of the month, or for a longer period of time, subject to Transporter being able to make final resolution of end-of-month imbalances pursuant to Section 6.13.C below. Transporter shall provide Shippers the ability to view and, upon request, download posted imbalances.

B. Imbalance Trading Provisions

Shippers may net and trade on a volumetric basis with other Shippers within the Operational Imbalance Area(s) designated by Transporter. Trading will be allowed only when the trade will reduce the imbalance for each Shipper involved in the trading. Third party imbalance management services will be accommodated on a nondiscriminatory basis as long as these services comply with applicable NAESB standards and do not adversely impact the Transporter's system operations. Third party services will be required to comply with the NAESB Nominations and Confirmation timeframes and meet transporter credit requirements appropriate for the quantity of shipper imbalance gas for which such third party may be responsible.

C. Final Resolution Provisions

It is the responsibility of Shippers to eliminate end-of-month imbalances not resolved through the above Imbalance Trading Provisions by in-kind resolution with Transporter. Transporter will send each Shipper a statement detailing the quantities resolved through the Imbalance Trading Provisions and the unresolved imbalance quantities. The imbalance quantities shall be resolved by the end of the month following the month in which such imbalances were incurred.

D. Reliance on Operational Information

Shippers may rely on operational information provided by transporter to adjust their imbalances during a month.

E. Imbalance Nominations

For each day on which Shipper desires to schedule the delivery of gas to Transporter or the receipt of gas from Transporter for the resolution of an accrued under- or over-delivery within a Month, Shipper shall submit to Transporter, in a nomination, the daily quantity of gas, expressed in Dths, that it has available for delivery or the quantity of gas Shipper desires to receive, in accordance with nomination procedures set forth in Section 6.10 (Nominations, Confirmations and Scheduling) of the General Terms and Conditions. Such deliveries and receipts shall be scheduled as operating conditions reasonably permit. The scheduling priority for such nominations shall be the priority of the service agreement on which the imbalance accrued.

6.14 COMPLAINT PROCEDURE

- A. Shippers are encouraged to work with Transporter on an informal basis to resolve any problems they may have in regards to transportation services on Transporter's pipeline system, prior to filing a formal complaint.
- B. Should a problem remain unresolved after a good faith attempt at resolving a problem, Shipper should submit a complaint in writing to Transporter at the following address:
 - Attention: Vice President, Commercial Services
Cheniere Corpus Christi Pipeline, L.P.
700 Milam, Suite 1900
Houston, Texas 77002
- C. Transporter will respond initially within 48 hours and in writing within 30 days of a complaint.
- D. If Shipper has exhausted all options in Sections 6.14.A through 6.14.C herein, further discussion may be pursued with the Vice President of Cheniere Corpus Christi Pipeline, L.P.

6.15 RETAINAGE

Transporter shall collect and retain a portion of Shippers' gas ("Retainage") received by Transporter at Transporter's receipt points to reimburse Transporter for actual compressor station fuel usage, heater fuel usage, incidental fuel usage, lost and unaccounted for gas and to account for any measurement meter tolerance differentials between receipt and delivery meter points on Transporter's pipeline system. The Retainage shall be expressed as a percentage rounded to two (2) places as shown in Section 4 of this FERC NGA Gas Tariff.

The Retainage percentage shall be adjusted downward to reflect reductions and shall be adjusted upward to reflect increases in compressor station fuel usage, heater fuel usage, incidental fuel usage, lost or unaccounted for gas and measurement meter tolerance differentials in accordance with this Section 6.15.

A. Filing Procedures

- (i) Effective Date of Adjustment. The effective date of each Retainage adjustment shall be April 1 and November 1.
- (ii) At least thirty (30) days prior to the Effective Date of Adjustment Transporter shall file with the Commission schedules supporting the new effective Retainage Percentage.
- (iii) Such filing shall be in lieu of any other rate change filing required by the Commission's Regulations under the Natural Gas Act.

B. Computation of Effective Retainage Percentage

The Effective Retainage Percentage shown in Section 4 of this FERC NGA Gas Tariff shall be the sum of the Current Retainage Percentage and the Annual Retainage Surcharge.

C. Computation of Current Retainage Percentage

The Current Retainage Percentage shall be determined on the basis of (i) the estimated Quantities received by Transporter for the account of Shippers pursuant to Rate Schedules FTS and ITS and (ii) the projected Quantities of Gas that shall be required for fuel usage, miscellaneous fuel usage and Lost and Unaccounted for Gas.

D. Computation of the Annual Retainage Surcharge

- (i) The Annual Retainage Surcharge shall be computed by dividing the balance, no more than three Months prior to April 1, of the Deferred Retainage Account by the Quantity of gas projected to be received pursuant to Rate Schedules FTS and ITS for the Recovery Period.
- (ii) The Recovery Period for the Annual Retainage Surcharge shall be the twelve (12) billing Months beginning April 1.
- (iii) Transporter shall maintain a Deferred Retainage Account with appropriate sub-accounts, beginning with the effective date of this Section 6.15. For each billing Month, the applicable sub-accounts shall be increased or decreased for a positive or negative change in Retainage for the billing Month.
- (iv) The deferred Retainage for each billing Month shall be the difference between (1) the applicable currently effective Retainage percentage for the billing Month multiplied by the Quantity of gas received by Transporter for transportation during the billing Month and (2) the actual Quantity of Gas expended for fuel usage, including miscellaneous fuel usage, and lost or unaccounted for Gas during the billing Month.
- (v) The Annual Retainage Surcharge shall also include any percentage change for measurement meter tolerance differentials between receipt and delivery meter points.

E. Notice of Responsibility of Deferred Amounts

Upon revision to this Section 6.15 each Shipper that received transportation service during the period affected by such retainage adjustment deferred account shall be responsible to Transporter for its proportionate share of the amount of Transporter's unrecovered deferred retainage amounts for the transportation services which they were provided.

6.16 INVOICING AND PAYMENT

- A. **Invoice.** Transporter shall render a written invoice via Electronic Notice Delivery Mechanism pursuant to the applicable NAESB Standard to Shipper for all charges made under or pursuant to any of the provisions of this FERC NGA Gas Tariff. Upon request, Transporter shall render a written invoice via facsimile. Transportation invoices shall specify all rate components, and shall separately state both the maximum tariff rate and any discount, if applicable, and any prior period adjustments, separately identified by each month to which any such adjustment relates. Transporter will provide supporting data, if applicable, at the time it renders invoices. Transporter shall render invoices to Shippers no later than the tenth (10th) day of the month following the month to which the charges or credits apply for charges for transportation service, and charges and credits pursuant to the Operational Control provisions of this Section 6.16. Transporter shall render invoices to Shippers for all other charges or credits as soon as practicable consistent with the other provisions of this FERC NGA Gas Tariff.
- B. **Examination of Records.** Both Transporter and Shipper shall have the right to examine at reasonable times, 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 of this Tariff.
- C. **Error in Invoice.** In the event an error is discovered by either Shipper or Transporter in the amount invoiced in any statement rendered by Transporter, such error shall be adjusted provided the claim is made within six (6) months from the date of such statement, subject to an additional three (3) month period for an affected party to challenge the error. Such processing limitations shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Nothing herein shall be construed to limit Shipper's or Transporter's other statutory or contractual rights. To the extent an interconnecting party is contractually or statutorily permitted to process adjustments beyond the six (6) month period above, Transporter shall be permitted to process such corresponding adjustments to Shippers.
- D. **Payment.** Unless otherwise agreed, Shipper shall pay Transporter by wire transfer of federal funds, on or before the tenth (10th) day after written transmission of invoice by mail, facsimile or otherwise acceptable electronic correspondence, as set forth in Section 6.16.A above and such payment should include supporting documentation. Party making payment should submit supporting documentation; The party receiving payment should apply payment per the supporting documentation provided by the paying party; and if payment differs from the invoiced amount, remittance detail should be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two (2) Business Days of the payment due date.

- E. Interest on Unpaid Amounts. Should Shipper fail to pay the amount of any invoice for charges made under or pursuant to any of the provisions of this FERC NGA Gas Tariff when such amount is due, interest thereon shall accrue as prescribed under Section 154.501(d) of the Federal Energy Regulatory Commission's Regulations from the due date until the date of payment; provided however, that if either Shipper or Transporter discovers that an error has been made after the invoice from Transporter to Shipper has been paid but prior to the expiration of the six (6) month period referred to in subsection C above, then interest will not accrue in favor of either party until the error has been resolved and corrected. Once the error has been corrected and either Shipper or Transporter fails to tender payment due to such other party on or before the tenth (10th) day thereafter, then interest will accrue in accordance with this subsection E. If such failure to pay continues, then following thirty (30) days notice to Shipper and the Commission, Transporter, in addition to any other remedy it may have hereunder, may, without damage, suspend further delivery of gas until such amount is paid, or terminate service pursuant to the terms and conditions of the Service Agreement under which service is being provided.

If Shipper has notified Transporter in writing of an error in invoice under subsection C above and during the period for which a genuine dispute exists as to the alleged error, Shipper shall pay the portion of the invoiced amount which is not in dispute and shall provide documentation identifying the basis for the dispute.

- F. Suspension or Termination of Service. In the event Shipper fails to pay the amount of any invoice tendered for charges made under or pursuant to any of the provisions of this FERC NGA Gas Tariff within ten (10) days after the date such invoice is due pursuant to subsection D above, Transporter may suspend or terminate service to Shipper under the following conditions:
- (i) Transporter shall notify Shipper and the Commission of noncompliance and will allow Shipper thirty (30) days from the date the notice is postmarked to correct the noncompliance and provide adequate assurances that such noncompliance will not recur.
 - (ii) In the event Shipper fails to correct the noncompliance and provide assurances acceptable to Transporter and its creditor within thirty (30) days of notice, including, but not limited to, letters of credit, Transporter may suspend, or, if consistent with the terms of the Service Agreement between Shipper and Transporter, terminate service after expiration of the thirty (30) day period specified above. Transporter shall offer any firm capacity rights terminated pursuant to this provision in accordance with Section 6.22 (Requests for Service) of the General Terms and Conditions.

Transporter shall notify Shipper and the Commission in writing of its decision to suspend or terminate service.

(iii) In the event Transporter suspends or terminates service to Shipper, Transporter will not bill Shipper for such suspended or terminated service.

G. Statement of Account. Transporter shall provide Shipper with a detailed Statement of Account in accordance with the NAESB Standards, which statement shall indicate any outstanding amounts by invoice.

6.17 CREDITWORTHINESS

A. Transporter shall not be required to:

- (i) execute a Transportation Service Agreement providing for service under the applicable Rate Schedule for any Shipper who fails to meet Transporter's standards for creditworthiness, or
- (ii) initiate service for a Shipper who fails to meet Transporter's standards for creditworthiness, or
- (iii) continue transportation service for any Shipper who is or has become insolvent or who, at Transporter's request, fails within a reasonable period to demonstrate creditworthiness pursuant to Transporter's standards.

For purposes herein, the determination of Shipper's creditworthiness shall be based upon:

- (i) a credit rating of investment grade, defined as a rating of at least "BBB-" by Standard & Poor's Corporation, or a rating of at least "Baa3" by Moody's Investors Service, Inc. or
 - (ii) if Shipper is not rated by Standard & Poor's or Moody's financial rating methodology, criteria and ratios which are generally acceptable in the natural gas industry. In the event that Transporter determines that Shipper does not have an acceptable rating as set forth above, Shipper may, at its own expense, obtain a private rating from Standard & Poor's or Moody's, or as an alternative, request that an independent accountant or an independent financial consultant, mutually acceptable to Shipper and Transporter, prepare an equivalent evaluation based on the financial rating methodology, criteria and ratios generally acceptable in the natural gas industry as published by the above rating agencies from time to time or
 - (iii) other factors such as the willingness of Shipper to provide a corporate guarantee from an entity acceptable to Transporter.
- B. To permit Transporter to conduct a creditworthiness review, a Shipper shall, upon request by Transporter, render to Transporter:
- (i) complete and current financial statements, including annual reports, 10K reports or other filings with regulatory agencies, prepared in accordance with generally accepted accounting principles, or for non U.S.-based Shippers, prepared in accordance with equivalent principles;

- (ii) a list of corporate affiliates, parent companies and subsidiaries; and
- (iii) any credit reports from credit reporting agencies which are available.

In addition to the establishment of creditworthiness:

- (i) Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws such as an assignment for the benefit of creditors, or any informal creditors' committee agreement; an exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act, but only with adequate assurances satisfactory to Transporter that the billing will be paid promptly as cost of administration under the federal court's jurisdiction;
 - (ii) Shipper should not be subject to the uncertainty of pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency or the ability to exist as an ongoing business entity;
 - (iii) If Shipper has an ongoing business relationship with Transporter, no delinquent balances should be consistently outstanding for transportation services made previously by Transporter, and Shipper must have paid its account in the past according to the credit terms and contract provisions and not made deductions or withheld payment for claims not authorized by contract; and
 - (iv) No significant collection, lawsuits or judgments are outstanding which would seriously reflect upon the Shipper's ability to remain solvent.
- C. If a Shipper fails to establish creditworthiness as provided herein, Shipper may still receive interruptible service of any duration, or firm service through purchase of capacity relinquished for a maximum period of up to one (1) month under the applicable Rate Schedule provided it furnishes and maintains in effect one of the following at Shipper's discretion and acceptable to Transporter:
- (i) a written guarantee from a third party which is creditworthy as determined above; or
 - (ii) an irrevocable standby letter of credit; or

- (iii) an amount equal to the amount which would be charged to Shipper for three (3) month's service or the term of service, whichever is less, to be deposited in an escrow account at a bank of Shipper's choosing; or
- (iv) other security reasonably acceptable to Transporter.

If a Shipper fails to establish creditworthiness as provided herein, Shipper may still receive firm service or service through purchase of capacity relinquished for a period longer than one (1) month under the applicable Rate Schedule provided it furnishes and maintains in effect one of the following at Shipper's discretion and acceptable to Transporter:

- (i) a written guarantee from a third party which is creditworthy as determined above; or
- (ii) an irrevocable standby letter of credit; or
- (iii) other security reasonably acceptable to Transporter.

- D. Transporter's credit appraisal procedures involve the establishment of dollar credit limits on a standardized nondiscriminatory basis. To the extent that a Shipper's account(s) with Transporter do not exceed such limits and/or provided no new information regarding Shipper's financial or business position becomes known to Transporter, no new credit approval shall be necessary for Shipper's existing Service Agreement(s) unless subsequently amended; provided however, a Shipper's credit file may be updated by Transporter at any time.
- E. If Transporter determines Shipper to be non-creditworthy, Transporter will provide written notice to Shipper within ten (10) days of such determination, and will include in such notice the reasons Shipper has been determined to be non-creditworthy.

At any time after Shipper is determined to be non-creditworthy by Transporter, Shipper may initiate a creditworthiness re-evaluation by Transporter. As part of Shipper's re-evaluation request, Shipper shall either update or confirm in writing the prior information provided to Transporter related to Shipper's creditworthiness. Such update shall include any event(s) that Shipper believes could lead to a material change in Shipper's creditworthiness.

After Transporter's receipt of Shipper's request for re-evaluation, including all required information pursuant to NAESB WGQ Standard 0.3.8, within five (5) Business Days Transporter shall provide a written response to Shipper's request. Such written response shall include either a determination of creditworthiness status, clearly stating the reason(s) for Transporter's decision, or an explanation

supporting a future date by which a re-evaluation determination will be made. In no event shall such re-evaluation determination exceed twenty (20) Business Days from the date of the receipt of Shipper's request, unless specified in Transporter' tariff or if the parties mutually agree to some later date.

6.18 OPERATIONAL FLOW ORDERS

A. Applicability

- (i) The Operational Flow Order ("OFO") provisions of this Section 6.18 shall apply where Transporter is unable to deliver scheduled transportation quantities during periods of anticipated or actual diminished capacity on Transporter's system under any Rate Schedule, or where it is necessary in Transporter's sole judgment to prevent, maintain or restore the operational integrity of Transporter's pipeline system, or where it is required to maintain operations in such a manner as to provide efficient and reliable firm services. Where Transporter experiences any such operating condition, or there is a reasonable expectation Transporter will soon experience any such operating condition, a resulting order from Transporter directing actions necessary to remedy such situations shall be referred to as an OFO. In the OFO, Transporter may, on a not unduly discriminatory basis, cause implementation of actions, or request Shippers to take such actions, to assist in preventing, alleviating or remedying such operating conditions that could cause diminished capacity or compromise the operational integrity of Transporter's pipeline system.

B. General Procedure

- (i) Without limitation, circumstances that may require issuance of an OFO include:
 - (a) An event of Force Majeure,
 - (b) Maintenance of line pack,
 - (c) Emergency maintenance or repair or
 - (d) Deviation of Shipper(s) actual receipts or deliveries from scheduled receipts or deliveries in a manner that threatens scheduled services of others.
- (ii) The issuance of an OFO for any period of time shall, within the limits of dispatching accuracy and available facilities, be accomplished as follows:
 - (a) Transporter shall determine:
 - (1) the Affected Area,
 - (2) the capacity of interruptible and/or firm services, including authorized overrun services under firm services that must be curtailed or suspended in the Affected Area, and
 - (3) the pro rata share of firm capacity available for each Shipper in the Affected Area.

- (b) Transporter shall then issue an OFO to all Shippers in the Affected Area as soon as practicable. The OFO shall identify the situation to be addressed and shall indicate the specific action(s) to be taken by the Shipper(s) receiving the OFO stated in terms of an hourly or daily gas flow level and specify a discrete length of time the OFO will be in effect.
 - (c) Transporter's OFO shall include information as to the anticipated extent and duration of the circumstance requiring issuance of the OFO. In its OFO, Transporter shall give Shippers as much notice as is operationally feasible with respect to the deadline for compliance with the OFO; provided, however, Transporter will not specify a time period for compliance which is less than two (2) hours after issuance of the OFO. Unless otherwise specified in the OFO, compliance with an OFO must be achieved within four (4) hours, or within one (1) hour pursuant to Section 6.18.F.2 herein. Daily OFOs will be issued no later than eight (8) hours prior to the end of a gas day and, notwithstanding the prior stipulated four (4) hour compliance requirements, compliance must be achieved by no later than the end of the gas day.
 - (d) Transporter shall not knowingly schedule or permit scheduling of service which will result in an operating condition in which system pressure rises or falls to operationally unacceptable levels or would otherwise jeopardize the integrity of the system and the ability of Transporter to provide service under firm rate schedules.
- (iii) Operating personnel of Shipper or its designee(s) and/or other entities which are physically taking delivery of gas from Transporter or tendering gas to Transporter shall cooperate fully with Transporter in maintaining the integrity of Transporter's system. Shipper shall name contact person(s) available to receive communication from Transporter on operating matters at any time, on a 24-hour a day, 365-day a year basis. If Transporter is unable after reasonable efforts to contact any Shipper or Shipper's contact person, such Shipper shall be solely responsible for any consequences arising from such impossibility of communication.
 - (iv) Compliance with an OFO shall be defined as a measurable change in gas flow to the hourly or daily level specified in the OFO, written confirmation of a flow rate change on an upstream pipeline, or a written confirmed scheduling change with Transporter.

- (v) Such OFO may require a Shipper, its designee(s) or other entity(ies) selected by Shipper to undertake any of the following:
 - (1) To commence or increase supply inputs into Transporter's pipeline system at specified rate(s) of flow;
 - (2) To cease or reduce supply inputs by a specified quantity and rate(s) of flow;
 - (3) To commence or increase takes of gas from Transporter's pipeline system by a specified quantity or at specified delivery points at specified rate(s) of flow;
 - (4) To reduce takes of gas from Transporter's pipeline system by specified quantities and/or at specified delivery points and rate(s) of flow, or;
 - (5) In the event the action(s) set forth in (1)-(4) herein are not operationally feasible, the OFO may require Shipper, its designee(s), or other entity(ies) to take such other action as are within Shipper's control which would tend to alleviate the operating condition to be addressed.

C. Order of Affected Services

To the extent Transporter is unable to make deliveries or receive gas in accordance with scheduled quantities Transporter shall issue an OFO to curtail or suspend service to Shippers in the Affected Area in the order and manner set forth below.

(i) Rate Schedule PALS

Transporter shall first curtail or suspend Parking and Lending Service to Shippers receiving service under Rate Schedule PALS in the order of the unit rate at which the service is being performed, beginning with the unit rate that represents the lowest percentage of the maximum applicable rate. Among Shippers paying the same rate for service under Rate Schedule PALS, service will be curtailed pro-rata on the basis of scheduled quantities. All service under Rate Schedule PALS in the Affected Area shall be curtailed or suspended before any services listed below are curtailed or suspended.

(ii) Rate Schedule ITS

Transporter shall next curtail or suspend Interruptible Transportation Service to Shippers receiving service under the Rate Schedule ITS in the order of the unit rate at which the service is being performed, beginning with the unit rate that represents the lowest percentage of the maximum applicable rate. As used in this Section, the term "interruptible" includes all authorized overrun services under firm service agreements. Shippers paying the maximum or higher rate shall be suspended or curtailed on a pro rata basis. All services under Rate Schedule PALS and Rate Schedule ITS in the Affected Area shall be curtailed or suspended before any services listed below are curtailed or suspended.

(iii) Rate Schedule FTS

Transporter shall last curtail or suspend Firm Transportation Service to Shippers receiving service under Rate Schedule FTS on a pro rata basis. All services under Rate Schedule PALS and Rate Schedule ITS in the Affected Area shall be curtailed or suspended before any services listed herein are curtailed or suspended.

D. Identification of Shippers Causing Issuance of an OFO

- (i) Whenever possible, Transporter will identify the discrete Shippers whose actions require Transporter to issue an OFO, and will limit the applicability of the OFO to such Shippers.
- (ii) If Transporter is unable to identify the discrete Shippers whose actions require issuance of an OFO, or if Transporter's issuance of an OFO to the discrete Shippers is insufficient to alleviate the conditions requiring the issuance of such OFO, Transporter may issue an additional OFO applicable to Shippers in Affected Areas or to all Shippers system-wide, as necessary, on a nondiscriminatory basis.
- (iii) Transporter shall not knowingly schedule or permit scheduling of service which will result in the need to issue an OFO.

E. OFO Postings

- (i) If possible, Transporter will issue an advance warning by Critical Notice of any circumstance it believes may create the need to issue an OFO. The Critical Notice will be posted on Transporter's Internet Website, noticed by telephone calls or issued by means of EDM directly to Shippers in Affected Areas.

- (ii) If issuance of the Critical Notice is not adequate to prevent an OFO, an OFO shall be issued and posted on Transporter's Internet Website, to be followed by a facsimile, written notice or other mutually agreeable means of EDM to affected Shippers that describe the circumstance necessitating issuance of the OFO. Transporter will issue an OFO as expeditiously as is reasonable and practicable for the circumstance. When practicable, Transporter will provide sufficient notice to Shippers to accommodate scheduling requirements on upstream and/or downstream pipelines.
- (iii) Each OFO issued shall contain the following provisions:
 - (a) the date and time of the OFO issuance;
 - (b) the date and time the OFO is effective;
 - (c) the circumstance that required issuance of the OFO;
 - (d) the actions required to remedy the circumstance causing issuance of the OFO;
 - (e) the expected duration of the OFO;
 - (f) the Shipper(s) and any other parties receiving the OFO;
 - (g) the daily quantity of gas to be curtailed or suspended, as measured from currently scheduled quantities and/or other actions required to remedy the circumstance that required the issuance of the OFO;
 - (h) the hourly flow rate under the OFO, provided however that if no flow rate is specified in the OFO, the hourly flow rate shall be the maximum hourly flow rate set forth in the affected Shipper's underlying Service Agreement, or as specified in Section 6.6 of the General Terms and Conditions;
 - (i) the affected locations of Transporter's pipeline system; and
 - (j) any other requirement that Transporter may reasonably require to ensure the circumstance causing issuance of the OFO is remedied.

Transporter will post a notice on its Internet Website informing Shipper(s) when any OFO order currently in effect will be canceled.

F. Responsibility of Shippers to Remedy a Critical Notice or OFO

- (i) If it is possible for Transporter to issue a Critical Notice prior to issuance an OFO, it shall be incumbent upon the responsible Shippers to make operational changes directed by Transporter in order for Transporter to avoid issuance of an OFO.
- (ii) Upon the issuance of an OFO by Transporter, Shippers responsible for the OFO shall make operational changes as directed by Transporter within the time frame specified in the OFO. Unless otherwise specified in the OFO,

compliance with an OFO shall be achieved within 4-hours, or within 1-hour if the OFO is issued to prevent delivery pressures from falling below another Shipper's contractual delivery pressure.

G. Shipper Penalties for Non-compliance with an OFO

- (i) Where a Shipper is required by Transporter under an OFO to nominate and schedule certain gas receipts and/or deliveries in order to comply with the OFO, an OFO penalty will only be assessed if the Shipper had a reasonable opportunity to remedy the circumstance causing the OFO and failed to do so. Such reasonable opportunities include the following:
 - (a) nominate gas supplies and/or deliveries which, once confirmed and scheduled, would remedy the circumstance causing the OFO.
 - (b) take other appropriate action which remedies the circumstance causing the OFO.
- (ii) OFO penalties shall be accounted for and refunded annually, net of Transporter's costs, to all Shippers not penalized under this OFO procedure based on the ratio of the quantity of gas each Shipper transports in Transporter's pipeline system to the total quantity of gas transported by non-offending shippers in Transporter's pipeline system.
- (iii) Failure to comply in a timely fashion with an OFO shall subject a responsible Shipper to the following penalties.
 - (a) an immediate interruption of all or a portion of Shipper's service and
 - (b) an OFO penalty of \$25 multiplied by the quantities of gas transported by a Shipper in excess of the quantity allowed under the OFO.

The payment of unauthorized overrun penalties does not create the right to exceed the gas quantities allowed under an OFO.

H. Remedies Available to Transporter

In the event a Shipper does not respond to an OFO and Transporter believes it is necessary to take actions, such as buying or selling Gas to maintain system integrity or to prevent interrupting service to another Shipper, Transporter shall have the right, but not the obligation, to take such actions as it deems necessary to remedy the circumstance causing issuance of an OFO. If Transporter takes such actions, Transporter shall be made whole by such non-responding Shipper for all reasonable costs that Transporter incurs. Transporter shall not be liable for any

costs incurred by a Shipper as required to comply with an OFO. Remedies available to Transporter include the following.

- (i) Transporter may enter into gas sales and/or purchase contracts on such terms and conditions as Transporter deems necessary in order to sell or purchase natural gas supplies for the purpose of preventing or curing an OFO that would be caused, or has been caused, by a Shipper failing to respond to a Critical Notice or OFO issued by Transporter.
- (ii) This remedy available to Transporter hereunder shall be limited to circumstances where the Shipper responsible for Transporter's issuance a Critical Notice or an OFO fails to respond in a timely manner to prevent or remedy the OFO, or where the Shipper informs Transporter of its inability to prevent or remedy the circumstance causing issuance of an OFO.
- (iii) A Shipper identified by Transporter under Section 6.18.E(ii) herein as responsible for Transporter's need to enter into any gas sale or purchase contracts in order to avoid the issuance an OFO, or in order to remedy an OFO, shall reimburse Transporter for any and all costs Transporter incurs as a result of entering into such gas sale or purchase contracts. Such contract costs shall be recovered by Transporter from Shipper through a direct bill, a surcharge to the rate paid by the Shipper or by any other means allowed by the Commission. Transporter shall not be liable for any costs incurred by Shipper hereunder.

Transporter may avail itself of any other remedies approved by the Commission.

I. Transporter's Indemnity from OFO Remedial Actions

Transporter shall not be responsible for damages that result from an interruption in any Shipper's service that results from failure of a Shipper to promptly and fully comply with an OFO issued by Transporter, and any such non-complying Shipper(s) shall fully indemnify Transporter against any claims of responsibility. To the extent Transporter acts to remedy an OFO caused by one or more Shippers under Section 6.18.F hereunder, Transporter shall not be responsible for any failure in whole or in part to contract for gas supplies or deliveries.

J. Reporting

Within thirty days after an OFO terminates, Transporter will prepare a report containing information on the circumstance that caused the issuance of an OFO, the actions taken to successfully remedy that circumstance. The reports will be posted on Transporter's Internet Website.

6.19 CAPACITY RELEASE

A Shipper with a service agreement under Rate Schedule FTS may release all or a portion of its firm capacity ("eligible capacity") from an individual Service Agreement pursuant to this Section 6.19.

This Section 6.19 sets forth the sole means by which a firm Shipper may, pursuant to Section 284.8 of the Commission's Regulations, release its firm capacity rights under a Service Agreement with Transporter to a third party.

A. Definitions

1. A Releasing Shipper is a Shipper that has executed a Release Notice in accordance with Section 6.19.B, below.
2. A Replacement Shipper is a party that (1) meets the eligibility criteria for Shippers set forth in Section 6.22.A (Information Required to Accompany Transportation Requests) and Section 6.17 (Creditworthiness) of the General Terms and Conditions, (2) executes a Master Service Agreement for Capacity Release Transactions ("Master Service Agreement") as prescribed in this Tariff, and (3) accepts the capacity released pursuant to this Section 6.19. Transporter will issue and execute a Master Service Agreement for such releases.
3. A Permanent Release is a Release of all, or any portion, of the Releasing Shipper's eligible capacity subject to a Service Agreement for the full remaining primary term under the Service Agreement.
4. A Temporary Release is a Release of all, or any portion, of the Releasing Shipper's eligible capacity subject to a Service Agreement for a period less than the remaining primary term of the Service Agreement.

A Replacement Shipper may re-release acquired capacity subject to the terms and basis of the original release except as may be prohibited by Commission Regulations.

B. Initiation of the Capacity Release Process

1. A Shipper that desires to release any or all of its eligible capacity must notify Transporter in writing or electronically of its intent to release capacity and the terms of the release (hereinafter referred to as "Release Notice"). Such Release Notice shall be executed by an authorized representative of the Releasing Shipper. All terms and conditions the Releasing Shipper proposes shall be posted as set forth below. Such

terms and conditions must be objectively stated, non-discriminatory and applicable to all potential bidders. The Release Notice shall constitute a binding offer on the part of Releasing Shipper to release the eligible capacity pursuant to the terms of the Release Notice, until electronic notice of withdrawal is received by Transporter. Transporter shall reject any Release Notice that does not comply fully with the foregoing requirements.

2. The Release Notice shall include the following information:
 - (a) Name, address, contact person, telephone number, and facsimile number of the Releasing Shipper and the Releasing Shipper's contract number;
 - (b) The specific quantity to be released, stated in dekatherms per day of MDTQ;
 - (c) Whether the release is Permanent or Temporary;
 - (d) Whether the release is recallable and, if recallable, whether on either a permanent or temporary basis, and the terms and conditions applicable to such right of recall and reput;
 - (e) Identification of the Primary Receipt Point(s) capacity and Primary Delivery Point(s) capacity to be relinquished; provided that, the Primary Receipt Point capacity to be released shall equal the Primary Delivery Point capacity to be released;
 - (f) The term of the proposed release, which in the case of a Permanent Release must equal the remaining term of the Releasing Shipper's existing service agreement;
 - (g) The minimum rate expressed in dollars and cents or percentage of the maximum rate, term, and quantity of capacity Releasing Shipper will accept, if any, and whether bids using a volumetric rate for the collection of Reservation Charges will be accepted and whether the Releasing Shipper requires a volumetric commitment.
 - i. For releases with a term greater than one (1) year, the maximum volumetric rate that may be bid shall not exceed the 100% load factor equivalent of the maximum Reservation Charge. The maximum reservation charge equals the daily reservation rate for Rate Schedule FTS. The maximum reservation rate that may be bid may not

exceed the maximum reservation rate under Rate Schedule FTS as set forth in Section 4 of this FERC NGA Gas Tariff.

- ii. For releases with a term of one (1) year or less, there is no restriction on the maximum rate that the Releasing Shipper may require for acceptance.
- (h) Identification of any Replacement Shipper with whom Releasing Shipper has prearranged the release and such Replacement Shipper's address, contact person, telephone number; fax number, and contract number if applicable;
- (i) Whether the Releasing Shipper will accept contingent bids, and if so under what circumstances.
- (j) For the capacity release business process timing model, only the following methodologies are required to be supported by capacity release service providers and provided to Releasing Shippers as choices from which they may select and, once chosen, should be used in determining the awards from the bid(s) submitted. They are: 1) highest rate, 2) net revenue and 3) Net Present Value ("NPV"). For index-based capacity release transactions, the Releasing Shipper should provide the necessary information and instructions to support the chosen methodology. Other choices of bid evaluation methodology (including other Releasing Shipper defined evaluation methodologies) can be accorded similar timeline evaluation treatment at the discretion of the capacity release service provider. However, the capacity release service provider is not required to offer other choices or similar timeline treatment for other choices, nor, is the capacity release service provider held to the timeline should the Releasing Shipper elect another method of evaluation. The best bid evaluation method established by the Releasing must be objectively stated, applicable to all Replacement Shippers and not unduly discriminatory and shall enable Transporter to rank bids received by utilizing the weight assigned by Releasing Shipper to each element of the Release Notice;
- (k) Whether the Releasing Shipper will permit the Replacement Shipper, to request changes to Primary Receipt and/or Delivery Points.
- (1) Whether the capacity to be relinquished was obtained pursuant to the provisions of this Section 6.19.

3. The terms Releasing Shipper imposes may not conflict with any provision of the Service Agreement, Rate Schedule or General Terms and Conditions.
4. Replacement Shipper will initiate confirmation of prearranged deals electronically.
5. The Releasing Shipper may withdraw its offer during the bid period, where unanticipated circumstances justify and no valid minimum bid has been made.

C. Posting of the Release Notice

All valid Release Notices shall be posted on Transporter's Internet Website accessible via the internet by Transporter or Releasing Shipper, including capacity released on a prearranged basis, upon receipt, unless Releasing Shipper requests otherwise. Capacity Release facilitator should post offers and bids, including prearranged deals, upon receipt. A Releasing Shipper may request a later posting time for posting of such offer, and the capacity release facilitator should support such request insofar as it comports with standard Capacity Release timeline specified in NAESB WGQ 5.3.2. All Notices shall be binding until written or electronic notification of withdrawal is received by Transporter. The notice posted shall contain the information set forth in Section 6.19.B. above. The posting of the Release Notice shall also include:

1. except for releases for a period of one year or less, the maximum reservation rate (including any reservation type surcharges) applicable to the capacity;
2. the date and time by which bids must be submitted in accordance with the capacity release timeline; and
3. the date and time the Notice is posted.

Any minimum conditions set forth pursuant to Section 6.19.B herein shall be posted with the Release Notice unless the Releasing Shipper indicates in the Release Notice that such minimum conditions are confidential in which event Transporter shall indicate on the posted Release Notice that minimum conditions exist. After capacity has been awarded, Transporter shall post the terms of any previously undisclosed minimum conditions.

D. Acquisition of Eligible Capacity

Except as set forth in Section 6.19.F herein, Replacement Shippers may only acquire eligible capacity through the bidding process set forth in Section 6.19.E herein.

E. Open Season Bidding – Biddable Releases:

1. Parties That May Bid

In order to submit a bid under, any party, including a prearranged Replacement Shipper must be on the approved bidders list. To be on the approved bidders list, a party must (1) satisfy the provisions of Section 6.22.A (Information Required to Accompany Transportation Requests) and Section 6.17 (Creditworthiness) of the General Terms and Condition and (2) have executed a Master Service Agreement in the form set forth in Section 7.4 of this FERC NGA Gas Tariff. A party shall remain on the approved bidders list until such party notifies Transporter to the contrary or no longer meets the credit qualifications in Section 6.17 of these General Terms and Conditions.

2. Capacity Release Timelines (in Central Clock Time)

The capacity release timeline applies to all parties involved in the capacity release process provided that (1) all information provided by the parties to the transaction is valid and the Replacement Shipper has been determined to be creditworthy before the capacity release bid is tendered, (2) for index-based capacity release transactions, the Releasing Shipper has provided the capacity release service provider with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (3) there are no special terms or conditions of the release.

Further, the capacity release service provider may complete the capacity release process on a different timeline if the offer includes unfamiliar or unclear terms and conditions (e.g. designation of an index not supported by Transporter).

(a) For biddable releases (less than 1 year):

- i. offers should be tendered by 9:00 A.M. on a Business Day;

- ii. open season ends no later than 10:00 A.M. on the same or subsequent Business Day (evaluation period begins at 10:00 A.M. during which contingency is eliminated, determination of best bid is made, and ties are broken);
 - iii. if no match is required, the evaluation period ends and award posting at 11:00 A.M.;
 - iv. match or award is communicated by 11:00 A.M.;
 - v. match response occurs by 11:30 A.M.;
 - vi. where match required, award posting by 12:00 Noon;
 - vii. contract issued within one hour of award posting (with a new contract number, where applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract.
- (b) For biddable releases (1 year of more):
- i. offers should be tendered by 9:00 A.M. on a Business Day;
 - ii. open season shall include no less than three 9:00 A.M. to 10:00 A.M. time periods on consecutive Business Days;
 - iii. evaluation period begins at 10:00 A.M. during which contingency is eliminated, determination of best bid is made, and ties are broken;
 - iv. if no match is required, evaluation period ends and award is posted by 11:00 A.M.;
 - v. where a match is required, the match is communicated by 11:00 A.M.; the match response occurs by 11:30 A.M., and the award is posted by 12:00 Noon;
 - vii. contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract.

- (c) If the Releasing Shipper specifies a bid evaluation methodology other than the highest rate, net revenue, or NPV, or there are other special conditions, the above timelines shall apply; however, one additional business day shall be added to the evaluation period. Such extended evaluation shall cause gas flow to be at least one day later than gas could flow under the timelines set forth above.

3. Information To Be Included in Bids

All bids shall contain the following bid information:

- (a) The identity of the bidder, including contact person business address, phone number and facsimile number;
- (b) The relinquishment under which the capacity is available and the MDTQ;
- (c) The requested primary receipt point(s) and the primary delivery point(s) and the quantity separately stated, for each such point;
- (d) The rate bid on a reservation charge basis between the minimum and maximum Reservation Charge (including any applicable reservation type surcharges). In the event the Releasing Shipper has allowed a volumetric release, the bids may be converted into a volumetric charge. The maximum rate for volumetric releases with a term of greater than one (1) year is the maximum applicable reservation charge set forth in Section 4 of this FERC NGA Gas Tariff, plus all applicable reservation surcharges. No rate limitation applies to the release of capacity for a period of one year or less and all such releases must comply with the posting and bidding requirements set forth in this Section 6.19;
- (e) Any other conditions necessary to meet the terms of the Release Notice; and
- (f) The minimum amount of prorated capacity that the bidder will accept, if prorating is necessary.
- (g) Whether the release will be to an asset manager, as defined in Section 284.8(h)(3) of the Commission's Regulations, and, if so, the asset manager's obligation to deliver gas to, or purchase gas from, the releasing shipper, the volumetric level of the obligation and the time period(s) such obligation will be in effect.

- (h) Whether the release will be to a marketer participating in a state regulated retail access program, as defined in Section 284.8(h)(4) of the Commission's Regulations.

4. Withdrawal of Bids; Binding Nature of Bids

A party may submit only one bid at a time in response to a Release Notice. All bids will be binding until electronic notice of withdrawal is received by Transporter. A bid may be withdrawn at any time prior to the close of the bidding period; provided however, the same party may not submit a lower bid. Once a bidder has withdrawn its bid, the bidder may only submit a new bid for such released capacity at a higher rate. Bids cannot be withdrawn after the bid period ends. At the close of the bidding period, any bids received by Transporter shall be deemed to be a binding offer by the prospective Replacement Shipper to acquire capacity pursuant to the terms of the bid.

5. Posting of Bids

During the open season and bid submittal periods, all valid bids (excluding bidder's name) will be posted. Bids provided electronically must comply with the provisions of Section 6.19.M herein. Invalid bids will not be posted.

6. Extensions of Bidding Period Not Permitted

A Releasing Shipper will not be able to specify an extension of the original bid period or the prearranged deal match period, without posting a new release.

F. Releases Exempt from Bidding

1. Releases that are exempt from bidding are:

- (a) Prearranged releases for 31 days or less. Such releases may not be rolled over, or otherwise be extended beyond the initial term of the release. The Replacement Shipper, its designee or affiliate may not acquire capacity under this provision from the Replacement Shipper for twenty-eight (28) days following the expiration of the release under this provision, without such transaction being subject to open season bidding.

- (b) Prearranged releases for a period greater than one (1) year where the prearranged Replacement Shipper has agreed to pay the maximum rate and has agreed to all other conditions applicable to the release.
- (c) Prearranged releases to an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations.
- (d) Prearranged releases to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

All prearranged Replacement Shippers must be on the approved bidders list as set forth in Section 6.19.E.1 herein.

2. Timelines for Capacity Releases Exempt from Bidding (in Central Clock Time)

The posting of the Release Notice for releases not subject to bidding are due:

- (a) Timely Cycle
 - i. posting of prearranged deals not subject to bid are due by 12:00 Noon ;
 - ii. contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract.
- (b) Evening Cycle
 - i. posting of prearranged deals not subject to bid are due by 5:00 P.M.;
 - ii. contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract.

(c) Intraday 1 Cycle

- i. posting of prearranged deals not subject to bid are due by 9:00 A.M.;
- ii. contract issues within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract

(d) Intraday 2 Cycle

- i. posting of prearranged deals not subject to bid are due by 1:30 P.M.;
- ii. contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract.

(e) Intraday 3 Cycle

- i. posting of prearranged deals not subject to bid are due by 6:00 P.M.;
- ii. contract issued within one hour of award posting (with a new contract number, when applicable); nomination possible beginning at the next available nomination cycle for the effective date of the contract.

G. Selection of Replacement Shipper:

1. Releases Subject to Open-Season Bidding

(a) General

Transporter shall review the bids received and reject any bids that do not comply with all applicable provisions of this Section 6.19 and the Release Notice. Subject to the right to match, if applicable, Transporter will evaluate and rank all bids and award the eligible capacity to the bidder that submitted the bid that meets all the terms and condition of the Release Notices and provides the greatest economic value as determined by the evaluation

methodology specified in the Release Notice. If the Releasing Shipper has permitted contingent bid, the selection of the Replacement Shipper may be delayed in accordance with the contingencies permitted in the Release Notice. If the bids of two or more Replacement Shippers provide the same economic value and both meet all the conditions placed on the release, eligible capacity will be awarded to the Replacement Shipper who submitted the first bid; provided however, if a contingent bid and a non-contingent bid tie, capacity will be awarded to the non-contingent bidder. If there are multiple bids meeting the minimum conditions, Transporter will evaluate and rank all bids and will award bids, best bid first, until all offered capacity is awarded.

(b) Open-Season Bids for Prearranged Replacement Shippers

Where there is a prearranged release subject to open season bidding and a bid is submitted that is better than the bid submitted by the prearranged Replacement Shipper, Transporter will notify the prearranged Replacement Shipper by 2:00 p.m. Central Clock Time on the day the released capacity is awarded and the prearranged Replacement Shipper will have until 2:30 p.m. to match the better offer and obtain the right to the relinquished capacity. If the prearranged Replacement Shipper matches the better bid, Transporter will award the eligible capacity to the prearranged Replacement Shipper. If the prearranged Replacement Shipper does not match the better bid, Transporter shall award the eligible capacity to the party that submitted the best bid.

2. Releases Not Subject to Bidding

If the Releasing Shipper notifies Transporter in the Release Notice that it has prearranged a Replacement Shipper and if no other party is eligible to bid for the release, Transporter will award the eligible capacity to the Prearranged Shipper upon the prearranged Replacement Shipper's confirmation.

H. Posting of Awards:

After the awarding of bids for eligible capacity, Transporter shall post the winning bid(s), any minimum conditions, and the identity of the winning bidder(s). For biddable releases subject to recall, Transporter shall make available to the Releasing Shipper information to enable the Releasing Shipper to contact the Replacement Shipper in the event of a capacity recall.

I. Issuance of Contracts

Within one hour of the award of the eligible capacity, Transporter will issue to the Replacement Shipper the Master Service Agreement, reflecting the terms of the Replacement Shipper's bid. If all the information provided by the Releasing Shipper, Replacement Shipper is valid, the Replacement Shipper is creditworthy, and there are no special terms or conditions, Transporter shall execute the Master Service Agreement, as applicable, at the same time. For Permanent Releases, Transporter will issue a new Service agreement within thirty (30) days after the award. The new service agreement will supersede the Master Service Agreement.

J. Rights and Obligations of the Replacement Shipper

1. Any bid submitted shall bind the Replacement Shipper to the terms of the bid if Transporter awards the eligible capacity, in whole or in part, to the Replacement Shipper. The Replacement Shipper shall therefore be obligated to execute the Master Service Agreement, as applicable, that Transporter issues.
2. Once the eligible capacity has been awarded, the Replacement Shipper may submit nominations pursuant to Section 6.10 of the General Terms and Conditions beginning with the next available nomination cycle for the effective date of the release.
3. Once the Replacement Shipper is notified that it has been awarded eligible capacity, the Replacement Shipper shall have all the rights and obligations specified under the Releasing Shipper's Rate Schedule and the General Terms and Conditions, including the right to release firm capacity pursuant to this Section 6.19 unless the conditions prescribed the Release Notice require otherwise.
4. The Replacement Shipper shall have no Right of First Refusal with respect to the eligible capacity unless the release is a Permanent Release.
5. The Replacement Shipper is responsible for payment of the Reservation Charge and any surcharges thereon, in the amount of its winning bid. The Replacement Shipper is also responsible for other billings, e.g., usage rate and applicable usage surcharges.

K. Rights and Obligation of the Releasing Shipper

1. The Releasing Shipper shall not be responsible for usage charges or surcharges thereon for quantities of gas actually transported for the Replacement Shipper. The Releasing Shipper shall remain responsible to Transporter for all reservation charges and surcharges thereon provided pursuant to the Releasing Shipper's Service Agreement, except as provided in Section 6.19.K.5 herein.
2. A credit will be included on each of the Releasing Shipper's monthly bills to reflect the Releasing Shipper's reservation charge obligation to Transporter that is invoiced to the Replacement Shipper. In the event of a release with a volumetrically stated rate, the rate shall be no greater than the 100% load factor equivalent of Transporter's currently applicable maximum reservation charge and shall be credited to reservation charges for the month. If the Replacement Shipper fails to pay all or any part of the reservation fee so credited within thirty days of the due date, then such unpaid amount will be charged to the Releasing Shipper's next monthly bill and will be due and payable by the Releasing Shipper pursuant to Section 6.16 (Invoicing and Payment) of the General Terms and Conditions.
3. When the Releasing Shipper releases only a portion of the MDTQ, the Releasing Shipper's Service Agreement shall, be deemed to be modified in accordance with the release and the Releasing Shipper may not utilize the capacity released during the term of the release.
4. The Replacement Shipper has the right to utilize the standard tariff method, as defined below, or to define the condition(s) precedent that will result in a recall and reput (return to Replacement Shipper) of capacity subject to a temporary release by specifying such conditions in the Release Notice. The Replacement Shipper has no right to recall the released capacity, other than any rights set forth in the Release Notice. This released capacity is recallable in whole or in part at the discretion of the Releasing Shipper. At the end of the recall period, the capacity recalled reverts (reputs) back to the original Replacement Shipper in whole or in part. The terms and conditions of any recall rights shall not be inconsistent with the terms and conditions of the Releasing Shipper's existing Service Agreement with Transporter nor the provisions of Transporter's FERC NGA Gas Tariff. No right of recall shall be permitted for any other type of release. Transporter shall continue to apply all tariff provisions to the Shipper of record until notified of a recall or notified of the termination of such recall and shall change the Shipper of record on a

prospective basis only after proper notification of a change. A Releasing Shipper shall be responsible for notifying its Replacement Shipper prior to the exercise of the Releasing Shipper's recall right. Transporter has the right to rely on a Releasing Shipper's notice and a Releasing Shipper shall defend and indemnify Transporter against any claims, losses, liabilities, or expense (including reasonable attorney's fees) resulting from claims by any Replacement Shipper that relinquished capacity was not recalled in accordance with the recall rights specified by the Releasing Shipper.

The following recall notification periods are applicable for all released capacity subject to recall rights:

- (a) Timely Recall Notification:
 - (i) A Releasing Shipper recalling capacity should provide notice of such recall to Transporter and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;
 - (ii) Transporter should provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely nominations are due (Central Clock Time);
- (b) Early Evening Recall Notification:
 - (i) A Releasing Shipper recalling capacity should provide notice of such recall to Transporter and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
 - (ii) Transporter should provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due (Central Clock Time);
- (c) Evening Recall Notification:
 - (i) A Releasing Shipper recalling capacity should provide notice of such recall to Transporter and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;

- (ii) Transporter should provide notifications of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Timely Nominations are due (Central Clock Time);
- (d) Intraday 1 Recall Notification:
 - (1) A Releasing Shipper recalling capacity should provide notice of such recall to Transporter and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
 - (ii) Transporter should provide notifications of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due (Central Clock Time);
- (e) Intraday 2 Recall Notifications
 - (i) A Releasing Shipper recalling capacity should provide notice of such recall to Transporter and the first Replacement Shipper no later than 12:00 Noon on the day that Intraday 2 Nominations are due;
 - (ii) Transporter should provide notifications of such recall to all affected Replacement Shippers no later than 1:00 P.M. on the day that Intraday 2 Nominations are due (Central Clock Time);
- (d) Intraday 3 Recall Notifications
 - (i) A Releasing Shipper recalling capacity should provide notice of such recall to Transporter and the first Replacement Shipper no later than 4:00 p.m. on the day that Intraday 3 Nominations are due;
 - (ii) Transporter should provide notifications of such recall to all affected Replacement Shippers no later than 5:00 P.M. on the day that Intraday 3 Nominations are due (Central Clock Time);

For recall notification provided to Transporter prior to the recall notification deadline specified in NAESB WGQ

Standard No. 5.3.44 and received between 7:00 A.M. and 5:00 P.M., Transporter should provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification.

For recall notification provided to Transporter after 5:00 P.M. and prior to 7:00 A.M., Transporter should provide notification to all affected Replacement Shippers no later than 8:00 A.M. after receipt of such recall notification (Central Clock Time).

Notifications by Transporter shall be through the concurrent sending of electronic notification to two Internet E-mail addresses. Shipper is responsible for providing current addresses to transporter. Failure of Shipper to maintain current addresses on file with transporter will relieve Transporter of this obligation. The Releasing Shipper shall submit recall or reput notification to Transporter using Transporter's electronic bulletin board.

5. If the Releasing Shipper releases its capacity, in whole or in party, for the remaining term the Releasing Shipper's Service Agreement, the Releasing Shipper shall have no further responsibility or obligation under the Service Agreement for the capacity released, if the Replacement Shipper has agreed to pay rates equal to the rates the Releasing Shipper pays under the Service Agreement and the Replacement Shipper is creditworthy at the time of the release. If the Replacement Shipper agrees to pay rates that are less than the Releasing Shipper pays, the Releasing Shipper shall remain responsible for the difference in reservation charges owned under its Service Agreement and what the Replacement Shipper pays unless (i) the Releasing Shipper agrees to pay Transporter as an exit fee a lump sum payment for the difference between the rates the Releasing Shipper is obligated to pay and the rates the Replacement Shipper has agreed to pay for the remaining term of the Service Agreement and (ii) if the Releasing Shipper is obligated to pay the maximum rates applicable, the Replacement Shipper and Transporter agree on a mechanism to adjust the rates offered by the Replacement Shipper to reflect subsequent rate adjustments accepted by FERC. If the Replacement Shipper is not creditworthy at the time of the release, the Releasing Shipper shall remain responsible for all charges under the Service Agreement unless and until the Replacement Shipper establishes its creditworthiness in accordance with Section 6.17 (Creditworthiness) of these General Terms and Conditions.

L. Return to Shipper of Released Capacity Upon Expiration of Temporary Release.

Upon expiration of any Temporary Release, Transporter shall return to the Releasing Shipper all applicable released capacity as such capacity exists upon expiration of the Release Agreement. If the Releasing Shipper permitted the Replacement Shipper to change Primary Receipt and Delivery Points, then the capacity returned to Shipper at the expiration of a release will reflect any such changes; provided however, if the term of the release was for a period of one month or less within a single calendar month, then the capacity rights returned to Shipper will be identical to Shipper's pre-release firm capacity rights. If the Releasing Shipper did not permit changes to Primary Receipt and Delivery Points, the capacity returned to Shipper at the expiration of a release shall be identical to Shipper's pre-release firm capacity rights.

M. Electronic Transactions

1. Transporter will maintain an Internet Website on which transactions may be performed electronically by any interested Shipper. The transactional capabilities of Transporter's Internet Website shall be available on a not unduly discriminatory basis to any Shipper, provided that such Shipper has executed an agreement for electronic transactions in the form required by Transporter, has been assigned a user identification and password by Transporter, and has agreed to comply with Transporter's electronic transactional procedures. Transporter shall make information reasonably available on how to access and use the transactional capabilities of its Internet Website.
2. The transactional portion of Transporter's Internet Website will allow Shippers to locate all information concerning a specific transaction, and provide menus that permit a Shipper to separately access notices of released gas. Transporter's Internet Website will also permit downloads of files.

Transporter shall maintain and retain daily back-up records of such transactions on its Internet Website for three (3) years and permit a Shipper with a currently effective agreement for electronic transactions to review those records, which will be archived and be made reasonably accessible. Transporter will periodically archive transaction information when transactions have been completed. Information on the most recent entries will appear ahead of older information.

3. Transporter shall also post release notices, notice of capacity release bidding periods and all bids of acquiring shippers in accordance with the provisions of this Section 6.19.
4. Prior to issuance of a Shipper's user identification and password, the Shipper shall have executed an electronic transaction agreement provided by Transporter. Transporter shall not assess costs related to maintaining electronic transaction capabilities on its Internet Website, but may seek to include such costs in a NGA Section 4 rate filing.
5. Shippers may utilize the electronic transaction portion of Transporter's Internet Website to communicate notices of desire to release or acquire capacity under this Section 6.19; provided however, that such notices do not constitute binding release notices or bids under this Section 19, and Transporter makes no warranties or representations as to any such electronic communications posted by Shippers. Transporter shall maintain a separate section of its Internet Website for notices.

The foregoing provisions set forth the standards applicable to electronic transactions that may be performed on Transporter's Internet Website. Nothing herein shall prevent Transporter from making modifications to the electronic transaction capabilities on its Internet Website provided such changes are consistent with this Section.

N. Requests to Purchase Releasable Capacity

Transporter will post, as a Notice in its Informational Postings website, instructions describing how interested parties may submit a request to purchase releasable capacity from current Shippers. The instructions will include the information that is required for such a request. Upon receipt of a correctly completed request to purchase capacity, Transporter will post the request as a Notice on its Informational Postings website. Such requests will remain posted on the Informational Postings website for a minimum of 90 days. The e-mail address to which the request should be sent is cheniere.CCPL@cheniere.com.

6.20 CAPACITY SEGMENTATION

Shippers transporting under Rate Schedule FTS may segment firm capacity rights, for release or for their own use, between Receipt and Delivery Points into two (2) or more discrete capacity segments under this Section. Shippers segmenting capacity must specify,

- (i) the specific segment between valid receipt and/or delivery points within the Shipper's path; and
- (ii) all applicable changes to the Shipper's MDQ at the Primary Receipt and/or Delivery Points and to Shipper's MDTQ for the beginning point to the ending point of the segment, and any other changes to Shipper's MDTQ.

For Shippers segmenting capacity for their own use in the nomination process, Service Agreement provisions and tariff provisions as contained in the applicable rate schedule and General Terms and Conditions which limit receipt and delivery quantities nominated within the Shipper's MDTQ shall not apply, provided that such nominations must be pathed and provided further that a Shipper may not increase its capacity rights on any segment of Transporter's system through segmentation above the rights to which it would otherwise be entitled. Such segmentation shall be permitted where the transaction will not impede or adversely affect firm service to any other Shipper. If nominations by a releasing and Replacement Shipper, or a Shipper segmenting its own capacity, overlap anywhere on Transporter's system, the total nominations for the overlapping portion of the system are limited to the original Shipper's firm entitlement level for that portion of the system. In the event of such overlapping nominations, unless otherwise specified by releasing Shipper, capacity will be allocated on a pro rata basis based on nominations.

6.21 PRE-GRANTED ABANDONMENT AND RIGHT OF FIRST REFUSAL

A. Continuation of Service and Pre-Granted Abandonment

Transporter shall continue to provide service under a Service Agreement if the Service Agreement is extended under its terms and the Shipper exercises its Right of First Refusal pursuant to Section 6.21.B herein. Any other Service Agreement shall expire and shall automatically be terminated upon expiration of the Service Agreement.

B. Right of First Refusal

Firm Shippers shall have the right of first refusal ("Right of First Refusal") to retain existing capacity at the expiration of the primary term of a Service Agreement to which the Right of First Refusal applies or at the expiration of any unilateral rollover term for an applicable Service Agreement.

The Right of First Refusal shall apply to Service Agreements for firm service where the Shipper has agreed to pay maximum tariff rates and the primary term of the Service Agreement is twelve consecutive months or longer, or if the Service Agreement is not available for twelve consecutive months, the Service Agreement has a primary term of more than one year.

The Right of First Refusal shall be exercised as follows:

1. Twelve months prior to the expiration of the primary term, or any exercised unilateral rollover provision, Transporter shall post the availability of such capacity for bid on its Internet Website.
2. Parties interested in acquiring such capacity or any portion thereof shall be required to submit bids for such capacity during a six-month period commencing with the posting. Any bid must include the following information:
 - a. the identity of the bidder including business address, email address, telephone and facsimile numbers;
 - b. the Primary Receipt and Delivery points;
 - c. the Maximum Daily Transportation Quantity (MDTQ) requested;
 - d. the rate bid;
 - e. the length of the term the bidder requests;

- f. such other information as is required for the bid to be considered a valid request.
3. At the end of the six-month bidding period, Transporter shall provide the Shipper having the Right of First Refusal with notice of the terms of any bid, or bids acceptable to Transporter. Such notice shall occur within 30 days from the close of the bidding process.
4. If Transporter notifies the Shipper having the Right of First Refusal of an acceptable bid or bids, the Shipper may elect to exercise its Right of First Refusal with respect to all or a portion of its capacity under the applicable Service Agreement.
5. If Shipper elects to exercise its Right of First Refusal for all or a portion of its existing capacity under the applicable Service Agreement, Shipper will have 30 days following the date of such notice to provide Transporter notice under Section 6.21.B.3 above of its decision to match the economic value, as set forth below, of the acceptable bid for the portion of its existing capacity Shipper chooses to retain; provided however, that Shipper having the Right of First Refusal is only required to match the rate up to the maximum tariff rate under its existing Service Agreement.

The economic value of the bid shall be the NPV of the reservation charges the party would pay at the rate the party bid, which shall not be less than the minimum rate nor greater than the maximum rate, as stated in Section 4 of this FERC NGA Gas Tariff for the Service over the term of the bid. The NPV shall be determined using the methodology set forth in Section 6.22.B.6.

6. If Shipper matches the economic value of the acceptable bid, Shipper shall execute a new Service Agreement within 30-days from the date Transporter's tenders to Shipper the new Service Agreement. The rate under the new Service Agreement will provide the economic value of the acceptable bid.
7. If Shipper fails to exercise the Right of First Refusal, or to notify Transporter of the exercise or non-exercise of the Right of First Refusal within the thirty (30) day period from the date Transporter tenders to Shipper the new Service Agreement, then upon the expiration of the primary term of the Service Agreement or any rollover term, as applicable, the Service Agreement shall be automatically terminated.

8. If no bids acceptable to Transporter are received, Transporter shall so notify Shipper within 30 days of the close of the bidding process. Transporter will then negotiate with the Shipper with regard to the rate, term, and other conditions under which Transporter will continue to provide service to the Shipper. Such negotiations will continue for 30 days from the date Transporter notifies the Shipper that no acceptable bids have been received. The Shipper has the right to retain all or any portion of its existing capacity and service by offering within the 30-day negotiation period to acquire the capacity at the maximum rate applicable to such capacity for such term as Shipper specifies, provided that if Shipper specifies a term of less than one year, then such agreement shall not be subject to pregranted abandonment as provided herein.
9. Following the thirty 30-day period specified in Sections 6.21.B.3 and 6.21.B.5 above, as applicable, Transporter will post on its Internet Website the terms and conditions of each bid received and the identity of the bidder, unless the bidder is not affiliated with Transporter and such nonaffiliated bidder requests confidentiality for unaccepted bids.
10. Transporter shall not be obligated to tender, execute or extend any Service Agreement at less than the maximum rate for the service requested. It shall be at Transporter's sole discretion to tender, execute or extend any Service Agreement at any rate or economic value less than the maximum rate and economic value for the service requested.

6.22 REQUESTS FOR SERVICE

This Section 6.22 governs the process by which requests for new or increased levels of service under any of Transporter's Rate Schedules shall be accommodated when unsubscribed capacity becomes available on Transporter's existing mainline facilities. Transporter will provide not unduly discriminatory access to transportation capacity to all Shippers including, without limitation, local distribution companies, end-users, producers, brokers, marketers and other potential shippers who desire such service. Transporter's obligation to provide firm service shall be subject to the availability of existing capacity to provide the requested service.

A. Information Required to Accompany Transportation Requests

1. The specific information required from a Shipper for a valid request for transportation service must be delivered to: Cheniere Corpus Christi Pipeline, L.P., Attention: Commercial Services, 700 Milam, Suite 1900, Houston, Texas 77002.

Requests for transportation service must be accompanied by the following information:

- (a) Shipper's legal name.
- (b) Shipper's principal place of business.
- (c) Shipper's contact person with telephone number and email address.
- (d) Shipper's business address for notices and billing.
- (e) Shipper's status (e.g. producer, end-user, local distribution, interstate, intrastate or Hinshaw pipeline, or other [please specify]).
- (f) Applicable Rate Schedule.
- (g) Maximum Daily Transportation Quantity (MDTQ) requested stated in Dth per day.
- (h) Requested date of commencement of service.
- (i) Requested term of service.
- (j) Requested Primary Receipt Point(s) by legal description or Transporter's receipt meter designation and the maximum daily quantity requested at each Primary Receipt Point; provided

however, that the aggregate maximum daily quantities at such Primary Receipt Point(s) shall not exceed Shipper's MDTQ.

- (k) Requested Primary Delivery Point(s) by legal description or Transporter's delivery meter designation, and the maximum daily quantities requested at each Primary Delivery Point.

Requests for service which do not include all of the above-referenced information shall be deemed null and void; provided, however, that requests for changes to Primary Receipt and Delivery Points provided under Sections 5.1.7 and 5.1.8 of Rate Schedule FTS need only contain the information relevant to the changes requested.

2. Additional Information Required:

In addition to the information required to be provided by a prospective Shipper pursuant to Section 6.22.A.1 herein, Shipper must provide the following information:

- (a) Prior to execution of the Service Agreement, the identity of the upstream and downstream transporters, if any, involved in the transaction.
- (b) Prior to execution of the Service Agreement, and if applicable, a letter from Shipper certifying that Shipper has, or will have, title to the gas in accordance with the provisions of Section 6.7 (Possession of Gas, Indemnification and Title) of the General Terms and Conditions, and certifying that Shipper or Shipper's designee, if applicable, has secured or will have secured, prior to commencement of service, all necessary arrangements for downstream transportation, if applicable.
- (c) To the extent the transportation is performed pursuant to Section 311 of the NGPA, then prior to commencement of service, if transportation is on behalf of an intrastate pipeline or local distribution, L.P., Transporter must have certification from the intrastate pipeline or local distribution, L.P. that:
 - (i) the intrastate pipeline or local distribution, L.P. has physical custody of and transports the gas at some point, or
 - (ii) the intrastate pipeline or local distribution, L.P. holds title

to the gas at some point, which may occur prior to, during, or after the time the gas is being transported by Transporter, for a purpose related to its status and functions as an intrastate pipeline or its status and functions as a local distribution, L.P., or

(iii) the gas is delivered at some point to a Shipper that either is located in a local distribution, L.P.'s service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution, L.P. or intrastate pipeline certifies that it is on its behalf that Transporter is providing transportation service.

(d) Prior to execution of the Service Agreement, Shipper shall comply with the creditworthiness provisions of Section 6.17 of the General Terms and Conditions.

B. Procedures to Obtain Firm Capacity

To obtain firm capacity, Shippers must provide the information under Section 6.22.A herein, bid for firm capacity under the procedures set forth under Section 6.22.B.3 below, execute a Service Agreement under Rate Schedule FTS and comply with the nomination procedures set forth under Section 6.10 (Nominations, Confirmations and Scheduling) of the General Terms and Conditions.

Existing firm Shippers interested in obtaining firm capacity at a new location within Shipper's MDTQ, or an increase in MDQ at an existing location, which new location or increase in MDQ requires the construction of facilities but not an increase in Shipper's total contractual MDTQ, shall submit a request for capacity pursuant to Section 6.22.A herein, but which request contains only the information relevant to the changes requested.

1. General

If and when firm capacity on Transporter's existing facilities becomes available, other than through the capacity release program set forth in Section 6.19 of the General Terms and Conditions, Shipper(s) or potential Shipper(s) shall contract for such capacity pursuant to the procedures set forth under this Section 6.22.

Transporter will satisfy all requests which are feasible given existing facilities and existing MDTQ and MDQ and which can be fulfilled without impairment of existing firm capacity rights held by any other

Shipper or without reducing the total contractual entitlements and without affecting the integrity of Transporter's pipeline system.

2. Internet Website Posting Procedure.

Subject to the reservation stated below, as capacity becomes available on Transporter's system for firm transportation service, such capacity shall be posted by Transporter on its Internet Website for a minimum period of one (1) hour for service of less than five (5) months or a minimum three (3) days for service of more than five (5) months. Transporter's posting shall include the following information regarding the available capacity:

- (a) daily and other applicable quantity of service available;
- (b) receipt and delivery points;
- (c) term (up to a maximum primary term of twenty (20) years with extensions from year to year thereafter unless canceled by either party by providing six (6) months prior notice to the other party); and date capacity becomes available;
- (d) maximum effective Reservation charge as set forth in Section 4 of this FERC NGA Gas Tariff;
- (e) the minimum effective reservation charge as set forth in Section 4 of this FERC NGA Gas Tariff (including any adjustments thereto) as provided under the applicable Rate Schedule;
- (f) any other applicable charges or surcharges;
- (g) any applicable restrictions or contingencies; and
- (h) the date when bids are due to Transporter.

3. Bidding.

Potential Shippers may submit one bid for all or any portion of the capacity and term of service made available by Transporter. A bidder shall submit its bid electronically through Transporter's Internet Website, specifying the monthly reservation charge (or other firm or demand charge(s), if applicable, herein referred to collectively as the "Reservation Charge") it is bidding for the service. Bidder also shall provide to Transporter a valid request for service fully complying with Section 6.22.A herein. The price bid for the monthly Reservation Charge shall be expressed per dollars per Dth to the nearest one thousandth of one

dollar (\$0.000). In addition to the bid price, bidders shall pay all applicable usage charges, as they may be adjusted from time to time by Transporter. Transporter shall have the right to reject any bids, on a non-discriminatory basis, that: (i) are for a rate that is less than the maximum Reservation Charge as set forth in Section 4 of this FERC NGA Gas Tariff for service under Transporter's applicable Rate Schedule FTS; or (ii) include conditions or provisions that impede Transporter's ability to operate its system in conformity with the provisions of this Tariff.

4. Prearranged Capacity.

Shippers may request capacity and Transporter may enter into a prearranged agreement for available unsubscribed capacity or capacity that will become available under an expiring or terminating agreement; provided that, Transporter shall post the terms of the prearranged agreement and other potential Shippers will have an opportunity to bid on the capacity. If other potential Shipper(s) submit bids with a higher NPV, as determined pursuant to Section 6.22.B.6 below, the prearranged Shipper shall have a one-time right to match the highest bid in order to be awarded the capacity. If the prearranged Shipper elects not to match a higher competing bid, the capacity will be awarded to the bidder with the highest bid, provided such bidder is deemed creditworthy in accordance with Section 6.17 of the General Terms and Conditions.

5. Assessing Bids and Awarding Capacity for FTS.

Capacity shall be awarded to the bidder with the highest acceptable NPV bid offered to Transporter calculated in accordance with Section 6.22.B.6 below. Transporter may aggregate bids and award capacity to the bids which, when aggregated yield the highest NPV. If two or more bidders, submit acceptable bids of equal value, as calculated in accordance with this Section, any available capacity shall be awarded on a pro rata basis to all bidders that submitted equivalent value bids. Transporter shall post the winning bids on its Internet Website.

6. Net Present Value:

NPV will be determined based on the discounted cash flow of revenues to Transporter by the request(s) for service. Transporter will consider objective criteria only. Such criteria may include, without limitation, the bid rate, the MDQ or MDTQ requested, the term of service requested, the date on which the requested service would commence and such other objective criteria available based on the requests for service received by Transporter. Transporter will determine the highest NPV in cases where one or more shippers are willing to pay a negotiated rate higher than the maximum recourse rate, the NPV value used in

such cases is capped at, and may not exceed, a rate equal to the maximum recourse rate.

7. Right of First Refusal.

Any existing Shipper or Replacement Shipper with an FTS Service Agreement may exercise its Right of First Refusal pursuant to Section 6.21 of the General Terms and Conditions.

8. New Firm Service Agreements.

A new firm Service Agreement executed pursuant to this Section 6.22 will be subject to pre-granted abandonment unless otherwise specified therein.

C. Procedures to Obtain Interruptible Capacity

To obtain interruptible capacity, Shippers must provide the information under Section 6.22.A herein, execute a Service Agreement under Rate Schedule ITS and comply with the nomination procedures set forth under Section 6.10 of the General Terms and Conditions.

1. General

If and when interruptible capacity on Transporter's existing facilities becomes available, Shipper(s) or potential Shipper(s) shall contract for such capacity pursuant to the procedures set forth under this Section 6.22.C.

Transporter will satisfy all requests for interruptible transportation which are feasible given existing facilities and existing MDTQ and MDQs and which can be fulfilled without impairment of existing contractual obligations and without affecting the integrity of Transporter's pipeline system.

2. Internet Website Posting Procedure

Transporter shall maintain information on its Internet Website pursuant to the procedures in Section 6.9 (Electronic Communications) of the General Terms and Conditions that sets forth the capacity available under Rate Schedule ITS at applicable Receipt and Delivery Points.

D. Execution of Service Agreements

Upon a determination by Transporter that sufficient capacity exists to provide a requested transportation service, Transporter will tender to the requesting Shipper a Service

Agreement in the form contained in Transporter's FERC NGA Gas Tariff for the requested service. Shipper must execute and return such Service Agreement to Transporter within thirty (30) days of receipt thereof. Failure to so return the executed Service Agreement shall result in Shipper's forfeit of its allocation of capacity. Any forfeited allocation of capacity shall be reallocated pursuant to the procedures contained in this Section 6.22.

E. Information

Any Shipper or potential Shipper may request information on the pricing or other terms of service and/or capacity available by contacting Transporter at the following address:

Cheniere Corpus Christi Pipeline, L.P.
Attention: Commercial Services
700 Milam, Suite 1900
Houston, Texas 77002

Information regarding Transporter's maximum and minimum rates and general announcements pertaining to Transporter's services will be made available by Transporter on its Internet Website on a twenty-four hour basis.

6.23 ANNUAL CHARGE ADJUSTMENT (ACA) CLAUSE

A. Purpose

The purpose of this Section is to establish an ACA clause as permitted by Section 154.402 of the Federal Energy Regulatory Commission (Commission) Regulations under the Natural Gas Act, which allows a natural gas pipeline company to adjust its rates annually to recover from its Shippers annual charges assessed it by the Commission under Part 382 of the Commission's Regulations.

This Section 6.23 establishes an ACA unit charge to be applicable to the following rate schedules:

Rate Schedule FTS

Rate Schedule ITS

Transporter shall not recover the annual charges assessed by the Commission and recorded in FERC Account No. 928 in a NGA Section 4 rate case for any time period during which this ACA clause is in effect.

B. Basis of the ACA Unit Charge

The Rate Schedules specified in Section 6.23.A herein shall include an ACA unit charge. Transporter's ACA rate shall be the increment specified by the Commission for such charge for that fiscal year (October 1 through September 30). Such ACA unit charge, as revised annually and posted in an annual notice issued each fiscal year by the Commission entitled "FY [Year] Gas Annual Charges Correction for Annual Charges Unit Charge " at (<http://www.ferc.gov>) is incorporated by referenced into Transporter's FERC NGA Gas Tariff. Transporter does not intend to recover any Annual Charges in an NGA Section 4 rate filing.

6.24 STANDARDS OF CONDUCT

- A. Transporter will conduct its business in accordance with the standards of conduct contained in Part 358 of the Commission's Regulations, subject to any waivers or exemptions that may be granted Transporter.

6.25 NAESB Standards

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

Standards not Incorporated by Reference and their Location in Tariff:

NAESB Standard	Tariff Record Reference	NAESB Standard	Tariff Record Reference
0.3.8	Section 6.17.E, 0.0.0	2.3.23	Section 6.12.E, 0.0.0
0.3.9	Section 6.17.E, 0.0.0	2.3.41	Section 6.13.A, 0.0.0
1.2.4	Section 6.10.A.2(c), 0.0.0	2.3.42	Section 6.13.A, 0.0.0
1.2.5	Section 6.1.cc, 0.0.0 and Section 6.10.A.1, 0.0.0	3.3.17	Section 6.16.D, 0.0.0
1.3.1*	Section 6.1.p, 0.0.0	3.3.19	Section 6.16.E, 0.0.0
1.3.2(i)-(vi)	Section 6.10.A.2, 0.0.0	5.3.1	Section 6.19.E.2, 0.0.0
1.3.3	Section 6.10.D, 0.0.0	5.3.2	Section 6.19.E.2(a), 0.0.0
1.3.11*	Section 6.10.A.2(b), 0.0.0	5.3.3	Section 6.19.B.2(j), 0.0.0
1.3.13*	Section 6.10.A.2(b), 0.0.0	5.3.4	Section 6.19.G.1(a), 0.0.0
1.3.22	Section 6.10.B, 0.0.0	5.3.11	Section 6.19.B.4, 0.0.0
1.3.24	Section 6.10.A, 0.0.0	5.3.13	Section 6.19.E.4, 0.0.0
1.3.25	Section 6.10.A, 0.0.0	5.3.14	Section 6.19.B.1, 0.0.0
1.3.32	Section 6.10.A.2(b), 0.0.0	5.3.15	Section 6.19.E.4, 0.0.0
1.3.33*	Section 6.10.A.2(b), 0.0.0	5.3.16	Section 6.19.B.5, 0.0.0
2.2.1	Section 6.11.B.1, 0.0.0	5.3.19	Section 6.19.A.4, 0.0.0
2.2.2	Section 6.1.aa, 0.0.0	5.3.24	Section 6.19.C, 0.0.0
2.3.11	Section 6.4.J, 0.0.0	5.3.25	Section 6.19.E.6, 0.0.0
2.3.14	Section 6.4.J, 0.0.0	5.3.34	Section 6.10.D, 0.0.0
2.3.16	Section 6.11.C, 0.0.0	5.3.35	Section 6.10.D, 0.0.0
2.3.18	Section 6.12.E & F, 0.0.0	5.3.36	Section 6.10.D, 0.0.0
2.3.20	Section 6.12.F, 0.0.0	5.3.44	Section 6.19.K.4, 0.0.0
2.3.22	Section 6.12.D, 0.0.0	5.3.45	Section 6.19.K.4(d)(ii), 0.0.0

Standards incorporated by Reference:

Additional Standards:

General:

Standards:

0.3.1, 0.3.2, 0.3.16, 0.3.17

Creditworthiness:

Standards:

0.3.3, 0.3.4, 0.3.5, 0.3.6, 0.3.7, 0.3.10

Gas-Electric Operational Communications:

Definitions:

0.2.1, 0.2.2, 0.2.3, 0.2.4, 0.2.5

Standards:

0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards:

0.3.18, 0.3.20, 0.3.21, 0.3.22

Datasets:

0.4.2*, 0.4.3

Location Data Download:

Standards:

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

Dataset:

0.4.4*

Storage Information:

Dataset:

0.4.1*

Nominations Related Standards:

Definitions:

1.2.1, 1.2.2, 1.2.3, 1.2.6, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 1.2.15,
1.2.16, 1.2.17, 1.2.18, 1.2.19

Standards:

1.3.4, 1.3.5*, 1.3.6, 1.3.7, 1.3.8*, 1.3.9*, 1.3.14, 1.3.15, 1.3.16, 1.3.17, 1.3.18,
1.3.19, 1.3.20, 1.3.21, 1.3.23, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.34,
1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45,
1.3.46, 1.3.48, 1.3.51, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.64, 1.3.65, 1.3.66,
1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77,
1.3.79, 1.3.80, 1.3.81

Datasets:

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

Flowing Gas Related Standards:

Definitions:

2.2.3, 2.2.4, 2.2.5

Standards:

2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.3.8, 2.3.9, 2.3.10, 2.3.12, 2.3.13,
2.3.15, 2.3.17, 2.3.19, 2.3.21, 2.3.25, 2.3.26, 2.3.27, 2.3.28, 2.3.29, 2.3.30, 2.3.31,
2.3.32, 2.3.40, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.50, 2.3.51, 2.3.52,
2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63,
2.3.64, 2.3.65, 2.3.66

Datasets:

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

Invoicing Related Standards:

Definitions:

3.2.1

Standards:

3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.14,
3.3.15, 3.3.16, 3.3.18, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26

Datasets:

3.4.1*, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

Definitions:

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

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.5, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.60, 4.3.61, 4.3.62, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.103, 4.3.104, 4.3.105

Capacity Release Related Standards:

Definitions:

5.2.1, 5.2.2, 5.2.3, 5.2.4, 5.2.5

Standards:

5.3.5, 5.3.7, 5.3.8, 5.3.9, 5.3.10, 5.3.12, 5.3.18, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.26, 5.3.28, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.55, 5.3.56*, 5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.3.62, 5.3.62a, 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72, 5.3.73

Datasets:

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

Internet Electronic Transport Related Standards:

Definitions:

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

Standards:

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

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

NAESB Standards

Waiver or Extension of Time

6.26 FLEXIBLE PRIMARY AND SECONDARY RECEIPT AND DELIVERY POINTS

A. Flexible Primary Receipt and Delivery Point Authority.

Shippers under Rate Schedule FTS shall have flexible primary Receipt and Delivery Point authority provided that Transporter, in its reasonable discretion, determines that sufficient firm capacity exists in its existing facilities to accommodate the proposed changes in primary Receipt or Delivery Points to the extent operationally feasible. Any Shipper seeking to change primary Receipt or Delivery Points under an existing Service Agreement shall request such a change by advising Transporter and identifying the Service Agreement affected. If firm capacity is available to accommodate Shipper's requested change, and the requested change is operationally feasible, Transporter and Shipper shall execute an agreement, superseding Appendices A and B to the relevant Service Agreement, that reflects the agreed changes in such Receipt or Delivery Points and their Maximum Daily Quantities.

B. Secondary Receipt and Delivery Point Authority.

Except as provided in sub-section A above, or elsewhere in this Tariff, Shipper may have secondary Receipt and Delivery Points under any firm Service Agreement as provided and subject to the requirements in the applicable Rate Schedule. Receipts and deliveries of Natural Gas at such secondary Receipt and Delivery Points shall have the allocation priority as described in Section 6.10 (Nominations, Confirmations and Scheduling) of the General Terms and Conditions, and Transporter shall interrupt service at such secondary Receipt and Delivery Points on a pro rata basis as set forth in Section 6.18.C (Operational Flow Orders) of the General Terms and Conditions. Such interconnection points shall be incorporated, where appropriate, as secondary points in Shipper's Service Agreement.

C. Segmentation Authority.

Shippers under firm Rate Schedule FTS may segment firm capacity rights pursuant to the requirements in Section 6.20 (Capacity Segmentation) of the General Terms and Conditions and this Section 6.26.

6.27 DISCOUNTING

A. Availability and Pricing of Discount Transportation Service

Transporter may determine, on a non-discriminatory basis, if it will offer, or continue to offer, discounted transportation rates below Transporter's maximum rates but not less than the minimum rate for the applicable service set forth in Section 4 to any individual Shipper under the Rate Schedules set forth in Section 5 of this FERC NGA Gas Tariff. If Transporter grants such a request, then the discounted rate will be made available to any similarly situated potential Shipper requesting such service. Transporter shall file with the Commission any required reports respecting to such adjusted rate. Such Discounted rate may:

- (1) apply only to specified quantities under Transporter's Service Agreement(s);
- (2) apply only if specified quantities are achieved (with maximum rates applicable to volumes above specified quantities or to all quantities if specified quantities are never achieved);
- (3) apply only in a specified relationship to quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to the quantities actually transported);
- (4) apply only during specified periods of the year or over specifically-defined periods of time;
- (5) apply only to specified receipt or delivery points, zones, markets, or other defined geographical areas;
- (6) apply only to production reserves, including LNG supply, dedicated by the Shipper;
- (7) apply to quantities conditioned upon implementation and completion of a construction project or acquisition of facilities; and/or
- (8) provide for an agreed upon overall rate, with a provision for adjusting the rate components of discounted agreements, if needed to preserve the agreed upon overall effective rate, so long as all rate components remain within the applicable minimum and maximum rates specified in the tariff.

Such discounted rates may be based on published index price point differentials or arrived at by formula provided that,

- (a) the same rate design underlying the pipeline's tariff rates is utilized,
- (b) the rate component that is discounted is identified, and
- (c) to the extent the reservation charge is discounted, any formula used will produce a reservation rate per unit of contract demand.

B. Alternative Discount Points

If Transporter has agreed to a discount with a Shipper receiving transportation service pursuant to Part 284 of the Commission's Regulations, and the discount is limited to specific Point(s) of Receipt or Delivery, the Shipper may request that such discount apply to transportation service at a different Points of Receipt and/or Delivery for which Transporter and the Shipper have not specifically agreed to a discount rate. There is a rebuttable presumption that such discount shall apply at the requested point if Transporter grants discounts to other similarly situated Shipper(s) receiving transportation service utilizing that point. However, Transporter can rebut this presumption by demonstrating that the proposed service to the Shipper is not similarly situated to the service receiving a discount at the requested point. If Shipper is granted a discount for transportation at the requested point, Shipper shall pay the higher of its contractual rate or the discount rate provided to another Shipper utilizing the new point.

If a Shipper requests a discount for service at a new point, Transporter shall respond to requests received between 6:30 a.m. CT and 4:00 p.m. CT within two (2) hours from the time the request is received. Transporter shall respond to overnight requests received after 4:00 p.m. CT by no later than 8:30 a.m. CT the next morning. If Shipper has previously requested a discount to the same point And Transporter has not agreed, Transporter shall not respond to a renewed discount request unless rates for transportation service applicable to that point have changed.

C. Order of Discounting

Pursuant to Section 154.109(c) of the Commission's regulations, Transporter's rate components will be discounted in the following order:

- (a) Reservation Charges:
 - (i) Base Rates
 - (ii) Surcharge Rates, as applicable
- (b) Usage Charges:
 - (i) Base Rates

- (ii) Surcharge Rates, as applicable
- (c) ACA charges are not discountable.

6.28 RATE SCHEDULES AND CONTRACTS SUBJECT TO REGULATION AND REVISION

A. Subject to Regulation

This Tariff, including the Rate Schedules, General Terms and Conditions, and the respective obligations of the parties under the Service Agreements and assignment Agreements, is subject to all valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction.

B. Subject to Revision

Unless otherwise specified in the Service Agreement, Transporter reserves the right from time to time to unilaterally file and to make effective revisions in the terms or rate levels (to the extent they are stated rates on file with the Commission and not negotiated based upon market conditions) of its Rate Schedules and the applicability thereof, these General Terms and Conditions or any other provisions of Transporter's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's regulations there under.

6.29 ARBITRATION

Unless otherwise agreed in writing, only those matters disputed under Section 6.16 (Invoicing and Payment) of these General Terms and Conditions, or those expressly referable to arbitration by other terms of this FERC NGA Gas Tariff, must be submitted to arbitration.

All such disputes shall be submitted to final and binding arbitration in Houston, Texas in accordance with the Rules of Commercial Arbitration of the American Arbitration Association (AAA) then in effect. The dispute shall be decided by a panel of three neutral arbitrators, qualified by education, training, and experience to hear the dispute, and chosen pursuant to the following procedure. The party initiating the arbitration proceeding shall name one arbitrator at the time it notifies the other party of its intention to arbitrate the dispute, and the responding party shall name an arbitrator within fifteen (15) days of receiving the above notification. Within twenty (20) days of the appointment of the second arbitrator, the two arbitrators shall select a third arbitrator to act as chairman of the tribunal. If either party fails to appoint an arbitrator within the allotted time, or if the two party's appointed arbitrators fail to appoint a third arbitrator as provided above, the AAA shall appoint the unappointed arbitrator(s). Any vacancies will be filled in accordance with these procedures. The parties expressly agree to the consolidation of separate arbitral proceedings for the resolution in a single proceeding of all disputes that arise from the same factual situation and the parties further expressly agree that any issue of arbitrability - the existence, validity, and scope of the agreement to arbitrate - shall be decided by the arbitrators. The parties agree that either party may apply to a court of competent jurisdiction, pending arbitration, for injunctive relief to preserve the status quo, to preserve assets, or to protect documents from loss or destruction, and such application will not be deemed inconsistent with or operate as a waiver of the party's right to arbitration. A judgment of the court shall be entered upon the award made pursuant to the arbitration in any court of competent jurisdiction. The arbitrators shall apply as the substantive law to the dispute the laws of the State of Texas.

6.30 NEGOTIATED RATES

- A. Availability. Transporter and Shipper may mutually agree to negotiate rates under any Part 284 Rate Schedule that expressly provides for a negotiated rate and specifically references this Section 6.30.
- B. Definition. Transporter and Shipper may mutually agree to a negotiated rate, which rate shall be less than, equal to, or greater than Transporter's maximum and/or minimum rates, may be based upon a rate design other than Straight Fixed Variable ("SFV"), and may include a minimum quantity.
- C. Conditions. Negotiated rates shall be charged by Transporter, provided:
 - 1. Transporter and Shipper have executed a valid Service Agreement containing therein as in a related agreement, specific negotiated rate(s) or a negotiated rate formula;
 - 2. Shipper has the same service available at a recourse rate;
 - 3. Transporter and Shipper do not negotiate terms and conditions of service under this Section; and
 - 4. No later than the Business Day on which Transporter commences service under a negotiated rate, Transporter will file a tariff record advising the Commission of such negotiated rate, stating the name of Shipper, the type of service, the primary Receipt and Delivery Point(s) applicable to the service, the quantity of gas to be transported, and any other changes, and specifying either: (a) the specific negotiated rate or the negotiated rate formula with sufficient specificity that the rate in effect from time to time can be readily calculated. Either the tariff must incorporate a statement that the Service Agreement does not deviate from the form of Service Agreement in any material respect, or Transporter must file the contract containing a material deviation.
- D. Best Bid for Available Firm Capacity. Where the negotiated rate or the rate under a negotiated rate formula results in revenue which is greater than the revenue which would be generated by the maximum recourse rate, the negotiated rate or negotiated rate formula shall be evaluated using the methodology set forth in Section 6.22.B.6.
- E. Accounting for Costs and Revenue. The allocation of costs to, and the recording of revenues from, services performed at negotiated rates will follow Transporter's normal practices associated with all services under this Tariff. Transporter will

maintain separate records of Negotiated Rate transactions that shall include quantities transported, rates charged, revenue received, and billing determinants.

- F. Capacity Release Revenue. In the event of a capacity release, Transporter and Releasing Shipper may negotiate an agreement on sharing of revenues from the Replacement Shipper. Nothing in the foregoing sentence, however, shall authorize Transporter or Releasing Shipper to violate the Commission's policy with respect to the negotiations of terms and conditions of service.

6.31 CONSTRUCTION OF FACILITIES

Any existing or potential Shipper may request a new interconnection on Transporter's pipeline system, subject to the following conditions being met. Transporter shall have no obligation to modify its existing facilities or construct new facilities in order to receive or deliver Shipper's gas unless otherwise ordered by the Commission. However, if a Shipper requests new or additional transportation service and Transporter is agreeable to providing the requested service it will do so on the following terms, unless otherwise agreed to in writing, on a not unduly discriminatory basis:

- A. If Transporter agrees to construct, own and operate lateral pipelines and compression facilities (if applicable), metering and regulating facilities that include electronic measurement and data communication equipment (if applicable) and/or new and/or additional points of delivery to such Shipper or points of receipt from such Shipper: (1) the metering and regulating facilities shall be installed at point(s) which, in Transporter's reasonable judgment, is the most practical, convenient and readily accessible location; (2) the Shipper will provide all exhibits necessary to support the proposed service for any needed FERC proceedings and; (3) the Shipper will fund or caused to be funded an amount to Transporter which is equal to the cost of the additional facilities including all costs involved in filing any applications, pursuing said approvals, and in obtaining all licenses and permits required for the services or construction and, further, amounts necessary to reimburse any costs, including any income taxes that may be incurred by Transporter as a result of the contribution. Transporter and Shipper will agree on which party will construct and/or own and/or operate any facilities to be constructed.
- B. Shippers, whether new or existing, shall bear all costs and expenses attributable to the construction of any compression facilities, lateral pipelines or expansions of existing lateral pipelines. Nothing in this section shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7.C of the Natural Gas Act seeking authorization to construct any such facilities. Nothing in this section shall prevent Transporter from contesting an application for service filed pursuant to Section 7(a) of the Natural Gas Act. Transporter reserves the right to seek a waiver of the policy set forth herein, for good cause shown, during any proceeding before the Commission instituted under Section 7 of the Natural Gas Act.
- C. On a not unduly discriminatory basis, Transporter may agree to pay for all or part of the cost incurred by Transporter for the modification or construction of taps, valves, measurement equipment, compression facilities, laterals, or other facilities required at receipt or delivery point(s) to effectuate the receipt from, or delivery to, Shipper of natural gas, as requested hereunder, when the construction or modification of such facilities is economically beneficial to Transporter. Notice of

any such construction subsidy shall be posted on Transporter's Internet Website for a period of thirty (30) days following any such agreement.

For the purposes of determining whether a project to receive or deliver gas for Shipper is economically beneficial to Transporter, Transporter will evaluate each prospective project, on a not unduly discriminatory basis, based upon, among other criteria, the cost of the facilities to be constructed for such Shipper by Transporter, the incremental operating and maintenance expenses and/or administrative and general expenses which would be attributable to the facilities, and the revenues which Transporter estimates will be generated as a result of constructing and/or modifying such facilities.

6.32 LIST OF NON-CONFORMING SERVICE AGREEMENTS

The following service agreements are being listed in accordance with Section 154.112(b) of the Commission's regulations.

1. Corpus Christi Liquefaction, LLC, Rate Schedule FTS, Contract No. 04001, dated February 15, 2018, filed with the Commission on May 1, 2018.

Cheniere Corpus Christi Pipeline, LP
FERC NGA Gas Tariff
Original Volume No. 1

Section 6.32.1
General Terms and Conditions
Non-Conforming Service Agreement
Version 0.0.0

Non-Conforming Service Agreement
No. 04001

Corpus Christi Liquefaction, LLC

Agreement Effective Date: June 1, 2018

FORM OF SERVICE AGREEMENT
RATE SCHEDULE FTS

Date: February 15, 2018

Contract No. 04001

SERVICE AGREEMENT

This SERVICE AGREEMENT is entered into by CHENIERE CORPUS CHRISTI PIPELINE, L.P. (herein called "Transporter") and CORPUS CHRISTI LIQUEFACTION, LLC (herein called "Shipper").

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Service Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's FERC NGA Gas Tariff, constitute the transportation service to be provided and the rights and obligations of Transporter and Shipper.

1. AUTHORITY FOR TRANSPORTATION SERVICE:

Authority for Transportation Service shall be under Part 284, Subpart G of the Commission's regulations.

2. RATE SCHEDULE:

Service shall be provided under Transporter's Rate Schedule FTS.

3. CONTRACT DATA: The MDTQ shall be 2,295,000 Dth/d.

A list of the Primary Receipt Point(s), Receipt Point MDQ(s) and Total MDTQ are provided on the attached Exhibit A.

A listing of the Primary Delivery Point(s), Delivery Point MDQ(s) and Total MDTQ are provided on the attached Exhibit B.

4. TERM:

This Service Agreement shall become effective when executed by Transporter and Shipper. Service hereunder will commence on the date on which Transporter is authorized by the Federal Energy Regulatory Commission to place the Project into service ("Commencement Date") and will continue in force and effect until 9:00 a.m. Central Clock Time on the twentieth (20) anniversary of the date on which the first liquefaction train at the Corpus Christi Liquefaction facility is commercially operable, as notified by Corpus Christi Liquefaction to the relevant customer of Corpus Christi Liquefaction (the "Primary Term"). Thereafter, this Service Agreement shall continue from year to year until terminated by Transporter or Shipper upon written notice of one year or the term of this Service Agreement, whichever is less. Any such written notice shall be subject to the right of first refusal set forth in the General Terms and Conditions of Transporter's FERC NGA Gas Tariff.

5. RATES:

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Service Agreement unless Transporter has advised Shipper in writing at the address below or by Transporter's Internet Website that it has agreed otherwise. Nothing herein shall obligate Transporter to provide service at less than the maximum rates, but Transporter may agree to provide service to Shipper at a specified discount, in which case such discount shall not be provided at a rate lower than the variable costs included in Transporter's currently effective usage rate. If Shipper and Transporter agree to a negotiated rate and specified term for service hereunder, provisions governing such negotiated rate and term shall be applicable, as set forth in Exhibit A herein and/or as reflected on the currently effective rate sheet filed as part of Transporter's FERC NGA Gas Tariff.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's FERC NGA Gas Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Service Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order without prejudice to Shipper's right to protest the same. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. INCORPORATION BY REFERENCE:

The General Terms and Conditions of Transporter's FERC NGA Gas Tariff are incorporated by reference in their entirety in this Service Agreement. If a conflict arises between the General Terms and Conditions of Transporter's FERC NGA Gas Tariff and

the provisions of this Service Agreement, the General Terms and Conditions shall control.

7. NOTICES:

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through Transporter's Internet Website. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this Service Agreement:

TRANSPORTER:

Cheniere Corpus Christi Pipeline, L.P.
700 Milam, Suite 1900, Houston, Texas 77002

Attention: Commercial Operations
Telephone: 713-395-5000
Fax: 713-375-6000
Email: Cheniere.CCPL@cheniere.com

SHIPPER:

Corpus Christi Liquefaction, LLC
700 Milam, Suite 1900
Houston, Texas 77002

Attention: Customer Coordination
Telephone: 713-375-5000
Fax: 713-375-6000
Email: customer.coordinationCCPL@cheniere.com

INVOICES AND STATEMENTS:

Corpus Christi Liquefaction
700 Milam, Suite 1900
Houston, Texas 77002

Attention: Gas Accounting
Telephone: 713-375-5000
Fax: 713-375-6000
Email: customer.coordinationCCPL@cheniere.com

NOMINATIONS:

Corpus Christi Liquefaction
700 Milam, Suite 1900
Houston, Texas 77002

Attention: Customer Coordination
Telephone: 713-375-5000

Fax: 713-375-6000
Email: customer.coordinationCCPL@cheniere.com

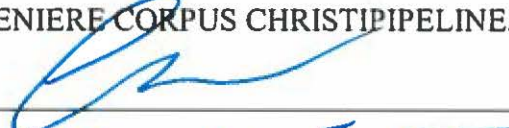
ALL OTHER MATTERS

Corpus Christi Liquefaction
700 Milam, Suite 1900
Houston, Texas 77002

Attention: Customer Coordination
Telephone: 713-375-5000
Fax: 713-375-6000
Email: customer.coordinationCCPL@cheniere.com


IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be signed by their respective officers or representatives thereunto duly authorized to be effective as of the date stated in Section 4 of this Service Agreement.

TRANSPORTER:
CHENIERE CORPUS CHRISTI PIPELINE, L.P.

By: 
Title: E. W. Scott III

Date: 10/20/2011
OCI

SHIPPER:
CORPUS CHRISTI LIQUEFACTION, LLC

By: 
Title: J. Corey Grindal

Date: Senior Vice President, Gas Supply
OCI

FORM OF SERVICE AGREEMENT
RATE SCHEDULE FTS

EXHIBIT A

BETWEEN Cheniere Corpus Christi Pipeline, L.P. and Corpus Christi Liquefaction, LLC

CONTRACT NUMBER: 04001

MAXIMUM DAILY TRANSPORTATION QUANTITY ("MDTQ"): 2,295,000 Dth

ORIGINAL CONTRACT DATE: February, 2018

AMENDMENT DATE: _____

RATE SCHEDULE: For Rate Schedule FTS Only

<u>Primary Receipt Point</u>	<u>Primary Receipt Point MDO</u>
<u>Transco-San Pat Co R</u>	<u>500,000</u>
<u>TGP-Sinton-R</u>	<u>500,000</u>
<u>EProd-San Pat Co R</u>	<u>295,000</u>
<u>KM Tejas-Sinton-R</u>	<u>500,000</u>
<u>NGPL-Sinton-R</u>	<u>500,000</u>

RATE AND CHARGES: Shipper shall pay all applicable rates and charges as specified in Rate Schedule FTS of Transporter's Tariff, subject to the following:

Applicable Rate(s) (exclusive of surcharges, fuel, or lost and unaccounted for gas)
(select one)

Recourse Rate: The maximum rate(s) set forth for Rate Schedule FTS in Transporter's Tariff, as modified from time to time. Unless a Discounted Rate or Negotiated Rate is specifically agreed to and stated on this Exhibit A,

Discount Rate: _____

Negotiated Rate: See Exhibit C

CHENIERE CORPUS CHRISTI PIPELINE, L.P.

By: [Signature]

Title: VP Commercial Sales

Date: 2/21/18

065

CORPUS CHRISTI LIQUEFACTION, LLC

By: [Signature]

Title: Senior Vice President, Gas Supply

Date: 2/21/2018

067

FORM OF SERVICE AGREEMENT
RATE SCHEDULE FTS

EXHIBIT B

BETWEEN Cheniere Corpus Christi Pipeline, L.P. and Corpus Christi Liquefaction, LLC

CONTRACT NUMBER: 04001

MAXIMUM DAILY TRANSPORTATION QUANTITY ("MDTQ"): 2,295,000 Dth

ORIGINAL CONTRACT DATE: February, 2018

AMENDMENT DATE: _____

RATE SCHEDULE: For Rate Schedule FTS Only

Primary
Delivery Point
CCLIQ

Primary
Delivery Point MDO
2,295,000 Dth

RATE AND CHARGES: Shipper shall pay all applicable rates and charges as specified in Rate Schedule FTS of Transporter's Tariff, subject to the following:

Applicable Rate(s) (exclusive of surcharges, fuel, or lost and unaccounted for gas)
(select one)

Recourse Rate: The maximum rate(s) set forth for Rate Schedule FTS in Transporter's Tariff, as modified from time to time. Unless a Discounted Rate or Negotiated Rate is specifically agreed to and stated on this Exhibit A,

Discount Rate: _____

Negotiated Rate: See Exhibit C

CHENIERE CORPUS CHRISTI PIPELINE, L.P.

CORPUS CHRISTI LIQUEFACTION, LLC

By: 

By: 

Title: VP COMMERCIAL SERVICES

Title: Senior Vice President, Gas Supply

Date: 2/21/18

Date: 2/21/2018

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oex

FORM OF SERVICE AGREEMENT
RATE SCHEDULE FTS

EXHIBIT C

FORM OF NEGOTIATED RATE LETTER AGREEMENT
February 15, 2018

Cheniere Corpus Christi Pipeline, L.P.
700 Milam, Suite 1900
Houston, Texas 77002

Corpus Christi Liquefaction, LLC
700 Milam, Suite 1900
Houston, Texas 77002

Reference is made to that certain Service Agreement executed by the Parties hereto on even date herewith (the "***Service Agreement***"). Defined terms used but not defined herein shall have the meaning ascribed to such term therein. Transporter and Shipper may be referred herein together as the "***Parties***" and each may be referred to herein individually as a "***Party***".

1. Pursuant to Section 5 of the Service Agreement, Transporter has agreed to charge a negotiated rate for the services described therein. During the period starting with the Commencement Date and ending on the date on which the first liquefaction train at the Corpus Christi Liquefaction facility is commercially operable as notified by Corpus Christi Liquefaction to the relevant customer of Corpus Christi Liquefaction, the negotiated transportation rate shall be combined reservation and usage charge of \$0.0926 per Dth of gas transported during each monthly billing period. During the period starting with the date on which the first liquefaction train at the Corpus Christi Liquefaction facility is commercially operable, as notified by Corpus Christi Liquefaction to the relevant customer of Corpus Christi Liquefaction, through the end of the Primary Term the negotiated transportation rate shall be a combined reservation and usage charge of \$2.8172 per MDTQ Dth per month (the "***Negotiated Rate***"). The Negotiated Rate does not include charges charge for Authorized Overruns. The negotiated Authorized Overrun Charge shall be \$0.0926 per Dth. The Negotiated Rate is only applicable during the term defined in Section 4 of the Service Agreement, and during any additional renewal term, Shipper shall pay the charges set forth in Transporter's FERC NGA Gas Tariff provided however that nothing herein shall preclude the Parties from agreeing to new negotiated rate for any extension to the Primary Term and Extended Terms. The Negotiated Rate does not include Retainage, which shall be retained in accordance with Section 6.15 of the General Terms and Conditions of Transporter's FERC NGA Gas Tariff as it may be revised from time to time.
2. In the event that during the term of this Negotiated Rate Agreement Transporter is required to make capital expenditure(s), by any appropriate body with authority to require Transporter to make such capital expenditure ("***Nondiscretionary Capital***") and such Nondiscretionary Capital is cumulatively in excess of one million dollars (\$1,000,000), then during each year following the year that such Nondiscretionary Capital cumulatively exceeds one million dollars (\$1,000,000), Shipper agrees to pay an additional amount (the "***Negotiated Rate Capital Adjustment***") that

shall be added to and become part of the Negotiated Rate. The Negotiated Rate Capital Adjustment shall be calculated by multiplying the Nondiscretionary Capital by a percentage calculated by dividing the MDTQ by the Transporter's total design firm capacity as used or would be used to calculate Transporter's volume determinates for purposes of FERC rate design, multiplying the result by 12.3 percent, dividing the result by 12 months, and dividing the result by the MDTQ to calculate the increase to the Negotiated Rate. Transporter agrees to use commercially reasonable efforts to mitigate the need to make Nondiscretionary Capital expenditures, including by making reasonably available warranty and insurance claims.

3. In the event Transporter enters into a firm service agreement with third party having a term of at least one (1) year or longer, under Rate Schedule FTS or any subsequently implemented rate schedule for firm transportation service, and such new service agreement contains a reservation charge and a usage charge applicable, which on a 100% load factor basis (the "*Third Party Charge*") is lower than the Negotiated Rate then (i) Transporter shall give Shipper notice of such Third Party Charge and the duration of the applicability of such Third Party Charge within ten (10) days of the effective date of such Third Party Charge and (ii) Shipper shall have the right to elect to cause such Third Party Charge to apply to this Agreement, in lieu of but used in the same manner as the applicable Negotiated Rate, effective for the period that such Third Party Charge is applicable to the firm service agreement with the third party or that such Third Party Charge is lesser than the applicable Negotiated Rate whichever is shorter. After such period of applicability, the applicable Negotiated Rate shall again become effective hereunder unless and until Shipper elects to exercise its rights under this paragraph with respect to another third party service agreement.
4. Should the Commission or court with jurisdiction issue a ruling that has the effect of prohibiting Transporter from collecting, or require Transporter to charge more than the rates and charges provided for herein, then the Parties agree to enter into a substitute lawful arrangement, such that the parties are placed in the same economic position as if Transporter had collected only the rates and charges set forth herein. Failing such agreement, Shipper may terminate this Agreement and the Service Agreement upon giving Transporter ninety (90) days' notice.

The foregoing sets forth the entire agreement between the Parties as it relates relate to any negotiated rate under the Service Agreement, and may only be amended or modified by written agreement, duly executed by both Parties. This agreement shall be effective immediately upon acknowledgement and acceptance by Corpus Christi Liquefaction, LLC.

Sincerely,

CHENIERE CORPUS CHRISTI PIPELINE, L.P.

By: 

Name: E.W. SWIFT

Title: V/ COMMERCIAL SERVICES

OCI

AGREED AND ACCEPTED ON THIS 15 DAY OF Feb, 2018

CORPUS CHRISTIS LIQUEFACTION, LLC

By: 

Name: J. Corey Grindal

Title: Senior Vice President, Gas Supply

•CI

6.33 STATEMENT OF NEGOTIATED RATES

6.33.1 – Corpus Christi Liquefaction, LLC, FTS Contract No 04001

6.33.1 STATEMENT OF NEGOTIATED RATES

Customer Name:	Corpus Christi Liquefaction, LLC
Contract Number:	04001
Rate Schedule:	FTS
Maximum Daily Transportation Quantity ("MDTQ"):	2,295,000 Dth/d
Reservation Charge:	\$2.8172 per MDTQ ^{2/}
Usage Charge:	\$0.0926 per Dth ^{1/}
Primary Receipt Point(s): Name(s)	Transco-San Pat Co R TGP-Sinton-R EProd-San Pat Co R KM Tejas-Sinton-R NGPL-Sinton-R
Primary Delivery Point(s): Name(s)	CCLIQ
Term of Agreement:	20 years

Notes:

^{1/} During the period starting the Commencement Date and ending on the date on which the first liquefaction train at the CCL facility is commercially operable, the negotiated transportation rate shall be the combined reservation and usage of \$0.0926 per Dth of gas transporting during each monthly billing period.

^{2/} During the period starting with the date of which the first liquefaction train at the CCL facility is commercially operable, through the end of the Primary Term, the negotiated transportation rate shall be a combined reservation and usage charge of \$2.8172 per MDTQ Dth per month. The negotiated rate does not include charges charged for Authorized Overrun.

6.34 INCIDENTAL GAS PURCHASE AND SALE FOR OPERATIONAL PURPOSES

1. Transporter may from time to time, in its discretion, purchase or sale natural gas as necessary to operate its facilities and provide service on a reliable and efficient basis (an "Operational Transaction"), including but not limited to:
 - a. maintain system pressure and line pack;
 - b. balance fuel quantities;
 - c. resolve Shipper imbalances or other imbalances;
 - d. adjust line pack in advance of anticipated changes in demand (e.g., due to forecasted temperatures) or operational conditions (e.g., planned maintenance on Transporter's system or the systems of upstream or downstream pipelines); and
 - e. perform other operational functions to protect the operational integrity of Transporter's system.

Such Operational Transactions shall have a lower scheduling priority than firm transportation service as described in Section 6.10 (Nominations, Conformations and Scheduling) of this FERC NGA Gas Tariff.

2. Any of Transporter's Operational Transactions will be made on an unbundled basis.
3. Unless such Operational Transaction must be done on an expedited basis, Transporter shall post notice of its intent to purchase or sell natural gas on its Internet Website, and such purchase or sale shall be made on a non-discriminatory basis.
4. Transporter will file a report on or before April 1 of each year reflecting the Operational Transactions for the twelve (12) month period ending December 31.

The report will indicate:

- a. whether the Operational Transaction was a purchase or sale;
- b. the source of the gas in the Operational Transaction;
- c. the date of such Operational Transaction;
- d. volumes of the Operational Transaction, expressed in Dekatherms;

- e. the Operational Transaction price, expressed as a rate per Dekatherm;
- f. the costs and revenues from such Operational Transaction; and
- g. the disposition of the associated costs and revenues.

Transporter will provide an explanation of the purpose of any Operational Transaction, any alternatives that were considered, and how the action(s) taken were the best available.

FORM OF SERVICE AGREEMENTS

FORM OF SERVICE AGREEMENT
RATE SCHEDULE FTS

Date: _____

Contract No. _____

SERVICE AGREEMENT

This SERVICE AGREEMENT is entered into by CHENIERE CORPUS CHRISTI PIPELINE, L.P. (herein called "Transporter") and _____ (herein called "Shipper").

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Service Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's FERC NGA Gas Tariff, constitute the transportation service to be provided and the rights and obligations of Transporter and Shipper.

1. AUTHORITY FOR TRANSPORTATION SERVICE:

Authority for Transportation Service shall be under Part 284, Subpart G of the Commission's regulations.

2. RATE SCHEDULE:

Service shall be provided under Transporter's Rate Schedule FTS.

3. CONTRACT DATA:

A list of the Primary Receipt Point(s), Receipt Point MDQ(s) and Total MDTQ are provided on the attached Exhibit A.

A listing of the Primary Delivery Point(s), Delivery Point MDQ(s) and Total MDTQ are provided on the attached Exhibit B.

4. TERM:

This Service Agreement shall become effective when executed by Transporter and Shipper. Service hereunder will commence on _____ and will continue in force and effect until 9:00 a.m. Central Clock Time on _____. Thereafter, this Service Agreement shall continue from year to year until terminated by Transporter or Shipper upon written notice of one year or the term of this Service Agreement, whichever is less. Any such written notice shall be subject to the right of first refusal set forth in the General Terms and Conditions of Transporter's FERC NGA Gas Tariff.

5. RATES:

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Service Agreement unless Transporter has advised Shipper in writing at the address below or by Transporter's Internet Website that it has agreed otherwise. Nothing herein shall obligate Transporter to provide service at less than the maximum rates, but Transporter may agree to provide service to Shipper at a specified discount, in which case such discount shall not be provided at a rate lower than the variable costs included in Transporter's currently effective usage rate. If Shipper and Transporter agree to a negotiated rate and specified term for service hereunder, provisions governing such negotiated rate and term shall be applicable, as set forth in Exhibit A herein and/or as reflected in Section 4 of Transporter's FERC NGA Gas Tariff.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's FERC NGA Gas Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Service Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order without prejudice to Shipper's right to protest the same. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. INCORPORATION BY REFERENCE:

The General Terms and Conditions of Transporter's FERC NGA Gas Tariff are incorporated by reference in their entirety in this Service Agreement. If a conflict arises between the General Terms and Conditions of Transporter's FERC NGA Gas Tariff and the provisions of this Service Agreement, the General Terms and Conditions shall control.

7. NOTICES:

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through Transporter's Internet Website. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this Service Agreement:

TRANSPORTER:

Cheniere Corpus Christi Pipeline, L.P.
700 Milam, Suite 1900, Houston, Texas 77002
Attention: Commercial Services
Telephone: _____
Fax: _____
Email: _____

SHIPPER:

(Shipper's Name)

(Address)

(City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

INVOICES AND STATEMENTS:

(Shipper's Name)

(Address)

(City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

NOMINATIONS:

(Shipper's Name)

(Address)

(City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

ALL OTHER MATTERS:

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be signed by their respective officers or representatives thereunto duly authorized to be effective as of the date stated in Section 4 of this Service Agreement.

TRANSPORTER:
CHENIERE CORPUS CHRISTI PIPELINE, L.P.

SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

FORM OF SERVICE AGREEMENT
RATE SCHEDULE FTS

EXHIBIT A

BETWEEN Cheniere Corpus Christi Pipeline, L.P. and _____

CONTRACT NUMBER: _____

MAXIMUM DAILY TRANSPORTATION QUANTITY ("MDTQ"): _____

ORIGINAL CONTRACT DATE: _____

AMENDMENT DATE: _____

RATE SCHEDULE: For Rate Schedule FTS Only

Primary Receipt Point

Primary Receipt Point MDQ

RATE AND CHARGES: Shipper shall pay all applicable rates and charges as specified in Rate Schedule FTS of Transporter's Tariff, subject to the following:

Applicable Rate(s) (exclusive of surcharges, fuel, or lost and unaccounted for gas)
(select one)

Recourse Rate: The maximum rate(s) set forth for Rate Schedule FTS in Transporter's Tariff, as modified from time to time. Unless a Discounted Rate or Negotiated Rate is specifically agreed to and stated on this Exhibit A,

Discount Rate: _____

Negotiated Rate: _____

CHENIERE CORPUS CHRISTI PIPELINE, L.P. SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

FORM OF SERVICE AGREEMENT
RATE SCHEDULE FTS

EXHIBIT B

BETWEEN Cheniere Corpus Christi Pipeline, L.P. and _____

CONTRACT NUMBER: _____

MAXIMUM DAILY TRANSPORTATION QUANTITY ("MDTQ"): _____

ORIGINAL CONTRACT DATE: _____

AMENDMENT DATE: _____

RATE SCHEDULE: For Rate Schedule FTS Only

Primary Delivery Point

Primary Delivery Point MDQ

RATE AND CHARGES: Shipper shall pay all applicable rates and charges as specified in Rate Schedule FTS of Transporter's Tariff, subject to the following:

Applicable Rate(s) (exclusive of surcharges, fuel, or lost and unaccounted for gas)
(select one)

Recourse Rate: The maximum rate(s) set forth for Rate Schedule FTS in Transporter's Tariff, as modified from time to time. Unless a Discounted Rate or Negotiated Rate is specifically agreed to and stated on this Exhibit A,

Discount Rate: _____

Negotiated Rate: _____

CHENIERE CORPUS CHRISTI PIPELINE, L.P. SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

FORM OF SERVICE AGREEMENT
RATE SCHEDULE ITS

Date: _____

Contract No. _____

SERVICE AGREEMENT

This SERVICE AGREEMENT is entered into by CHENIERE CORPUS CHRISTI PIPELINE, L.P. (herein called "Transporter") and _____ (herein called "Shipper").

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Service Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's FERC NGA Gas Tariff, constitute the transportation service to be provided and the rights and obligations of Transporter and Shipper.

1. AUTHORITY FOR TRANSPORTATION SERVICE:

Authority for Transportation Service shall be under Part 284, Subpart G of the Commission's regulations.

2. RATE SCHEDULE:

Service shall be provided under Transporter's Rate Schedule ITS.

3. CONTRACT DATA:

A list of the Receipt Point(s) and Receipt Point quantities available on an interruptible basis are provided on the attached Exhibit A.

A listing of the Delivery Point(s) and Delivery Point quantities available on an interruptible basis are provided on the attached Exhibit B.

4. TERM:

This Service Agreement shall become effective when executed by Transporter and Shipper. Service hereunder will commence on _____ and will continue in force and effect until 9:00 a.m. Central Clock Time on _____. Thereafter, this Service Agreement shall continue

from year to year until terminated by Transporter or Shipper upon written notice of one year or the term of this Service Agreement, whichever is less.

5. RATES:

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Service Agreement unless Transporter has advised Shipper in writing at the address below or by Transporter's Internet Website that it has agreed otherwise. Nothing herein shall obligate Transporter to provide service at less than the maximum rates, but Transporter may agree to provide service to Shipper at a specified discount, in which case such discount shall not be provided at a rate lower than the variable costs included in Transporter's currently effective usage rate.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's FERC NGA Gas Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Service Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order without prejudice to Shipper's right to protest the same. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. INCORPORATION BY REFERENCE:

The General Terms and Conditions of Transporter's FERC NGA Gas Tariff are incorporated by reference in their entirety in this Service Agreement. If a conflict arises between the General Terms and Conditions of Transporter's FERC NGA Gas Tariff and the provisions of this Service Agreement, the General Terms and Conditions shall control.

7. NOTICES:

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through Transporter's Internet Website. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this Service Agreement:

TRANSPORTER:

Cheniere Corpus Christi Pipeline, L.P.
700 Milam, Suite 1900, Houston, Texas 77002
Attention: Commercial Services
Telephone: _____

Fax: _____
Email: _____

SHIPPER:

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

INVOICES AND STATEMENTS:

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

NOMINATIONS:

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

ALL OTHER MATTERS:

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be signed by their respective officers or representatives thereunto duly authorized to be effective as of the date stated in Section 4 of this Service Agreement.

TRANSPORTER:
CHENIERE CORPUS CHRISTI PIPELINE, L.P.

SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

FORM OF SERVICE AGREEMENT
RATE SCHEDULE ITS

EXHIBIT A

BETWEEN Cheniere Corpus Christi Pipeline, L.P. and _____

CONTRACT NUMBER: _____

CONTRACTED CAPACITY: _____

ORIGINAL CONTRACT DATE: _____

AMENDMENT DATE: _____

RATE SCHEDULE: For Rate Schedule ITS Only

Receipt Point

Receipt Point MDQ

CHENIERE CORPUS CHRISTI PIPELINE, L.P. SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

FORM OF SERVICE AGREEMENT
RATE SCHEDULE ITS

EXHIBIT B

BETWEEN Cheniere Corpus Christi Pipeline, L.P. and _____

CONTRACT NUMBER: _____

CONTRACTED CAPACITY: _____

ORIGINAL CONTRACT DATE: _____

AMENDMENT DATE: _____

RATE SCHEDULE: For Rate Schedule ITS Only

Delivery Point

Delivery Point MDQ

CHENIERE CORPUS CHRISTI PIPELINE, L.P. SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

FORM OF SERVICE AGREEMENT
RATE SCHEDULE PALS

Date: _____

Contract No. _____

SERVICE AGREEMENT

This SERVICE AGREEMENT is entered into by CHENIERE CORPUS CHRISTI PIPELINE, L.P. (herein called "Transporter") and _____ (herein called "Shipper").

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Service Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's FERC NGA Gas Tariff, constitute the transportation service to be provided and the rights and obligations of Transporter and Shipper.

1. AUTHORITY FOR TRANSPORTATION SERVICE:

Authority for Transportation Service shall be under Part 284, Subpart G of the Commission's regulations.

2. RATE SCHEDULE:

Service shall be provided under Transporter's Rate Schedule PALS.

3. CONTRACT DATA:

A listing of the Parking Point(s) and Lending Point(s) and the daily and cumulative Parked and Loaned Quantities is provided on the attached Exhibit A.

4. TERM:

This Service Agreement shall become effective when executed by Transporter and Shipper. Service hereunder will commence on _____ and will continue in force and effect until 9:00 a.m. Central Clock Time on _____. Thereafter, this Service Agreement shall continue from month to month until terminated by Transporter or Shipper upon written notice of one month or the term of this Service Agreement, whichever is less.

5. RATES:

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Service Agreement unless Transporter has advised Shipper in writing at the address below or by Transporter's Internet Website that it has agreed otherwise. Nothing herein shall obligate Transporter to provide service at less than the maximum rates, but Transporter may agree to provide service to Shipper at a specified discount, in which case such discount shall not be provided at a rate lower than the variable costs included in Transporter's currently effective usage rate.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's FERC NGA Gas Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Service Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order without prejudice to Shipper's right to protest the same. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. INCORPORATION BY REFERENCE:

The General Terms and Conditions of Transporter's FERC NGA Gas Tariff are incorporated by reference in their entirety in this Service Agreement. If a conflict arises between the General Terms and Conditions of Transporter's FERC NGA Gas Tariff and the provisions of this Service Agreement, the General Terms and Conditions shall control.

7. NOTICES:

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through Transporter's Internet Website. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this Service Agreement:

TRANSPORTER:

Cheniere Corpus Christi Pipeline, L.P.
700 Milam, Suite 1900, Houston, Texas 77002
Attention: Commercial Services
Telephone: _____
Fax: _____
Email: _____

SHIPPER:

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

INVOICES AND STATEMENTS:

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

NOMINATIONS:

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

ALL OTHER MATTERS

_____ (Shipper's Name)
_____ (Address)
_____ (City, State, Zip)

Attention: _____
Telephone: _____
Fax: _____
Email: _____

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be signed by their respective officers or representatives thereunto duly authorized to be effective as of the date stated in Section 4 of this Service Agreement.

TRANSPORTER:
CHENIERE CORPUS CHRISTI PIPELINE, L.P.

SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

FORM OF SERVICE AGREEMENT
RATE SCHEDULE PALS

EXHIBIT A

BETWEEN Cheniere Corpus Christi Pipeline, L.P. and _____

CONTRACT NUMBER: _____

CONTRACTED CAPACITY: _____

ORIGINAL CONTRACT DATE: _____

AMENDMENT DATE: _____

RATE SCHEDULE: For Rate Schedule PALS Only

<u>Parking Point Lending Point</u>	<u>Daily Parked Quantity</u>	<u>Cumulative Parked Quantity</u>	<u>Daily Loaned Quantity</u>	<u>Cumulative Loaned Quantity</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

CHENIERE CORPUS CHRISTI PIPELINE, L.P. SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

MASTER SERVICE AGREEMENT
FOR CAPACITY RELEASE TRANSACTIONS

Effective Date: _____

Reference No.: _____

This MASTER SERVICE AGREEMENT is entered into by CHENIERE CORPUS CHRISTI PIPELINE, L.P. (Transporter) and _____ (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf in the event that Transporter awards Shipper capacity released on Transporter's system and Transporter represents that it is willing to transport Gas under the terms and conditions of this Master Service Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of this FERC NGA Gas Tariff constitute the transportation service to be provided and the rights and obligations of Sipper and Transporter.

1. SCOPE OF MASTER SERVICE AGREEMENT:

Shipper and Transporter acknowledge that this is a Master Service Agreement entered into pursuant to Section 6.19 of the General terms and Conditions of this FERC NGA Gas Tariff for the purpose of facilitating the capacity release process. Accordingly, Shipper agrees to be bound by the terms of its capacity release bid(s) if and when Transporter awards Shipper any such bid(s). Further, for each release transaction performed pursuant to this Master Service Agreement, Shipper agrees that, in addition to the terms and conditions of this Master Service Agreement, Shipper's rights under this Master Service Agreement shall not exceed those of the Releasing Shipper. Within one hour after Transporter has been notified of any non-biddable release to Shipper, and of the term, MDQ, rate schedule, route, authority for transportation service, and other terms as applicable for such releases, Transporter shall issue a contract for the release transaction and shall confirm the release in writing ("Notice of Award(s)"). The terms of such Notice of Award(s) are hereby incorporated by reference in this Master Service Agreement.

2. AUTHORITY FOR TRANSPORTATION SERVICE will be under Subpart B or G of Part 284 of the Commission's Regulations.

3. RATE SCHEDULE:

To be specified in applicable Notice of Award.

4. **CONTRACT QUANTITIES:**

To be specified in applicable Notice of Award.

5. **TERM OF MASTER SERVICE AGREEMENT:**

From _____ to _____.

The term of any release transaction under this Master Service Agreement shall be specified in the applicable Notice of Award.

6. **RATES:**

The reservation rate for all quantities of Gas transported on the Primary Route and/or to any Secondary Receipt Point, any Secondary Delivery Point, and any Secondary Route within the Primary Route up to the Primary Route MDQ under this Master Service Agreement shall be as stated in the capacity release bid. In addition, Shipper will be charged the applicable usage rate and any other related fees and surcharges, including Annual Charge Adjustment, and Transporter's actual compressor station fuel usage, heater fuel usage, incidental fuel usage, lost and unaccounted for gas and to account for any measurement meter tolerance differentials between receipt and delivery meter points on Transporter's pipeline system ("Retainage").

All quantities associated with the release of capacity awarded under this Master Service Agreement (i.e., a re-release) will be at the bid rate(s) and any other related fees and surcharges, including Annual Charge Adjustment, and Transporter's Retainage applicable to the Releasing Shipper.

7. **INCORPORATION BY REFERENCE:**

The provisions of the applicable Rate Schedule and the General Terms and Conditions of this FERC NGA Gas Tariff are incorporated in their entirety in this Master Service Agreement. If a conflict arises between the General Terms and Conditions and the provisions of this Master Service Agreement the General Terms and Conditions shall control.

8. **NOTICES:**

All notices can be given by telephone or other electronic means however, such notice shall be confirmed in writing at the addresses below or through Transporter's Internet Website. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this Master Service Agreement:

Attention: _____
Telephone: _____
Fax: _____
Email: _____

IN WITNESS WHEREOF, the parties hereto have caused this Service Agreement to be signed by their respective officers or representatives thereunto duly authorized to be effective as of the date stated in Section 4 of this Service Agreement.

TRANSPORTER:
CHENIERE CORPUS CHRISTI PIPELINE, L.P.

SHIPPER

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date:

BID FOR CAPACITY RELEASE FORM
CHENIERE CORPUS CHRISTI PIPELINE, L.P.

Bid Date: _____

Reference No.: _____

1. IDENTITY OF REQUESTER

A. Legal Company Name: _____

B. Abbreviation or Short Name (if applicable): _____

C. Phone Number: _____

D. Facsimile Number: _____

E. Email Address: _____

2. IDENTITY OF REPLACEMENT SHIPPER (if different than Requester):

Written documentation must be submitted to support Requestor's legal authorization to negotiate and/or bind the Replacement Shipper contractually

A. Legal Company Name: _____

B. Abbreviation or Short Name (if applicable): _____

C. Phone Number: _____

D. Facsimile Number: _____

E. Email Address: _____

3. ADDRESSES FOR NEW ASSIGNMENT

A. Mailing Address: _____

Contact Person: _____

B. Billing Address (if different than mailing):

Contact Person: _____

C. Imbalance Address (if different than billing):

Contact Person: _____

The above Shipper information detail must be established initially. Once established, only changes to this detail must be resubmitted.

4. The Bidder is a(n) (Please enter the appropriate code.)

1. Local Distribution Company _____
2. Interstate Pipeline Company _____
3. Intrastate Pipeline Company _____
4. End User _____
5. Producer _____
6. Marketer _____
7. Other _____
8. Pipeline Blanket Sales Operating unit _____

5. Please answer the following:

_____ Parcel Number (if not a stand-alone bid, please reflect all related parcel numbers below).

6. Bid Rate (Reflect bid rate in (1) or (2) below. Bid rate must comport with the capacity release offer. (Choose only one option under (1) or (2) unless you want a blended rate to be considered.)

(1) Absolute dollars and cents two-part rate

(2) Absolute dollars and cents one-part rate

7. State Bid Offer Contingencies: _____

8. Term of Service

Beginning Date Ending Date
____/____/____ ____/____/____

9. Please enter the appropriate quantities: _____Dth/day

10. Will a partial offer of the quantity be acceptable?

_____ Yes/No

_____ If Yes, please state minimum quantity acceptable

For items 11 and 12, list the following for each requested receipt and/or delivery point:

11. (i) Receipt Point: _____

(ii) Dth/d: _____

12. (i) Delivery Point _____

(ii) Dth/d: _____

13. GENERAL COMMENTS:

Bidder hereby certifies that the information contained in this Bid for Capacity Release is complete and accurate to the best of Bidder's knowledge, information and belief.

Requester Company: _____

Signed By: _____

Title: _____

Date: _____