



Colorado Interstate
Gas Company, L.L.C.
a Kinder Morgan company



Wyoming Interstate
Company, L.L.C.
a Kinder Morgan company

August 24, 2015

Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Attention: Ms. Kimberly D. Bose, Secretary

Re: Colorado Interstate Gas Company, L.L.C.;
Wyoming Interstate Company, L.L.C.
Docket No. CP15-____-000,
Request to Abandon the Powder River Lateral Facilities

Colorado Interstate Gas Company, L.L.C. (CIG) and Wyoming Interstate Company, L.L.C. (WIC), herewith jointly file an application, pursuant to Section 7(b) of the Natural Gas Act and Section 157.5, et seq., of the Commission's regulations, for permission and approval to abandon, by sale and in place, CIG's Powder River Lateral and associated metering facilities, and to concurrently terminate an associated Powder River Lateral capacity lease arrangement between CIG and WIC. This project is referred to as the "Abandonment of the Powder River Lateral Facilities."

Description of Items Being Filed

The items being filed herein have been organized pursuant to the Commission's Critical Energy Infrastructure Information ("CEII") filing guidelines.

Public:

- Application Text;
- Table of Contents;
- Federal Register Notice;
- Exhibits U, V, X, Y, Z, Z-2, Z-3, Z-4, and Z-5

Privileged and Confidential:

- Exhibit Z-2 – Landowner Contact List

CEII – Non-Public:

- Exhibit V – Flow Diagrams

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

FEDERAL REGISTER NOTICE

UNITED STATES OF AMERICA

Before the

FEDERAL ENERGY REGULATORY COMMISSION

Colorado Interstate Gas Company, L.L.C.)
Wyoming Interstate Company, L.L.C.) Docket No. CP15-____-000

NOTICE OF APPLICATION
(AUGUST _____, 2015)

Take notice that on August ____, 2015, Colorado Interstate Gas Company, L.L.C. (CIG) and Wyoming Interstate Company, L.L.C. (WIC), limited liability companies whose mailing address is Post Office Box 1087, Colorado Springs, Colorado 80944, jointly filed an application at Docket No. CP15-____-000, pursuant to Section 7(b) of the Natural Gas Act (NGA) and Section 157.5, et seq., of the Federal Energy Regulatory Commission's (Commission) Regulations. The application requests the Commission to authorize the abandonment, by sale and in place, of the Powder River Lateral Pipeline and certain other pipeline facilities, and to concurrently terminate an associated Powder River Lateral capacity lease agreement between CIG and WIC. The project is to be referred to as the "Abandonment of the Powder River Lateral Facilities."

Any questions regarding this Application should be directed to Francisco Tarin, Director, Regulatory Affairs, Colorado Interstate Gas Company, L.L.C.; P.O. Box 1087, Colorado Springs, Colorado, 80944 at (719) 667-7517 or by fax at (719) 520-4697, or Mark A. Minich, Assistant General Counsel, Colorado Interstate Gas Company, L.L.C.; P.O. Box 1087, Colorado Springs, Colorado, 80944 at (719) 520-4416 or by fax at (719) 520-4415.

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the "e-filing" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20424.

This filing is accessible on-line at <http://www.ferc.gov>, using the "elibrary" link and is available for review in the Commission's Public Reference Room in Washington, D.C. There is an eSubscription" Link on the web site that enables subscribers to receive e-mail notification when a document is added to a subscribed docket(s). For assistance with any FERC online service, please e-mail FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: _____, **2015**

Kimberly D. Bose Secretary

UNITED STATES OF AMERICA
Before the
FEDERAL ENERGY REGULATORY COMMISSION

Joint Application of
Colorado Interstate Gas Company, L.L.C.
and Wyoming Interstate Company, L.L.C.
At Docket No. CP15-____-000

Pursuant to Section 7(b)
of the Natural Gas Act

Joint Application of Colorado Interstate Gas Company L.L.C. and
Wyoming Interstate Company, L.L.C. to
Abandon Certain Pipeline Facilities and Terminate a Capacity Lease

Dated: August 24, 2015

Filed: August 25, 2015

UNITED STATES OF AMERICA

Before the

FEDERAL ENERGY REGULATORY
COMMISSION

Colorado Interstate Gas Company, L.L.C.)
Wyoming Interstate Company, L.L.C.) Docket No. CP15-____-000

Joint Application of Colorado Interstate Gas Company L.L.C. and
Wyoming Interstate Company, L.L.C. to
Abandon Certain Pipeline Facilities and Terminate a Capacity Lease

Colorado Interstate Gas Company, L.L.C. ("CIG") and Wyoming Interstate Company, L.L.C. ("WIC") (jointly referred to as "Applicants"), hereby make a joint application to the Federal Energy Regulatory Commission ("Commission"), pursuant to Section 7(b) of the Natural Gas Act ("NGA") and Section 157.5, et seq., of the Commission's Regulations, for permission and approval to abandon, by sale and in place, certain pipeline facilities and to terminate an associated capacity lease arrangement between CIG and WIC. CIG and WIC jointly respectfully request the following abandonment authorizations:

- CIG's abandonment by sale to Copano Pipelines/Rocky Mountain LLC¹ ("CP/RM") of its approximate 100-mile Powder River Lateral Pipeline ("Lateral" or "Line No. 72A") located in Converse County and Albany County, Wyoming;
- CIG's abandonment in place of its Powder River Meter Station, North Platte Meter Station, Glenrock Meter Station, and a farm tap located on Line No. 72A; and

¹ CP/RM is a wholly-owned indirect subsidiary of Kinder Morgan Inc. and, thereby, an affiliate of CIG and WIC. CP/RM holds interests in Bighorn Gas Gathering, L.L.C. and Fort Union Gas Gathering, L.L.C. – two joint ventures each of which operates a non-jurisdictional gas gathering system located entirely in Wyoming.

- Termination and abandonment of the CIG/WIC capacity lease arrangement currently in effect for capacity on Line No. 72A and through WIC's Laramie Jumper Compressor.

This overall proposal is referred to as the "Abandonment of the Powder River Lateral Facilities." As part of this overall request, CIG and WIC will cancel and remove from both tariffs all references to the Powder River Lateral, including the provisions for WIC incremental transportation rates on the Powder River Lateral and incremental fuel and lost and unaccounted for rates associated with service on the Powder River Lateral.

Additionally, CIG and WIC, acting on behalf of CP/RM, respectfully request that upon issuance of the necessary abandonment authorizations and the closing of the sale for the Powder River Lateral, the Commission make a determination that the pipeline, its operation and the service rendered through this facility be exempt from jurisdiction under the NGA.

EXECUTIVE SUMMARY

Powder River Lateral

CIG currently owns and operates the Powder River Lateral, Line No. 72A, an approximate 100-mile segment of 16-inch outside diameter ("O.D.") pipeline, which extends in a northeasterly direction from an interconnection with CIG's mainline transmission system located in Albany County, Wyoming, to a point located in Converse County, Wyoming, near Glenrock.² In addition to deliveries into CIG's system, natural gas volumes are delivered from the Lateral into WIC's mainline system through the WIC

² Line No. 72A was originally constructed to provide access to natural gas supplies produced in the Powder River Basin for delivery to the CIG mainline for further transportation downstream.

owned and operated Laramie Jumper Compressor,³ a 4,680 horsepower compressor unit located in Albany County, Wyoming at the south end of Line No. 72A. The total capacity of the Lateral is shared by the Applicants pursuant to the terms of a lease agreement entered into between CIG and WIC in 1998.

Decreasing drilling trends and lower natural gas production in the Powder River area combined with a surplus of associated pipeline takeaway capacity have driven down the overall utilization of Line No. 72A in the last several years. Given the overall underutilization of the Lateral, CIG recently entered into an agreement with CP/RM to sell Line No. 72A. CP/RM has informed CIG that it wishes to acquire the Powder River Lateral in order to convert the pipeline to natural gas liquids ("NGL") transportation use.

CIG and CP/RM entered into a Purchase and Sale Agreement ("PSA") dated July 20, 2015 for the sale of the Powder River Lateral Line No. 72A.⁴ Consistent with longstanding Commission policy, CIG has agreed to sell the facilities to CP/RM at the net book value.⁵ Upon receipt of the necessary abandonment authorizations, CIG will convey the Powder River Lateral to CP/RM. Accordingly, CIG is seeking Commission permission and approval to abandon its Powder River Lateral.

³ CIG owns and operates its Laramie Compressor Station which is unrelated to this application; however, WIC's Laramie Jumper Compressor is co-located within CIG's Laramie Compressor Station yard.

⁴ The PSA between CIG and CP/RM is being provided herein as Exhibit U.

⁵ See, e.g., *Transwestern Pipeline Company L.L.C.*, 140 FERC ¶ 61,147 (2012) and *El Paso Natural Gas Company LLC*, 150 FERC ¶ 62,094 (2015).

Powder River Lateral Metering Facilities

In addition to the lateral, three CIG meter stations and one farm tap will be abandoned in place.⁶ The meter stations were originally constructed to measure natural gas being delivered to or from the Powder River Basin for transportation to the CIG mainline systems.⁷ Once the Lateral is abandoned and removed from natural gas service, there will be no further need for these metering facilities. CIG notes that even though these meters will be abandoned, transportation from the Powder River Basin will still be available via WIC's Medicine Bow system. A farm tap that has served SourceGas Distribution LLC (SourceGas), the local distribution company, to make deliveries to a single rural natural gas end user, will also be abandoned. However, service to SourceGas and the end user will not be interrupted since CIG has agreed to maintain service to the SourceGas meter station by reconfiguring and installing new alternate facilities as described herein.

Termination of Powder River Lateral Lease Capacity Arrangement

Upon abandonment of the Lateral, CIG and WIC will also terminate the capacity lease arrangement that exists between the two pipelines for Powder River Lateral capacity. The capacity lease arrangement was entered into in 1998 in conjunction with WIC's installation of the Laramie Jumper Compressor unit. The installation of that compression created approximately 49,000 Dekatherms ("Dth") per day of additional capacity on the Lateral (increasing the total certificated capacity of the Lateral to

⁶ In addition to the CIG meter stations, WIC owns and operates the Natural Bridge Meter Station located on Line No. 72A. This meter station is located within the WIC Douglas Compressor Station yard boundaries. WIC will utilize its blanket certificate authority to abandon in place the Natural Bridge Meter Station after the abandonment by sale of the Powder River Lateral.

⁷ The Albany Meter Station located on the south end of the Lateral near the Laramie Compressor Station will not be abandoned at this time.

approximately 98,000 Dth per day). In association with the compressor project, CIG and WIC entered into a lease arrangement, whereby CIG leased the newly created 49,000 Dth per day of capacity to WIC, and WIC leased capacity through the Laramie Jumper Compressor unit to CIG.

CIG and WIC Tariff Matters

As part of the proposed abandonments, certain Powder River Lateral references in both the CIG and WIC tariffs will no longer be applicable. Therefore, CIG and WIC are submitting herein pro forma tariff records which reflect the removal of Powder River Lateral references from the two tariffs.⁸ Upon approval of the requested abandonments, CIG and WIC will submit separate filings for the Commission's review and acceptance to implement the pro forma tariff records.⁹

Accordingly, CIG and WIC respectfully request the Commission issue an order approving; (1) the abandonment of the Powder River Lateral by sale to CP/RM; (2) the abandonment in place of the related metering facilities; and (3) abandonment of the capacity lease between CIG and WIC, by no later than March 15, 2016. Issuance of an order by that date will allow CIG to commence and complete the abandonment-related activities by the anticipated facility transfer date of April 1, 2016.

⁸ The pro forma tariff records for each pipeline company are shown in Exhibit X.

⁹ In the compliance filings to implement the pro forma tariff records, CIG and WIC will reflect changes from the tariff records that are in effect at the time of the filings.

In support hereof, CIG respectfully represents:

I.

The exact legal name of CIG is Colorado Interstate Gas Company, L.L.C. It is a limited liability company duly organized and existing under the laws of the State of Delaware, having its principal place of business in Colorado Springs, Colorado. CIG is authorized to conduct business in the States of Colorado, Kansas, Montana, New Mexico, Oklahoma, Texas, Utah, and Wyoming.

CIG is a natural gas company under the NGA engaged in the open access transportation of natural gas. CIG's interstate transmission system extends from supply areas in Texas, Oklahoma, Kansas, Colorado, Wyoming, Montana, and Utah to major delivery areas along the eastern slope of the Rocky Mountain Front Range in Colorado and Wyoming. CIG's system interconnects with other interstate pipelines in all of the states in which it operates, except Montana.

CIG received blanket certificate authorization in Docket No. CP86-589 for routine construction and operation activities and abandonments of service, and for transportation of natural gas on behalf of others, respectively, all as contemplated by Part 157, Subpart F and by Part 284, Subpart G, of the Commission's regulations.

The exact legal name of WIC is Wyoming Interstate Company, L.L.C. It is a limited liability company duly organized and existing under the laws of the State of Delaware, having its principal place of business in Colorado Springs, Colorado. WIC is

engaged solely in the business of transporting natural gas in the states of Wyoming, Utah and Colorado.

WIC is a natural gas company under the NGA engaged in the open access transportation of natural gas. WIC received blanket certificate authorization in Docket No. CP83-22-000 for routine construction and operation activities and abandonments of service, and for transportation of natural gas on behalf of others, respectively, all as contemplated by Part 157, Subpart F and by Part 284, Subpart G, of the Commission's regulations.

II.

REGULATORY AUTHORIZATIONS REQUESTED

CIG and WIC are seeking authorization under Section 7(b) of the NGA and Section 157.5, et seq. of the Commission's Regulations, for the following authorizations:¹⁰

- CIG's abandonment by sale to CP/RM of its approximate 100-mile Line No. 72A located in Converse County and Albany County, Wyoming;
- CIG's abandonment in place of its Powder River, North Platte and Glenrock Meter Stations, as well as a farm tap located on Line No. 72A; and
- Termination and abandonment of the CIG/WIC capacity lease arrangement currently in effect for capacity on Line No. 72A provided by the Laramie Jumper Compressor unit.

Concurrent with this request, CIG and WIC, acting on behalf of CP/RM, respectfully request that upon issuance of the necessary abandonment authorizations

¹⁰ Attached as Exhibit Z to this application, CIG has included a map showing the location of facilities proposed to be abandoned.

and the closing of the sale for the Powder River Lateral, the Commission make a determination that the pipeline, its operation and the service rendered through this facility be exempt from Commission jurisdiction. CIG and WIC understand that upon conversion of the Powder River Lateral, the new NGL pipeline may be subject to the Commission's jurisdiction under the Interstate Commerce Act and if so, CP/RM will need to comply with Parts 341 and 357 of the Commission's regulations.

III.

History of the Powder River Lateral Facilities

On March 20, 1970 and March 23, 1970, CIG and McCulloch Interstate Gas Corporation ("McCulloch Interstate") filed related applications for certificates of public convenience and necessity in Docket No CP70-230 and in Docket No. CP70-231, respectively, seeking authorization to acquire, construct and operate certain natural gas facilities and for the sale and/or transportation of natural gas. The respective applications described a project wherein McCulloch Interstate would purchase residue natural gas at various processing plants in the Powder River Basin for sale and delivery to CIG. McCulloch Interstate would deliver the gas to CIG at a point near Douglas, Wyoming, and CIG would construct new pipeline facilities, i.e., Line No. 72A, that would transport natural gas volumes to a point on the existing 22-inch CIG mainline system near Laramie, Wyoming. CIG would utilize this additional source of supply to meet natural gas requirements at the time. The new facilities from the Powder River Basin provided access to a new supply source and created approximately 49,000 Dth per day of incremental transmission capacity. On June 19, 1970, the Commission issued an

order in Docket No. CP70-230-000 authorizing the construction and operation of the Powder River Lateral and appurtenant facilities.

In response to growing demand for additional transportation capacity out of the Powder River area of Wyoming, WIC and CIG filed a joint application in Docket No. CP98-128-000 on December 12, 1997 seeking authorization for WIC to construct and operate a 4,680 horsepower jumper compressor unit at the existing Laramie compressor station. The compressor unit would connect CIG's Powder River Lateral and WIC's mainline, create approximately 49,000 Dth per day of additional transportation capacity on the Powder River Lateral, and compress gas from the Powder River Lateral into WIC's transmission system. On July 10, 1998, the Commission issued an order authorizing, among other things, WIC to construct and operate the Laramie Jumper Compressor unit.¹¹

The Commission's order also authorized CIG to abandon the additional capacity in the Powder River Lateral, created by the addition of compression, to WIC by lease. Similarly, because 100 percent of the throughput of the Powder River Lateral flowed through, and was compressed by, WIC's proposed compressor unit at Laramie, WIC leased to CIG approximately 49,000 Dth per day of capacity through the proposed compressor unit. The leases enabled CIG to continue to receive gas in the Powder River area, honored all existing contractual agreements to third party shippers using the

¹¹ See *Colorado Interstate Gas Company*, 76 FERC ¶ 101 FERC, and *Wyoming Interstate Company, Ltd.* and *Colorado Interstate Gas Company*, 84 FERC ¶ Para. 61,007 (1998). This order also approved WIC's initial incrementally priced transportation service and fuel and lost and unaccounted for reimbursement rates.

Powder River Lateral, and maintained the current quality of service to the shippers using the Powder River Lateral. No charges or payments were imposed on either party for the capacity leases because the leases provided equal and offsetting benefits for WIC and CIG.

Basis for Sale of the Powder River Lateral

Up until recent years, the Powder River Basin has experienced growing natural gas production. However, more recently, sharply declining oil and gas prices have suppressed new drilling and resulted in a corresponding reduction in natural gas production. For CIG and WIC, this has resulted in a significant decrease in both the contracting and utilization of the Powder River Lateral. Projections for drilling and production in this basin illustrate a continued decrease through 2025. If and when drilling and production activity increases in the basin, existing regional pipelines with available capacity (e.g., WIC's Medicine Bow Lateral system, Tallgrass Interstate Gas Transmission, LLC's pipeline system or Bison Pipeline LLC's pipeline system) are capable of meeting any increased market demand for transportation capacity.¹²

As a result of the slowdown in exploration and production activity, use of the Powder River Lateral has decreased in the past two years as evidenced by decreasing demand for firm capacity on the Lateral. With the exception of one shipper on CIG's system, SourceGas, neither CIG nor WIC have any effective transportation service agreements ("TSAs") that designate Powder River Lateral points as primary points.

¹² Attached as Exhibit Z-5, Applicants have provided drilling projection information for the Powder River Basin as well as information related to pipeline takeaway capacity.

Currently, SourceGas and CIG are parties to a TSA that lists the Booth Brothers Meter, i.e., a Powder River Lateral delivery point, as a primary point.¹³ CIG has been in discussions with SourceGas reviewing alternate facilities that will ensure continuity of service at that delivery point. With the understanding that CIG and SourceGas will agree to alternate ways of maintaining service to the Booth Brothers Meter, CIG and WIC have determined that maintaining the Powder River Lateral in natural gas service has become both uneconomic and of limited utility to both pipelines. As such, alternate uses for this line have been evaluated.

IV.

SALE OF THE POWDER RIVER LATERAL

CP/RM recently expressed interest in acquiring the approximately 100-mile Powder River Lateral for conversion to an NGL transportation pipeline. The pipeline would be used to transport NGLs produced from multiple natural gas processing plants in Wyoming's Powder River Basin to a proposed interconnection with Overland Pass Pipeline ("OPPL")¹⁴ located in Albany County, Wyoming.¹⁵ Based on a review of its current system operations and currently effective contracts, CIG has agreed to sell Line No. 72A to CP/RM, subject to Commission authorization and pursuant to the terms of a PSA included as Exhibit U of this Application. Prior to finalizing the sale, CIG and CP/RM have agreed, pursuant to Section 6 of the PSA, to undertake a hydrostatic test

¹³ The Booth Brothers Meter is a delivery point originally installed as a farm tap when the Powder River Lateral was installed and is currently served by SourceGas.

¹⁴ OPPL is an existing common carrier NGL transportation system operating under the Interstate Commerce Act, and transports NGL from the Rocky Mountain Region to Conway, Kansas.

¹⁵ Attached under Exhibit Z-4, Applicants have provided a brief description and map showing the proposed modifications CP/RM will undertake in order to convert the Powder River Lateral to NGL transportation service.

of the Powder River Lateral to verify the pipeline's integrity for NGL service.¹⁶ If the results of the hydrostatic test are not acceptable to CP/RM, CP/RM has the right, under certain restricted conditions, to terminate the agreement. Finally, the PSA provides that the purchase price will be set at the net book value at the time of the closing of the sale.¹⁷ Please refer to the accounting treatment filed as Exhibit Y of this Application.

Accordingly, CIG is seeking permission and approval to abandon the Powder River Lateral by sale to CP/RM, as well as the abandonment in place of the aforementioned CIG meter stations and farm tap. In conjunction with the sale of the Lateral and related equipment, CIG and WIC are seeking permission and approval to terminate and abandon the capacity lease agreement described above.

Justification for Abandonment

As explained above, the utility of Line No. 72A has become increasingly limited. CIG and WIC have evaluated their current contract portfolios and determined that, with the exception of SourceGas, none of their shippers have firm, primary rights on the Powder River Lateral. Notwithstanding firm, primary rights, certain CIG and WIC shippers hold firm TSAs that grant them access to all system points on a secondary point basis. Even so, the use of these secondary point rights has been limited. For WIC, the last contract for firm transportation service on the Powder River Lateral terminated in November of 2013 and the last billing for transportation on the Powder River Lateral was in August 2012. For CIG, since January 1, 2014, only two CIG

¹⁶ CIG will undertake the hydrostatic test of Line No. 72A during the fourth quarter 2015.

¹⁷ An amendment to the PSA provides that CIG will be reimbursed for various expenses that may be incurred as part of the Powder River Lateral sale. The amendment is included in Exhibit U.

shippers have used secondary point rights to transport natural gas from receipt points on Line No. 72A. Recognizing that these shippers have utilized the Powder River Lateral, CIG and WIC have been in discussions with those shippers regarding the proposed abandonment and alternative transportation options that are available to them on WIC's Medicine Bow Lateral system. Despite the fact that no alternative transportation arrangements have been reached as of the date of this filing, these shippers have indicated a willingness to work with CIG and WIC on finding mutually agreeable arrangements that may utilize WIC's Medicine Bow Lateral system to access natural gas from the Powder River Basin for transport south to delivery points on the CIG or WIC mainlines.

As indicated above, SourceGas currently has a TSA that lists the Booth Brothers Meter as a primary delivery point. CIG has informed SourceGas that it is evaluating facility and alternate service options that will ensure continuity of service to this delivery point. Specifically, CIG has communicated to SourceGas that it is willing to construct for SourceGas a new small-diameter lateral that would connect a meter serving the Booth Brothers to CIG's mainline.¹⁸ With this minor facility modification, CIG would ensure that service to the Booth Brothers meter would continue uninterrupted. Based on CIG's willingness to construct the alternate facilities to the Booth Brothers Meter, the Powder River Lateral facilities would not be required to ensure continuity of

¹⁸ An approximately 4,900-foot 2-inch outside diameter pipeline would connect CIG's mainline (Line Nos. 5A/5B) to the existing Booth Brothers Meter delivery point. Discussions with SourceGas are ongoing on this arrangement. CIG may undertake the construction of the short lateral facilities utilizing its blanket certificate authorization. In the alternative, CIG may agree to build these facilities for SourceGas, wherein SourceGas would be the ultimate operator/owner of the short lateral pipeline. CP/RM has agreed to reimburse CIG for all costs associated with installing these facilities.

primary firm service.

In support of this request, Applicants are providing flow diagrams as part of Exhibit V to illustrate the effect of the proposed abandonment on CIG's and WIC's systems. After the sale of the facilities and with the alternative arrangements discussed with affected SourceGas, CIG and WIC will continue to meet the current and anticipated demand for natural gas transportation service as well as continue to provide system flexibility and access to shipper-preferred natural gas supplies. No flow diagrams are being provided for the WIC system since no facilities are proposed for abandonment. After the abandonment of the Powder River Lateral and the associated lease arrangement, WIC is proposing to integrate the Laramie Jumper Compressor Unit to mainline service where it can augment existing mainline operations. With its current piping configuration, WIC will not need to make any physical modifications in order to utilize the Laramie Jumper unit for mainline service. WIC is proposing to charge its existing mainline rates for service utilizing this compressor unit and is not requesting a pre-determination of rolled-in rate treatment. Inclusion of costs associated with the compressor in mainline rates will be addressed in WIC's next general rate case.

Changes to CIG and WIC Tariff Records

Included as Exhibit X is a list of all CIG and WIC pro forma tariff records that are affected by the actions described in this filing. CIG proposes to remove obsolete references to the Powder River Lateral found in the Gas Quality and Fuel and L&U sections in CIG's tariff, and WIC proposes to revise eight tariff sections to remove

references to the Power River Lateral. In addition to general location references, WIC will delete tariff provisions associated with the incremental pricing approved by the Commission for the Powder River Lateral. These tariff changes eliminate references to Powder River-specific firm and interruptible transportation service charges (including the fuel and lost and unaccounted for in-kind reimbursement charge) which will no longer be applicable after abandonment of the facilities.

V.

The facilities for which CIG seeks permission and approval to abandon, by sale and in place, are described as follows:

Abandon by Sale, CIG's Powder River Lateral Line No. 72A

Abandon, by sale, an approximate 100-mile 16-inch O.D. pipeline from Milepost 0.00 to Milepost 100+0364 commencing at Section 21, Township 17 North, Range 76 West, Albany County, WY and ending at Milepost 100+0364, Section 10, Township 33 North, Range 73 West, Converse County, Wyoming.

Abandon in Place, Three Meter Stations Serving the Powder River Lateral¹⁹

Abandon, in place, the CIG Powder River Meter Station, certificated in CP70-230 and CP83-21 in 1991, consisting of one 8" ultrasonic meter and two 8" orifice meters, located at or near the Douglas Compressor Station in Section 33, Township 33 North, Range 73 West, Converse County, Wyoming.

Abandon, in place, the CIG Glenrock Meter Station, certificated in CP83-21 and constructed in 1989, consisting of one 10" orifice meter, located at or near the Douglas Compressor Station in Section 33, Township 33 North, Range 73 West, Converse County, Wyoming.

¹⁹ As noted, CIG is proposing to abandon in place the Powder River and the Glenrock Meter Station facilities. However, CIG has contacted the affected landowner/s to ensure they agree with the disposition of these metering facilities. If agreement cannot be reached with this landowner, CIG may opt to remove the meter stations utilizing its blanket construction authorization. Any removal costs incurred by CIG would be reimbursed by CP/RM.

Abandon, in place, the CIG North Platte Meter Station, certificated in CP00-239 and constructed in 1999, consisting of one 4" ultrasonic meter, located at or near the Douglas Compressor Station in Section 33, Township 33 North, Range 73 West, Converse County, Wyoming.

Additionally, CIG will abandon in place the farm tap serving the Booth Brothers Meters delivery point.²⁰ As previously explained, while the farm tap on the Powder River Lateral will be abandoned, CIG will maintain service to this point through the installation of a short, small-diameter lateral line that will connect the existing SourceGas meter station to CIG's mainline. In this manner, service to the Booth Brothers Meter delivery point will not be interrupted.

As explained above, CIG is seeking authorization to abandon the Powder River Lateral Facilities by sale and in place. Upon receipt of Commission authorization, CIG will sell the Powder River Lateral to CP/RM.

VI.

ENVIRONMENTAL AND LANDOWNER MATTERS

Since the Powder River Lateral Facilities will be abandoned by sale and in place, only minor station yard piping modifications (i.e., cutting and capping above ground piping) will be required for the abandonments. The abandonment activities will have no significant impact on the quality of the human environment and no impact on sensitive environmental areas. Based on the fact there will be no environmental impacts associated with the sale of the Powder River Lateral or the abandonment in

²⁰ The Booth Brothers Meter delivery point is located at approximately Milepost 1 on Line No. 72A in Albany County, Wyoming. It was originally certificated and built pursuant to authorizations issued in Docket Nos. CP70-230-000, et al.

place of the meter stations, CIG and WIC believe the proposed abandonments qualify for categorical exclusion from the requirement to prepare an environmental assessment or environmental impact statement in accordance with Section 380.4(a)(31) of the Commission's Regulations. As such, an environmental report is not required and has not been provided in this Application.²¹

Absent the minor station yard piping modifications (i.e., cutting and capping), CIG and WIC do not propose any construction or physical removal of any facilities in this application. As explained previously, the abandonment by sale of the Powder River Lateral facilities will have no adverse effects on either CIG's or WIC's systems, their pipeline system operations, or other existing customers. As part of this Application, Applicants are following the landowner notification requirements promulgated by the Commission in Order Nos. 609 and 609-A.²² Applicants will make a good faith effort to serve affected landowners [as defined in 18 C.F.R. §157.6(d) (2)] and the other parties designated in Order Nos. 609 and 609-A with a landowner notification letter within three days after the Commission issues its notice of this

²¹ As noted previously, CIG is in discussions with SourceGas regarding the potential to construct short lateral facilities to the existing Booth Brothers Delivery Point. If CIG agrees to construct, own and operate the short lateral, CIG would undertake such construction pursuant to its blanket certificate construction procedures and, as part of that process, review and evaluate related environmental effects, if any.

²² Landowner Notification, Expanded Categorical Exclusions, and Other Environmental Filing Requirements, Order No. 609, Docket No. RM98-17-000, issued October 13, 1999. See FERC Stats. and Regs. Para. 31,082. Order on Rehearing, Order No. 609-A, 90 FERC Para. 61,259 (2000).

Application.²³ The notice will contain the information prescribed by the Commission in 18 C.F.R. §157.6(d)(3).

VII.

REQUEST FOR DETERMINATION THAT THE POWDER RIVER LATERAL WILL BE NON-JURISDICTIONAL UPON SALE TO CP/RM

Further, on behalf of CP/RM, CIG and WIC respectfully request that the Commission make a determination in this proceeding that, following abandonment and sale of the Powder River Lateral to CP/RM, these facilities will be considered non-jurisdictional and no longer subject to regulation by the Commission. Specifically, the parties request that the Commission find the pipeline will function as an NGL pipeline and such activity will be considered exempt from the Commission's jurisdiction under the Natural Gas Act.²⁴

VIII.

PUBLIC CONVENIENCE AND NECESSITY

The proposed abandonments are required by the present and future public convenience and necessity. The abandonment, by sale to CP/RM, of the Powder River Lateral will eliminate the need to maintain facilities that are not necessary for the transportation of natural gas on CIG's and WIC's pipeline systems, thereby reducing

²³ If any notice to an affected landowner is returned as non-deliverable, Applicants will make a reasonable attempt to locate the correct address for notifying the affected landowner. An updated landowner list and information about the returned notices will be filed with the Commission within 30 days of the date of filing this Application. A copy of the landowner notification package is attached as Exhibit Z-2.

²⁴ See *El Paso Natural Gas Company*, 150 FERC ¶ 62,094 (2014), *Southern Natural Gas Company, L.L.C.*, 150 FERC ¶ 61,196 (2015), and *Questar Pipeline Company and Questar Gas Company*, 121 FERC ¶ 62,159 (2007).

future expenses related with their operation and maintenance. Further, CIG and WIC aver that the proposed abandonments and lease termination will not adversely affect mainline system capacity and will not result in or cause any interruption, reduction, or termination of the firm transportation services presently rendered by CIG or WIC. As described above, CIG and WIC have been in discussions with the CIG shippers who have utilized the Powder River Lateral on a secondary basis for alternate transportation arrangements. Moreover, CIG has also been working with SourceGas on ensuring continuity of service to an end user currently served by a farm tap on the Lateral.

Previously, the Commission has approved abandonments as consistent with the public convenience and necessity where, as here, the facilities have been underutilized and “their use for the transportation of dry gas is expected to decline in the future as producers . . . focus on the development of rich gas plays.”²⁵ The Powder River Lateral Facilities have experienced diminished use over the last several years due to decreasing oil and natural gas commodity prices and the corresponding decrease in dry gas production. The proposed abandonment of the Powder River Lateral would allow the pipeline to be converted to NGL transportation service which would allow the pipeline to link growing NGL supply in the Powder River Basin with downstream petrochemical and refining industries market demands. Consistent with prior abandonment applications approved by the Commission, existing facilities would be more efficiently utilized, thus avoiding the construction of duplicative facilities and reducing potential environmental impacts. CIG and WIC believe that the present and

²⁵ See *Gulf South Pipeline Co., LP*, 136 FERC ¶ 62,170 at 4 (2011) and *Ozark Gas Transmission, L.L.C.*, 151 FERC ¶ 61,193 (2015).

future public convenience and necessity will be served by the Commission granting the requested abandonment authorizations.

CIG and WIC believe and therefore state that no additional application to supplement or effectuate this proposal, as set forth in this Application, must be or is to be filed by CIG or WIC or by any other person with any Federal, state, or other regulatory body.

IX.

This Application is being filed in abbreviated form in accordance with Section 157.7(a) of the Commission's Regulations. Reference is made below to all exhibits required under Section 157.18 of said Regulations, all of which exhibits are attached, incorporated by reference, or omitted for the reasons indicated.

EXHIBIT T - RELATED APPLICATIONS

Omitted. A discussion of all prior proceedings, including docket numbers and dates of Commission orders applicable to the facilities proposed to be abandoned, are found in the text of this Application. There are no applications pending before or granted by the Commission that are related to the instant application.

EXHIBIT U – CONTRACTS AND OTHER AGREEMENTS

CIG is including the executed Purchase and Sales Agreement between CIG and CP/RM dated July 20, 2015.

EXHIBIT V- FLOW DIAGRAMS SHOWING DAILY DESIGN CAPACITY AND REFLECTING OPERATION OF APPLICANT'S SYSTEM AFTER ABANDONMENT

Submitted as Exhibit V are CIG flow diagrams and an explanation of operational issues (if any) associated with the facilities and lease proposed to be abandoned. The flow diagrams and flow diagram data are designated as Critical Energy Infrastructure Information (CEII). Accordingly, CIG is seeking confidential treatment for the flow diagrams and related data.

EXHIBIT W - EFFECT ON CUSTOMERS WHOSE SERVICE WILL BE TERMINATED

As discussed in this application, there will be no interruption, reduction, or termination of natural gas service presently rendered by CIG or WIC to any of its existing customers as a result of the proposed abandonment. Therefore, this exhibit has been omitted.

EXHIBIT X - EFFECT OF THE ABANDONMENT ON EXISTING TARIFFS

Attached as Exhibit X are the proposed changes to the CIG and WIC currently effective FERC Gas Tariffs on file with the Commission.

EXHIBIT Y - ACCOUNTING TREATMENT OF ABANDONMENT

Attached as Exhibit Y are accounting treatments related to the facilities proposed to be abandoned.

EXHIBIT Z - LOCATION OF FACILITIES

Attached as Exhibit Z are geographical maps showing the location of the facilities proposed to be abandoned.

EXHIBIT Z-1 – ENVIRONMENTAL RESOURCE REPORTS

Omitted. Environmental resource reports are not required for the proposed abandonments.

EXHIBIT Z-2 – LANDOWNER NOTIFICATION

Attached as Exhibit Z-2 is the letter that will be sent to the landowners affected by the Powder River Lateral abandonment. Also submitted as non-public privileged information is a landowner contact list.

EXHIBIT Z-3 – PROPOSED PROTECTIVE AGREEMENT

Attached as Exhibit Z-3 is a proposed protective agreement for access to privileged information submitted with this application.

EXHIBIT Z-4 – CONVERSION TO NGL SERVICE

Attached as Exhibit Z-4 is a brief description and map of the proposed conversion of the Powder River Lateral to NGL Service.

EXHIBIT Z-5 – POWDER RIVER BASIN PRODUCTION PROJECTIONS AND PIPELINE TAKEAWAY CAPACITY

Attached as Exhibit Z-5 is drilling projection information for the Powder River Basin as well as information related to pipeline takeaway capacity projections.

X.

Attached to this Application is a statement in conformity with Section 2.1 of the Commission's Statements of General Policy and Interpretations and Section 157.6(b)(7) of the Commission's Regulations Under the NGA suitable for publication in the Federal Register, summarizing the instant Application.

XI.

The name, title, mailing and email addresses, and telephone and facsimile numbers of those persons to whom correspondence and communications concerning this Application should be directed are as follows:

Francisco Tarin
Director, Regulatory Affairs
Colorado Interstate Gas Company, L.L.C.
Post Office Box 1087
Colorado Springs, CO 80944
Telephone: (719) 667-7517
Facsimile: (719) 667-4697
CIGRegulatoryAffairs@kindermorgan.com

Mark A Minich
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Post Office Box 1087
Colorado Springs, CO 80944
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Facsimile: (719) 520-4415
CIGLegalFERC@kindermorgan.com

XII.

Colorado Interstate Gas Company, L.L.C. and Wyoming Interstate Company, L.L.C. respectfully request that the Commission issue an order by March 15, 2016 authorizing:

- the CIG abandonment, by sale, to CP/RM of the approximate 100-mile Powder River Lateral;
- the CIG abandonment, in place, of the its Powder River, North Platte, and Glenrock Meter Stations; and
- the termination and abandonment of the Powder River Lateral capacity lease arrangement currently in effect between WIC and CIG.

Respectfully submitted,

COLORADO INTERSTATE GAS COMPANY,
L.L.C. and
WYOMING INTERSTATE COMPANY, L.L.C.

By _____ /s/
William D. Wible
Vice President

Mark A. Minich
Assistant General Counsel
Colorado Interstate Gas Company, L.L.C.
Post Office Box 1087
Colorado Springs, CO 80944
(719) 520-4416

David K. Dewey
Assistant General Counsel
Wyoming Interstate Company, L.L.C.
Post Office Box 1087
Colorado Springs, CO 80944
(719) 520-4227

Dated: August 24, 2015

UNITED STATES OF AMERICA

Before the

FEDERAL ENERGY REGULATORY COMMISSION

Colorado Interstate Gas Company, L.L.C.)
Wyoming Interstate Company, Ltd.) Docket No. CP15-____-000

Application of Colorado Interstate Gas Company, L.L.C. and
Wyoming Interstate Company, L.L.C. to:
Abandon Pipeline Facilities and Terminate a Capacity Lease

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Purchase and Sale Agreement	U	Public
Explanation of Flow Diagrams	V	Public
Flow Diagrams	V	Non-Public CEII
Tariff Sheets	X	Public
Accounting Treatment of Abandonments	Y	Public
Location of Facilities Map	Z	Public
Landowner Notification Letter	Z-2	Public
Landowner Contact List	Z-2	Non-Public
Proposed Protective Agreement	Z-3	Public
Conversion to NGL Service	Z-4	Public
Powder River Basin Projections & Takeaway Capacity	Z-5	Public

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT U

PURCHASE AND SALES AGREEMENT

PURCHASE AND SALE AGREEMENT

between

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
(CIG)**

and

**COPANO PIPELINES/ROCKY MOUNTAINS LLC
(CP/RM)**

DATED: July20, 2015

Powder River Lateral

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EXHIBITS

Exhibit A - Description of Powder River Lateral

Exhibit B - Assignment and Bill of Sale

Exhibit C - Deed

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT, dated as of July 20, 2015, is by and between **COLORADO INTERSTATE GAS COMPANY, L.L.C.**, a Delaware limited liability company ("CIG"), whose address is 2 North Nevada, Colorado Springs, CO 80903 and **COPANO PIPELINES/ROCKY MOUNTAINS LLC**, a Delaware limited liability company ("CP/RM"), whose address is 1001 Louisiana Street, Suite 1000, Houston, Texas 77002.

WITNESSETH:

WHEREAS, CIG owns a 16-inch diameter natural gas transmission pipeline and related real property interests located in Converse and Albany Counties, Wyoming, hereinafter referred to as the "Powder River Lateral" and is more particularly described in Exhibit "A" hereto;

WHEREAS, CIG desires to sell all of its right, title, and interest in the Powder River Lateral to CP/RM and CP/RM desires to purchase the same from CIG; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. DEFINITIONS

1.1 Specific Definitions. As used herein, the following terms shall have meanings as defined below:

Powder River Lateral shall be that pipeline segment consisting of approximately 100 miles of that 16-inch diameter pipeline generally referred to as CIG's Line 72A extending in a northeasterly direction from an interconnection with CIG's Mainline located in Albany County, Wyoming, to a point located in Converse County, Wyoming, near Glenrock. The Powder River Lateral includes appurtenant easements, rights of way, prescriptive rights, facilities agreements and fixtures, whatever they may be, as well as CIG's interests in any fee or leased property underlying such portion of the pipeline and facilities and all business contracts relating directly and exclusively to the Powder River Lateral other than any real property interests underlying the portion of the pipeline that passes through the Douglas Compressor Station; collectively, as is more particularly described in Exhibit "A" hereto; provided, however, that the Powder River Lateral expressly excludes (i) CIG's Powder River Meter Station, the North Platte Meter Station and the Glenrock Meter Station; and (ii) any gas transportation agreements, other agreements or materials relating to any of CIG's gas transportation customers and (iii) the natural gas line pack contained within the Powder River Lateral.

Agreement shall mean this Purchase and Sale Agreement, including the Exhibits and Schedules attached hereto, as amended, modified, and supplemented from time to time, which are hereby incorporated by this reference as if restated fully herein.

Books and Records shall include all records relating directly to the Powder River Lateral,

and the related Real Property Interests, but shall not include (i) any document or records relating to the Powder River Meter Station, the North Platte Meter Station and the Glenrock Meter Station; or (ii) any documents relating exclusively to the real property interests underlying the portion of the pipeline that passes through the Douglas Compressor Station which shall be retained by CIG; or (iii) any gas transportation agreements or other agreements or materials relating to any of CIG's gas transportation customers; or (iv) any attorney-client privileged communications and/or any materials obtained by CIG under the terms of effective confidentiality and/or non-disclosure agreements.

Business Day shall mean Monday, Tuesday, Wednesday, Thursday and Friday, but excluding Federal bank holidays.

Claims shall mean any demand, claim, loss, cost (including costs of defense, attorney's and expert's fees), damage, expense, action, suit, Proceeding, judgment and liability of any nature.

Close or Closing shall mean the closing of the sale of the Powder River Lateral to CP/RM.

Closing Date shall mean the date on which Closing occurs in accordance with Section 7.

Closing Year shall mean the calendar year in which the Closing occurs.

Effective Time shall have the meaning set forth in Section 2.2.

Environment shall mean soil, land surface or subsurface strata, surface waters (including navigable waters, ocean waters, streams, ponds, drainage basins, and wetlands), groundwater, drinking water supply, stream sediments, ambient air (including indoor air), plant and animal life, and any other environment medium or natural resource.

Environmental Condition shall mean any on-site or off-site condition associated with the Powder River Lateral which (i) constitutes a Release of a Hazardous Material requiring Remediation under any applicable Environmental Law, (ii) constitutes a violation of any applicable Environmental Law, or (iii) any threatened Release which, if such threatened Release occurred, would likely require Remediation under any applicable Law or likely constitute a violation of any applicable Environmental Law.

Environmental Law shall mean any applicable existing or subsequently enacted federal, state, tribal or local legal requirement that requires or relates to:

(a) Advising appropriate authorities, employees and the public of intended or actual Releases of Hazardous Materials, violations of discharge limits or other prohibitions;

(b) Preventing or reducing to acceptable levels the Release of Hazardous Materials or other contaminants into the Environment;

(c) Reducing the quantities, preventing the Release or minimizing the hazardous characteristics of wastes, substances or materials that are generated;

(d) Assuring that products are designed, formulated, packaged and used so that they do not present unreasonable risk to human health or the Environment when used or disposed of;

(e) Protecting natural resources, species or ecological amenities;

(f) Reducing to acceptable levels the risks inherent in the transportation of Hazardous Materials; or

(g) Remediation of Hazardous Materials that have been released, preventing the threat of Release, or paying the costs of such cleanup or prevention.

Such Environmental Laws shall include, without limitation: (i) the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §§ 6901 et seq.; (ii) the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. §§ 9601 et seq.; (iii) the Federal Water Pollution Control Act (Clean Water Act), as amended, 33 U.S.C. §§ 1251 et seq.; (iv) the Safe Drinking Water Act, as amended, 42 U.S.C. §§ 300f et seq.; (v) the Toxic Substances Control Act, as amended, 15 U.S.C. §§ 2601 et seq.; (vi) the Emergency Planning and Community Right-to-Know Act of 1986, as amended, 42 U.S.C. §§ 11001 et seq.; (vii) the National Environmental Policy Act, as amended, 42 U.S.C. §§ 4321 et seq.; (viii) the Occupational Safety and Health Act, as amended, 29 U.S.C. §§ 651 et seq.; (ix) the Pollution Prevention Act of 1990, as amended, 42 U.S.C. §§ 13101 et seq.; (x) the Oil Pollution Act of 1990, as amended, 33 U.S.C. §§ 2702 et seq.; (xi) the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §§ 1801 et seq.; (xii) the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq.; (xiii) the National Environmental Policy Act, 42 U.S.C. 4321 et seq.; (xiv) the California Environmental Quality Act, Cal. Pub. Resources Code §§ 21000 et seq.; (xv) any rules or regulations promulgated under (i) through (xiv); and (xvi) any comparable tribal, state or local statutes, ordinances, rules and regulations.

FERC shall mean the Federal Energy Regulatory Commission, or any successor entity.

FERC Abandonment Authorization shall have the meaning set forth in Section 6.6.

Governmental Authority shall mean any federal, state, local, foreign, tribal, or other governmental or administrative authority or agency.

Hazardous Material shall mean any waste, Petroleum substance, pollutant, contaminant or other substance or material, including any admixture or solution thereof that is listed, defined, designated or classified pursuant to any Environmental Law as being, for example, hazardous, radioactive, deleterious or toxic.

Indemnified Party shall have the meaning set forth in Section 9.5.

Indemnifying Party shall have the meaning set forth in Section 9.5.

Law shall mean all applicable existing or subsequently enacted local, state, federal, tribal and foreign law and rules, regulations, codes, and ordinances promulgated thereunder, including all local, state, federal, tribal and foreign laws, rules, and regulations.

Mountain Clock Time or MCT shall mean Mountain Standard Time (MST) except for that period when daylight savings is in effect. During this period, MCT shall mean Mountain Daylight Time (MDT). Unless otherwise stated, all times in this Agreement are Mountain Clock Time.

Net Book Value shall mean the value of the Powder River Lateral on the books of CIG, net of depreciation, as determined by CIG in accordance with the uniform system of accounts for natural gas companies.

Party or Parties shall mean CIG or CP/RM, or both, respectively.

Permit shall mean any license, permit, franchise, authority, consent, or approval of a Governmental Authority relating directly to the Powder River Lateral.

Person shall mean any natural person, corporation, company, limited liability company, partnership (general or limited), trust, joint venture, association, joint stock company, trust, unincorporated organization, government (or agency or political subdivision thereof), or any other entity or association recognized by applicable Law.

Petroleum has the same definition as in the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901 et seq.

Proceeding shall mean any action, suit, claim, investigation, review, or other proceeding, at law or in equity, before any federal, state, municipal, or other governmental court, department, commission, board, bureau, agency, or other instrumentality or any arbitrator, board of arbitration, or similar entity.

Purchase Price shall mean the total dollar amount payable by CP/RM to CIG for the Powder River Lateral as described in Section 3.1 of this Agreement.

Real Property Interests shall mean CIG's interests in any fee or leased property underlying the Powder River Lateral or any Right-of-Way pertaining to real property underlying the Powder River Lateral and appurtenant fixtures, whatever they may be, including the property interests to be conveyed, as described on Exhibit A attached hereto. The Real Property Interests underlying the portion of the pipeline that passes through the Douglas Compressor Station shall be limited to an easement.

Reasonable Efforts shall mean efforts in accordance with reasonable commercial practice and without the incurrence of unreasonable delay or expense.

Release shall mean any spilling, leaking, emitting, discharging, depositing, escaping, leaching, dumping or other releasing into or migrating within the Environment, whether intentional or unintentional (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Material).

Right-of-Way shall mean any right-of-way, easement, or prescriptive right that pertains to real property underlying the Powder River Lateral.

Tax shall mean, as relating to the Powder River Lateral, any federal, state, or local income tax, ad valorem tax, excise tax, sales tax, use tax, franchise tax, real or personal property tax, transfer tax, gross receipts tax, or other tax, assessment, duty, fee, levy, or other governmental charge, together with and including without limitation, any and all interest, fines, penalties and additions to tax resulting from, relating to, or incurred in connection with any such tax or any contest or dispute thereof.

1.2 Other Terms. Other terms may be defined elsewhere in the text of this Agreement and shall have the meaning indicated throughout this Agreement.

1.3 Other Definitional Provisions.

(a) When used in this Agreement, the words "hereof," "herein," and "hereunder," and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) The terms defined in the singular shall have a comparable meaning when used in the plural and vice versa.

(c) Whenever a statement of fact is qualified by the term "known," "knowledge," "best knowledge," or similar term or phrase, it is intended to indicate actual knowledge, obtained through a Party's Reasonable Efforts to ascertain the factual basis of the statement. Reasonable Efforts by the Party making such statement shall include the interviewing of the Party's current officers, directors, members, agents, contractors, or employees who, in the reasonable exercise of the discretion of the Party making the statement, are most likely to possess the facts being sought. Where such interview(s) indicate that the facts being sought are exclusively in the possession of a former officer, director, member, agent, or employee of the Party, the Party shall make a Reasonable Effort to contact such person(s) and obtain the facts being sought.

SECTION 2. SALE OF THE POWDER RIVER LATERAL

2.1 Sale of Powder River Lateral. At the Closing, CIG shall sell, transfer and deliver to CP/RM all of CIG's right, title, and interest in the Powder River Lateral (including those Real Property Interests and Rights-of-Way that are assignable but excluding the Powder River Meter Station, the North Platte Meter Station and the Glenrock Meter Station and the real property interests in the Douglas Compressor Station), and CP/RM shall purchase and acquire from CIG, all such rights, title, and interests thereto. CIG shall, at the Closing, provide to CP/RM at no cost

CP/RM, a mutually agreeable permanent easement for the portion of the Powder River Lateral that crosses the Douglas Compressor Station where such easement shall, at a minimum, provide for (a) continued operation, maintenance, repair, and replacement of the Powder River Lateral in gas, natural gas liquid, or other hydrocarbon service; and (b) reasonable surface access rights.

2.2 Title and Risk of Loss. Title and risk of loss with respect to the Powder River Lateral shall pass to CP/RM at 5:00 p.m. Mountain Clock Time on the Closing Date (the "Effective Time").

SECTION 3. PURCHASE PRICE

3.1 Purchase Price. The Purchase Price of the Powder River Lateral shall be the Net Book Value of the Powder River Lateral as of the Closing Date as determined by CIG on the Closing Date, which shall be paid to CIG at Closing.

3.2 Allocation of Purchase Price. CIG and CP/RM agree to allocate the Purchase Price for federal, state and local Tax purposes to Class V Assets and to prepare Form 8594 (Asset Acquisition Statement under Section 1060), in a manner consistent therewith. CIG and CP/RM shall not take any position inconsistent with such allocation upon examination of any Tax return, in any refund claim, in any litigation, investigation or otherwise, unless required to do so by applicable Law after notice to the other Party or with such other Party's prior consent.

SECTION 4. REPRESENTATIONS AND WARRANTIES OF CIG

CIG represents and warrants to CP/RM that the statements contained in this section are true and correct as of the date of this Agreement and as of Closing Date.

4.1 Organization and Good Standing. CIG is a limited liability company duly organized, validly existing, and in good standing under the Laws of the State of Delaware, with all necessary organizational power and authority to carry on its business as presently conducted.

4.2 Corporate Authority: Authorization of Agreement. CIG has all requisite power and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby, and to perform all the terms and conditions hereof to be performed by it. The execution and delivery of this Agreement by CIG and the consummation of the transactions contemplated hereby have been duly authorized and approved by all requisite company actions on the part of CIG.

4.3 No Violation. This Agreement and the execution and delivery hereof by CIG does not, and the fulfillment and compliance with the terms and conditions hereof, and the consummation of the transactions contemplated hereby will not:

- (a) violate or conflict with any provision of the organizational documents of CIG;

(b) violate or conflict with any provision of any Law or any judicial, administrative or arbitration order, award, judgment, writ, injunction, or decree applicable to or binding upon CIG; or

(c) conflict with or result in a breach of, constitute a default under (whether with notice or lapse of time or both), or accelerate or permit the acceleration of performance required by, or require any consent or approval under any Law, order, judgment, decree, Permit, or contract to which CIG is a party or by which it is bound or to which any of its properties is subject.

4.4 No Broker. CIG has not retained or employed any broker, finder, or similar agent, or otherwise taken any action in connection with the negotiations relating to this Agreement and the transactions contemplated hereby in a manner so as to give rise to any legally justifiable claims against either of the Parties for any brokerage commission, finder's fee, or other similar payment.

4.5 Governmental Approvals. Except for any Real Property Interests which require consent to assign, and the abandonment authorization from the FERC, no consent, approval, waiver, order, or authorization of, or registration, declaration, or filing with any Governmental Authority is required to be obtained or made in conjunction with the execution and delivery of this Agreement by CIG or the consummation by CIG of the transactions contemplated hereby.

4.4.6 No Other Representations or Warranties. Except for the representations and warranties of CIG in this Agreement, neither CIG nor any other Person makes or shall be deemed to have made any other representations or warranties on behalf of CIG, express or implied, and CIG hereby disclaims any such representations and warranties, whether by CIG, any of CIG's employees, agents, or representatives, or any other Person. **EXCEPT AS SET FORTH IN THIS AGREEMENT, THE POWDER RIVER LATERAL IS SOLD TO CP/RM "AS IS, WHERE IS" WITH ALL FAULTS. EXCEPT AS SPECIFICALLY SET FORTH HEREIN, CIG HEREBY EXPRESSLY DISCLAIMS AND NEGATES TO CP/RM AND ALL THIRD PERSONS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN, PERFORMANCE, CONDITION, CERTIFICATE, MAINTENANCE, OR SPECIFICATION.**

SECTION 5. REPRESENTATIONS AND WARRANTIES OF CP/RM

CP/RM represents and warrants to CIG that the statements contained in this section are true and correct as of the date of this Agreement and as of Closing Date.

5.1 Organization and Good Standing. CP/RM is a limited liability company duly organized, validly existing, and in good standing under the Laws of the State of Delaware with all necessary organizational power and authority to carry on its business as presently conducted.

5.2 Corporate Authority; Authorization of Agreement. CP/RM has all requisite

organizational power and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby, and to perform all the terms and conditions hereof to be performed by it. The execution and delivery of this Agreement by CP/RM and the consummation of the transactions contemplated hereby have been duly authorized and approved by all requisite organizational actions on the part of CP/RM.

5.3 No Violation. This Agreement and the execution and delivery hereof by CP/RM does not, and the fulfillment and compliance with the terms and conditions hereof, and the consummation of the transactions contemplated hereby will not:

(a) violate or conflict with any provision of the organizational documents of CP/RM;

(b) violate or conflict with any provision of any Law or any judicial, administrative or arbitration order, award, judgment, writ, injunction, or decree applicable to or binding upon CP/RM; or

(c) conflict with or result in a breach of, constitute a default under (whether with notice or lapse of time or both), or accelerate or permit the acceleration of performance required by, or require any consent or approval under any Law, order, judgment, decree, Permit, or contract to which CP/RM is a party or by which it is bound or to which any of its properties is subject.

5.4 No Broker. CP/RM has not retained or employed any broker, finder, or similar agent, or otherwise taken any action in connection with the negotiations relating to this Agreement and the transactions contemplated hereby in a manner so as to give rise to any legally justifiable claims against either of the Parties for any brokerage commission, finder's fee, or other similar payment.

5.5 Governmental Approval. No consent, approval, waiver, order, or authorization of, or registration, declaration, or filing with any Governmental Authority is required to be obtained or made in connection with the execution and delivery of this Agreement by CP/RM or the consummation by CP/RM of the transactions contemplated hereby.

SECTION 6. DISCLAIMERS AND ACKNOWLEDGEMENTS

6.1 Title. Title to the Powder River Lateral is being conveyed herein by assignment without warranty of Title.

6.2 Environmental Condition. **AT CLOSING CP/RM EXPRESSLY ASSUMES ALL ENVIRONMENTAL LIABILITIES UNDER ANY ENVIRONMENTAL LAW WITH RESPECT TO THE POWDER RIVER LATERAL, AND RELEASES CIG FROM SAME.**

6.3 Physical/Environmental Condition of the Powder River Lateral.

(a) CIG hereby authorizes CP/RM (and CP/RM's representatives and agents) to perform a hydrostatic test of the Powder River Lateral, on its behalf, using industry standard practices and procedures (the "Hydro-Test"). CP/RM shall restore the Powder River Lateral to its prior state following the Hydro-Test. CIG shall provide CP/RM (and CP/RM's representatives and agents) reasonable access to the Powder River Lateral for the Hydro-Test and shall cooperate in the performance of the Hydro-Test. CP/RM shall be solely responsible for the cost of performing the Hydro-Test and restoration efforts. CP/RM shall to the fullest extent permitted by Law, release, defend, indemnify, and hold harmless CIG, its parent and subsidiary companies, and affiliated entities and each of their respective directors, officers, employees, agents and other representatives from and against all Claims arising from the CP/RM's (and CP/RM's representatives and agents) performance of the Hydro-Test. CP/RM shall have one-hundred and eighty (180) Days following the execution of this Purchase and Sale Agreement to perform the Hydro-Test. Within ten (10) Business Days after completing the Hydro-Test, CP/RM shall provide written notice to CIG describing the Hydro-Test results and declaring whether it is or is not willing to accept the Hydro-Test results.

(b) CIG shall permit CP/RM (and CP/RM's representatives and agents) reasonable access to the Powder River Lateral, Books and Records and available Permits that CIG currently holds with respect to the Powder River Lateral in order to investigate and/or inspect the Powder River Lateral and become familiar and satisfied with the physical and environmental condition of the Powder River Lateral (the "Diligence Effort"). CP/RM shall have one-hundred and eighty (180) Days following the execution of this Purchase and Sale Agreement to complete the Diligence Effort. Within ten (10) Business Days after completing the Diligence Effort, CP/RM shall provide written notice to CIG declaring whether it is or is not willing to accept the results of the Diligence Effort.

(c) CP/RM has made its own determination of the merchantability, quality and environmental condition of the Powder River Lateral and its suitability and fitness for any particular purpose of use.

(e) CP/RM acknowledges that CIG is making no warranty or representation regarding the physical and/or environmental condition of the Powder River Lateral and that following the Closing, CIG will have no obligation to undertake or participate in any repair, alteration, remediation or other work with regard to the Powder River Lateral.

6.4 Status of Permits. CP/RM has reviewed the Permits and acknowledges that CIG is making no warranty or representations regarding the sufficiency or adequacy of the Permits for the operations of the Powder River Lateral for its current or any anticipated use. Other than the Abandonment Authorization described in Section 6.5, below, CIG will have no obligation to acquire any Permit to permit the operation of the Powder River Lateral. CP/RM acknowledges that its compliance with any applicable Governmental Agency regulatory requirements, including obtaining any required permits or compliance with National Energy Policy Act or other state and federal environmental statute, may be required to use the Powder River Lateral for intrastate transportation of natural gas.

6.5 Status of Real Property Interests. CP/RM has reviewed the Real Property Interests and acknowledges that CIG is making no warranty or representations regarding the sufficiency or adequacy or assignability of the Real Property Interests for the operations of the Powder River Lateral for its current or any anticipated use. CIG will have no obligation to acquire any Real Property Interests to permit the operation of the Powder River Lateral. CP/RM acknowledges that it may be required to acquire additional or new Real Property Interests to use the Powder River Lateral for interstate transportation of natural gas liquids. CP/RM shall have one-hundred and eighty (180) Days following the execution of this Purchase and Sale Agreement to complete the review of the Real Property Interests and, if it elects to do so, to complete the acquisition of any necessary new or replacement Real Property Interests. Within ten (10) Business Days after the review and (if necessary) acquisition new or Replacement Real Property Interests, CP/RM shall provide written notice to CIG declaring whether it is or is not willing to accept the results of this process.

6.6 FERC Abandonment Authorization. CP/RM acknowledges the sale of the Powder River Lateral to CP/RM requires abandonment authorization from the FERC (“FERC Abandonment Authorization”). CIG shall prepare and file, at its expense, an application with the FERC for authorization to abandon the Powder River Lateral.

6.7 Opportunity for Inspection. CP/RM acknowledges that prior to Closing, CIG has provided CP/RM with satisfactory opportunities to inspect the Powder River Lateral and the Books and Records relating thereto.

SECTION 7. CLOSING

7.1 Closing Date. The Closing of the transaction contemplated by this Agreement shall take place on the first Business Day of the Month following the date which is at least five (5) Business Days after all of the following have occurred: (a) CIG receives the FERC Abandonment Authorization; (b) CP/RM provides written notice to CIG pursuant to Section 6.3(a) that it is willing to proceed to close and accept the Powder River Lateral Line pursuant to the terms of this Agreement; (c) CP/RM provides written notice to CIG pursuant to Section 6.3(b) that it is willing to proceed to close and accept the Powder River Lateral pursuant to the terms of this Agreement; (d) CP/RM’s receipt of required consents by a Governmental Authority or otherwise (if any are required) for the transfer, assignment, or conveyance of Real Property Interest and Right-of-Way; (e) CP/RM provides written notice to CIG pursuant to Section 6.5 that it is willing to accept the results of its efforts to review and (if necessary) acquire new or replacement Real Property Interests; and (f) CIG provides written notice to CP/RM that the Purchase Price is no greater than \$32,000 (together, parts (a) through (f) are the “Closing Conditions”). CP/RM may elect to terminate this Purchase and Sale Agreement at any time on or after December 1, 2016 if all of the Closing Conditions have not been achieved by December 1, 2016; provided that, upon such termination by CP/RM, neither Party shall be obligated to Close nor shall either Party have any liability to the other Party for any reason under this Agreement (except CP/RM’s obligations under Section 6.3(a) shall survive). Closing shall, if at all, take place at the offices of CIG in Colorado Springs, Colorado.

7.2 Deliveries by CP/RM. At the Closing, CP/RM shall deliver the Purchase Price to CIG.

7.3 Deliveries by CIG. At the Closing, CIG shall deliver to CP/RM:

(a) A duly executed Assignment, Bill of Sale and Conveyance, substantially in the form attached hereto as Exhibit B, provided, however, that for those Real Property Interests that also cover sections of pipeline that are being retained by CIG, CIG shall provide a partial assignment if the terms of the underlying agreements do not prevent partial assignments. For any Real Property Interest that does prevent partial or complete assignments, CIG shall have no obligation to deliver any assignment of such Real Property Interest but CIG shall exercise commercially Reasonable Efforts to assist CP/RM in the acquisition of such Real Property Interests;

(b) Duly executed Deed(s), substantially in the form attached hereto as Exhibit C;

(c) The Books and Records;

(d) Written notice identifying the Purchase Price calculated as of the Closing Date; and

(e) Duly executed permanent easement for the portion of the pipeline that crosses the Douglas Compressor Station as set forth in Section 2.1 above

SECTION 8. POST CLOSING COVENANTS

As soon as reasonably practical following the Closing, representatives of CIG and CP/RM will jointly remove and replace any signage on or relating to the Powder River Lateral in order to properly designate the Powder River Lateral as the property of CP/RM.

SECTION 9. INDEMNIFICATION

9.1 Indemnification by CIG. Upon and after Closing, CIG shall to the fullest extent permitted by Law, release, defend, indemnify, and hold harmless CP/RM, its parent and subsidiary companies, and affiliated entities and each of their respective directors, officers, employees, agents and other representatives from and against all Claims:

(a) arising from the breach by CIG of any effective representation or warranty or covenant of CIG set forth in this Agreement; and

(b) for Taxes attributable to periods prior to the Closing.

9.2 Indemnification by CP/RM. Upon and after Closing, CP/RM shall to the fullest extent permitted by Law, release, defend, indemnify, and hold harmless CIG, its parent and subsidiary companies, and affiliated entities and each of their respective directors, officers, employees, agents and other representatives from and against all Claims:

(a) arising from the breach by CP/RM of any representation or warranty or covenant of CP/RM set forth in this Agreement;

(b) for Taxes attributable to periods after the Closing; and

(c) arising out of the ownership and/or operation of the Powder River Lateral during the period after the Closing.

9.3 Limitation on Liability of CIG. IN NO EVENT SHALL CIG BE LIABLE TO CP/RM HEREUNDER FOR EXEMPLARY, PUNITIVE, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND SUSTAINED BY CP/RM, ARISING DIRECTLY OR INDIRECTLY FROM, INCIDENT TO, OR CONNECTED WITH THE POWDER RIVER LATERAL OR THE SALE THEREOF, REGARDLESS OF SOLE OR CONCURRENT NEGLIGENCE OF CIG OR THIRD PARTIES, STRICT LIABILITY, OR DEFECT IN PREMISES, EQUIPMENT OR MATERIAL, AND REGARDLESS OF WHETHER PREEXISTING THIS SALE (EXCEPT TO THE EXTENT CP/RM IS OBLIGATED TO PAY NON-AFFILIATED THIRD PARTIES SUCH DAMAGES).

9.4 Limitation on Liability of CP/RM. IN NO EVENT SHALL CP/RM BE LIABLE TO CIG HEREUNDER FOR EXEMPLARY, PUNITIVE, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND SUSTAINED BY CIG, ARISING DIRECTLY OR INDIRECTLY FROM, INCIDENT TO, OR CONNECTED WITH THE POWDER RIVER LATERAL OR THE SALE THEREOF, REGARDLESS OF SOLE OR CONCURRENT NEGLIGENCE OF CP/RM OR THIRD PARTIES, STRICT LIABILITY, OR DEFECT IN PREMISES, EQUIPMENT OR MATERIAL, AND REGARDLESS OF WHETHER PREEXISTING THIS SALE (EXCEPT TO THE EXTENT CIG IS OBLIGATED TO PAY NON-AFFILIATED THIRD PARTIES SUCH DAMAGES).

9.5 Notices, Etc. Each Party entitled to indemnification hereunder (the "Indemnified Party") agrees that upon obtaining knowledge of facts indicating that it is entitled to indemnification, including receipt by it of notice of any Claim with respect to any matter as to which it may be entitled to indemnity hereunder, it will give prompt notice thereof in writing to the other Party (the "Indemnifying Party") together with a statement of such information respecting any of the foregoing as it shall then have; provided, however, that the failure to give any such notice shall not affect the rights of the Indemnified Party to indemnification hereunder unless (a) the Indemnified Party has proceeded to contest, defend, or settle the Claim with respect to which it has failed to give prior notice to the Indemnifying Party (unless the status of the Claim is such that the Indemnified Party is required to take action) or (b) the Indemnifying Party is otherwise harmed or damaged by such failure.

9.6 Right to Contest and Defend. The Indemnifying Party shall be given the opportunity, at its cost and expense, to contest and defend by all appropriate legal Proceedings any Claim with respect to which it is called upon to indemnify the Indemnified Party under the

provisions of this Agreement; provided, however, that notice of the intention so to contest and defend shall be delivered by the Indemnifying Party to the Indemnified Party within thirty (30) days following receipt of the notice provided for in Section 9.5 above. If the Indemnifying Party does not give notice to the Indemnified Party of its election to contest and defend any such Claim within such period, then the Indemnifying Party shall be bound by the result obtained with respect thereto by the Indemnified Party and shall be responsible for all costs incurred in connection therewith. The Proceedings with respect to any such Claim that the Indemnifying Party elects to contest and defend may be conducted in the name and on behalf of the Indemnifying Party or the Indemnified Party as may be appropriate. Such Proceedings shall be conducted by counsel employed by the Indemnifying Party, but the Indemnified Party shall have the right to participate in such Proceedings and to be represented by counsel of its own choosing at its cost and expense. If the Indemnified Party joins in any such Proceedings, the Indemnifying Party shall have full authority over all action to be taken with respect thereto; provided that if the Indemnifying Party reserves its rights with respect to its indemnification obligations under this Agreement as to such Proceedings, then the Indemnified Party shall have the full authority to determine all action to be taken with respect thereto. At any time after the commencement of defense of any Claim, the Indemnifying Party may request the Indemnified Party to agree in writing to the abandonment of such contest or to the payment or compromise by the Indemnifying Party of the asserted Claim, provided the Indemnifying Party agrees in writing to be solely liable for all losses relating to such Claim; whereupon such Claim shall be abandoned or settled unless the Indemnified Party determines that the contest should be continued and notifies the Indemnifying Party in writing within fifteen (15) days of such request from the Indemnifying Party. In the event that the Indemnified Party determines that the contest should be continued, the amount for which the Indemnifying Party would otherwise be liable hereunder shall not exceed the amount which the Indemnifying Party had agreed to pay in payment or consideration of such Claim, provided the other Party to the contested Claim had agreed in writing to accept such amount in payment or compromise of the Claim as of the time the Indemnifying Party made its request therefor to the Indemnified Party.

9.7 Cooperation.

(a) If requested by the Indemnifying Party, the Indemnified Party agrees to cooperate with the Indemnifying Party and its counsel in contesting any Claim which the Indemnifying Party elects to contest or, if appropriate, in making any counterclaim against the Person asserting the Claim, or any cross-complaint against any Person; provided that the Indemnifying Party will reimburse the Indemnified Party for any reasonable expenses incurred by it in so cooperating at the request of the Indemnifying Party.

(b) If requested by the Indemnified Party, the Indemnifying Party agrees to cooperate with the Indemnified Party and its counsel in contesting any Claim which the Indemnifying Party contests or, if appropriate, in making any counterclaim against the Person asserting the Claim, or any cross-complaint against any Person; provided that the Indemnified Party will reimburse the Indemnifying Party for any reasonable expenses incurred by it in so cooperating at the request of the Indemnified Party.

9.8 Right to Participate. The Indemnified Party agrees to afford the Indemnifying

Party and its counsel the opportunity, at the Indemnifying Party's expense, to be present at, and to participate in, conferences with all Persons asserting any Claim against the Indemnified Party and conferences with representatives of or counsel for such Persons.

SECTION 10. TAX MATTERS

10.1 Transfer Taxes and Recording Fees. Any transfer, excise, and documentary Taxes incident to the sale of the Powder River Lateral shall be paid by CIG. CP/RM shall pay all recording fees for the Assignment and Bill of Sale delivered hereunder.

10.2 Ad Valorem Taxes. CP/RM shall be responsible for the payment of all ad valorem and property taxes with respect to the Powder River Lateral for the Closing Year; provided, however, that CIG shall reimburse CP/RM for its pro rata share of such taxes by applying a fraction based on the number of days in the calendar year prior to the Closing Date to the total amount of such taxes for the Closing Year. Upon payment of such taxes by CP/RM (after Closing), CP/RM shall invoice CIG for such share.

SECTION 11. GENERAL PROVISIONS

11.1 Further Assurances. At any time or from time to time at and after the Closing, each of the Parties shall, at the request of the other, execute and deliver or cause to be executed and delivered all such assignments, consents, documents, and instruments, and take or cause to be taken all such other reasonable actions as may be necessary or desirable in order to more fully and effectively carry out the intents and purposes of this Agreement.

11.2 Expenses. Each Party shall pay and discharge all liabilities and expenses incurred by or on behalf of it in connection with the preparation, authorization, execution, and performance of this Agreement and the transactions contemplated herein, including but not limited to all liabilities and expenses incurred by its agents, representatives, counsel, and accountants.

11.3 Notices. All notices, requests, demands, and other communications required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and delivered personally or received via first-class, postage prepaid, certified mail, or by facsimile transmission addressed as follows:

If to CIG:

For U.S. Mail Delivery:

Colorado Interstate Gas Company, L.L.C.

P.O. Box 1087

Colorado Springs, CO 80944

Attention: Gregory W. Ruben

Fax No.: (719) 520-4878

For courier Delivery:

Colorado Interstate Gas Company, L.L.C.
2 North Nevada Avenue
Colorado Springs, CO 90903
Attention: Gregory W. Ruben
Fax No.: (719) 520-4878

If to CP/RM:

Copano Pipelines/Rocky Mountains LLC
1001 Louisiana Street, Suite 1000
Houston, Texas 77002
Attention: Liz Simonton

Any Party may change the address to which such communications are to be directed to it by giving notice to the other in the manner provided in this Section 11.3. All notices by facsimile transmission shall be confirmed by the sender promptly after transmission in writing by mail or personal delivery.

11.4 Governing Law. THIS AGREEMENT AND THE PERFORMANCE OF THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS, WITHOUT REGARD TO ANY CONFLICT-OF-LAWS PROVISION THEREOF THAT WOULD OTHERWISE REQUIRE THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION.

11.5 Entire Agreement. This Agreement, exhibits and the instruments executed and delivered in the form of the exhibits hereto, set forth the entire agreement and understanding of the Parties with respect of the transaction contemplated hereby and supersede all prior agreements, arrangements, and understandings relating to the subject matter hereof. No representation, promise, inducement, or statement of intention with respect to the subject matter of this Agreement has been made by any Party which is not embodied in this Agreement (together with the attachments hereto), and none of the Parties shall be bound by or liable for any alleged representation, promise, inducement, or statement of intention not so set forth.

11.6 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby and (b) the Parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.7 Assignment: Successors. All of the terms, covenants, representations, warranties, and conditions of this Agreement shall be binding upon, and inure to the benefit of and be

enforceable by the Parties hereto and their respective successors, but excepting an assignment by CP/RM to an entity controlled by CP/RM, neither this Agreement nor the rights and obligations of any of the Parties hereunder shall be assigned or otherwise transferred to any Person without the other Party's written consent. For purposes of this Section 11.7, "control" shall mean a direct or indirect voting and ownership interest in such other entity of greater than 50%.

11.8 Amendments: Waiver. This Agreement may be amended, modified, superseded, or canceled, and any of the terms hereof may be waived, only by a written instrument specifically stating that it amends, modifies, supersedes, or cancels this Agreement or waives any of the terms herein, executed by all Parties or, in the case of a waiver, by the Party waiving compliance. The failure of any Party at any time to require performance of any provision herein shall in no manner affect its right at a later time to enforce the same. No waiver by any Party of any condition, or of any breach of any term, covenant, representation, or warranty, shall be deemed or constitute a waiver of any other condition, or breach of any other term, covenant, representation, or warranty, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

11.9 Survival of Representations, Warranties, Covenants and Indemnities. Other than as specifically provided herein, the representations, warranties, covenants, and indemnities provided for in this Agreement shall survive the Closing and shall not be extinguished by the doctrine of merger by deed, confusion or any similar doctrine and no waiver, release or forbearance of the application of same in any given circumstance shall operate as a waiver, release or forbearance of same as to any other circumstance.

11.10 Convenient Reference. Section headings contained in this Agreement are for convenient reference only, and shall not in any way affect the meaning or interpretation of this Agreement.

11.11 No Third-Party Beneficiaries. Nothing in this Agreement, whether express or implied, confers any rights or remedies under or by reason of this Agreement on any Person other than the Parties.

11.12 Counterparts/Facsimile Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Facsimile, PDF and other similar signatures shall be treated for all purposes as if they were original signatures.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first set forth above.

COLORADO INTERSTATE GAS COMPANY, L.L.C.

By: 
Mark A. Kissel **Approved**
President **By MAM**
 Legal Dept.

COPANO PIPELINES/ROCKY MOUNTAINS LLC

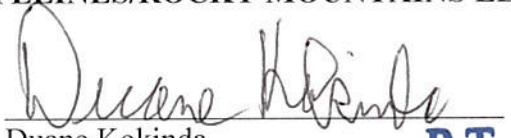
By: 
Duane Kokinda **P.T.**
President

Exhibit A
Description of Powder River Lateral

The Powder River Lateral is that pipeline segment consisting of approximately 100 miles of 16-inch diameter pipeline generally referred to as CIG's Line 72A commencing at Tract 1- LL#1: CIG – MP 0+00.0 through MP 0+43.00, N1/2 NW1/4 SE1/4 NW1/4 and the East 264 feet of the N1/2 NE1/4 SW1/4 NW1/4 Sec 21, T17N-R76W Albany County, WY and ending at Tract 143 – LL 129 - CIG -MP 100+2101.80 to MP100+3737.78SW1/4: That part of the NW1/4 Lying South of Center of North Platte River in Section 10 NW1/4 Sec 10 – T33N-R73W, Converse County, Wyoming.

The Powder River Lateral includes all appurtenant easements, rights of way, prescriptive rights, facilities agreements and fixtures, whatever they may be, as well as CIG's interests in any fee or leased property underlying such portion of the pipeline and facilities and all business contracts relating directly and exclusively to the Powder River Lateral other than the fee ownership interest in real property underlying the portion of the pipeline that passes through the Douglas Compressor Station.

The Powder River Lateral expressly excludes (i) CIG's Powder River Meter Station, the North Platte Meter Station and the Glenrock Meter Station; and (ii) any gas transportation agreements, other agreements or materials relating to any of CIG's gas transportation customers and (ii) the natural gas line pack contained within the Powder River Lateral.

The Powder River Lateral easements and rights-of-way include those listed on the attached document unless any such easement or rights-of-way prohibit assignment.

Exhibit B
Assignment, Bill of Sale

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

The undersigned, COLORADO INTERSTATE GAS COMPANY, L.L.C., a Delaware limited liability company, having an office at 2 North Nevada, Colorado Springs, CO 80903 (“Seller”) in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells, assigns, transfers and conveys, without warranty, to COPANO PIPELINES/ROCKY MOUNTAINS LLC, a Delaware limited liability company, having an office at 1001 Louisiana Street, Suite 1000, Houston, Texas 77002, (“Buyer”) its successors and assigns, and Buyer hereby accepts, all of Seller's assignable right, title and interest in and to the property described in Attachment A, which is attached hereto and made a part hereof (the “Property”).

BUYER ACCEPTS THE PROPERTY IN AN “AS-IS,” “WHERE-IS” CONDITION AND “WITH ALL FAULTS”. NO REPRESENTATIONS OR WARRANTIES HAVE BEEN MADE OR ARE MADE, AND NO RESPONSIBILITY HAS BEEN OR IS ASSUMED BY SELLER OR BY ANY AFFILIATE, DIRECTOR, OFFICER, PERSON, FIRM, AGENT OR REPRESENTATIVE ACTING OR PURPORTING TO ACT ON BEHALF OF SELLER (“SELLER PARTIES”). BUYER ACKNOWLEDGES THAT SELLER HAS REQUESTED BUYER TO INSPECT FULLY THE PROPERTY AND INVESTIGATE ALL MATTERS RELEVANT THERETO AND, EXCEPT AS EXPRESSLY SET FORTH HEREIN, TO RELY SOLELY UPON THE RESULTS OF BUYER’S OWN INSPECTIONS OR OTHER INFORMATION OBTAINED OR OTHERWISE AVAILABLE TO BUYER, RATHER THAN ANY INFORMATION THAT MAY HAVE BEEN PROVIDED BY SELLER TO BUYER. THE RISK THAT ADVERSE PHYSICAL AND ENVIRONMENTAL CONDITIONS MAY NOT HAVE BEEN REVEALED OR DISCOVERED AND MAY NOT BE DISCOVERABLE BY SUCH INVESTIGATIONS SHALL BE UPON AND WITH BUYER. BUYER HAS FULLY REVIEWED THE DISCLAIMERS AND WAIVERS SET FORTH IN THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE WITH ITS COUNSEL AND UNDERSTANDS THE SIGNIFICANCE AND EFFECT THEREOF.

Buyer shall assume the Property as of the Effective Date (defined below), along with all obligations and liabilities that arise out of, or that are attributable to the ownership and/or operation of the Property. Buyer indemnifies, releases, defends, and holds harmless the Seller Parties from and against any and all claims, liabilities, losses, causes of actions, costs and expenses (including, without limitation, court costs and reasonable attorneys' fees) asserted against, resulting from, imposed upon or incurred by any of the Seller Parties as a result of or arising out of or relating to the Property on and after the Effective Date.

Buyer shall be responsible for the payment of all state and local transfer, sales, use or other similar taxes, if any, resulting from Seller’s conveyance or assignment of the Property to Buyer.

This Assignment, Bill of Sale and Conveyance is made by Seller subject to all applicable local, state and federal statutes, ordinances, rules and regulations, the terms and provisions of all documents or agreements affecting the Property, and all restrictions, covenants, conditions and easements affecting the Property, without regard to whether the foregoing matters are of record in Converse and Albany Counties, Wyoming, but only to the extent that such matters are valid, subsisting and enforceable. The foregoing reference to such matters shall not create or constitute recognition of any rights of third parties or constitute any ratification or revival of rights or agreements that are no longer enforceable.

The attachments and exhibits attached to this Assignment, Bill of Sale and Conveyance are incorporated herein and made a part hereof for all purposes; provided, that such incorporation shall not be deemed ratify or create any rights in favor of any third party.

This Assignment, Bill of Sale and Conveyance may be executed in any number of counterparts. Each of such counterparts shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

This Assignment, Bill of Sale and Conveyance shall inure to the benefit of and be binding upon the parties hereto, and their respective successors, legal representatives and assigns.

This Assignment, Bill of Sale and Conveyance shall be governed by, and construed in accordance with, the laws of the State of Texas, without giving effect to the principles of conflict of laws that may direct the application of the laws of another jurisdiction.

If any term, provision, covenant or restriction of this Assignment, Bill of Sale and Conveyance is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Assignment, Bill of Sale and Conveyance shall continue in full force and effect and shall in no way be affected, impaired or invalidated unless such an interpretation would materially alter the rights and privileges of any party hereto or materially alter the terms of the transactions contemplated hereby.

Executed to be effective as of 12:00 a.m. Houston, Texas time on _____, 2015 (the “Effective Date”), but dated as of the ____ day of _____, 2015.

COLORADO INTERSTATE GAS COMPANY, L.L.C.

By: _____
Name: _____
Title: _____

COPANO PIPELINES/ROCKY MOUNTAINS LLC

By: _____
Name: _____
Title: _____

STATE OF COLORADO
COUNTY OF EL PASO

§
§

BEFORE ME, the undersigned authority, on this day personally appeared _____,
as _____ of **COLORADO INTERSTATE GAS COMPANY, L.L.C.** a
Delaware limited liability company, known to me to be the person whose name is subscribed to
the foregoing instrument and acknowledged to me that he executed the same for the purposes
and consideration therein expressed, in the capacity therein set forth and as the act and deed of
said entity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2015.

Notary Public

My Commission Expires:

STATE OF _____
COUNTY OF _____

§
§

BEFORE ME, the undersigned authority, on this day personally appeared _____,
as _____ of **COPANO PIPELINES/ROCKY MOUNTAINS LLC**, a
Delaware limited liability company, known to me to be the person whose name is subscribed to
the foregoing instrument and acknowledged to me that he executed the same for the purposes
and consideration therein expressed, in the capacity therein set forth and as the act and deed of
said entity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2015.

Notary Public

My Commission Expires:

Attachment A to Assignment, Bill of Sale and Conveyance

All of Colorado Interstate Gas Company, L.L.C.'s right, title and interest in and to the pipelines and above grade facilities as follows:

The Powder River Lateral (Line 72-A) consisting of approximately 100 miles of 16-inch diameter natural gas transmission pipeline and related real property interests located in Converse and Albany Counties, Wyoming.

The Powder River Lateral includes all appurtenant easements, rights of way, prescriptive rights, facilities agreements and fixtures, whatever they may be, as well as CIG's interests in any fee or leased property underlying such portion of the pipeline and facilities and all business contracts relating directly and exclusively to the Powder River Lateral other than the fee ownership interest in real property underlying the portion of the pipeline that passes through the Douglas Compressor Station.

The Powder River Lateral expressly excludes (i) CIG's Powder River Meter Station, the North Platte Meter Station and the Glenrock Meter Station; and (ii) any gas transportation agreements, other agreements or materials relating to any of CIG's gas transportation customers and (ii) the natural gas line pack contained within the Powder River Lateral.

The Powder River Lateral easements and rights-of-way include those listed on the attached document unless any such easement or rights-of-way prohibit assignment.

**Exhibit C
Deed**

QUITCLAIM DEED

STATE OF WYOMING
COUNTY OF _____

Colorado Interstate Gas Company, L.L.C., a Delaware limited liability company [Grantor], for and in consideration of the sum of ten dollars and no cents (\$10.00) paid by the Grantee(s) named in this deed, the receipt of which is hereby acknowledged, Grantor has quitclaimed, and by this instrument does quitclaim, to **COPANO PIPELINES/ROCKY MOUNTAINS LLC**, a Delaware limited liability company, all of its right, title and interest in and to the real property situated in Converse and Albany Counties, Wyoming that is described as:

[Insert legal description/address of property.]

Grantor(s) grants, to have and to hold, all of the Grantor's rights, title, and interest in and to the above described property and premises to the Grantee(s), and to its heirs and assigns forever, so that neither Grantor(s) nor Grantor's heirs, legal representatives, or assigns shall have, claim, or demand any right or title to the property, premises, or appurtenances, or any part thereof.

EXECUTED on _____ [date].

Colorado Interstate Gas Company, L.L.C.

By: _____
Mark A. Kissel
President

Copano Pipelines/Rocky Mountains LLC

By: _____
Duane Kokinda
President

STATE OF TEXAS
COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____ [name(s) of grantor(s)] known to me to be the person(s) whose name(s) _____ [is/are] subscribed to the foregoing instrument, and acknowledged to me that _____ [he/she/they] executed the same for the purposes and consideration therein expressed.

This instrument was acknowledged before me on _____ [date] by _____ [name(s) of grantor(s)].

[Signature of Notary Public]

[Typed or printed name]

Notary Public in and for the State of Texas

My commission expires: _____

First Amendment to the
PURCHASE AND SALE AGREEMENT

between

COLORADO INTERSTATE GAS COMPANY, L.L.C. (CIG)

and

COPANO PIPELINES/ROCKY MOUNTAINS LLC (CP/RM)

DATED: July 20, 2015

AMENDMENT DATED: August 21, 2015

Powder River Lateral

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS FIRST AMENDMENT TO THE PURCHASE AND SALE AGREEMENT, dated as of July 20, 2015, by and between **COLORADO INTERSTATE GAS COMPANY, L.L.C.**, ("CIG") and **COPANO PIPELINES/ROCKY MOUNTAINS LLC**, ("CP/RM"), is dated as of August 21, 2015. Capitalized terms used herein but not defined in this Amendment shall have the meanings ascribed to them in the Purchase and Sale Agreement.

WITNESSETH:

WHEREAS, the Purchase and Sale Agreement defines the Purchase Price of the Powder River Lateral; and

WHEREAS, the Parties have identified certain additional expenses to be incurred by CIG in connection with the sale of the Powder River Lateral to CP/RM, and the Parties desire to provide for the reimbursement of CIG for those expenses as part of the Purchase Price; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amended Purchase Price

Section 3.1 of the Purchase and Sale Agreement shall be deleted in its entirety and replaced with the following provisions:

3.1 Purchase Price. The Purchase Price of the Powder River Lateral shall be the total of the following:

(a) The Net Book Value of the Powder River Lateral as of the Closing Date as determined by CIG on the Closing Date which shall be paid to CIG at Closing; and

(b) The out-of-pocket cost to CIG of any required removal of the measurement facilities at the Powder River and Glen Rock Meter Stations, which shall be paid to CIG within 30 days of CIG's incurrence of such expense;

(c) The out-of-pocket cost to CIG of securing the agreement of Source Gas Distribution LLC ("SourceGas") to support and/or not protest the application of CIG to abandon the Powder River Lateral from natural gas service. Such costs shall be limited to amounts incurred to build, or to cause SourceGas to build, a new lateral to provide gas transportation service from other CIG's Line 5A to the SourceGas Point of Delivery currently served off the Powder River Lateral or such other amounts as are agreed to by CP/RM to otherwise eliminate the need for natural gas service to that location, which shall be paid to CIG within 30 days of CIG's incurrence of such expense; and

(d) Other incremental expense incurred by CIG in connection with the abandonment and physical separation of the Powder River Lateral from the other CIG facilities and the actions required of CIG in connection with the conversion of the Powder River Lateral from natural gas to natural gas liquids service (including, if necessary, any out-of-pocket cost required to relocate the connection of the new lateral described in subpart (c) above from CIG's Line 5A to CIG's

Line 5B).

SECTION 2. Revised Provisions for Closing Date

Subpart (f) of Section 7.1 shall be deleted in its entirety and replaced with the following provision:

(f) CIG provides written notice to CP/RM that the Net Book Value of the Powder River Lateral is no greater than \$32,000 (together, parts (a) through (f) are the "Closing Conditions").

SECTION 3. Ratification of the Purchase and Sale Agreement

Except as otherwise provided in this Amendment, all of the terms of the Purchase and Sale Agreements are hereby ratified and shall continue to be in full force and effect.

IN WITNESS WHEREOF, the Parties have duly executed this First Amendment to the Purchase and Sale Agreement as of the date first set forth above.

COLORADO INTERSTATE GAS COMPANY, L.L.C.

By: 
Mark A. Kissel MAM
President

COPANO PIPELINES/ROCKY MOUNTAINS LLC

By: _____
Duane Kokinda
President

Line 5B).

SECTION 2. Revised Provisions for Closing Date

Subpart (f) of Section 7.1 shall be deleted in its entirety and replaced with the following provision:

(f) CIG provides written notice to CP/RM that the Net Book Value of the Powder River Lateral is no greater than \$32,000 (together, parts (a) through (f) are the "Closing Conditions").

SECTION 3. Ratification of the Purchase and Sale Agreement

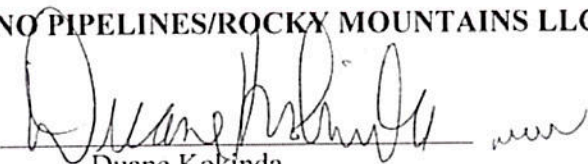
Except as otherwise provided in this Amendment, all of the terms of the Purchase and Sale Agreements are hereby ratified and shall continue to be in full force and effect.

IN WITNESS WHEREOF, the Parties have duly executed this First Amendment to the Purchase and Sale Agreement as of the date first set forth above.

COLORADO INTERSTATE GAS COMPANY, L.L.C.

By: _____
Mark A. Kissel
President

COPANO PIPELINES/ROCKY MOUNTAINS LLC

By:  _____
Duane Kokinda
President

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT V

EXPLANATION OF FLOW DIAGRAMS

PUBLIC

CIG Powder River Abandonment Explanation of Flow Diagrams

This Exhibit contains two flow diagrams illustrating the before and after conditions on Colorado Interstate Gas Company, L.L.C.'s ("CIG") system associated with the Powder River Lateral Abandonment (or "Line No. 72A"). The facilities to be abandoned include: the 16" outside diameter Line No. 72A, the Glenrock Meter Station, the North Platte Meter Station, and the Powder River Meter Station. The first diagram provided as Exhibit V, Page 1 of 2, shows the Powder River Lateral extending from the Powder River Basin south into the CIG Wyoming Mainlines 5A/B. The pipeline segment to be abandoned is shown as the dashed red line and the three CIG meter stations to be abandoned are in red on the "Before Abandonment" diagram, Page 1 of 2.

Line No. 72A has a Design Capacity of approximately 100 MMcf/d with volumes flowing north to south. Currently, CIG does not have any primary firm commitments on that flow path. Volumes entering the CIG Wyoming Mainlines 5A/B from the Powder River Lateral would come in at the suction of the existing CIG Laramie Compressor Station. In this illustration, CIG notes that since it currently does not have any primary firm commitments on the Powder River Lateral, the analysis assumes that all of the volume compressed at Laramie originates in locations west of the CIG Wyoming Mainlines 5A/B/Powder River Lateral interconnect. Based on this assumption, the operational conditions for the Laramie Compressor Station remain the same before and after the abandonment as illustrated on the "After Abandonment" diagram, Page 2 of 2, demonstrating that the abandonment of the Powder River facilities will not have an effect on the remaining CIG systems.

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT X

TARIFF RECORDS

COLORADO INTERSTATE GAS COMPANY, L.L.C.

Abandonment of Powder River Lateral Facilities

CP15-____-000

Second Revised Volume No. 1

Part IV	General Terms and Conditions	Section 3	Quality
Part IV	General Terms and Conditions	Section 13	Fuel and L&U

3. QUALITY

- 3.1 Specifications. Unless otherwise agreed pursuant to Sections 3.2 and 3.3 below, Shipper warrants that Gas Tendered hereunder at each Point of Receipt and Point of Delivery will comply with the following quality specifications:
- (a) At a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit, such Gas shall not contain more than:
 - (i) .25 grain of hydrogen sulphide per 100 cubic feet,
 - (ii) 5 grains of total sulphur per 100 cubic feet,
 - (iii) 10 parts per million (0.001 percent) by volume of oxygen; however, this oxygen quality specification shall not apply at Point(s) of Delivery on the Valley Line and its supporting blending operations (see Section 3.5 below for oxygen specifications applicable to the Valley Line and its supporting blending operations,)
 - (iv) 3.0 percent by volume of carbon dioxide,
 - (v) 7 pounds of water vapor per million cubic feet at Point(s) of Receipt and Point(s) of Delivery within the states of Kansas, Oklahoma, and Texas and 5 pounds of water vapor per million cubic feet in all other states.
 - (b) Shipper warrants that all Gas Tendered will be commercial in quality and shall be free from any foreign material such as solids, lubricating oils, sand, dirt, dust, gums, crude oil, water or hydrocarbons in the liquid phase, metal particles, and other objectionable substances, including, but not limited to, polychlorinated biphenyls, which may be injurious to pipelines, people, property, or the environment which may interfere with its Transportation or makes the Gas unmarketable or unacceptable for Delivery from Transporter's transmission system.
 - (c) Shipper warrants that all Gas Tendered will have a Gross Heating Value of not more than 1,235 Btu's nor less than 968 Btu's per cubic foot at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit.
 - (d) Shipper warrants that the temperature of the Gas Tendered will not exceed 120 degrees Fahrenheit; provided, however, if Transporter is required to dehydrate the Gas at the Point(s) of Receipt, then the temperature of such Gas shall not exceed 90 degrees Fahrenheit.

3.1 Specifications (continued)

- (e) Shipper warrants that the hydrocarbon dew point of all Gas Tendered will not exceed a temperature of 25 degrees Fahrenheit at any pressure between 100 p.s.i.a. and 1,480 p.s.i.a. as calculated from the Gas composition.

Notwithstanding Sections 3.1 through 3.3, Transporter shall not be required to receive Gas at any Point of Receipt which is of a quality inferior to that required by Shipper or a third Party at any Point of Delivery under the Agreement. Transporter shall not be liable to Shipper or any third Party for any damages incurred as a result of Transporter's refusal to receive Gas as a result of this provision.

3.2 Specification Exemptions. Transporter, in its reasonable discretion and judgment, may accept Gas that does not conform to the quality specifications in Section 3.1 but meets the conditions set forth below, provided Transporter determines that such acceptance will not interfere with Transporter's ability to: (1) maintain prudent and safe operation of Transporter's pipeline system and storage facilities, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to Tender Gas for Delivery to a downstream pipeline or end-user.

- (a) Transporter may accept Gas with no more than 2000 parts per million (.200 percent) by volume of oxygen at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit at any Point(s) of Receipt.
- (b) Transporter may accept Gas with a hydrocarbon dew point in excess of 25 degrees Fahrenheit at any pressure between 100 p.s.i.a. and 1,480 p.s.i.a. as calculated from the Gas composition; provided that the Gas is subsequently processed at the BP Wattenberg, Regency Lakin, Mocane, CIG Rawlins, Williams Field Service Echo Springs or DCP Roggen plants. However, the Gas must meet the Section 3.1(e) specification after processing at these plants and upon reintroduction into CIG's mainline facilities.
- (c) Transporter may accept Gas with a water vapor content in excess of 7 pounds per million cubic feet; provided that the Gas is subsequently processed within the Regency Lakin and Mocane plant. However, the Gas must meet the Section 3.1(a)(v) specification after processing at this plant and before reintroduction into CIG's mainline facilities.
- (d) Transporter may accept Gas with a hydrocarbon dew point in excess of 25 degrees Fahrenheit at any pressure between 100 p.s.i.a. and 1,480 p.s.i.a. as calculated from the Gas composition at the East Dry Creek, Cavalry, Bent-Wagon Trail and Fluke Meter Stations for quantities not to exceed 1,000 Dth/d at each location and at the Kiowa Meter Station for quantities not to exceed 4,000 Dth/d.

3.2 Specification Exemptions (continued)

- (e) Transporter may accept Gas with a Gross Heating Value in excess of 1,235 Btus per cubic foot at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit; provided that the Gas is subsequently processed at the BP Wattenberg, Regency Lakin, Mocane, CIG Rawlins, or DCP Roggen plants. However, the Gas must meet the Section 3.1(c) specification after processing at these plants and upon reintroduction into CIG's mainline facilities.
- (f) Transporter may accept Gas with a Gross Heating Value in excess of 1,235 Btus per cubic foot at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit at the East Dry Creek, Cavalry, Bent-Wagon Trail and Fluke Meter Stations for quantities not to exceed 1,000 Dth/d at each location and at the Kiowa Meter Station for quantities not to exceed 4,000 Dth/d.
- (g) Transporter may accept Gas with a water vapor of no more than 7 pounds per million cubic feet into the Enterprise Lateral (running from the Enterprise gathering facilities to the BP Wattenberg Plant), provided the Gas is subsequently processed at the BP Wattenberg Plant and meets the Section 3.1 (a) (v) specification after processing and upon reintroduction into CIG's facilities.
- (h) Reserved
- (i) In addition, Transporter may accept any Gas that does not meet the specifications set forth in Section 3.1 on a short term basis for operational reasons which may include plant start-ups, plant upsets, or line freeze-offs.
- (j) Gas Tendered to Transporter south of the Keyes Station shall not contain more than 500 parts per million (0.05 percent) by volume of oxygen at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit. However, Transporter may accept Gas Tendered that contains no more than 2000 parts per million (.200 percent) by volume of oxygen at such Point(s) of Receipt if Transporter, in its reasonable discretion and judgment, determines that such acceptance will not interfere with Transporter's obligations to: (1) maintain prudent and safe operation of Transporter's pipeline system and storage facilities, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to Tender Gas for Delivery to a downstream pipeline or end-user.

3.2 Specification Exemptions (continued)

(k) Gas Tendered on the 8-inch transmission line between Keyes Station and Campo (Transporter's line designation 3C) and the 16-inch transmission line between Sturgis Station and Keyes Station (Transporter's line designation 40A) shall have a Gross Heating Value of no lower than 400 Btu's per standard cubic foot. However, Transporter may accept Gas Tendered with a Gross Heating Value lower than 400 Btu's per standard cubic foot if Transporter, in its reasonable discretion and judgment, determines that such acceptance will not interfere with Transporter's obligations to: (1) maintain prudent and safe operation of Transporter's pipeline system and storage facilities, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to Tender Gas for Delivery to a downstream pipeline or end-user.

3.3 Waiver of Quality Specifications. Transporter, in its reasonable discretion and judgment, may waive one or more of its gas quality specifications at any Point of Receipt to accept gas that does not conform to the quality specifications set forth in Sections 3.1 and 3.2, if Transporter determines that such acceptance will not interfere with Transporter's ability to: (1) maintain prudent and safe operation of Transporter's pipeline system and storage facilities, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to Tender Gas for Delivery to a downstream pipeline or end-user.

3.4 Failure to Meet Specifications. In the event that Gas Tendered hereunder fails to meet the specifications in Section 3.1 and Transporter has not agreed to accept gas pursuant to Sections 3.2 or 3.3, the measuring Party shall notify the other Party of such failure. Transporter may refuse to accept such Gas. The Party Tendering such Gas hereunder shall indemnify the receiving Party for any injury, damage, loss, or liability caused by such Gas, except to the extent Transporter knowingly and willingly accepts such Gas.

3.5 Specification of Gas Delivered or Received on the Valley Line and/or through the Supporting Air Blending Operations.

(a) All Gas Delivered by Transporter on the Valley Line may be blended with air and shall have a Wobbe number in the range of 1,185 and 1,285. However, should situations occur on an hourly basis such that Transporter is unable to maintain the Wobbe within the above-specified range, Shippers agree to extend such ranges up to 1,310. Transporter will endeavor to keep such hourly occurrences to a minimum and to return the Wobbe to within the specified range as soon as possible. Transporter shall use its best efforts to keep the Wobbe within the acceptable range of 1,185 to 1,285. Shippers receiving Gas with a Wobbe outside the acceptable of 1,185 and 1,285 shall be notified within 30 minutes of the discovery of the excess variation. Any Gas received by Transporter on the Valley Line shall have a Wobbe number within the acceptable range of 1,185 and 1,285 at all times.

- 3.5 Specification of Gas Delivered or Received on the Valley Line and/or through the Supporting Air Blending Operations. (continued)
- (b) All Gas Delivered by Transporter on High Plains at the Derby Lake Point of Delivery and on the 9B pipeline may be blended with air and shall have a Wobbe number in the range of 1,185 and 1,285 as much of the time as possible. If the transporter is unable to maintain the Wobbe within the acceptable range of 1,185 and 1,285, then the Transporter will maintain a Wobbe within the acceptable range of 1,185 and 1,338 on a daily basis. However, should situations occur on an hourly basis such that Transporter is unable to maintain the Wobbe within the above specified range, Shippers agree to extend the maximum Wobbe up to 1,352, to allow required quantities to be Delivered. Transporter will endeavor to keep such occurrences to a minimum and to return the Wobbe to within the acceptable range of 1,185 to 1,285 as soon as possible. Transporter shall use good faith efforts to operate the existing facilities to keep the Wobbe within the acceptable range of 1,185 to 1,285. Shippers receiving Gas with a Wobbe varying outside the acceptable range of 1,185 to 1,285 shall be notified of the discovery of the excess variation as soon as practicable.
- 3.6 Specification of Gas Delivered Requiring Wobbe numbers. All Gas Delivered by Transporter to the following delivery points shall be at a Wobbe number within the acceptable range of 1,240 and 1,398: Carpenter Burns, Cheyenne, Pine Bluffs, Terry, Green Valley, First Creek, Second Creek, Ft. Lupton, Greeley Group and Brush Group Delivery Points.
- 3.7 Quality Tests. The Party operating the measuring equipment, using approved standard methods in general use in the Gas industry, shall cause adequate tests to be made to determine the quality of the Gas Tendered hereunder. Such tests shall be made at intervals frequently enough to ensure that the Gas conforms to the specifications hereof.

13. FUEL AND L&U

- 13.1 "Fuel Gas" shall mean a quantity of Gas, determined as a percentage of (1) Receipt Quantities for Transportation Fuel Gas, (2) Receipt Quantities for Cheyenne Firm Compression Fuel Gas or (3) storage injection quantities, for CIG Mainline Storage Fuel Gas, which is required to provide service under this Tariff. Percentages associated with Receipt Quantities for Transportation Fuel Gas shall be determined and adjusted semi-annually to be effective each April 1 and October 1 of a given year. The percentages associated with storage injection quantities for CIG Mainline Storage Fuel Gas and Receipt Quantities for Cheyenne Firm Compression Fuel Gas shall be determined and adjusted annually. The percentages shall be calculated as follows:
- (a) Fuel Gas shall be divided into three components. The first component shall be system-wide Fuel Gas, not including Storage Fuel Gas or Cheyenne Firm Compression Fuel Gas, and shall be termed Transportation Fuel Gas. The second component, termed Cheyenne Firm Compression Fuel Gas, shall be only that Fuel Gas consumed in the Cheyenne Plains Jumper Compressor Station. The third component, termed Storage Fuel Gas, shall be only that Fuel Gas consumed in the compressors serving Transporter's storage fields.
 - (b) For Transportation and Cheyenne Firm Compression Fuel Gas, the percentage shall be computed using the most recent twelve months of available data. The Transportation Fuel Gas percentage shall be applied to rate schedules TF-1, TF-4 and TI-1. The Cheyenne Firm Compression Fuel Gas percentage shall be applied to rate schedule CS-1.
 - (c) For CIG Mainline Storage Fuel Gas, the percentage shall be computed using the most recent three years of available data and shall be applied to rate schedules NNT-1, NNT-2, FS-1 and IS-1.
 - (d) For Young Storage Fuel and Unaccounted-for Gas, the percentage shall be retained in the same percentage as the percentage in Young Gas Storage Company's FERC Gas Tariff and shall be applied to Rate Schedules TSB-Y, FS-Y and IS-Y.
 - (e) For Totem Storage Fuel and Unaccounted-for Gas, the percentage shall be as accepted by the Commission in Docket No. CP08-30-000. Such percentage shall be re-computed using twelve months of available data, as normalized, and shall be applied to Rate Schedules TSB-T, FS-T and IS-T.

- 13.2 "Lost, Unaccounted For and Other Fuel Gas" shall mean a quantity of Gas stated in terms of a percentage of Receipt Quantities, computed and adjusted quarterly. The Lost, Unaccounted For and Other Fuel "(L & U and Other Fuel)" retention percentage for a calendar quarter shall be computed as follows:
- (a) Calculate the actual total system fuel and loss quantity (receipts less Deliveries) for a twelve-month period ending three months prior to the beginning of the quarter ("Period"), and reduce that total fuel quantity by (a) the actual compressor fuel use for that Period, (b) shrinkage reimbursement for processing of third Party Gas at Transporter's processing plants and (c) lost and unaccounted-for gas quantities attributable to Rate Schedule CS-1.
 - (b) Calculate the fuel quantity attributable to processing revenue by dividing the sum of (a) Transporter's actual product revenue for the Period and (b) Transporter's net revenue received during the Period for processing services rendered for Shippers by Transporter's average Cash Out Index Price for the Period.
 - (c) Calculate the fuel quantity attributable to electric commodity expenses by dividing Transporter's actual electric commodity expenses incurred for the Period by Transporter's average Cash Out Index Price for the Period.
 - (d) Calculate the Lost, Unaccounted For and Other Fuel Gas quantity by subtracting from the fuel quantity in (a) the fuel quantity in (b) and adding the fuel quantity in (c) above, and then adding a fuel quantity attributable to any previously deferred Excess L&U Quantity (by dividing the dollar value of the deferral by Transporter's Cash Out Index Price for the current period). Should the resulting Lost, Unaccounted For and Other Fuel Gas quantity be a negative amount, such amount will be deemed to be an Excess L&U Quantity and will be excluded from the calculation. Except as provided below, Excess L&U Quantity will be deferred and applied in future Lost, Unaccounted For and Other Fuel Gas filings when the calculations of any these future quarterly filings result in positive percentage.
 - (i) Excess L&U Quantities will be valued at the Cash Out Index Price, as posted on Transporter's EBB, for the month the Excess L&U Quantities are calculated and deferred.

13.2 Lost, Unaccounted For and Other Fuel Gas"

(d) (continued)

(ii) Transporter will remit by invoice credit the value of the Excess L&U Quantity when any of the following occur:

(A) The Excess L&U Quantity exceeds 250,000 Dth; or

(B) There has been an Excess L&U Quantity in three consecutive calendar quarters; or

(C) Any Excess L&U Quantities that remain outstanding at the time of Transporter's annual Fuel true-up calculations pursuant to Section 13.5 below; or

(iii) Invoice credits of deferred amounts will be remitted to Shippers using an allocation based on the ratio of a Shipper's L&U Receipt Quantity to the total L&U Receipt Quantity during the Period.

(e) Derive the L & U and Other Fuel Retention Percentage by dividing the Lost, Unaccounted For and Other Fuel Gas volume in (4) by Transporter's total Receipt Quantity for the Period. The L & U and Other Fuel Retention Percentage will be posted on The Statement of Rates in Transporter's Tariff, and such Tariff provision, together with supporting workpapers, shall be filed with the Commission 30 days prior to the beginning of any calendar quarter. Said percentage for Lost, Unaccounted For and Other Fuel Gas shall be applied to rate schedules TF-1, TF-4 and TI-1.

(f) The Lost and Unaccounted-For Gas Retention Percentage for Transporter's Rate Schedule CS-1 shall be as stated on Part II: Statement of Rates, Fuel and L&U Rates.

(g) Fuel Reimbursement percentages shall be posted by and be effective at the beginning of the Month (NAESB WGQ Standard 1.3.28).

- 13.3 Applicability of Fuel Reimbursement. Except as provided below, when Transporter provides Transportation Service, Shipper shall be responsible for providing Fuel Reimbursement at each Point of Receipt on a pro rata basis based on the quantities received on any Day at a Point of Receipt divided by the total quantity Delivered at all Points of Delivery under the same Transportation Service Agreement. Transporter will provide, if applicable, a fuel matrix for Point(s) of Receipt and Point(s) of Delivery combinations. Shipper is not responsible for calculating and totaling fuel based on each zone or facility traversed (NAESB WGQ Standard 1.3.30). Fuel Reimbursement shall not be required in the following circumstances:
- (a) For Transportation service provided in conjunction with storage service, when Fuel Reimbursement has been furnished for the storage Gas delivered to the point of injection, no additional fuel shall be required from Shipper for Transportation between the point of Withdrawal and point of Delivery.
 - (b) When Transporter provides storage service, storage Fuel Gas Reimbursement will be provided by Shipper at point of Injection.
 - (c) When Transportation service is provided using the paths identified here or on Transporter's EBB. Examples of the paths are:
 - (i) Watkins to Cheyenne Hub (low pressure deliveries) (south to north)
 - (ii) Cheyenne Hub to Rawlins Station (east to west)
 - (iii) Rawlins to Wamsutter Station (east to west)
 - (iv) Weld County Lateral (east to west)
 - (v) Mocane to Campo (east to west)
 - (vi) North Raton Lateral
 - (d) When transportation service occurs within the Northeast Colorado Storage System which is Kit Carson Station to Watkins Station and Fort Morgan to Watkins Station.

13.3 Applicability of Fuel Reimbursement (continued)

- (e) When Transportation service occurs in the No-Fuel Wheeling Area which is located on Transporter's Uinta and Parachute Creek Laterals. The No-Fuel Wheeling area shall consist of the facilities between the Anabuttes Meter Station and the Greasewood Compressor Station on the Uinta Lateral and between the PSCo Rifle Plant and the Greasewood Compressor Station on the Parachute Creek Lateral. Transportation occurring within the No-Fuel area that involves high pressure receipts and lower pressure deliveries will be eligible for the No-Fuel Wheeling Reimbursement Percentage if the transaction does not require Transporter compression in order to receive or deliver Gas.
- (f) When transportation service occurs between Transporter's Enterprise North Point of Receipt and the inlet of the Box Elder Point of Delivery.
- (g) When transportation service occurs between Transporter's Blue Forest Point of Receipt and its Alkali Pond Point of Delivery.
- (h) When transportation service occurs between Transporter's Point of Receipt into the Spruce Hill gas quality control facilities and its Spruce Hill High Delivery Point Interconnect.

13.4 Fuel Reimbursement calculations shall be accomplished pursuant to NAESB WGQ Standards.

- (a) Fuel Reimbursement calculation shall be rounded to the nearest Dth for each Nomination transaction.
- (b) Balanced Nomination transactions are calculated as follows: Receipt Quantity times $(1 - (\text{Fuel Reimbursement Percentage} / 100))$ equals Delivery Quantity.
- (c) In the event of differences resulting from rounding the calculation of Fuel Reimbursement, a Nomination shall not be rejected for differences less than 5 Dth (NAESB WGQ Standard 1.3.29).
- (d) Fuel Reimbursement quantities have the same scheduling priority as their base Nomination (NAESB WGQ Standard 1.3.31).

13.5 True-up Mechanism

- (a) The calculation of the Fuel Reimbursement Percentages for Transportation Fuel Gas, Lost, Unaccounted For and Other Fuel Gas, Storage Fuel Gas and Rate Schedule CS-1 Cheyenne Firm Compression Fuel Gas shall include a true up feature. The true up feature will be implemented as follows.
- (i) For all fuel reimbursement percentages, Fuel Gas shall be the sum of the (1) actual gas used and (2) the amount, if any, of under or over recovered Fuel Gas (positive or negative) which is accumulated for the twelve-months reported in each fuel filings.
 - (ii) The unrecovered Fuel Gas shall be determined each month and shall consist of the difference between (1) the actual fuel according to Transporter's books and records and (2) the retention volumes received from Shippers pursuant to this provision. Prior period adjustments, either credits or debits, will be included.
 - (iii) The unrecovered (or overrecovered) amount of fuel shall be recorded in a net deferred asset or net deferred liability account. The actual balance (positive or negative) for each twelve-month period shall be recouped from/ or credited to Shippers prospectively in each filing. The deferred account will be subdivided so that each period's accumulation (twelve-months) of unrecovered (or overrecovered) amount and the amortization thereof through a rate adjustment will be kept separate from future accumulations. Any over or under recovery of fuel will be carried forward to the next period. Prior period adjustments, either credits or debits, will be included. The amortization of decatherms will be accounted for and reported upon in each fuel filing.
 - (iv) The twelve-month data collection period for Transportation Fuel Gas, Lost, Unaccounted-For and Other Fuel Gas and Rate Schedule CS-1 Cheyenne Firm Compression Fuel Gas will commence July 1, 2006. This twelve-month period will be used to calculate the true up adjustment in the annual filing effective October 1, 2007.
 - (v) The twelve-month data collection period for Storage Fuel Gas shall commence January 1, 2006 and be applied to the reimbursement percentage effective October 1, 2007.
 - (vi) The Lost, Unaccounted For and Other Fuel Gas true up mechanism will reflect the application of any Excess L&U Quantity as a gas quantity retained from Shipper.

- 13.6 Neither the Fuel Gas reimbursement percentage nor the Lost, Unaccounted For and Other Fuel Gas retention percentage may be less than zero.

- 13.7 High Plains ("HP") Transportation Fuel Gas, HP L & U and Other Fuel Gas, HP Incremental Gas Quality Fuel Gas, Young Storage Fuel and Unaccounted-For Gas, and Totem Storage Fuel and Unaccounted-for Gas Retention Percentages. HP Transportation Fuel Gas and HP L&U and Other Fuel Gas retention percentages shall mean a quantity of Gas, determined based on all Receipt Quantities required to provide High Plains Transportation Service under this Tariff. HP Incremental Gas Quality Fuel Gas retention percentage shall mean a quantity of Gas used at the blending facilities, determined as a percentage of HP Receipt Quantities using HP Incremental Fuel Gas for ultimate delivery to East Denver Point of Delivery. Young Storage Fuel and Unaccounted-For Gas retention percentage shall mean a quantity of gas required to provide Young Storage related services. Totem Storage Fuel and Unaccounted-For Gas retention percentage shall mean a quantity of gas required to provide Totem Storage related services. Said percentages shall be determined and adjusted annually and calculated as follows:
- (a) For HP Transportation Fuel Gas, the percentage shall be computed using the most recent twelve months of available compressor data and shall be applied to Rate Schedules TF-HP and TI-HP;
 - (b) For HP L & U and Other Fuel Gas, the percentage shall be computed using the most recent twelve months of available data and shall be applied to Rate Schedules TF-HP and TI-HP. Such data shall include all HP receipts and deliveries and all miscellaneous fuel cases recorded in FERC Account No. 812.
 - (c) For HP Incremental Gas Quality Fuel Gas, (the quantity of fuel used at the blending facilities to meet delivery specifications at East Denver), the percentage shall be computed using the most recent twelve months of available data and shall be applied to Rate Schedules TF-HP and TI-HP; and
 - (d) Young Storage Fuel and Unaccounted-For Gas shall be those quantities retained by Young Gas Storage Company, Ltd. related to Transporter's acquired Young Storage capacity and shall be applied to Rate Schedules TSB-Y, FS-Y and IS-Y. Refer to Young Storage's currently effective fuel reimbursement percentage found in Part II: Statement of Rates, Section 2 – Fuel and L&U Rates.
 - (e) For Totem Storage Fuel and Unaccounted-For Gas, the percentage shall be computed using twelve months of available data, as normalized, related to Totem Storage activity and shall be applied to Rate Schedules TSB-T, FS-T and IS-T.

13.7 High Plains ("HP") Transportation Fuel Gas, HP L & U and Other Fuel Gas (continued)

- (f) For purposes of Transporter's annual filing to be effective October 1, 2008, the HP Transportation Fuel Gas retention percentage, HP L & U and Other Fuel Gas retention percentage, HP Incremental Gas Quality Fuel Gas retention percentage, HP Storage Fuel Gas retention percentage, and Totem Storage Fuel and Unaccounted-For Gas retention percentage shall be the percentages as filed and approved in Docket Nos. CP07-207-000 and CP08-30-000.
- (i) For purposes of Transporter's annual filing to be effective October 1, 2009, the HP Transportation Fuel Gas retention percentage, HP L & U and Other Fuel Gas retention percentage, HP Incremental Gas Quality Fuel Gas retention percentage, and HP Storage Fuel Gas retention percentage shall be computed using all months of available data beginning from the in-service date of the HP facilities and ending three months prior to the proposed effective date. The Totem Storage Fuel and Unaccounted-For Gas retention percentage shall be the percentages filed and approved in Docket No. CP08-30-000. Thereafter, the provisions of Section 13.8(a) through (d) respectively shall apply.
- (g) The calculation of the HP Transportation Fuel Gas retention percentage, HP L & U and Other Fuel Gas retention percentage, HP Incremental Gas Quality Fuel Gas retention percentage, Young Storage Fuel Gas retention percentage, and Totem Storage Fuel and Unaccounted-for Gas retention percentage shall each include a true up feature. The true up feature will be implemented identical to the methodology described in Section 13.5(a)(i) through (iii).
- (h) High Plains Transportation Fuel Gas Reimbursement shall not be required for transactions within the High Plains System between Block Valve 6 and the Flying Hawk Meter Station so long as the transaction does not require Transporter compression in order to receive or deliver Gas.

3. QUALITY

- 3.1 Specifications. Unless otherwise agreed pursuant to Sections 3.2 and 3.3 below, Shipper warrants that Gas Tendered hereunder at each Point of Receipt and Point of Delivery will comply with the following quality specifications:
- (a) At a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit, such Gas shall not contain more than:
 - (i) .25 grain of hydrogen sulphide per 100 cubic feet,
 - (ii) 5 grains of total sulphur per 100 cubic feet,
 - (iii) 10 parts per million (0.001 percent) by volume of oxygen; however, this oxygen quality specification shall not apply at Point(s) of Delivery on the Valley Line and its supporting blending operations (see Section 3.5 below for oxygen specifications applicable to the Valley Line and its supporting blending operations,)
 - (iv) 3.0 percent by volume of carbon dioxide,
 - (v) 7 pounds of water vapor per million cubic feet at Point(s) of Receipt and Point(s) of Delivery within the states of Kansas, Oklahoma, and Texas and 5 pounds of water vapor per million cubic feet in all other states.
 - (b) Shipper warrants that all Gas Tendered will be commercial in quality and shall be free from any foreign material such as solids, lubricating oils, sand, dirt, dust, gums, crude oil, water or hydrocarbons in the liquid phase, metal particles, and other objectionable substances, including, but not limited to, polychlorinated biphenyls, which may be injurious to pipelines, people, property, or the environment which may interfere with its Transportation or makes the Gas unmarketable or unacceptable for Delivery from Transporter's transmission system.
 - (c) Shipper warrants that all Gas Tendered will have a Gross Heating Value of not more than 1,235 Btu's nor less than 968 Btu's per cubic foot at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit.
 - (d) Shipper warrants that the temperature of the Gas Tendered will not exceed 120 degrees Fahrenheit; provided, however, if Transporter is required to dehydrate the Gas at the Point(s) of Receipt, then the temperature of such Gas shall not exceed 90 degrees Fahrenheit.

3.1 Specifications (continued)

- (e) Shipper warrants that the hydrocarbon dew point of all Gas Tendered will not exceed a temperature of 25 degrees Fahrenheit at any pressure between 100 p.s.i.a. and 1,480 p.s.i.a. as calculated from the Gas composition.

Notwithstanding Sections 3.1 through 3.3, Transporter shall not be required to receive Gas at any Point of Receipt which is of a quality inferior to that required by Shipper or a third Party at any Point of Delivery under the Agreement. Transporter shall not be liable to Shipper or any third Party for any damages incurred as a result of Transporter's refusal to receive Gas as a result of this provision.

3.2 Specification Exemptions. Transporter, in its reasonable discretion and judgment, may accept Gas that does not conform to the quality specifications in Section 3.1 but meets the conditions set forth below, provided Transporter determines that such acceptance will not interfere with Transporter's ability to: (1) maintain prudent and safe operation of Transporter's pipeline system and storage facilities, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to Tender Gas for Delivery to a downstream pipeline or end-user.

- (a) Transporter may accept Gas with no more than 2000 parts per million (.200 percent) by volume of oxygen at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit at any Point(s) of Receipt.
- (b) Transporter may accept Gas with a hydrocarbon dew point in excess of 25 degrees Fahrenheit at any pressure between 100 p.s.i.a. and 1,480 p.s.i.a. as calculated from the Gas composition; provided that the Gas is subsequently processed at the BP Wattenberg, Regency Lakin, Mocane, CIG Rawlins, Williams Field Service Echo Springs or DCP Roggen plants. However, the Gas must meet the Section 3.1(e) specification after processing at these plants and upon reintroduction into CIG's mainline facilities.
- (c) Transporter may accept Gas with a water vapor content in excess of 7 pounds per million cubic feet; provided that the Gas is subsequently processed within the Regency Lakin and Mocane plant. However, the Gas must meet the Section 3.1(a)(v) specification after processing at this plant and before reintroduction into CIG's mainline facilities.
- (d) Transporter may accept Gas with a hydrocarbon dew point in excess of 25 degrees Fahrenheit at any pressure between 100 p.s.i.a. and 1,480 p.s.i.a. as calculated from the Gas composition at the East Dry Creek, Cavalry, Bent-Wagon Trail and Fluke Meter Stations for quantities not to exceed 1,000 Dth/d at each location and at the Kiowa Meter Station for quantities not to exceed 4,000 Dth/d.

3.2 Specification Exemptions (continued)

- (e) Transporter may accept Gas with a Gross Heating Value in excess of 1,235 Btus per cubic foot at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit; provided that the Gas is subsequently processed at the BP Wattenberg, Regency Lakin, Mocane, CIG Rawlins, or DCP Roggen plants. However, the Gas must meet the Section 3.1(c) specification after processing at these plants and upon reintroduction into CIG's mainline facilities.
- (f) Transporter may accept Gas with a Gross Heating Value in excess of 1,235 Btus per cubic foot at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit at the East Dry Creek, Cavalry, Bent-Wagon Trail and Fluke Meter Stations for quantities not to exceed 1,000 Dth/d at each location and at the Kiowa Meter Station for quantities not to exceed 4,000 Dth/d.
- (g) Transporter may accept Gas with a water vapor of no more than 7 pounds per million cubic feet into the Enterprise Lateral (running from the Enterprise gathering facilities to the BP Wattenberg Plant), provided the Gas is subsequently processed at the BP Wattenberg Plant and meets the Section 3.1 (a) (v) specification after processing and upon reintroduction into CIG's facilities.
- (h) ~~Transporter may accept Gas with a Gross Heating Value of not less than 950 Btus per cubic foot at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit into the Powder River Lateral, provided the Gas is Delivered to a Powder River Lateral location or Transporter is able to blend the gas to meet downstream gas quality delivery requirements at non Powder River Lateral delivery points.~~ Reserved
- (i) In addition, Transporter may accept any Gas that does not meet the specifications set forth in Section 3.1 on a short term basis for operational reasons which may include plant start-ups, plant upsets, or line freeze-offs.
- (j) Gas Tendered to Transporter south of the Keys Station shall not contain more than 500 parts per million (0.05 percent) by volume of oxygen at a pressure of 14.73 p.s.i.a. and a temperature of 60 degrees Fahrenheit. However, Transporter may accept Gas Tendered that contains no more than 2000 parts per million (.200 percent) by volume of oxygen at such Point(s) of Receipt if Transporter, in its reasonable discretion and judgment, determines that such acceptance will not interfere with Transporter's obligations to: (1) maintain prudent and safe operation of Transporter's pipeline system and storage facilities, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to Tender Gas for Delivery to a downstream pipeline or end-user.

3.2 Specification Exemptions (continued)

(k) Gas Tendered on the 8-inch transmission line between Keyes Station and Campo (Transporter's line designation 3C) and the 16-inch transmission line between Sturgis Station and Keyes Station (Transporter's line designation 40A) shall have a Gross Heating Value of no lower than 400 Btu's per standard cubic foot. However, Transporter may accept Gas Tendered with a Gross Heating Value lower than 400 Btu's per standard cubic foot if Transporter, in its reasonable discretion and judgment, determines that such acceptance will not interfere with Transporter's obligations to: (1) maintain prudent and safe operation of Transporter's pipeline system and storage facilities, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to Tender Gas for Delivery to a downstream pipeline or end-user.

3.3 Waiver of Quality Specifications. Transporter, in its reasonable discretion and judgment, may waive one or more of its gas quality specifications at any Point of Receipt to accept gas that does not conform to the quality specifications set forth in Sections 3.1 and 3.2, if Transporter determines that such acceptance will not interfere with Transporter's ability to: (1) maintain prudent and safe operation of Transporter's pipeline system and storage facilities, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to Tender Gas for Delivery to a downstream pipeline or end-user.

3.4 Failure to Meet Specifications. In the event that Gas Tendered hereunder fails to meet the specifications in Section 3.1 and Transporter has not agreed to accept gas pursuant to Sections 3.2 or 3.3, the measuring Party shall notify the other Party of such failure. Transporter may refuse to accept such Gas. The Party Tendering such Gas hereunder shall indemnify the receiving Party for any injury, damage, loss, or liability caused by such Gas, except to the extent Transporter knowingly and willingly accepts such Gas.

3.5 Specification of Gas Delivered or Received on the Valley Line and/or through the Supporting Air Blending Operations.

(a) All Gas Delivered by Transporter on the Valley Line may be blended with air and shall have a Wobbe number in the range of 1,185 and 1,285. However, should situations occur on an hourly basis such that Transporter is unable to maintain the Wobbe within the above-specified range, Shippers agree to extend such ranges up to 1,310. Transporter will endeavor to keep such hourly occurrences to a minimum and to return the Wobbe to within the specified range as soon as possible. Transporter shall use its best efforts to keep the Wobbe within the acceptable range of 1,185 to 1,285. Shippers receiving Gas with a Wobbe outside the acceptable of 1,185 and 1,285 shall be notified within 30 minutes of the discovery of the excess variation. Any Gas

received by Transporter on the Valley Line shall have a Wobbe number within the acceptable range of 1,185 and 1,285 at all times.

3.5 Specification of Gas Delivered or Received on the Valley Line and/or through the Supporting Air Blending Operations. (continued)

- (b) —All Gas Delivered by Transporter on High Plains at the Derby Lake Point of Delivery and on the 9B pipeline may be blended with air and shall have a Wobbe number in the range of 1,185 and 1,285 as much of the time as possible. If the transporter is unable to maintain the Wobbe within the acceptable range of 1,185 and 1,285, then the Transporter will maintain a Wobbe within the acceptable range of 1,185 and 1,338 on a daily basis. However, should situations occur on an hourly basis such that Transporter is unable to maintain the Wobbe within the above specified range, Shippers agree to extend the maximum Wobbe up to 1,352, to allow required quantities to be Delivered. Transporter will endeavor to keep such occurrences to a minimum and to return the Wobbe to within the acceptable range of 1,185 to 1,285 as soon as possible. Transporter shall use good faith efforts to operate the existing facilities to keep the Wobbe within the acceptable range of 1,185 to 1,285. Shippers receiving Gas with a Wobbe varying outside the acceptable range of 1,185 to 1,285 shall be notified of the discovery of the excess variation as soon as practicable.
- 3.6 Specification of Gas Delivered Requiring Wobbe numbers. All Gas Delivered by Transporter to the following delivery points shall be at a Wobbe number within the acceptable range of 1,240 and 1,398: Carpenter Burns, Cheyenne, Pine Bluffs, Terry, Green Valley, First Creek, Second Creek, Ft. Lupton, Greeley Group and Brush Group Delivery Points.
- 3.7 Quality Tests. The Party operating the measuring equipment, using approved standard methods in general use in the Gas industry, shall cause adequate tests to be made to determine the quality of the Gas Tendered hereunder. Such tests shall be made at intervals frequently enough to ensure that the Gas conforms to the specifications hereof.

13. FUEL AND L&U

- 13.1 "Fuel Gas" shall mean a quantity of Gas, determined as a percentage of (1) Receipt Quantities for Transportation Fuel Gas, (2) Receipt Quantities for Cheyenne Firm Compression Fuel Gas or (3) storage injection quantities, for CIG Mainline Storage Fuel Gas, which is required to provide service under this Tariff. Percentages associated with Receipt Quantities for Transportation Fuel Gas shall be determined and adjusted semi-annually to be effective each April 1 and October 1 of a given year. The percentages associated with storage injection quantities for CIG Mainline Storage Fuel Gas and Receipt Quantities for Cheyenne Firm Compression Fuel Gas shall be determined and adjusted annually. The percentages shall be calculated as follows:
- (a) Fuel Gas shall be divided into three components. The first component shall be system-wide Fuel Gas, not including Storage Fuel Gas or Cheyenne Firm Compression Fuel Gas, and shall be termed Transportation Fuel Gas. The second component, termed Cheyenne Firm Compression Fuel Gas, shall be only that Fuel Gas consumed in the Cheyenne Plains Jumper Compressor Station. The third component, termed Storage Fuel Gas, shall be only that Fuel Gas consumed in the compressors serving Transporter's storage fields.
 - (b) For Transportation and Cheyenne Firm Compression Fuel Gas, the percentage shall be computed using the most recent twelve months of available data. The Transportation Fuel Gas percentage shall be applied to rate schedules TF-1, TF-4 and TI-1. The Cheyenne Firm Compression Fuel Gas percentage shall be applied to rate schedule CS-1.
 - (c) For CIG Mainline Storage Fuel Gas, the percentage shall be computed using the most recent three years of available data and shall be applied to rate schedules NNT-1, NNT-2, FS-1 and IS-1.
 - (d) For Young Storage Fuel and Unaccounted-for Gas, the percentage shall be retained in the same percentage as the percentage in Young Gas Storage Company's FERC Gas Tariff and shall be applied to Rate Schedules TSB-Y, FS-Y and IS-Y.
 - (e) For Totem Storage Fuel and Unaccounted-for Gas, the percentage shall be as accepted by the Commission in Docket No. CP08-30-000. Such percentage shall be re-computed using twelve months of available data, as normalized, and shall be applied to Rate Schedules TSB-T, FS-T and IS-T.

- 13.2 "Lost, Unaccounted For and Other Fuel Gas" shall mean a quantity of Gas stated in terms of a percentage of Receipt Quantities, computed and adjusted quarterly. The Lost, Unaccounted For and Other Fuel "(L & U and Other Fuel)" retention percentage for a calendar quarter shall be computed as follows:
- (a) Calculate the actual total system fuel and loss quantity (receipts less Deliveries) for a twelve-month period ending three months prior to the beginning of the quarter ("Period"), and reduce that total fuel quantity by (a) the actual compressor fuel use for that Period, (b) shrinkage reimbursement for processing of third Party Gas at Transporter's processing plants and (c) lost and unaccounted-for gas quantities attributable to Rate Schedule CS-1.
 - (b) Calculate the fuel quantity attributable to processing revenue by dividing the sum of (a) Transporter's actual product revenue for the Period and (b) Transporter's net revenue received during the Period for processing services rendered for Shippers by Transporter's average Cash Out Index Price for the Period.
 - (c) Calculate the fuel quantity attributable to electric commodity expenses by dividing Transporter's actual electric commodity expenses incurred for the Period by Transporter's average Cash Out Index Price for the Period.
 - (d) Calculate the Lost, Unaccounted For and Other Fuel Gas quantity by subtracting from the fuel quantity in (a) the fuel quantity in (b) and adding the fuel quantity in (c) above, and then adding a fuel quantity attributable to any previously deferred Excess L&U Quantity (by dividing the dollar value of the deferral by Transporter's Cash Out Index Price for the current period). Should the resulting Lost, Unaccounted For and Other Fuel Gas quantity be a negative amount, such amount will be deemed to be an Excess L&U Quantity and will be excluded from the calculation. Except as provided below, Excess L&U Quantity will be deferred and applied in future Lost, Unaccounted For and Other Fuel Gas filings when the calculations of any these future quarterly filings result in positive percentage.
 - (i) Excess L&U Quantities will be valued at the Cash Out Index Price, as posted on Transporter's EBB, for the month the Excess L&U Quantities are calculated and deferred.

13.2 Lost, Unaccounted For and Other Fuel Gas"

(d) (continued)

(ii) Transporter will remit by invoice credit the value of the Excess L&U Quantity when any of the following occur:

(A) The Excess L&U Quantity exceeds 250,000 Dth; or

(B) There has been an Excess L&U Quantity in three consecutive calendar quarters; or

(C) Any Excess L&U Quantities that remain outstanding at the time of Transporter's annual Fuel true-up calculations pursuant to Section 13.5 below; or

(iii) Invoice credits of deferred amounts will be remitted to Shippers using an allocation based on the ratio of a Shipper's L&U Receipt Quantity to the total L&U Receipt Quantity during the Period.

(e) Derive the L & U and Other Fuel Retention Percentage by dividing the Lost, Unaccounted For and Other Fuel Gas volume in (4) by Transporter's total Receipt Quantity for the Period. The L & U and Other Fuel Retention Percentage will be posted on The Statement of Rates in Transporter's Tariff, and such Tariff provision, together with supporting workpapers, shall be filed with the Commission 30 days prior to the beginning of any calendar quarter. Said percentage for Lost, Unaccounted For and Other Fuel Gas shall be applied to rate schedules TF-1, TF-4 and TI-1.

(f) The Lost and Unaccounted-For Gas Retention Percentage for Transporter's Rate Schedule CS-1 shall be as stated on Part II: Statement of Rates, Fuel and L&U Rates.

(g) Fuel Reimbursement percentages shall be posted by and be effective at the beginning of the Month (NAESB WGQ Standard 1.3.28).

13.3 Applicability of Fuel Reimbursement. Except as provided below, when Transporter provides Transportation Service, Shipper shall be responsible for providing Fuel Reimbursement at each Point of Receipt on a pro rata basis based on the quantities received on any Day at a Point of Receipt divided by the total quantity Delivered at all Points of Delivery under the same Transportation Service Agreement. Transporter will provide, if applicable, a fuel matrix for Point(s) of Receipt and Point(s) of Delivery combinations. Shipper is not responsible for calculating and totaling fuel based on each zone or facility traversed (NAESB WGQ Standard 1.3.30).
Fuel Reimbursement shall not be required in the following circumstances:

- (a) For Transportation service provided in conjunction with storage service, when Fuel Reimbursement has been furnished for the storage Gas delivered to the point of injection, no additional fuel shall be required from Shipper for Transportation between the point of Withdrawal and point of Delivery.
- (b) When Transporter provides storage service, storage Fuel Gas Reimbursement will be provided by Shipper at point of Injection.

(c) When Transportation service is provided using the paths identified here or on Transporter's EBB. Examples of the paths are:

- (i) Watkins to Cheyenne Hub (low pressure deliveries)
(south to north)
- (ii) Cheyenne Hub to Rawlins Station (east to west)
- (iii) Rawlins to Wamsutter Station (east to west)
- (iv) ~~Powder River Lateral (south to north)~~ Weld County Lateral (east to west)
- (v) ~~Weld County Lateral (east to west)~~ Mocane to Campo (east to west)
- (vi) ~~Mocane to Campo (east to west)~~ North Raton Lateral
- (vii) ~~North Raton Lateral~~

(d) When transportation service occurs within the Northeast Colorado Storage System which is Kit Carson Station to Watkins Station and Fort Morgan to Watkins Station.

13.3 Applicability of Fuel Reimbursement (continued)

- (e) When Transportation service occurs in the No-Fuel Wheeling Area which is located on Transporter's Uinta and Parachute Creek Laterals. The No-Fuel Wheeling area shall consist of the facilities between the Anabuttes Meter Station and the Greasewood Compressor Station on the Uinta Lateral and between the PSCo Rifle Plant and the Greasewood Compressor Station on the Parachute Creek Lateral. Transportation occurring within the No-Fuel area that involves high pressure receipts and lower pressure deliveries will be eligible for the No-Fuel Wheeling Reimbursement Percentage if the transaction does not require Transporter compression in order to receive or deliver Gas.
- (f) When transportation service occurs between Transporter's Enterprise North Point of Receipt and the inlet of the Box Elder Point of Delivery.
- (g) When transportation service occurs between Transporter's Blue Forest Point of Receipt and its Alkali Pond Point of Delivery.
- (h) When transportation service occurs between Transporter's Point of Receipt into the Spruce Hill gas quality control facilities and its Spruce Hill High Delivery Point Interconnect.

13.4 Fuel Reimbursement calculations shall be accomplished pursuant to NAESB WGQ Standards.

- (a) Fuel Reimbursement calculation shall be rounded to the nearest Dth for each Nomination transaction.
- (b) Balanced Nomination transactions are calculated as follows: Receipt Quantity times $(1 - (\text{Fuel Reimbursement Percentage} / 100))$ equals Delivery Quantity.
- (c) In the event of differences resulting from rounding the calculation of Fuel Reimbursement, a Nomination shall not be rejected for differences less than 5 Dth (NAESB WGQ Standard 1.3.29).
- (d) Fuel Reimbursement quantities have the same scheduling priority as their base Nomination (NAESB WGQ Standard 1.3.31).

13.5 True-up Mechanism

- (a) The calculation of the Fuel Reimbursement Percentages for Transportation Fuel Gas, Lost, Unaccounted For and Other Fuel Gas, Storage Fuel Gas and Rate Schedule CS-1 Cheyenne Firm Compression Fuel Gas shall include a true up feature. The true up feature will be implemented as follows.
- ~~(i)~~ (i) For all fuel reimbursement percentages, Fuel Gas shall be the sum of the (1) actual gas used and (2) the amount, if any, of under or over recovered Fuel Gas (positive or negative) which is accumulated for the twelve-months reported in each fuel filings.
 - (ii) The unrecovered Fuel Gas shall be determined each month and shall consist of the difference between (1) the actual fuel according to Transporter's books and records and (2) the retention volumes received from Shippers pursuant to this provision. Prior period adjustments, either credits or debits, will be included.
 - (iii) The unrecovered (or overrecovered) amount of fuel shall be recorded in a net deferred asset or net deferred liability account. The actual balance (positive or negative) for each twelve-month period shall be recouped from/ or credited to Shippers prospectively in each filing. The deferred account will be subdivided so that each period's accumulation (twelve-months) of unrecovered (or overrecovered) amount and the amortization thereof through a rate adjustment will be kept separate from future accumulations. Any over or under recovery of fuel will be carried forward to the next period. Prior period adjustments, either credits or debits, will be included. The amortization of decatherms will be accounted for and reported upon in each fuel filing.
 - (iv) The twelve-month data collection period for Transportation Fuel Gas, Lost, Unaccounted-For and Other Fuel Gas and Rate Schedule CS-1 Cheyenne Firm Compression Fuel Gas will commence July 1, 2006. This twelve-month period will be used to calculate the true up adjustment in the annual filing effective October 1, 2007.
 - (v) The twelve-month data collection period for Storage Fuel Gas shall commence January 1, 2006 and be applied to the reimbursement percentage effective October 1, 2007.
 - (vi) The Lost, Unaccounted For and Other Fuel Gas true up mechanism will reflect the application of any Excess L&U Quantity as a gas quantity retained from Shipper.

- 13.6 Neither the Fuel Gas reimbursement percentage nor the Lost, Unaccounted For and Other Fuel Gas retention percentage may be less than zero.

- 13.7 High Plains ("HP") Transportation Fuel Gas, HP L & U and Other Fuel Gas, HP Incremental Gas Quality Fuel Gas, Young Storage Fuel and Unaccounted-For Gas, and Totem Storage Fuel and Unaccounted-for Gas Retention Percentages. HP Transportation Fuel Gas and HP L&U and Other Fuel Gas retention percentages shall mean a quantity of Gas, determined based on all Receipt Quantities required to provide High Plains Transportation Service under this Tariff. HP Incremental Gas Quality Fuel Gas retention percentage shall mean a quantity of Gas used at the blending facilities, determined as a percentage of HP Receipt Quantities using HP Incremental Fuel Gas for ultimate delivery to East Denver Point of Delivery. Young Storage Fuel and Unaccounted-For Gas retention percentage shall mean a quantity of gas required to provide Young Storage related services. Totem Storage Fuel and Unaccounted-For Gas retention percentage shall mean a quantity of gas required to provide Totem Storage related services. Said percentages shall be determined and adjusted annually and calculated as follows:
- (a) For HP Transportation Fuel Gas, the percentage shall be computed using the most recent twelve months of available compressor data and shall be applied to Rate Schedules TF-HP and TI-HP;
 - (b) For HP L & U and Other Fuel Gas, the percentage shall be computed using the most recent twelve months of available data and shall be applied to Rate Schedules TF-HP and TI-HP. Such data shall include all HP receipts and deliveries and all miscellaneous fuel cases recorded in FERC Account No. 812.
 - (c) For HP Incremental Gas Quality Fuel Gas, (the quantity of fuel used at the blending facilities to meet delivery specifications at East Denver), the percentage shall be computed using the most recent twelve months of available data and shall be applied to Rate Schedules TF-HP and TI-HP; and
 - (d) Young Storage Fuel and Unaccounted-For Gas shall be those quantities retained by Young Gas Storage Company, Ltd. related to Transporter's acquired Young Storage capacity and shall be applied to Rate Schedules TSB-Y, FS-Y and IS-Y. Refer to Young Storage's currently effective fuel reimbursement percentage found in Part II: Statement of Rates, Section 2 – Fuel and L&U Rates.
 - (e) For Totem Storage Fuel and Unaccounted-For Gas, the percentage shall be computed using twelve months of available data, as normalized, related to Totem Storage activity and shall be applied to Rate Schedules TSB-T, FS-T and IS-T.

13.7 High Plains ("HP") Transportation Fuel Gas, HP L & U and Other Fuel Gas (continued)

- (f) For purposes of Transporter's annual filing to be effective October 1, 2008, the HP Transportation Fuel Gas retention percentage, HP L & U and Other Fuel Gas retention percentage, HP Incremental Gas Quality Fuel Gas retention percentage, HP Storage Fuel Gas retention percentage, and Totem Storage Fuel and Unaccounted-For Gas retention percentage shall be the percentages as filed and approved in Docket Nos. CP07-207-000 and CP08-30-000.
- (i) For purposes of Transporter's annual filing to be effective October 1, 2009, the HP Transportation Fuel Gas retention percentage, HP L & U and Other Fuel Gas retention percentage, HP Incremental Gas Quality Fuel Gas retention percentage, and HP Storage Fuel Gas retention percentage shall be computed using all months of available data beginning from the in-service date of the HP facilities and ending three months prior to the proposed effective date. The Totem Storage Fuel and Unaccounted-For Gas retention percentage shall be the percentages filed and approved in Docket No. CP08-30-000. Thereafter, the provisions of Section 13.8(a) through (d) respectively shall apply.
- (g) The calculation of the HP Transportation Fuel Gas retention percentage, HP L & U and Other Fuel Gas retention percentage, HP Incremental Gas Quality Fuel Gas retention percentage, Young Storage Fuel Gas retention percentage, and Totem Storage Fuel and Unaccounted-for Gas retention percentage shall each include a true up feature. The true up feature will be implemented identical to the methodology described in Section 13.5(a)(i) through (iii).
- (h) High Plains Transportation Fuel Gas Reimbursement shall not be required for transactions within the High Plains System between Block Valve 6 and the Flying Hawk Meter Station so long as the transaction does not require Transporter compression in order to receive or deliver Gas.

WYOMING INTERSTATE COMPANY, L.L.C.
Abandonment of Powder River Lateral Facilities

CP15-____-000

Third Revised Volume No. 2

Part II	Statement of Rates	Section 1.1	Firm Rates
Part II	Statement of Rates	Section 1.2	Interruptible Rates
Part II	Statement of Rates	Section 2	Fuel and L&U Rates
Part II	Statement of Rates	Section 3	Footnotes
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Part IV	General Terms and Conditions	Section 13	Fuel and L&U

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
 RATES PER DTH

	<u>Rate</u>
<u>Rate Schedule FT:</u>	
<u>Mainline Rates</u>	
Reservation Rate (Note 2)	
Maximum Rate	\$2.4607
Minimum Rate	\$0.0000
Commodity Rate -	
Maximum Rate.....	\$0.0026
Minimum Rate.....	\$0.0026
Overrun Rate -	
Maximum Rate.....	\$0.0835
Minimum Rate.....	\$0.0026
 <u>Medicine Bow Incremental Rates</u>	
Reservation Rate (Note 2)	
Maximum Rate.....	\$2.7345
Minimum Rate.....	\$0.0000
Commodity Rate -	
Maximum Rate.....	\$0.0000
Minimum Rate.....	\$0.0000
Overrun Rate -	
Maximum Rate.....	\$0.0899
Minimum Rate.....	\$0.0000

Rate

Rate Schedule FT:

Piceance Basin Incremental Rates

Reservation Rate (Note 2)

Maximum Rate.....	\$4.3344
Minimum Rate.....	\$0.0000

Commodity Rate -

Maximum Rate.....	\$0.0004
Minimum Rate.....	\$0.0004

Overrun Rate -

Maximum Rate.....	\$0.1429
Minimum Rate.....	\$0.0004

Kanda Lateral Incremental Rates

Reservation Rate (Note 2)(Note 10)

Maximum Rate.....	\$4.5169
Minimum Rate.....	\$0.0000

Commodity Rate -

Maximum Rate.....	\$0.0001
Minimum Rate.....	\$0.0001

Overrun Rate -

Maximum Rate.....	\$0.1486
Minimum Rate.....	\$0.0001

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
RATES PER DTH

	<u>Rate</u>
<u>Rate Schedule IT:</u>	
<u>Mainline Rates</u>	
Commodity Rate -	
Maximum Rate.....	\$0.0835
Minimum Rate.....	\$0.0026
<u>Medicine Bow Interruptible Incremental Rates</u>	
Commodity Rate -	
Maximum Rate.....	\$0.0899
Minimum Rate.....	\$0.0000
<u>Piceance Basin Interruptible Incremental Rates</u>	
Commodity Rate -	
Maximum Rate.....	\$0.1429
Minimum Rate.....	\$0.0004
<u>Kanda Lateral Interruptible Incremental Rates (Note 10)</u>	
Commodity Rate -	
Maximum Rate.....	\$0.1486
Minimum Rate.....	\$0.0001

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
 RATES PER DTH

	<u>Rate</u>
<u>Rate Schedule PAL:</u>	
<u>WIC East and West Mainline Parking or Lending Rates</u>	
Initial Rate -	
Maximum Rate.....	\$0.0835
Minimum Rate.....	\$0.0000
Balance Rate -	
Maximum Rate.....	\$0.0417
Minimum Rate.....	\$0.0000
Completion Rate -	
Maximum Rate.....	\$0.0835
Minimum Rate.....	\$0.0000
<u>Medicine Bow Parking and Lending Incremental Rates</u>	
Initial Rate -	
Maximum Rate.....	\$0.0899
Minimum Rate.....	\$0.0000
Balance Rate -	
Maximum Rate.....	\$0.0449
Minimum Rate.....	\$0.0000
Completion Rate -	
Maximum Rate.....	\$0.0899
Minimum Rate.....	\$0.0000
<u>Piceance Basin Parking and Lending Incremental Rates</u>	
Initial Rate -	
Maximum Rate.....	\$0.1429
Minimum Rate.....	\$0.0000
Balance Rate -	
Maximum Rate.....	\$0.0714
Minimum Rate.....	\$0.0000
Completion Rate -	
Maximum Rate.....	\$0.1429
Minimum Rate.....	\$0.0000

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
RATES PER DTH

Rate

Rate Schedule PAL:

Kanda Lateral Parking and Lending Incremental Rates

Initial Rate -

Maximum Rate..... \$0.1486

Minimum Rate..... \$0.0000

Balance Rate -

Maximum Rate..... \$0.0743

Minimum Rate..... \$0.0000

Completion Rate -

Maximum Rate..... \$0.1486

Minimum Rate..... \$0.0000

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
 RATES PER DTH

Particulars -----	Current Reimbursement -----	True-up -----	Total -----
Mainline System			
Fuel Gas Percentage (Note 3)	0.40%	0.11%	0.51%
L&U Percentage (Note 3)	0.03%	0.04%	0.07%
	-----	-----	-----
Total FL&U Percentage	0.43%	0.15%	0.58%
L&U Percentage (Note 11)	0.03%	0.04%	0.07%
Medicine Bow Incremental			
Fuel Gas Percentage (Note 3) (Note 6)	0.42%	0.14%	0.56%
L&U Percentage (Note 3) (Note 6)	0.03%	0.04%	0.07%
	-----	-----	-----
Total FL&U Percentage	0.45%	0.18%	0.63%
L&U Percentage (Note 11)	0.03%	0.04%	0.07%

Piceance Basin Incremental
 FL&U Percentages detailed below (Note 3)(Note 9)(Note 12):

Piceance Lateral			
Fuel Gas Percentage To Transporter's Mainline System	0.27%	0.44%	0.71%
L&U Percentage To Transporter's Mainline System	0.00%	0.00%	0.00%
	-----	-----	-----
Total FL&U Percentage	0.27%	0.44%	0.71%
L&U Percentage (Note 11)	0.00%	0.00%	0.00%
Fuel Gas Percentage To Other Pipelines	0.27%	0.44%	0.71%
L&U Percentage To Other Pipelines	0.04%	0.02%	0.06%
	-----	-----	-----
Total FL&U Percentage	0.31%	0.46%	0.77%
L&U Percentage (Note 11)	0.04%	0.02%	0.06%

Kanda Lateral Incremental
 FL&U Percentages detailed below (Note 3) (Note 9) (Note 13):

Fuel Gas Percentage To Transporter's Mainline System	0.00%	0.00%	0.00%
L&U Percentage To Transporter's Mainline System	0.00%	0.00%	0.00%
	-----	-----	-----
Total FL&U Percentage	0.00%	0.00%	0.00%
L&U Percentage (Note 11)	0.00%	0.00%	0.00%
Fuel Gas Percentage To Other Pipelines	0.00%	0.00%	0.00%
L&U Percentage To Other Pipelines	0.03%	0.04%	0.07%
	-----	-----	-----
Total FL&U Percentage	0.03%	0.04%	0.07%
L&U Percentage (Note 11)	0.03%	0.04%	0.07%

Diamond Mountain Compressor Station
 FL&U Percentages detailed below (Note 3) (Note 9):

Fuel Gas Percentage To Transporter's Mainline System	1.35%	0.25%	1.60%
L&U Percentage To Transporter's Mainline System	0.00%	0.00%	0.00%
	-----	-----	-----
Total FL&U Percentage	1.35%	0.25%	1.60%
L&U Percentage (Note 11)	0.00%	0.00%	0.00%
Fuel Gas Percentage To Other Pipelines	1.35%	0.25%	1.60%
L&U Percentage To Other Pipelines	0.03%	0.04%	0.07%
	-----	-----	-----
Total FL&U Percentage	1.38%	0.29%	1.67%
L&U Percentage (Note 11)	0.03%	0.04%	0.07%

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS

FOOTNOTES

- (1) The transportation rate shall be adjusted to include the FERC Annual Charge Adjustment (ACA).
- (2) For Capacity Release transactions only, Transporter has adopted the following NAESB standards. On the bidding formats, the number of decimal places for offers, bids and awards shall be equal to the number of decimal places in Transporter's stated rates (NAESB Standard 5.3.21). Converting a Daily rate to a Monthly rate is accomplished by multiplying the Daily rate times the number of Days in the rate period, dividing the result by the number of Months in the rate period and taking the remainder out to 5 decimal places, and rounding up or down to the Transporter's specified decimal place. Converting a Monthly rate to a Daily rate is accomplished by multiplying the Monthly rate by the number of Months in the rate period; dividing the result by the number of Days in the rate period, taking the remainder out to 5 decimal places, and rounding up or down to the Transporter's specified decimal place (NAESB Standard 5.3.22). Furthermore, for capacity release purposes, all Tariff rates shall be adjusted to reflect a standard calculation of Daily and Monthly rates, in conformance with NAESB Standard 5.3.23.
- (3) The "FL&U" percentage(s) shall be adjusted quarterly. Such adjustment(s) shall not subject Transporter to any obligation to justify its other costs or revenues or throughput. Transporter shall be allowed to adjust the percentage(s) independent of and without regard to other rates. As applicable to the use of off-system capacity, Transporter will assess L&U or FL&U Third Party Charges pursuant to General Terms and Conditions Section 4.5(b); in the absence of any provision in the FTSA to the contrary, any Shipper utilizing off-system capacity will be responsible for all costs, charges, and surcharges (including but not limited to L&U and when assessed, fuel) imposed by the off-system capacity provider. To the extent off-system capacity is used in conjunction with Transporter's mainline and/or incremental rate lateral facilities' capacity, Transporter will also assess the applicable mainline and/or incremental rate lateral L&U or FL&U charges. To the extent off-system capacity is not used in conjunction with Transporter's mainline and/or incremental rate lateral facilities' capacity, Transporter will only assess the off-system L&U or FL&U charges.
- (4) Reserved
- (5) Reserved
- (6) All Shippers transporting from the Medicine Bow Lateral to Cheyenne shall be subject to the Medicine Bow Incremental FL&U Percentages, but shall not be subject to the mainline FL&U Percentages.
- (7) Reserved

- (8) Reserved
- (9) All Shippers transporting from the Piceance Basin Lateral or Kanda Lateral to such lateral or a receipt or delivery point on Transporter's mainline shall be subject to individual Incremental FL&U Percentages To Transporter's Mainline System. However, all Shippers transporting from the Piceance Basin Lateral or Kanda Lateral to a pipeline other than Transporter's mainline shall be subject to individual Incremental FL&U Percentages To Other Pipelines. The Piceance Basin Incremental Fuel Gas percentage, Piceance Lateral L&U percentages and Kanda Lateral Incremental FL&U percentages (Kanda Lateral FL&U or Diamond Mountain Compressor Station FL&U, as applicable) shall be calculated in accordance with the approved methodology set forth in Section 13 contained in the General Terms and Conditions of this Tariff.
- (10) The actual Kanda Lateral interruptible revenues that are in excess of costs during a calendar year shall be credited to all Kanda Lateral firm and interruptible Shippers pro rata based on the total revenues received from each such Kanda Lateral Shipper during the calendar year in relation to the total revenues received from all such Shippers as a group. Following each calendar year, Transporter shall apply such allocated amounts as an invoice credit on Shipper's invoice for the service provided during March of any year. If a credit amount cannot be applied, a cash payment shall be made to Shipper.
- (11) Pursuant to Section 13.6 of the GT&C, specified Shippers shall only be assessed an L&U charge and not a Fuel Gas charge.
- (12) New firm service, secondary, and interruptible transport on the Piceance Basin Lateral will be assessed the Piceance Basin Incremental Fuel Gas percentage and the Piceance Lateral L&U percentage.
- (13) New firm service, secondary, and interruptible transport on the Kanda Lateral will only be assessed the Diamond Mountain Compressor Station Incremental Fuel Gas percentage and the related L&U percentage (if applicable). Firm TSAs with primary service on the Kanda Lateral that were in effect prior to the in-service date of the Diamond Mountain Compressor Station will only be assessed the Kanda Lateral FL&U charges.

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

1. Availability

- 1.1 This Rate Schedule is available, on the basis described in Section 4 of the General Terms and Conditions of this Tariff and subject to all of the other terms of this Tariff for Transportation Service by Wyoming Interstate Company, L.L.C. (hereinafter called Transporter), for any person (hereinafter called Shipper) when Shipper desires firm Transportation Service and:
- (a) Transporter has determined that other than such new taps, valves, measurement equipment, and other minor facilities which may be required at the Point(s) of Receipt or Point(s) of Delivery to effect receipt or Delivery of the Gas it has available or will secure sufficient uncommitted capacity to provide the service requested by Shipper as well as all of its other firm service commitments;
 - (b) Shipper makes a valid request pursuant to Section 4 of the General Terms and Conditions of this Tariff;
 - (c) Shipper executes a Firm Transportation Service Agreement ("Agreement") pursuant to the terms of this Rate Schedule in the form attached hereto; and
 - (d) Shipper has met the creditworthiness requirements and other service requirements specified in Section 4 of the General Terms and Conditions.
- 1.2 When new and/or expanded facilities at Points of Receipt or Points of Delivery, such as new taps, valves, measurement equipment, and other minor facilities, are required to accommodate receipt and/or Delivery of Gas under this Rate Schedule FT and will not impair service to any existing Shipper or threaten the integrity of Transporter's System, Transporter will construct such facilities. Transporter shall require Shipper to pay all construction costs pursuant to Section 3.11 of this Rate Schedule, including any filing fees, notifications, and a reimbursement amount to compensate for federal and state income tax effects associated with such facilities.
- 1.3 Any Contribution in Aid of Construction (CIAC) pursuant to this Section 1 shall be increased by an amount (Tax Reimbursement) to compensate for the federal and state income tax effects thereof, according to the following formula:
- $$\text{Tax Reimbursement} = [\text{Tax Rate} \times (\text{CIAC} - \text{Present Value of Tax Depreciation})] \times [1 + \{\text{Tax Rate}/(1 - \text{Tax Rate})\}]$$
- 1.4 Any construction of additional facilities to provide service for a Shipper will be subject to any applicable laws and appropriate regulations.

2. Applicability and Character of Service

- 2.1 Transportation Service, up to Shipper's Maximum Delivery Quantity shall be considered firm, and not subject to interruption by Transporter except as provided in the General Terms and Conditions of this Tariff.
- 2.2 Upon mutual agreement of Shipper and Transporter, the Agreement may be amended to add or delete Points of Receipt and/or Delivery.
- 2.3 Transporter shall not be required to provide Transportation Service if the quantities Tendered are so small as to cause operational difficulties, such as measurement. Transporter shall promptly notify Shipper if such operating conditions exist.

3. Transportation Service Charges

- 3.1 Applicable Rates: The applicable minimum and maximum rates for service hereunder are set forth on the Statement of Rates, as adjusted from time to time.
- 3.2 Reservation Charge: Each Month Shipper shall be charged a Reservation Charge determined by multiplying the Reservation Rate set forth in the Agreement by Shipper's Maximum Delivery Quantity. Shipper shall begin paying the Reservation Charge on the effective date provided in the Agreement.
- 3.3 Reserved
- 3.4 Medicine Bow Incremental Reservation Charge - Shipper shall be subject to the Medicine Bow Incremental Reservation Charge for any entitlement from a Point of Receipt or to a Point of Delivery on the Medicine Bow Lateral. This charge shall be a monthly reservation charge equal to the product of (1) Shipper's currently effective Maximum Receipt Quantity from Point(s) of Receipt or Maximum Delivery Quantity to Point(s) of Delivery on the Medicine Bow Lateral, and (2) Transporter's currently effective Medicine Bow Incremental Reservation Rate. In the event on any Day Transporter schedules from/to Secondary or Segmented Point(s) on the Medicine Bow Lateral for Shipper such quantities shall be subject to Transporter's daily Medicine Bow Incremental Reservation Rate to be calculated in the same manner as defined in Note 2 on the Statement of Rates. In addition to the Medicine Bow Incremental Reservation Charge, Shipper shall also pay Transporter's applicable mainline Reservation Rate when Shipper uses Transporter's mainline system. Shipper shall only be subject to the Medicine Bow Incremental Reservation Charge for any entitlement where both the Point of Receipt and Point of Delivery are on the Medicine Bow Lateral.
- 3.5 Reserved

- 3.6 Piceance Basin Incremental Reservation Charge - Shipper shall be subject to the Piceance Basin Incremental Reservation Charge for any entitlement from a Point of Receipt or to a Point of Delivery on the Piceance Basin Lateral. This charge shall be a monthly reservation charge equal to the product of (1) Shipper's currently effective Maximum Receipt Quantity from Point(s) of Receipt or Maximum Delivery Quantity to Point(s) of Delivery on the Piceance Basin Lateral and (2) Transporter's currently effective Piceance Basin Incremental Reservation Rate. In the event on any Day Transporter schedules from/to Secondary or Segmented Point(s) on the Piceance Basin Lateral for Shipper not having a Primary Point on the Piceance Basin Lateral, such quantities shall be subject to Transporter's Piceance Basin Incremental Reservation Rate. In addition to the Piceance Basin Incremental Reservation Charge, Shipper shall also pay Transporter's applicable mainline Reservation Rate when Shipper uses Transporter's mainline system. Shipper shall only be subject to the Piceance Basin Incremental Reservation Charge for any entitlement where both the Point of Receipt and Point of Delivery are on the Piceance Basin Lateral.
- 3.7 Kanda Lateral Incremental Reservation Charge - Shipper shall be subject to the Kanda Lateral Incremental Reservation Charge for any entitlement from a Point of Receipt or to a Point of Delivery on the Kanda Lateral. This charge shall be a monthly reservation charge equal to the product of (1) Shipper's currently effective Maximum Receipt Quantity from Point(s) of Receipt or Maximum Delivery Quantity to Point(s) of Delivery on the Kanda Lateral and (2) Transporter's currently effective Kanda Lateral Incremental Reservation Rate. In the event on any Day Transporter schedules from/to Secondary or Segmented Point(s) on the Kanda Lateral for Shipper not having a Primary Point on the Kanda Lateral, such quantities shall be subject to Transporter's Kanda Lateral Incremental Reservation Rate. In addition to the Kanda Lateral Incremental Reservation Charge, Shipper shall also pay Transporter's applicable mainline Reservation Rate when Shipper uses Transporter's mainline system. Shipper shall only be subject to the Kanda Lateral Incremental Reservation Charge for any entitlement where both the Point of Receipt and Point of Delivery are on the Kanda Lateral.
- 3.8 Commodity Charge: Shipper shall be charged an amount obtained by multiplying the Commodity Rate set forth in the Agreement, including, as applicable, the incremental lateral commodity rate, by the quantity of Gas in Dth's Delivered (exclusive of any Overrun Gas) each Month by Transporter to Shipper at the Point(s) of Delivery.
- 3.9 FL&U: Shipper shall provide FL&U in kind as described in Section 13.4 ("FL&U Adjustment") of the General Terms and Conditions. The FL&U Percentages shall be applied to the quantities received from Shipper for Transportation Service to determine Shipper's FL&U.
- 3.10 Venting of Gas: Shipper shall be responsible for Unauthorized Overrun Gas Tendered by it to Transporter which is vented pursuant to Section 3.3 of the General Terms and Conditions hereof.

- 3.11 Incremental Facility Charge: When the construction of new minor facilities is required in order to provide service to Shipper, Shipper will pay Transporter for such facilities. The Parties shall agree as to whether Shipper shall (1) make a one-time 100 percent reimbursement for the cost of facilities or (2) pay the cost of facilities over a period of time agreed to by Shipper and Transporter. The facility charge will include the cost of the facilities plus any related taxes, plus interest as agreed to by the Parties, if the Shipper elects to reimburse Transporter for the facilities over a period of time.
- 3.12 Adjustment of Rates: Subject to the terms of the Agreement, Transporter reserves the right to prescribe and/or adjust at any time any of the rates applicable to service under any individual Agreement without adjusting any other rates for service under other Agreements. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term specified in Exhibit B to the Agreement, the rate for Transportation Service shall revert to the maximum rate under this Rate Schedule.
- 3.13 Imbalance Management: Shipper shall be subject to the imbalance management provisions set forth in Section 10 of the General Terms and Conditions.
- 3.14 Third Party Charges: Shipper may, on a non-discriminatory basis, be required to pay to Transporter, if applicable, any Third Party Charges in accordance with Section 4.5 of the General Terms and Conditions. In no event shall such Third Party Charges paid by Shipper exceed the amount incurred and paid by Transporter for the applicable off-system capacity.
- 3.15 Other Charges: Shipper shall pay to Transporter, when incurred by Transporter, all charges related to service provided under this Rate Schedule, including any costs incurred by Transporter on behalf of Shipper.

4. Overrun Transportation

Upon request of Shipper and at Transporter's option, Shipper may Tender and Transporter may accept for transportation, on any Day, quantities of Gas in excess of Shipper's Maximum Delivery Quantity ("Overrun Gas"). All quantities transported as Overrun Gas shall be transported on an interruptible basis. Unless otherwise agreed, Shipper shall pay an amount obtained by multiplying the quantity of such Overrun Gas during the Month by the Maximum Overrun Rate, and when applicable the Maximum Incremental Overrun Rate, as set forth in the Statement of Rates.

5. General Terms and Conditions

The General Terms and Conditions contained in this Tariff, except as modified in the Agreement to accommodate specific operational requirements, are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

1. Availability

- 1.1 This Rate Schedule is available on the basis described in Section 4 of the General Terms and Conditions of this Tariff and subject to all of the other terms of this Tariff for Transportation Service by Wyoming Interstate Company, L.L.C. (hereinafter called Transporter), for any person (hereinafter called Shipper) when Shipper desires interruptible Transportation Service, and:
- (a) Transporter can render such service with its existing transmission system without need for construction of any additional pipeline facilities other than such new taps, valves, measurement equipment and other facilities which may be required at the Point(s) of Receipt or Point(s) of Delivery to effect receipt or delivery of the Gas;
 - (b) Shipper makes a valid request pursuant to Section 4 of the General Terms and Conditions of this Tariff;
 - (c) Shipper executes an interruptible transportation service agreement ("Agreement") pursuant to the terms of this Rate Schedule in the form attached hereto; and
 - (d) Shipper has met the creditworthiness requirements and other service requirements specified in Section 4 of the General Terms and Conditions.
- 1.2 When new and/or expanded facilities at Points of Delivery or Receipt, such as new taps, valves, measurement equipment, and other minor facilities, are required to accommodate receipt and/or Delivery of Gas under this Rate Schedule IT and will not impair service to any existing Shipper or threaten the integrity of Transporter's system, Transporter will construct such facilities. Transporter shall require Shipper to pay all construction costs pursuant to Section 3.5 of this Rate Schedule, including any filing fees, notifications, and a reimbursement amount to compensate for tax effects associated with such facilities.
- 1.3 Any Contribution in Aid of Construction (CIAC) pursuant to this Section 1 shall be increased by an amount (Tax Reimbursement) to compensate for the federal and state income tax effects thereof, according to the following formula:
- $$\text{Tax Reimbursement} = [\text{Tax Rate} \times (\text{CIAC} - \text{Present Value of Tax Depreciation})] \times [1 + \{\text{Tax Rate}/(1 - \text{Tax Rate})\}]$$
- 1.4 Any construction of additional facilities to provide service for a Shipper will be subject to any applicable laws and appropriate regulations.

2. Applicability and Character of Service

- 2.1 **Incorporation by Reference:** The Agreement in all respects shall be subject to the provisions of this Rate Schedule and the General Terms and Conditions of this Tariff as filed with and accepted by the FERC from time to time.
- 2.2 **Transportation Service** hereunder is interruptible, and subject to interruption by Transporter at any time. Transportation Service under this Rate Schedule will be performed when Transporter has capacity available to provide such service without detriment or disadvantage to Transporter's firm Shippers. Service interruption for interruptible Shippers will be determined in accordance with the provisions of Section 6 of the General Terms and Conditions.
- 2.3 **Receipt:** Subject to the General Terms and Conditions of this Tariff, Shipper agrees to Tender and Transporter agrees to accept Receipt Quantities at the Point(s) of Receipt nominated by Shipper pursuant to Section 6 of the General Terms and Conditions.
- 2.4 **Delivery:** Subject to the General Terms and Conditions of this Tariff, Transporter agrees to transport and Tender Delivery Quantities to Shipper or for Shipper's account at Point(s) of Delivery nominated by Shipper pursuant to Section 6 of the General Terms and Conditions.
- 2.5 **Rates of Flow:** At each Point of Receipt and Point of Delivery, each Party shall use reasonable efforts to Tender, or cause to be Tendered, Gas at reasonably uniform hourly and daily rates of flow.
- 2.6 Transporter shall not be required to provide Transportation Service if the quantities Tendered are so small as to cause operational difficulties, such as measurement. Transporter shall promptly notify Shipper if such operating conditions exist.

3. Transportation Service Charges

- 3.1 **Applicable Rates:** The applicable rates for service hereunder shall, subject to the other provisions hereof, be the rates agreed to by Transporter and Shipper as set forth in Exhibit A to the Agreement provided that such rates shall be not less than the minimum nor more than the maximum rates for service pursuant to this Rate Schedule, as set forth in Transporter's FERC Gas Tariff, Third Revised Volume No. 2, or any effective superseding Rate Schedule on file with the FERC.

- 3.2 Commodity Charge: Shipper shall be charged an amount obtained by multiplying the commodity rate set forth in Exhibit A, including as applicable the incremental lateral commodity rate, to the Agreement by the quantity of Gas in Dth Delivered each Month by Transporter to Shipper at the Point(s) of Delivery. The commodity rate set forth in the Agreement shall not be greater than the maximum rate set forth on the Statement of Rates nor less than the minimum rate set forth on the Statement of Rates. As provided in the General Terms and Conditions the maximum commodity rate shall be subject to adjustment monthly to reflect changes in Transporter's interest expense.
- 3.3 Reserved.
- 3.4 Medicine Bow Interruptible Incremental Rate: Shipper shall be subject to the Medicine Bow interruptible incremental rate for quantities scheduled and confirmed at Point(s) of Receipt and/or Delivery on the Medicine Bow Lateral. Shipper shall be charged an amount obtained by multiplying the Medicine Bow interruptible incremental rate set forth in Exhibit A to the Agreement by the quantity of Gas in Dth received or Delivered on the Medicine Bow Lateral each Month. In addition to the Medicine Bow interruptible incremental rate, Shipper shall also pay Transporter's applicable mainline interruptible commodity rate when Shipper uses Transporter's mainline system.
- 3.5 Reserved
- 3.6 Piceance Basin Interruptible Incremental Rate: Shipper shall be subject to the Piceance Basin interruptible incremental rate for quantities scheduled and confirmed at Point(s) of Receipt and/or Delivery on the Piceance Lateral. Shipper shall be charged an amount obtained by multiplying the Piceance Basin interruptible incremental rate set forth in Exhibit A to the Agreement by the quantity of Gas in Dth received or Delivered on the Piceance Lateral each Month. In addition to the Piceance Basin interruptible incremental rate, Shipper shall also pay Transporter's applicable mainline interruptible commodity rate when Shipper uses Transporter's mainline system.
- 3.7 Kanda Lateral Interruptible Incremental Rate: Shipper shall be subject to the Kanda Lateral interruptible incremental rate for quantities scheduled and confirmed at Point(s) of Receipt and/or Delivery on the Kanda Lateral. Shipper shall be charged an amount obtained by multiplying the Kanda Lateral interruptible incremental rate set forth in Exhibit A to the Agreement by the quantity of Gas in Dth received or Delivered on the Kanda Lateral each Month. In addition to the Kanda Lateral interruptible incremental rate, Shipper shall also pay Transporter's applicable mainline interruptible commodity rate when Shipper uses Transporter's mainline system.
- 3.8 FL&U: Shipper shall provide the FL&U in kind as described in Section 13.4 ("FL&U Adjustment") of the General Terms and Conditions. The quantities retained for FL&U shall be computed by multiplying the percentages by the applicable Receipt Quantities from Shipper for Transportation Service.

- 3.9 Venting of Gas: Shipper shall be responsible for Unauthorized Overrun Gas Tendered to Transporter which is vented pursuant to Section 3.3 of the General Terms and Conditions hereof.
- 3.10 Incremental Facilities and Charges: When the construction of new minor facilities is required in order to provide service to Shipper, Shipper will pay Transporter for such facilities. The Parties shall agree as to whether Shipper shall (1) make a one-time 100 percent reimbursement for the cost of facilities or (2) pay the cost of facilities over a period of time agreed to by Shipper and Transporter. The facility charge will include the cost of the facilities, plus related taxes, plus interest as agreed to by the Parties, if the Shipper elects to reimburse Transporter for the facilities over a period of time.
- 3.11 Adjustment of Rates: Subject to the terms of the Agreement, Transporter reserves the right to prescribe and/or adjust at any time any of the rates applicable to service under any individual Agreement without adjusting any other rates for service under other Agreements. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term specified in Exhibit A to the Agreement, the rate for Transportation Service shall revert to the maximum rate under this Rate Schedule.
- 3.12 Imbalance Management: Shipper shall be subject to the imbalance management provisions set forth in Section 10 of the General Terms and Conditions.
- 3.13 Third Party Charges: Shipper may, on a non-discriminatory basis, be required to pay to Transporter, if applicable, any Third Party Charges in accordance with Section 4.5 of the General Terms and Conditions. In no event shall such Third Party Charges paid by Shipper exceed the amount incurred and paid by Transporter for the applicable off-system capacity.
- 3.14 Other Charges: Shipper shall pay to Transporter when incurred by Transporter all charges related to service provided under this Rate Schedule, including any costs incurred by Transporter on behalf of Shipper.

4. Term

- 4.1 Termination Date: The Agreement shall continue in effect for the term described in Section 3 of the Agreement or the date which Transporter receives authority to, or is required to, abandon service rendered pursuant to its "blanket" transportation certificate of public convenience and necessity issued in FERC Docket No. CP90-706.

Transporter may terminate the Agreement with respect to service under Section 311 of the NGPA if it also terminates like service for others on a nondiscriminatory basis which is consistent with applicable regulatory law and regulations and secures any necessary regulatory approval(s).

5. General Terms and Conditions

The General Terms and Conditions contained in this Tariff, except as modified in the Agreement to accommodate specific operational requirements, are applicable to this Rate Schedule and are hereby made a part hereof.

1. DEFINITIONS

- 1.1 "Begin Date" shall mean the Day specified by a Shipper on which a Gas transaction is to begin. Most Gas transactions are to be effective for a full Gas Day. However, Shippers may indicate a requested beginning time when submitting Intraday Nominations.
- 1.2 "Bidding Shipper(s)" is any Shipper who is prequalified pursuant to Section 9 of the General Terms and Conditions to bid for capacity or who is a party to a prearranged release.
- 1.3 "Btu" shall mean 1 British thermal unit, which is the amount of heat required to raise the temperature of 1 pound of water 1 degree from 59 degrees to 60 degrees Fahrenheit. The reporting basis for Btu is 14.73 p.s.i.a. and 60 degrees F (101.325 kPa and 15 degrees C, and dry). Standardize the reporting basis for gigacalorie as 1.035646 Kg/cm² and 15.6 degrees C and dry. "MMBtu" shall mean 1 million Btu. One "Dth" (Dekatherm) is equivalent to one MMBtu. Thermal Conversion factors shall be stated using not less than three decimal places. However, for calculation purposes, not less than 6 decimal places should be used. (NAESB Standards 2.3.9 and 2.3.10)
- 1.4 "Bumping" or "Bump" shall mean:
- (a) The reduction of a previously Scheduled and Confirmed Interruptible Transportation Quantity to permit Transporter to schedule and confirm a firm Transportation Nomination which has a higher priority and which was submitted as an Intraday Nomination.
 - (b) In the event that a discount is granted that affects previously scheduled quantities, "Bumping" or "Bump" shall also mean the reduction of a Firm Transportation Quantity previously scheduled and confirmed to permit Transporter to schedule and confirm a firm Transportation Intraday Nomination which has a higher priority.
 - (c) In the event of an intraday recall of released capacity, "Bumping" or "Bump" shall also mean the reduction of the Replacement Shipper's previously Scheduled and Confirmed Firm Transportation Quantity.

Bumping that affects transactions on multiple Transportation Service Providers' systems should occur at grid-wide synchronization times only (NAESB Standard 1.3.39). Pursuant to NAESB Standard 1.2.12, absent an agreement to the contrary between Transporter, Shipper and any affected interconnect Party, a Bump shall not result in a Scheduled Quantity that is less than the applicable elapsed pro rated flow quantity.

- 1.5 "Business Day" shall mean Monday, Tuesday, Wednesday, Thursday, and Friday, excluding Federal Bank Holidays.

- 1.5A "Carbon Dioxide Monitoring Location" or "CDM Location" shall mean a location on Transporter's system where Transporter monitors carbon dioxide content in the gas stream and is identified as a CDM Location on Transporter's interactive website, along with associated carbon dioxide information. CDM Locations will be sited, as determined by Transporter in its reasonable operating judgment, at various locations on Transporter's system to allow Transporter to monitor and meet its carbon dioxide Tariff specification on its laterals and mainlines.
- 1.6 "Cash Out Index Price" shall mean the price calculated as the average of the daily average index prices for the CIG-Mainline as published on the IntercontinentalExchange ("ICE") Day Ahead Index. Should the ICE Day Ahead Index become unavailable, Transporter shall base the Cash Out Index Price on information posted in a similar publication. The Cash Out Index Price shall be calculated and posted on Transporter's electronic bulletin board no later than 5:00 p.m. CCT on the fifth Business Day of the Month following the production month.
- 1.7 "Central Clock Time" or "CCT" shall mean Central Standard Time (CST) except for that period when daylight savings is in effect. During this period, CCT shall mean Central Daylight Time (CDT). Unless otherwise stated, all times in this Tariff are Central Clock Time (CCT).
- 1.8 "Confirmation" shall mean the verification of the Confirmed Quantity by the Confirming Parties. A Confirmation Response is a report provided via EDM which conforms to the requirements of the Data Dictionary standards as set forth in NAESB Standard 1.4.4. The Explicit Confirmation process requires that the Confirming Party respond to a Request for Confirmation or initiate an unsolicited Confirmation Response. Absent mutual agreement to the contrary, Explicit Confirmation is the default methodology. (NAESB Standard 1.3.40)
- (a) A "Confirmation Requester" is a Service Provider (including an Interconnecting Party) which is seeking to confirm a quantity of Gas via the information outlined in NAESB Standard 1.4.3 with another Service Provider (the Confirming Party) with respect to a Nomination at a location. (NAESB Standard 1.2.8)
 - (b) A "Confirming Party" is a Service Provider (including an Interconnecting Party) which provides a Confirmation for a quantity of Gas via the information outlined in NAESB Standard 1.4.4 to another Service Provider (the Confirmation Requester) with respect to a Nomination at a location. (NAESB Standard 1.2.9)
 - (c) The term "Confirming Parties" refers to the Confirmation Requester and the Confirming Party. (NAESB Standard 1.2.10)

1.8 "Confirmation" (continued)

(d) "Confirmation by Exception" ("CBE") means that the Confirming Parties agree that one party deems that all requests at a location are Confirmed by the other party (the CBE Party) without response communication from that party. The CBE party can take exception to the request by so informing the other party within a mutually agreed upon time frame. (NAESB Standard 1.2.11)

1.9 "Confirmed Quantity" shall mean the final result of the confirmation process and is the quantity of gas stated in MMBtu or Dth which has been determined as authorized to flow on a specified Gas Day at a specified Point of Receipt or Delivery on behalf of a Shipper or Shippers. Transporter's Scheduled Quantity reports provided via EDM shall conform to the requirements of the Data Dictionary standards as set forth in NAESB Standards 1.4.5 and shall reflect Confirmed Quantities.

1.10 "Critical Notices" are defined, in conformance with NAESB Definition 5.2.1, as those notices which pertain to information of conditions on Transporter's system that affect scheduling or adversely affect scheduled gas flow.

1.11 "Cubic Foot" shall mean the volume of gas which would occupy a space of 1 cubic foot at a temperature of 60 degrees Fahrenheit and at a pressure of 14.73 pounds per square inch absolute (p.s.i.a.). "Mcf" shall mean 1,000 cubic feet. "MMcf" shall mean 1,000,000 cubic feet. Pressure Base conversion factors should be reported to not less than 6 decimal places. (NAESB Standard 2.3.10) However, the reporting basis for Gas transactions is thermal. See definition of Dekatherm.

1.12 "Daily Nomination" or "Timely Nomination" shall mean a Nomination submitted by a Nominating Party in conformance with the Timely Nomination Schedule set forth in Section 6 of these General Terms and Conditions, one calendar day prior to the Begin Date of a Gas transaction.

1.13 Reserved

1.14 "Day" or "Gas Day" shall mean a period beginning at 9:00 a.m. Central Clock Time and ending at 9:00 a.m. Central Clock Time on the next calendar day.

1.15 "Dekatherm" or "Dth" shall mean the quantity of heat energy which is equivalent to 1,000,000 British Thermal Units (MMBtu). One Dekatherm of Gas shall mean the quantity of Gas which contains one Dekatherm of heat energy and will be reported on a dry MMBtu or Dth basis. Dth is the standard quantity unit for Nominations, Confirmations and Scheduled Quantities in the United States. The standard conversion factor between Dth and Canadian Gigajoules (Gj) is 1.055056 Gjs per Dth. As used in this Tariff, related services agreements, statements and invoices, MMBtu and Dth are considered synonymous.

- 1.16 "Deliver" (or Delivers or Delivered) shall mean the Tender by Transporter to Shipper, or to a third party for Shipper's account, and the acceptance by Shipper or a third party for Shipper's account at the Point of Delivery under Shipper's agreement of quantities of Gas containing the same thermal content as the quantities received by Transporter for Transportation Service less the FL&U Adjustment.
- 1.17 "Delivery Quantities" (or Deliveries) shall mean the quantities of natural Gas Delivered at the Point of Delivery. The Delivery Quantities so determined shall be further adjusted, if appropriate, by any Gas vented as provided in Section 3.3 hereof during the same period of time.
- 1.18 "Downstream Party" shall mean the entity (name or identifying number) receiving Gas at a designated location as identified by a Shipper's Nomination.
- 1.18A "Echo Springs Lateral" shall mean that portion of Transporter's transmission system including all Point(s) of Receipt beginning at Transporter's interconnecting points located in Section 1, Township 19 North, Range 93 West, Carbon County, Wyoming and extending northeasterly terminating at Transporter's mainline in Section 17, Township 20 North, Range 92 West, Sweetwater County, Wyoming.
- 1.19 "Electronic Delivery Mechanism" or "EDM" shall mean the electronic communication methodology used to transmit and receive data related to Gas transactions. Transporter shall designate an electronic "site" at which Shippers and Transporter may exchange data electronically. All data provided at such site shall be considered as being delivered to the appropriate party.
- Transporter's use and implementation of EDM shall conform to all appropriate NAESB Standards.
- Furthermore, Transporter's implementation of EDM shall be specified in an Electronic Data Interchange Trading Partner Agreement, which shall substantially conform to the NAESB Model EDI Trading Partner Agreement.
- 1.20 "Electronic Transmission" or "Electronic Communication" shall mean the transmission of information via Transporter's electronic bulletin board, Transporter's standardized internet website, Electronic Data Interchange (EDI), including information exchanged via EDM. These terms exclude facsimile.
- 1.21 "End Date" shall mean the Day specified by a Shipper on which a Gas transaction is to end. Most Gas transactions are to be effective for a full Gas Day. However, Shipper may indicate a requested end time when submitting Intraday Nominations.

- 1.22 "Equivalent Quantities" shall mean the sum of the quantities of Gas measured in Dth received by Transporter for the account of Shipper at the Points of Receipt during any given period of time reduced by the FL&U Adjustment and any Gas vented as provided in Section 3.3 hereof during the same period of time. In determining Equivalent Quantities for Delivery, each Shipper shall provide the FL&U Adjustment based on the actual quantity of Gas Tendered by such Shipper to Transporter; provided, however, that each Shipper shall be responsible for Unauthorized Overrun Gas Tendered by it to Transporter which is vented under Section 3.3; provided further, that the FL&U Adjustment shall be modified periodically to reflect Transporter's actual operating experience as described in Section 1.27 ("FL&U Requirement"). Each Shipper's share of Transporter's total FL&U Requirement shall be calculated as a percentage of each Shipper's Gas at each Point of Receipt.
- 1.23 "FERC" shall mean the Federal Energy Regulatory Commission or any federal commission, agency, or other governmental body or bodies succeeding to, lawfully exercising, or superseding any powers which are exercisable by the Federal Energy Regulatory Commission.
- 1.24 "FL&U" shall mean Fuel Gas and Lost and Unaccounted-for Gas.
- 1.25 "FL&U Adjustment" shall mean the quantity of Gas to be retained by Transporter to replace its requirement for FL&U, and shall be reflected as a portion of all Receipt Quantities.
- 1.26 "FL&U Percentage", reported separately for Fuel Gas and L&U, shall refer to the percentages derived by dividing: (i) the sum of the Projected FL&U Requirement and the FL&U Requirement Adjustment (numerator); by (ii) the projected Receipt Quantities related to the anticipated Transportation Service for Shippers charged Fuel Gas and all Shippers charged L&U during the projected FL&U Requirement period (denominator).
- 1.27 "FL&U Requirement" shall mean the quantity of Gas expected to be required by Transporter during the effective period of FL&U Adjustment as determined by Transporter.
- 1.28 "Flow Path Secondary Capacity" shall mean the capacity status assigned to that portion of a Transportation transaction for which the Point of Receipt or the Point of Delivery lie outside the Primary Receipt-to-Delivery Flow Path when at least some part of such transaction passes through Shipper's Primary Receipt-to-Delivery Flow Path. Additionally, the Flow Path Secondary priority shall apply to any non-primary point that lies within Shipper's Primary Receipt-to-Delivery Flow Path, and such point shall be designated a Flow Path Secondary Point. Flow Path Secondary Capacity is limited by the capacity entitlement of the underlying transportation service agreement on the Primary Receipt-to-Delivery Flow Path Segment being used.
- 1.29 "Fuel Gas" shall mean the quantity of Gas which is required by Transporter for transportation related purposes to accomplish the Transportation Service for all Shippers.

- 1.30 "Gas" shall mean combustible hydrocarbon Gas.
- 1.31 "Gas Industry Standards Board" or "GISB" also known as "North American Energy Standards Board" or "NAESB" shall mean that accredited organization established to set standards for certain natural Gas industry business practices and procedures.
- 1.32 "GISB or NAESB or NAESB WGQ Standards" and "GISB or NAESB or NAESB WGQ Definitions" shall mean the standardized business practices, procedures, criteria, and definition of terms which have been adopted and published by the Wholesale Gas Quadrant of the North American Energy Standards Board and which have been adopted by reference by the FERC in compliance with 18 CFR, Section 284.12, as described in Section 22 of the General Terms and Conditions.
- 1.33 "Gross Heating Value" shall mean the number of Btu's produced by the combustion, at a constant pressure, of the amount of Gas which would occupy a volume of one cubic foot at a temperature of 60 degrees Fahrenheit on a water-free basis at a pressure of 14.73 p.s.i.a. with air of the same temperature and pressure as the Gas, when the products of combustion are cooled to the initial temperature of Gas and air and when the water formed by combustion is condensed to the liquid state. The value so determined shall be adjusted to reflect actual conditions of pressure and temperature. The calculations shall be based on dry Gas if the Gas at the measurement points contains less than 5 pounds of water per MMcf. If the Gas at the measurement point contains more than 5 pounds of water per MMcf, an appropriate correction factor determined by Transporter for the actual water vapor content in the delivered Gas stream will be applied to the Btu calculations to correct for this water content.
- 1.34 "Interconnecting Party" shall mean the party or such party's designee that is responsible for operations of a natural Gas system which interconnects with Transporter's pipeline system and is responsible for verifying Nominations and scheduling Gas flow at such point of interconnections. An Interconnecting party is also a Confirming Party. Each Interconnecting Party is required to conform to the schedules set forth in Section 6 of these General Terms and Conditions of this Tariff, unless specifically exempted by Transporter.
- 1.35 "Intraday Nomination" shall mean a Nomination submitted by a Nominating Party after the Timely Nomination Deadline set forth in Section 6 of these General Terms and Conditions. Intraday Nominations shall be accepted for the following cycles pursuant to the schedule set forth in Section 6 of these General Terms and Conditions:
- a) Evening Cycle - the day prior to the Gas Day
 - b) Intraday 1 Cycle - the morning of the Gas Day
 - c) Intraday 2 Cycle - the afternoon of the Gas Day

1.35A Reserved.

1.35B "Loan", "Loaned", "Lend", or "Lending" shall mean Transporter's advancement of quantities of Gas to a Shipper pursuant to Rate Schedule PAL.

1.36 "Lost and Unaccounted-for Gas" or "L&U" shall mean the quantity of Gas required by Transporter to replace lost or otherwise unaccounted-for Gas (including vented Gas, other than Gas vented pursuant to Section 3.3 of the General Terms and Conditions) for Transportation Service for all Shippers. Lost and Unaccounted-for Gas shall be calculated by reducing the actual total system fuel and lost quantity (receipts minus Deliveries) by the actual Fuel Gas for the data collection period.

1.37 "Maximum Delivery Quantity" or "MDQ" shall mean the maximum quantity of Gas, expressed in Dths per Day, which Transporter shall be obligated under a service agreement to Deliver to Shipper or for Shipper's account. The MDQ listed on the service agreement between Transporter and Shipper is based on a thermal content for the operational area of Shipper's Primary Points of Receipt. The thermal content used for MDQ determinations for the four operational areas of Transporter's system are:

<u>Operational Area</u>	<u>Btu/cubic foot</u>
Medicine Bow Lateral	968
Wyoming Mainline and Echo Springs Lateral	1053
Piceance Basin Lateral	1050
Kanda Lateral	1050

Transporter continuously measures the thermal content of Gas on its system. If the thermal content in any Month deviates from the Btu per cubic foot levels stated above, or the then-current thermal content on which MDQ's are based, and Transporter reasonably determines that it will not be able to fully provide firm service due to the thermal change, Transporter can adjust each firm Shipper's MDQ. The MDQ adjustment will be posted on Transporter's electronic bulletin board, and will become effective on the first Day of the Month following posting. If an adjustment causes Shipper to be in an overrun situation, Shipper will not be liable for any overrun charges that are incurred during the first thirty days after implementation of the adjustment. In the event of an MDQ adjustment, Transporter shall also adjust its rates to prevent any undercharge or overcharge to Shippers which might otherwise result from the MDQ adjustments. The adjusted rates shall also be posted on Transporter's electronic bulletin board. The adjusted rates will be calculated by multiplying the fraction (Btu level stated above applicable to Shipper, or the then-current thermal content, divided by the new thermal content) by Transporter's rates that were applicable to Shipper. The adjusted rates will take effect the first Day of the Month that begins after the posting. The net effect on total payment due as a result of Shipper's adjusted MDQ and rates will be zero. Transporter will seek FERC approval if the adjustment to MDQ and rates, due to changes to the thermal content of the Gas, is more than 5 percent of the then-current thermal content. This provision also applies to Segmentation.

- 1.38 "Mcf" shall mean 1,000 cubic feet of Gas at a pressure of 14.73 p.s.i.a. and at a temperature of 60 degrees Fahrenheit. Pressure base conversion factors shall be stated with at least six decimal places. (NAESB Standard 2.3.10) However, the reporting basis for Gas transactions is thermal. (See definition of Dth in this Section.)
- 1.39 "Medicine Bow Lateral" shall mean that portion of Transporter's transmission system including all Point(s) of Receipt beginning at Transporter's interconnecting points located in Section 33, Township 33 North, Range 73 West, Converse County, Wyoming and extending Southeasterly terminating at Transporter's mainline in Section 28, Township 12 North, Range 67 West, Weld County, Colorado.
- 1.40 "Month" shall mean the period beginning at 9:00 a.m. Central Clock Time on the first Day of the calendar month and ending at 9:00 a.m. Central Clock Time on the first Day of the next succeeding calendar month.
- 1.41 "Nominated Imbalance Quantity" shall mean any quantity of Gas which a Shipper includes in a Nomination for which the quantity at the Point of Receipt is not equal to the quantity at the Point of Delivery, after accounting for any appropriate FL&U. Nominated Imbalance Quantities may be Nominated by the Shipper at any time in anticipation of a prospective imbalance or to resolve an imbalance which occurred previously. Nominated Imbalance Quantities will be scheduled and confirmed in accordance with the provisions of Section 6 of these General Terms and Conditions.
- 1.42 "Nomination" or "Nominate" shall mean a request by a Shipper for a prospective transportation or pooling transaction under an executed service agreement and submitted to Transporter.
- (a) Valid Nomination is a data set which contains the mandatory data elements included in the NAESB Standards related to Nominations and any appropriate business conditional or mutually agreeable data elements, which is consistent with the provisions of the Shipper's service agreement, and which has been delivered to Transporter, or to Transporter via Electronic Communication, or when agreed to by Transporter, by facsimile. Shipper Nominations sent by EDM shall conform to the requirements of the Data Dictionary standards set forth in NAESB Standard 1.4.1.
- 1.43 "Nominating Party" shall mean a Shipper or such Shipper's designee authorized to submit Nominations to Transporter pursuant to Shipper's executed service agreements.
- 1.44 "Overrun Capacity" shall mean capacity other than Primary Capacity, Flow Path Secondary and/or Secondary Capacity on any portion of the Receipt-to-Delivery Flow Path as required under a firm transportation service agreement when Shipper Nominates for Transportation Service in excess of Shipper's contractual entitlements.

- 1.45 "Overrun Gas" shall mean the following:
- (a) Shipper may Nominate and Tender and Transporter may confirm and receive quantities in excess of Shipper's MDQ on a segment. Such quantities shall be considered as Overrun Gas and transported on an interruptible basis.
 - (b) In total, Shipper may nominate and Tender and Transporter may confirm and receive quantities pursuant to Segmentation transactions which exceed Shipper's MDQ. The quantity of capacity usage on any Segment which exceeds Shipper's MDQ shall be considered as Overrun Gas and shall be invoiced at the applicable maximum overrun rate.
- 1.46 "Package Identifier" or "Package ID" shall mean a Nomination data element which is provided at the service requestor's option to differentiate between discreet 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. Package ID is not required for transportation invoicing. Use of the Package ID is at the discretion of the service requestor, and if sent, should be accepted and processed by Transporter. (NAESB Definition 1.2.5 and NAESB Standards 1.3.24 and 1.3.25)
- 1.47 "Party" or "Parties" shall mean either Shipper or Transporter.
- 1.47A "Park" shall mean acceptance by Transporter of quantities of Gas Tendered by Shipper for Delivery at a later date pursuant to Rate Schedule PAL.
- 1.48 "Piceance Expansion" shall mean the expansion of the Piceance Basin Lateral certificated in Docket No. CP08-403-000.
- 1.49 "Point(s) of Delivery" shall mean the physical or logical point(s) (including Pool(s)) where Transporter Tenders Gas to Shipper or for Shipper's account.
- 1.50 "Point of Delivery Quantity" shall mean the quantity of Gas specified for Delivery to Shipper at a specific Point of Delivery under the agreement.
- 1.51 "Point(s) of Receipt" shall mean the physical or logical point(s) (including Pools) where Transporter receives Gas for the account of a Shipper for transportation.
- 1.52 "Point of Receipt Quantity" shall mean the quantity of Gas specified for receipt by Transporter at a specific Point of Receipt under the Agreement.
- 1.53 "Pool" shall mean a physical or logical point determined by Transporter at which supplies may be aggregated and disaggregated. Pool(s) are not valid Point(s) of Receipt or Delivery for determination of Primary Point(s), Capacity Scheduling or for Capacity Release.

- 1.54 "Pooler" shall mean that party holding an executed Pooling service agreement under this Tariff and on whose behalf Gas is being aggregated at a Pool. For purpose of Nominations, the term "Pooler" is synonymous with "Shipper".
- 1.55 "Pooling" shall mean the aggregation of multiple sources of supply to a single quantity and the disaggregation of such quantity to multiple markets or market contracts. "Headstation Pooling" shall mean the aggregation of supplies from one or more physical or logical Point(s) of Receipt to a designated Pool and the disaggregation of such aggregated quantities to one or more Transportation Service Agreement(s).
- 1.56 "Pooling Area" shall mean the area implied by the designation of various Segments and related to a specific Pool. Transporter's Pooling Area(s) and the Point(s) of Receipt and the related Headstation Pooling point(s) shall be posted on Transporter's electronic bulletin board.
- 1.57 Reserved
- 1.58 "Primary Capacity" shall mean the transmission system capacity on any portion of the Primary Receipt-to-Delivery Flow Path reserved for a Shipper under a firm transportation service agreement. On any pipeline segment, Primary Capacity is limited by the Primary Point(s) of Receipt Quantity upstream of such segment and the Primary Point(s) of Delivery Quantity downstream of such segment, whichever is less.
- 1.59 "Primary Point(s)" shall mean those Point(s) of Receipt and Delivery where Shipper is entitled to firm service.
- 1.60 "Quick Response" shall mean the preliminary response record generated by Transporter and made available to the Nominating Party indicating the successful receipt of a Nomination and the fact that such Nomination is correct and able to be processed or is incorrect and rejected. Transporter's Quick Response shall conform to the requirements of the Data Dictionary standards as set forth in NAESB Standard 1.4.2.
- 1.61 "Rank" shall mean the relative value provided at the Nominating Party's option as a data element in a Nomination. Such value shall indicate the Nominating Party's requested scheduling priority among Nominations for the same period under the same contract. One (1) shall indicate the highest priority and nine hundred ninety-nine (999) is the lowest (NAESB Standard 1.3.23).

- 1.61A "Rate Default" - For index-based capacity release transactions, Rate Default is the term used to describe the non-biddable rate specified in the capacity release offer to be used for invoicing purposes when the result of the index-based formula is unavailable or cannot be computed. If a Rate Default is not otherwise specified, the Rate Floor should serve as the Rate Default.
- 1.61B "Rate Floor" – Rate Floor is the term used to describe the lowest rate specified in the capacity release offer in dollars and cents that is acceptable to the Releasing Shipper. The Rate Floor may not be less than Transporter's minimum reservation rate or zero cents when there is no stated minimum reservation rate.
- 1.62 "Receipt-to-Delivery Flow Path" shall mean the path of Gas through and from a Point of Receipt to and through a Point of Delivery. Furthermore, "Primary Receipt-to-Delivery Flow Path" shall mean the path of Gas through and from a Primary Point of Receipt to and through a Primary Point of Delivery. The authorized direction of flow shall be from the Primary Point of Receipt to the Primary Point of Delivery.
- 1.63 "Receipt Quantities" shall mean all quantities of Gas received by Transporter at the Point(s) of Receipt for the account of Shipper for Transportation Service.
- 1.64 "Releasing Shipper" is any Shipper who has a transportation service agreement under Rate Schedule FT who elects to release all or a portion of its firm capacity, subject to the capacity release program contained in Section 9 of the General Terms and Conditions.
- 1.65 "Render" shall mean postmarked, or electronically delivered via Electronic Communication.
- 1.66 "Replacement Capacity Agreement" is an agreement between Transporter and the Replacement Shipper setting forth the rate(s) and the terms and conditions of the service for using capacity rights acquired pursuant to Section 9 of these General Terms and Conditions.
- 1.67 "Replacement Shipper" is any Shipper who acquires capacity rights from a Releasing Shipper through Transporter's capacity release program as contained in Section 9 of the General Terms and Conditions.
- 1.68 "Request for Confirmation" shall mean the information provided via EDM which conforms to the Data Dictionary standards as set forth in NAESB Standard 1.4.3. A Request for Confirmation may be sent by any operator to an interconnected operator to initiate the communication of a Confirmation Response. (See definition of Confirmation in this Section.)

- 1.69 "Scheduled Quantity" shall mean the quantity of Gas Transporter has determined it can transport, based on a Shipper's Nomination, from a specific Point of Receipt to a specific Point of Delivery on a designated Gas Day subject to Transporter's available transportation system capacity. Such quantities shall be determined pursuant to the provisions of Section 6 of these General Terms and Conditions and are subject to final Confirmation. Transporter's Scheduled Quantity reports provided via EDM shall conform to the requirements of the Data Dictionary standards as set forth in NAESB Standard 1.4.5.
- 1.70 "Secondary Capacity" shall mean capacity other than Primary Capacity or Flow Path Secondary Capacity under a firm transportation service agreement when Shipper Nominates at Secondary Points which lie outside of Shipper's Primary Receipt-to-Delivery Flow Path.
- 1.71 "Secondary Point(s)" shall mean those Points of Receipt and Delivery which are not specified in the firm transportation service agreement as Primary Points. Secondary Points which lie in the Primary Receipt-to-Delivery Flow Path are automatically awarded a scheduling status of Flow Path Secondary.
- 1.72 "Secondary Point of Delivery" shall mean a Point of Delivery which is not specified in the firm transportation service agreement as Primary Point(s) of Delivery and which is located outside of Shipper's Primary Receipt-to-Delivery Flow Path.
- 1.73 "Secondary Point of Receipt" shall mean a Point of Receipt which is not specified in the firm transportation service agreement as Primary Point(s) of Receipt and which is located outside of Shipper's Primary Receipt-to-Delivery Flow Path.
- 1.74 "Segment" shall mean a discrete portion of Transporter's pipeline system between two specific locations. Transporter shall evaluate the operating capacity of the Segment against the capacity requested for Transportation Service(s) by Shippers. In the event the requested capacity exceeds the Segment operating capacity, Transporter will follow the procedures specified in General Terms and Conditions Section 6 to reduce the transportation requests to the Segment operating capacity.
- 1.74A "Segmentation" shall refer to the ability of a Shipper holding a contract for firm transportation capacity to subdivide such capacity into Segments and to use those Segments for different capacity transactions. Segmentation may be effected by the Shipper by designating a number of discrete Transportation combinations (Points of Receipt to Points of Delivery), each of which being equal to or less than Shipper's Primary Capacity for that pipeline segment. The applicability and prerequisites for Segmentation are described in Section 8.1 of the General Terms and Conditions.

- 1.75 "Segmentation Point(s)" shall mean any non-Primary Point of Receipt or Point of Delivery identified on a Segmentation transaction. All Segmentation Point(s) which lie within the Shipper's Primary Receipt-to-Delivery Flow Path are automatically awarded a scheduling status of Flow Path Secondary for Nominated quantities up to Shipper's Segment entitlement. Segmentation Points of Receipt and/or Delivery which lie outside of the Primary Receipt-to-Delivery Flow Path are considered Secondary for scheduling. Nothing in this section shall preclude Shipper from acquiring Primary Point rights at Segmentation Point(s) and using such capacity on a Primary Capacity scheduling priority basis.
- 1.76 "Shipper" shall mean that Party on whose behalf Gas is being transported.
- 1.77 "Standard Quantity" as used in Nominations, Confirmations and scheduling shall mean Dekatherms per Gas Day in the United States, gigajoules per Gas Day in Canada and gigacalories per Gas Day in Mexico. (For reference 1 dekatherm = 1,000,000 Btu's; 1 gigajoule = 1,000,000,000 joules; and 1 gigacalorie = 1,000,000,000 calories.) For commercial purposes, the standard conversion factor between Dekatherms and gigajoules is 1.055056 gigajoules per Dekatherm and between Dekatherms and gigacalories is 0.251996 gigacalories per Dekatherm. The standard Btu is the International Btu, which is also called the Btu(IT); the standard joule is the joule specified in the SI system of units. The International Btu is specified for use in the gas measurement standards of the American Gas Association, the American Petroleum Institute, the Gas Processors Association and the American Society for Testing Materials. For non-commercial purposes, these associations note that the exact conversion factor is 1.05505585262 gigajoules per Dekatherm. (NAESB Standard 1.3.14)
- 1.78 "Tender" or "Tendered" shall mean making natural Gas available in accordance with all of the provisions of this Tariff and Shipper's transportation service agreement.
- 1.79 "Thermal Content" when applied to any volume of Gas shall mean the aggregate number of Btu's contained in such volume. The Thermal Content shall be determined by multiplying the volume of Gas in cubic feet by the Gross Heating Value of the Gas.
- 1.80 "Transportation Service" shall consist of the acceptance by Transporter of Gas Tendered by Shipper to Transporter at the Point(s) of Receipt, the transportation and Delivery of an equivalent quantity of Gas (minus FL&U Adjustment and any quantities vented pursuant to Section 3.3 hereof) to Shipper either directly, by displacement, or otherwise at the Point(s) of Delivery.
- 1.81 "Transporter" shall mean Wyoming Interstate Company, L.L.C., a limited liability company under the laws of the State of Colorado.
- 1.82 "Unauthorized Overrun Gas" shall mean Overrun Gas not accepted by Transporter for Nomination, pursuant to Section 6 hereof.

- 1.83 "Upstream Party" shall mean the entity (name or identifying number) Tendering Gas to Transporter at a designated location as identified by a Shipper's Nomination.

13. FUEL AND L&U

- 13.1 The FL&U Percentage(s) shall be stated separately on the Statement of Rates in Transporter's Tariff as a Fuel Gas component and an L&U component, and shall apply to all quantities received by Transporter under all Rate Schedules (except Rate Schedule HSP-1) in this Tariff. Furthermore, the FL&U Percentages shall be stated separately for Transporter's mainline and each lateral, as applicable.
- 13.2 The FL&U Percentage(s) shall be recomputed every three months. Transporter shall file with the FERC the documentation supporting such quarterly recomputation. The proposed FL&U Percentage(s) shall become effective on the proposed date after appropriate FERC review and notice.
- 13.3 Fuel Gas and the L&U will be assessed as follows:
- (a) For Shippers assessed both a Fuel Gas and L&U charge, should the sum of the Fuel Gas and the L&U components be less than zero, the FL&U Percentage shall be adjusted to zero and the quantities that would have reduced the calculation of the FL&U rates to below zero shall be excluded and applied to the calculation of the FL&U Percentage in future period(s), except as provided in Section 13.5(d) below. Such amounts will be deemed to be Excess Fuel Gas and L&U Quantities.
 - (b) For Shippers not assessed Fuel Gas pursuant to Section 13.6, the L&U Percentage shall not be less than zero. Quantities that would have reduced the calculation of the L&U percentage to below zero shall be excluded from the calculation and applied to the Fuel Gas percentage pursuant to Section 13.3(a), except as provided in Section 13.5(d) below. Such amount will be deemed to be Excess L&U Quantities.
- 13.4 The FL&U Adjustment quantity shall be calculated as a fixed ratio (FL&U Percentage) applied to all quantities received by Transporter during the effective period of the FL&U Percentages. Transporter will provide, if applicable, a fuel matrix for receipt and Delivery point combinations. Shipper should not be responsible for calculating and totaling fuel based on each zone or facility traversed. (NAESB WGQ Standard 1.3.30)
- 13.5 The FL&U Requirement shall be calculated separately for all Incremental FL&U Percentages. FL&U shall be the sum of separately stated reimbursement percentages for Fuel Gas and for L&U. The FL&U Requirement shall include the following components:
- (a) "Projected FL&U Requirement" shall mean the quantity of Gas which is the sum of the Fuel Gas and the Lost and Unaccounted-for Gas projected by Transporter to be required to support the anticipated Transportation Service for all Shippers under all Rate Schedules during the projected period.

13.5 (continued)

- (b) "FL&U Requirement Adjustment" for December 1, 2009 forward shall mean the quantity of Gas which is the difference between: (i) the actual quantities of FL&U experienced by Transporter adjusted for anticipated changes in system operations; and (ii) the quantities of Gas retained by Transporter through application of the FL&U Percentages during the data collection period adjusted for any prior under or over-recoveries resulting from a prior true-up. Determination of the actual quantities of FL&U experienced during this period shall include an adjustment to eliminate the effect of changes in system line pack, if any. The data collection period shall be the most recent twelve months of available data ending on the last Day of the second previous Month before a FL&U Percentages filing is to be made (i.e., if the FL&U Percentages filing is to be made on October 31, the data collection period would be the previous twelve months ending on August 31).
- (c) FL&U calculations shall be accomplished pursuant to NAESB WGQ Standards.
- (i) FL&U calculations shall be rounded to the nearest Dth for each Nomination transaction (NAESB Standard 1.3.15).
- (ii) Balanced Nomination transactions are calculated as follows:
- Receipt Quantity times $(1 - (\text{FL\&U Percentage} / 100))$ equals Delivery Quantity (NAESB Standard 1.3.16).
- (iii) In the event of differences resulting from rounding the calculation of FL&U Adjustment, a Nomination shall not be rejected for differences less than 5 Dth (NAESB Standard 1.3.29).
- (iv) FL&U Adjustment quantities have the same scheduling priority as their base Nomination (NAESB Standard 1.3.31).
- (v) FL&U Percentages shall be posted by and be effective at the beginning of the Month (NAESB Standard 1.3.28).
- (d) Excess Fuel Gas and L&U Quantities.
- (i) Transporter will remit by invoice credit the value of the Excess Fuel Gas and/or L&U quantities when any of the following occur:
- (1) The Excess Fuel Gas and/or L&U quantities exceeds 50,000 Dth;
or
- (2) There has been Excess Fuel Gas and/or L&U quantities in three consecutive Fuel Gas and L&U filings.

- 13.5 (d) (continued)
- (ii) Excess Fuel Gas and/or L&U quantities will be valued at the Cash Out Index Price, as posted on Transporter's electronic bulletin board, for the month the Excess Fuel Gas and/or L&U quantities are calculated and deferred.
 - (iii) Invoice credits of deferred amounts will be remitted to Shippers using an allocation based on the ratio of a Shipper's Fuel Gas and/or L&U Receipt quantities to the total Fuel Gas and/or L&U quantities receipt quantity during the Period.
- 13.6 Fuel Gas shall not be assessed on the following types of transactions. However, the applicable L&U charge will be assessed on these transactions unless such charge is less than zero. Such L&U charge is set forth on the Statement of Rates:
- (a) When Transportation Service is provided using the displacement segments/routes identified here or on the electronic bulletin board:
 - (i) Mainline (east to west) to include:
 - (1) Cheyenne to Laramie
 - (2) Laramie to Rawlins
 - (3) Rawlins to Wam-WIC and
 - (ii) Laterals (away from Mainline) to include:
 - (1) Medicine Bow Lateral (south to north)
 - (2) Piceance Basin Lateral (north to south)
 - (3) Kanda Lateral (north to south)
 - (b) When Transportation Service is provided in the Western No-Fuel Wheeling Area which is located on the western portion of WIC's mainline. The Western No-Fuel Wheeling Area shall consist of the facilities west of Wamsutter to the western terminus of Transporter's mainline. Transportation Service provided within this area that involves high pressure receipts and lower pressure deliveries will not be assessed Fuel Gas to the extent the transaction does not require the use of Transporter's compression to receive or deliver Gas. All receipt points in this area meet this requirement except as noted below.
 - (i) Baxter to WIC - Compression is required for all Baxter to WIC receipts. Mainline Fuel Gas reimbursement will be assessed regardless of the nominated direction of Gas flow (east or west).

13.6 (b) (continued)

- (ii) Piceance Lateral receipts will be subject to the Piceance Lateral Fuel Gas Adjustment and Piceance Lateral L&U percentage before entering the mainline.
 - (iii) Kanda Lateral receipts will be subject to the Kanda Lateral FL&U Adjustment or the Diamond Mountain Compressor Station FL&U Adjustment (as applicable) before entering the mainline.
- (c) When Transportation Service is provided in the Eastern No-Fuel Wheeling Area which is located on WIC's mainline east of the Medicine Bow Lateral mainline junction. Transportation Service provided completely within this area will not be assessed Fuel Gas to the extent the transaction does not require the use of Transporter's compression to receive or deliver Gas. The current interconnect points included in the Eastern No-Fuel Wheeling Area are:

Bowie
Dover
Dullknife
Flying Hawk
Little Wolf
Owl Creek
Rockport
Sitting Bull
Thunder Chief

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
 RATES PER DTH

Rate

Rate Schedule FT:

Mainline Rates

Reservation Rate (Note 2)	
Maximum Rate	\$2.4607
Minimum Rate	\$0.0000
 Commodity Rate -	
Maximum Rate.....	\$0.0026
Minimum Rate.....	\$0.0026
 Overrun Rate -	
Maximum Rate.....	\$0.0835
Minimum Rate.....	\$0.0026

~~Powder River Incremental Rates~~

Reservation Rate (Note 2)	
 Maximum Rate.....	\$1.0646
 Minimum Rate.....	\$0.0000
 Commodity Rate -	
 Maximum Rate.....	\$0.0000
 Minimum Rate.....	\$0.0000
 Overrun Rate -	
 Maximum Rate.....	\$0.0350
 Minimum Rate.....	\$0.0000

Medicine Bow Incremental Rates

Reservation Rate (Note 2)	
Maximum Rate.....	\$2.7345
Minimum Rate.....	\$0.0000
 Commodity Rate -	
Maximum Rate.....	\$0.0000
Minimum Rate.....	\$0.0000

Overrun Rate -

	Maximum Rate.....	\$0.0899
	Minimum Rate.....	\$0.0000

Rate

Rate Schedule FT:

Piceance Basin Incremental Rates

Reservation Rate (Note 2)

Maximum Rate.....	\$4.3344
Minimum Rate.....	\$0.0000

Commodity Rate -

Maximum Rate.....	\$0.0004
Minimum Rate.....	\$0.0004

Overrun Rate -

Maximum Rate.....	\$0.1429
Minimum Rate.....	\$0.0004

Kanda Lateral Incremental Rates

Reservation Rate (Note 2)(Note 10)

Maximum Rate.....	\$4.5169
Minimum Rate.....	\$0.0000

Commodity Rate -

Maximum Rate.....	\$0.0001
Minimum Rate.....	\$0.0001

Overrun Rate -

Maximum Rate.....	\$0.1486
Minimum Rate.....	\$0.0001

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
 RATES PER DTH

	<u>Rate</u>
<u>Rate Schedule IT:</u>	
<u>Mainline Rates</u>	
Commodity Rate -	
Maximum Rate.....	\$0.0835
Minimum Rate.....	\$0.0026
<u>Powder River Interruptible Incremental Rates</u>	
Commodity Rate -	
 Maximum Rate.....	\$0.0350
 Minimum Rate.....	\$0.0000
<u>Medicine Bow Interruptible Incremental Rates</u>	
Commodity Rate -	
Maximum Rate.....	\$0.0899
Minimum Rate.....	\$0.0000
<u>Piceance Basin Interruptible Incremental Rates</u>	
Commodity Rate -	
Maximum Rate.....	\$0.1429
Minimum Rate.....	\$0.0004
<u>Kanda Lateral Interruptible Incremental Rates (Note 10)</u>	
Commodity Rate -	
Maximum Rate.....	\$0.1486
Minimum Rate.....	\$0.0001

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
 RATES PER DTH

	<u>Rate</u>
<u>Rate Schedule PAL:</u>	
<u>WIC East and West Mainline Parking or Lending Rates</u>	
Initial Rate -	
Maximum Rate.....	\$0.0835
Minimum Rate.....	\$0.0000
Balance Rate -	
Maximum Rate.....	\$0.0417
Minimum Rate.....	\$0.0000
Completion Rate -	
Maximum Rate.....	\$0.0835
Minimum Rate.....	\$0.0000
<u>Medicine Bow Parking and Lending Incremental Rates</u>	
Initial Rate -	
Maximum Rate.....	\$0.0899
Minimum Rate.....	\$0.0000
Balance Rate -	
Maximum Rate.....	\$0.0449
Minimum Rate.....	\$0.0000
Completion Rate -	
Maximum Rate.....	\$0.0899
Minimum Rate.....	\$0.0000
<u>Piceance Basin Parking and Lending Incremental Rates</u>	
Initial Rate -	
Maximum Rate.....	\$0.1429
Minimum Rate.....	\$0.0000
Balance Rate -	
Maximum Rate.....	\$0.0714
Minimum Rate.....	\$0.0000
Completion Rate -	
Maximum Rate.....	\$0.1429

Minimum Rate.....	\$0.0000
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STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
RATES PER DTH

Rate

Rate Schedule PAL:

Kanda Lateral Parking and Lending Incremental Rates

Initial Rate -

Maximum Rate..... \$0.1486

Minimum Rate..... \$0.0000

Balance Rate -

Maximum Rate..... \$0.0743

Minimum Rate..... \$0.0000

Completion Rate -

Maximum Rate..... \$0.1486

Minimum Rate..... \$0.0000

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS
 RATES PER DTH

Particulars -----	Current Reimbursement -----	True-up -----	Total -----
Mainline System			
Fuel Gas Percentage (Note 3)	0.40%	0.11%	0.51%
L&U Percentage (Note 3)	0.03%	0.04%	0.07%
	-----	-----	-----
Total FL&U Percentage	0.43%	0.15%	0.58%
L&U Percentage (Note 11)	0.03%	0.04%	0.07%
Powder River Incremental			
Fuel Gas Percentage (Note 3) (Note 4)	0.00%	0.00%	0.00%
L&U Percentage (Note 3) (Note 4)	0.00%	0.00%	0.00%
Total FL&U Percentage	0.00%	0.00%	0.00%
L&U Percentage (Note 11)	0.00%	0.00%	0.00%
Medicine Bow Incremental			
Fuel Gas Percentage (Note 3) (Note 6)	0.42%	0.14%	0.56%
L&U Percentage (Note 3) (Note 6)	0.03%	0.04%	0.07%
	-----	-----	-----
Total FL&U Percentage	0.45%	0.18%	0.63%
L&U Percentage (Note 11)	0.03%	0.04%	0.07%

Piceance Basin Incremental
 FL&U Percentages detailed below (Note 3)(Note 9)(Note 12):

Piceance Lateral			
Fuel Gas Percentage To Transporter's Mainline System	0.27%	0.44%	0.71%
L&U Percentage To Transporter's Mainline System	0.00%	0.00%	0.00%
	-----	-----	-----
Total FL&U Percentage	0.27%	0.44%	0.71%
L&U Percentage (Note 11)	0.00%	0.00%	0.00%
Fuel Gas Percentage To Other Pipelines	0.27%	0.44%	0.71%
L&U Percentage To Other Pipelines	0.04%	0.02%	0.06%
	-----	-----	-----
Total FL&U Percentage	0.31%	0.46%	0.77%
L&U Percentage (Note 11)	0.04%	0.02%	0.06%

Kanda Lateral Incremental
 FL&U Percentages detailed below (Note 3) (Note 9) (Note 13):

Fuel Gas Percentage To Transporter's Mainline System	0.00%	0.00%	0.00%
L&U Percentage To Transporter's Mainline System	0.00%	0.00%	0.00%
	-----	-----	-----
Total FL&U Percentage	0.00%	0.00%	0.00%
L&U Percentage (Note 11)	0.00%	0.00%	0.00%
Fuel Gas Percentage To Other Pipelines	0.00%	0.00%	0.00%
L&U Percentage To Other Pipelines	0.03%	0.04%	0.07%
	-----	-----	-----
Total FL&U Percentage	0.03%	0.04%	0.07%
L&U Percentage (Note 11)	0.03%	0.04%	0.07%

Diamond Mountain Compressor Station
 FL&U Percentages detailed below (Note 3) (Note 9):

Fuel Gas Percentage To Transporter's Mainline System	1.35%	0.25%	1.60%
L&U Percentage To Transporter's Mainline System	0.00%	0.00%	0.00%
	-----	-----	-----
Total FL&U Percentage	1.35%	0.25%	1.60%
L&U Percentage (Note 11)	0.00%	0.00%	0.00%
Fuel Gas Percentage To Other Pipelines	1.35%	0.25%	1.60%
L&U Percentage To Other Pipelines	0.03%	0.04%	0.07%
	-----	-----	-----
Total FL&U Percentage	1.38%	0.29%	1.67%
L&U Percentage (Note 11)	0.03%	0.04%	0.07%

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS

FOOTNOTES

- (1) The transportation rate shall be adjusted to include the FERC Annual Charge Adjustment (ACA).
- (2) For Capacity Release transactions only, Transporter has adopted the following NAESB standards. On the bidding formats, the number of decimal places for offers, bids and awards shall be equal to the number of decimal places in Transporter's stated rates (NAESB Standard 5.3.21). Converting a Daily rate to a Monthly rate is accomplished by multiplying the Daily rate times the number of Days in the rate period, dividing the result by the number of Months in the rate period and taking the remainder out to 5 decimal places, and rounding up or down to the Transporter's specified decimal place. Converting a Monthly rate to a Daily rate is accomplished by multiplying the Monthly rate by the number of Months in the rate period; dividing the result by the number of Days in the rate period, taking the remainder out to 5 decimal places, and rounding up or down to the Transporter's specified decimal place (NAESB Standard 5.3.22). Furthermore, for capacity release purposes, all Tariff rates shall be adjusted to reflect a standard calculation of Daily and Monthly rates, in conformance with NAESB Standard 5.3.23.
- (3) The "FL&U" percentage(s) shall be adjusted quarterly. Such adjustment(s) shall not subject Transporter to any obligation to justify its other costs or revenues or throughput. Transporter shall be allowed to adjust the percentage(s) independent of and without regard to other rates. As applicable to the use of off-system capacity, Transporter will assess L&U or FL&U Third Party Charges pursuant to General Terms and Conditions Section 4.5(b); in the absence of any provision in the FTSA to the contrary, any Shipper utilizing off-system capacity will be responsible for all costs, charges, and surcharges (including but not limited to L&U and when assessed, fuel) imposed by the off-system capacity provider. To the extent off-system capacity is used in conjunction with Transporter's mainline and/or incremental rate lateral facilities' capacity, Transporter will also assess the applicable mainline and/or incremental rate lateral L&U or FL&U charges. To the extent off-system capacity is not used in conjunction with Transporter's mainline and/or incremental rate lateral facilities' capacity, Transporter will only assess the off-system L&U or FL&U charges.
- (4) ~~All Shippers transporting from the Powder River Lateral shall be subject to the Powder River Incremental FL&U Percentage, but not be subject to the FL&U Percentage Reserved~~
- (5) Reserved
- (6) All Shippers transporting from the Medicine Bow Lateral to Cheyenne shall be subject to the Medicine Bow Incremental FL&U Percentages, but shall not be subject to the mainline FL&U Percentages.
- (7) Reserved

- (8) Reserved
- (9) All Shippers transporting from the Piceance Basin Lateral or Kanda Lateral to such lateral or a receipt or delivery point on Transporter's mainline shall be subject to individual Incremental FL&U Percentages To Transporter's Mainline System. However, all Shippers transporting from the Piceance Basin Lateral or Kanda Lateral to a pipeline other than Transporter's mainline shall be subject to individual Incremental FL&U Percentages To Other Pipelines. The Piceance Basin Incremental Fuel Gas percentage, Piceance Lateral L&U percentages and Kanda Lateral Incremental FL&U percentages (Kanda Lateral FL&U or Diamond Mountain Compressor Station FL&U, as applicable) shall be calculated in accordance with the approved methodology set forth in Section 13 contained in the General Terms and Conditions of this Tariff.
- (10) The actual Kanda Lateral interruptible revenues that are in excess of costs during a calendar year shall be credited to all Kanda Lateral firm and interruptible Shippers pro rata based on the total revenues received from each such Kanda Lateral Shipper during the calendar year in relation to the total revenues received from all such Shippers as a group. Following each calendar year, Transporter shall apply such allocated amounts as an invoice credit on Shipper's invoice for the service provided during March of any year. If a credit amount cannot be applied, a cash payment shall be made to Shipper.
- (11) Pursuant to Section 13.6 of the GT&C, specified Shippers shall only be assessed an L&U charge and not a Fuel Gas charge.
- (12) New firm service, secondary, and interruptible transport on the Piceance Basin Lateral will be assessed the Piceance Basin Incremental Fuel Gas percentage and the Piceance Lateral L&U percentage.
- (13) New firm service, secondary, and interruptible transport on the Kanda Lateral will only be assessed the Diamond Mountain Compressor Station Incremental Fuel Gas percentage and the related L&U percentage (if applicable). Firm TSAs with primary service on the Kanda Lateral that were in effect prior to the in-service date of the Diamond Mountain Compressor Station will only be assessed the Kanda Lateral FL&U charges.

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

1. Availability

- 1.1 This Rate Schedule is available, on the basis described in Section 4 of the General Terms and Conditions of this Tariff and subject to all of the other terms of this Tariff for Transportation Service by Wyoming Interstate Company, L.L.C. (hereinafter called Transporter), for any person (hereinafter called Shipper) when Shipper desires firm Transportation Service and:
- (a) Transporter has determined that other than such new taps, valves, measurement equipment, and other minor facilities which may be required at the Point(s) of Receipt or Point(s) of Delivery to effect receipt or Delivery of the Gas it has available or will secure sufficient uncommitted capacity to provide the service requested by Shipper as well as all of its other firm service commitments;
 - (b) Shipper makes a valid request pursuant to Section 4 of the General Terms and Conditions of this Tariff;
 - (c) Shipper executes a Firm Transportation Service Agreement ("Agreement") pursuant to the terms of this Rate Schedule in the form attached hereto; and
 - (d) Shipper has met the creditworthiness requirements and other service requirements specified in Section 4 of the General Terms and Conditions.
- 1.2 When new and/or expanded facilities at Points of Receipt or Points of Delivery, such as new taps, valves, measurement equipment, and other minor facilities, are required to accommodate receipt and/or Delivery of Gas under this Rate Schedule FT and will not impair service to any existing Shipper or threaten the integrity of Transporter's System, Transporter will construct such facilities. Transporter shall require Shipper to pay all construction costs pursuant to Section 3.11 of this Rate Schedule, including any filing fees, notifications, and a reimbursement amount to compensate for federal and state income tax effects associated with such facilities.
- 1.3 Any Contribution in Aid of Construction (CIAC) pursuant to this Section 1 shall be increased by an amount (Tax Reimbursement) to compensate for the federal and state income tax effects thereof, according to the following formula:
- $$\text{Tax Reimbursement} = [\text{Tax Rate} \times (\text{CIAC} - \text{Present Value of Tax Depreciation})] \times [1 + \{\text{Tax Rate}/(1 - \text{Tax Rate})\}]$$
- 1.4 Any construction of additional facilities to provide service for a Shipper will be subject to any applicable laws and appropriate regulations.

2. Applicability and Character of Service

- 2.1 Transportation Service, up to Shipper's Maximum Delivery Quantity shall be considered firm, and not subject to interruption by Transporter except as provided in the General Terms and Conditions of this Tariff.
- 2.2 Upon mutual agreement of Shipper and Transporter, the Agreement may be amended to add or delete Points of Receipt and/or Delivery.
- 2.3 Transporter shall not be required to provide Transportation Service if the quantities Tendered are so small as to cause operational difficulties, such as measurement. Transporter shall promptly notify Shipper if such operating conditions exist.

3. Transportation Service Charges

- 3.1 Applicable Rates: The applicable minimum and maximum rates for service hereunder are set forth on the Statement of Rates, as adjusted from time to time.
- 3.2 Reservation Charge: Each Month Shipper shall be charged a Reservation Charge determined by multiplying the Reservation Rate set forth in the Agreement by Shipper's Maximum Delivery Quantity. Shipper shall begin paying the Reservation Charge on the effective date provided in the Agreement.
- 3.3 ~~Powder River Incremental Reservation Charge—Shipper shall be subject to the Powder River Incremental Reservation Charge for any entitlement from a Point of Receipt or to a Point of Delivery on the Powder River Lateral. This charge shall be a monthly reservation charge equal to the product of (1) Shipper's currently effective Maximum Receipt Quantity from Point(s) of Receipt or Maximum Delivery Quantity to Point(s) of Delivery on the Powder River Lateral and (2) Transporters currently effective Powder River Incremental Reservation Rate. In the event on any Day Transporter has scheduled and confirmed from/to Secondary or Segmented Point(s) on the Powder River Lateral for Shipper not having a Primary Point on the Powder River Lateral, such quantities shall be subject to Transporter's daily Powder River Incremental Reservation Rate to be calculated in the same manner as defined in Note 2 contained on the Statement of Rates. In addition to the Powder River Incremental Reservation Charge, Shipper shall also pay Transporter's applicable mainline Reservation Rate when Shipper uses Transporter's mainline system. Shipper shall only be subject to the Powder River Incremental Reservation Rate for any entitlement where both the Point of Receipt and Point of Delivery are on the Powder River Lateral.~~Reserved
- 3.4 Medicine Bow Incremental Reservation Charge - Shipper shall be subject to the Medicine Bow Incremental Reservation Charge for any entitlement from a Point of Receipt or to a Point of Delivery on the Medicine Bow Lateral. This charge shall be a monthly reservation

charge equal to the product of (1) Shipper's currently effective Maximum Receipt Quantity from Point(s) of Receipt or Maximum Delivery Quantity to Point(s) of Delivery on the Medicine Bow Lateral, and (2) Transporter's currently effective Medicine Bow Incremental Reservation Rate. In the event on any Day Transporter schedules from/to Secondary or Segmented Point(s) on the Medicine Bow Lateral for Shipper such quantities shall be subject to Transporter's daily Medicine Bow Incremental Reservation Rate to be calculated in the same manner as defined in Note 2 on the Statement of Rates. In addition to the Medicine Bow Incremental Reservation Charge, Shipper shall also pay Transporter's applicable mainline Reservation Rate when Shipper uses Transporter's mainline system. Shipper shall only be subject to the Medicine Bow Incremental Reservation Charge for any entitlement where both the Point of Receipt and Point of Delivery are on the Medicine Bow Lateral.

- 3.5 Reserved
- 3.6 Piceance Basin Incremental Reservation Charge - Shipper shall be subject to the Piceance Basin Incremental Reservation Charge for any entitlement from a Point of Receipt or to a Point of Delivery on the Piceance Basin Lateral. This charge shall be a monthly reservation charge equal to the product of (1) Shipper's currently effective Maximum Receipt Quantity from Point(s) of Receipt or Maximum Delivery Quantity to Point(s) of Delivery on the Piceance Basin Lateral and (2) Transporter's currently effective Piceance Basin Incremental Reservation Rate. In the event on any Day Transporter schedules from/to Secondary or Segmented Point(s) on the Piceance Basin Lateral for Shipper not having a Primary Point on the Piceance Basin Lateral, such quantities shall be subject to Transporter's Piceance Basin Incremental Reservation Rate. In addition to the Piceance Basin Incremental Reservation Charge, Shipper shall also pay Transporter's applicable mainline Reservation Rate when Shipper uses Transporter's mainline system. Shipper shall only be subject to the Piceance Basin Incremental Reservation Charge for any entitlement where both the Point of Receipt and Point of Delivery are on the Piceance Basin Lateral.
- 3.7 Kanda Lateral Incremental Reservation Charge - Shipper shall be subject to the Kanda Lateral Incremental Reservation Charge for any entitlement from a Point of Receipt or to a Point of Delivery on the Kanda Lateral. This charge shall be a monthly reservation charge equal to the product of (1) Shipper's currently effective Maximum Receipt Quantity from Point(s) of Receipt or Maximum Delivery Quantity to Point(s) of Delivery on the Kanda Lateral and (2) Transporter's currently effective Kanda Lateral Incremental Reservation Rate. In the event on any Day Transporter schedules from/to Secondary or Segmented Point(s) on the Kanda Lateral for Shipper not having a Primary Point on the Kanda Lateral, such quantities shall be subject to Transporter's Kanda Lateral Incremental Reservation Rate. In addition to the Kanda Lateral Incremental Reservation Charge, Shipper shall also pay Transporter's applicable mainline Reservation Rate when Shipper uses Transporter's mainline system. Shipper shall only be subject to the Kanda Lateral Incremental Reservation Charge for any entitlement where both the Point of Receipt and Point of Delivery are on the Kanda Lateral.
- 3.8 Commodity Charge: Shipper shall be charged an amount obtained by multiplying the Commodity Rate set forth in the Agreement, including, as applicable, the incremental lateral commodity rate, by the quantity of Gas in Dth's Delivered (exclusive of any Overrun Gas) each Month by Transporter to Shipper at the Point(s) of Delivery.
- 3.9 FL&U: Shipper shall provide FL&U in kind as described in Section 13.4 ("FL&U Adjustment") of the General Terms and Conditions. The FL&U Percentages shall be applied to the quantities received from Shipper for Transportation Service to determine Shipper's FL&U.

- 3.10 Venting of Gas: Shipper shall be responsible for Unauthorized Overrun Gas Tendered by it to Transporter which is vented pursuant to Section 3.3 of the General Terms and Conditions hereof.

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- 3.11 Incremental Facility Charge: When the construction of new minor facilities is required in order to provide service to Shipper, Shipper will pay Transporter for such facilities. The Parties shall agree as to whether Shipper shall (1) make a one-time 100 percent reimbursement for the cost of facilities or (2) pay the cost of facilities over a period of time agreed to by Shipper and Transporter. The facility charge will include the cost of the facilities plus any related taxes, plus interest as agreed to by the Parties, if the Shipper elects to reimburse Transporter for the facilities over a period of time.
- 3.12 Adjustment of Rates: Subject to the terms of the Agreement, Transporter reserves the right to prescribe and/or adjust at any time any of the rates applicable to service under any individual Agreement without adjusting any other rates for service under other Agreements. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term specified in Exhibit B to the Agreement, the rate for Transportation Service shall revert to the maximum rate under this Rate Schedule.
- 3.13 Imbalance Management: Shipper shall be subject to the imbalance management provisions set forth in Section 10 of the General Terms and Conditions.
- 3.14 Third Party Charges: Shipper may, on a non-discriminatory basis, be required to pay to Transporter, if applicable, any Third Party Charges in accordance with Section 4.5 of the General Terms and Conditions. In no event shall such Third Party Charges paid by Shipper exceed the amount incurred and paid by Transporter for the applicable off-system capacity.
- 3.15 Other Charges: Shipper shall pay to Transporter, when incurred by Transporter, all charges related to service provided under this Rate Schedule, including any costs incurred by Transporter on behalf of Shipper.

4. Overrun Transportation

Upon request of Shipper and at Transporter's option, Shipper may Tender and Transporter may accept for transportation, on any Day, quantities of Gas in excess of Shipper's Maximum Delivery Quantity ("Overrun Gas"). All quantities transported as Overrun Gas shall be transported on an interruptible basis. Unless otherwise agreed, Shipper shall pay an amount obtained by multiplying the quantity of such Overrun Gas during the Month by the Maximum Overrun Rate, and when applicable the Maximum Incremental Overrun Rate, as set forth in the Statement of Rates.

5. General Terms and Conditions

The General Terms and Conditions contained in this Tariff, except as modified in the Agreement to accommodate specific operational requirements, are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

1. Availability

- 1.1 This Rate Schedule is available on the basis described in Section 4 of the General Terms and Conditions of this Tariff and subject to all of the other terms of this Tariff for Transportation Service by Wyoming Interstate Company, L.L.C. (hereinafter called Transporter), for any person (hereinafter called Shipper) when Shipper desires interruptible Transportation Service, and:
- (a) Transporter can render such service with its existing transmission system without need for construction of any additional pipeline facilities other than such new taps, valves, measurement equipment and other facilities which may be required at the Point(s) of Receipt or Point(s) of Delivery to effect receipt or delivery of the Gas;
 - (b) Shipper makes a valid request pursuant to Section 4 of the General Terms and Conditions of this Tariff;
 - (c) Shipper executes an interruptible transportation service agreement ("Agreement") pursuant to the terms of this Rate Schedule in the form attached hereto; and
 - (d) Shipper has met the creditworthiness requirements and other service requirements specified in Section 4 of the General Terms and Conditions.
- 1.2 When new and/or expanded facilities at Points of Delivery or Receipt, such as new taps, valves, measurement equipment, and other minor facilities, are required to accommodate receipt and/or Delivery of Gas under this Rate Schedule IT and will not impair service to any existing Shipper or threaten the integrity of Transporter's system, Transporter will construct such facilities. Transporter shall require Shipper to pay all construction costs pursuant to Section 3.5 of this Rate Schedule, including any filing fees, notifications, and a reimbursement amount to compensate for tax effects associated with such facilities.
- 1.3 Any Contribution in Aid of Construction (CIAC) pursuant to this Section 1 shall be increased by an amount (Tax Reimbursement) to compensate for the federal and state income tax effects thereof, according to the following formula:
- $$\text{Tax Reimbursement} = [\text{Tax Rate} \times (\text{CIAC} - \text{Present Value of Tax Depreciation})] \times [1 + \{\text{Tax Rate}/(1 - \text{Tax Rate})\}]$$
- 1.4 Any construction of additional facilities to provide service for a Shipper will be subject to any applicable laws and appropriate regulations.

2. Applicability and Character of Service

- 2.1 **Incorporation by Reference:** The Agreement in all respects shall be subject to the provisions of this Rate Schedule and the General Terms and Conditions of this Tariff as filed with and accepted by the FERC from time to time.
- 2.2 **Transportation Service** hereunder is interruptible, and subject to interruption by Transporter at any time. Transportation Service under this Rate Schedule will be performed when Transporter has capacity available to provide such service without detriment or disadvantage to Transporter's firm Shippers. Service interruption for interruptible Shippers will be determined in accordance with the provisions of Section 6 of the General Terms and Conditions.
- 2.3 **Receipt:** Subject to the General Terms and Conditions of this Tariff, Shipper agrees to Tender and Transporter agrees to accept Receipt Quantities at the Point(s) of Receipt nominated by Shipper pursuant to Section 6 of the General Terms and Conditions.
- 2.4 **Delivery:** Subject to the General Terms and Conditions of this Tariff, Transporter agrees to transport and Tender Delivery Quantities to Shipper or for Shipper's account at Point(s) of Delivery nominated by Shipper pursuant to Section 6 of the General Terms and Conditions.
- 2.5 **Rates of Flow:** At each Point of Receipt and Point of Delivery, each Party shall use reasonable efforts to Tender, or cause to be Tendered, Gas at reasonably uniform hourly and daily rates of flow.
- 2.6 Transporter shall not be required to provide Transportation Service if the quantities Tendered are so small as to cause operational difficulties, such as measurement. Transporter shall promptly notify Shipper if such operating conditions exist.

3. Transportation Service Charges

- 3.1 **Applicable Rates:** The applicable rates for service hereunder shall, subject to the other provisions hereof, be the rates agreed to by Transporter and Shipper as set forth in Exhibit A to the Agreement provided that such rates shall be not less than the minimum nor more than the maximum rates for service pursuant to this Rate Schedule, as set forth in Transporter's FERC Gas Tariff, Third Revised Volume No. 2, or any effective superseding Rate Schedule on file with the FERC.

- 3.2 Commodity Charge: Shipper shall be charged an amount obtained by multiplying the commodity rate set forth in Exhibit A, including as applicable the incremental lateral commodity rate, to the Agreement by the quantity of Gas in Dth Delivered each Month by Transporter to Shipper at the Point(s) of Delivery. The commodity rate set forth in the Agreement shall not be greater than the maximum rate set forth on the Statement of Rates nor less than the minimum rate set forth on the Statement of Rates. As provided in the General Terms and Conditions the maximum commodity rate shall be subject to adjustment monthly to reflect changes in Transporter's interest expense.
- 3.3 ~~Powder River Interruptible Incremental Rate: Shipper shall be subject to the Powder River interruptible incremental rate for quantities scheduled and confirmed at Point(s) of Receipt and/or Delivery on the Powder River Lateral. Shipper shall be charged an amount obtained by multiplying the Powder River interruptible incremental rate set forth in Exhibit A to the Agreement by the quantity of Gas in Dth received or Delivered on the Powder River Lateral each Month. In addition to the Powder River interruptible incremental rate, Shipper shall also pay Transporter's applicable mainline interruptible commodity rate when Shipper uses Transporter's mainline system~~Reserved.
- 3.4 Medicine Bow Interruptible Incremental Rate: Shipper shall be subject to the Medicine Bow interruptible incremental rate for quantities scheduled and confirmed at Point(s) of Receipt and/or Delivery on the Medicine Bow Lateral. Shipper shall be charged an amount obtained by multiplying the Medicine Bow interruptible incremental rate set forth in Exhibit A to the Agreement by the quantity of Gas in Dth received or Delivered on the Medicine Bow Lateral each Month. In addition to the Medicine Bow interruptible incremental rate, Shipper shall also pay Transporter's applicable mainline interruptible commodity rate when Shipper uses Transporter's mainline system.
- 3.5 Reserved
- 3.6 Piceance Basin Interruptible Incremental Rate: Shipper shall be subject to the Piceance Basin interruptible incremental rate for quantities scheduled and confirmed at Point(s) of Receipt and/or Delivery on the Piceance Lateral. Shipper shall be charged an amount obtained by multiplying the Piceance Basin interruptible incremental rate set forth in Exhibit A to the Agreement by the quantity of Gas in Dth received or Delivered on the Piceance Lateral each Month. In addition to the Piceance Basin interruptible incremental rate, Shipper shall also pay Transporter's applicable mainline interruptible commodity rate when Shipper uses Transporter's mainline system.
- 3.7 Kanda Lateral Interruptible Incremental Rate: Shipper shall be subject to the Kanda Lateral interruptible incremental rate for quantities scheduled and confirmed at Point(s) of Receipt and/or Delivery on the Kanda Lateral. Shipper shall be charged an amount obtained by multiplying the Kanda Lateral interruptible incremental rate set forth in Exhibit A to the Agreement by the quantity of Gas in Dth received or Delivered on the Kanda Lateral each Month. In addition to the Kanda Lateral interruptible incremental rate, Shipper shall also

pay Transporter's applicable mainline interruptible commodity rate when Shipper uses Transporter's mainline system.

- 3.8 FL&U: Shipper shall provide the FL&U in kind as described in Section 13.4 ("FL&U Adjustment") of the General Terms and Conditions. The quantities retained for FL&U shall be computed by multiplying the percentages by the applicable Receipt Quantities from Shipper for Transportation Service.
- 3.9 Venting of Gas: Shipper shall be responsible for Unauthorized Overrun Gas Tendered to Transporter which is vented pursuant to Section 3.3 of the General Terms and Conditions hereof.
- 3.10 Incremental Facilities and Charges: When the construction of new minor facilities is required in order to provide service to Shipper, Shipper will pay Transporter for such facilities. The Parties shall agree as to whether Shipper shall (1) make a one-time 100 percent reimbursement for the cost of facilities or (2) pay the cost of facilities over a period of time agreed to by Shipper and Transporter. The facility charge will include the cost of the facilities, plus related taxes, plus interest as agreed to by the Parties, if the Shipper elects to reimburse Transporter for the facilities over a period of time.
- 3.11 Adjustment of Rates: Subject to the terms of the Agreement, Transporter reserves the right to prescribe and/or adjust at any time any of the rates applicable to service under any individual Agreement without adjusting any other rates for service under other Agreements. Downward adjustment to any rate shall be for a specific term. Unless otherwise agreed, at the expiration of the term specified in Exhibit A to the Agreement, the rate for Transportation Service shall revert to the maximum rate under this Rate Schedule.
- 3.12 Imbalance Management: Shipper shall be subject to the imbalance management provisions set forth in Section 10 of the General Terms and Conditions.
- 3.13 Third Party Charges: Shipper may, on a non-discriminatory basis, be required to pay to Transporter, if applicable, any Third Party Charges in accordance with Section 4.5 of the General Terms and Conditions. In no event shall such Third Party Charges paid by Shipper exceed the amount incurred and paid by Transporter for the applicable off-system capacity.
- 3.14 Other Charges: Shipper shall pay to Transporter when incurred by Transporter all charges related to service provided under this Rate Schedule, including any costs incurred by Transporter on behalf of Shipper.

4. Term

- 4.1 Termination Date: The Agreement shall continue in effect for the term described in Section 3 of the Agreement or the date which Transporter receives authority to, or is required to,

abandon service rendered pursuant to its "blanket" transportation certificate of public convenience and necessity issued in FERC Docket No. CP90-706.

Transporter may terminate the Agreement with respect to service under Section 311 of the NGPA if it also terminates like service for others on a nondiscriminatory basis which is consistent with applicable regulatory law and regulations and secures any necessary regulatory approval(s).

5. General Terms and Conditions

The General Terms and Conditions contained in this Tariff, except as modified in the Agreement to accommodate specific operational requirements, are applicable to this Rate Schedule and are hereby made a part hereof.

1. DEFINITIONS

- 1.1 "Begin Date" shall mean the Day specified by a Shipper on which a Gas transaction is to begin. Most Gas transactions are to be effective for a full Gas Day. However, Shippers may indicate a requested beginning time when submitting Intraday Nominations.
- 1.2 "Bidding Shipper(s)" is any Shipper who is prequalified pursuant to Section 9 of the General Terms and Conditions to bid for capacity or who is a party to a prearranged release.
- 1.3 "Btu" shall mean 1 British thermal unit, which is the amount of heat required to raise the temperature of 1 pound of water 1 degree from 59 degrees to 60 degrees Fahrenheit. The reporting basis for Btu is 14.73 p.s.i.a. and 60 degrees F (101.325 kPa and 15 degrees C, and dry). Standardize the reporting basis for gigacalorie as 1.035646 Kg/cm² and 15.6 degrees C and dry. "MMBtu" shall mean 1 million Btu. One "Dth" (Dekatherm) is equivalent to one MMBtu. Thermal Conversion factors shall be stated using not less than three decimal places. However, for calculation purposes, not less than 6 decimal places should be used. (NAESB Standards 2.3.9 and 2.3.10)
- 1.4 "Bumping" or "Bump" shall mean:
- (a) The reduction of a previously Scheduled and Confirmed Interruptible Transportation Quantity to permit Transporter to schedule and confirm a firm Transportation Nomination which has a higher priority and which was submitted as an Intraday Nomination.
 - (b) In the event that a discount is granted that affects previously scheduled quantities, "Bumping" or "Bump" shall also mean the reduction of a Firm Transportation Quantity previously scheduled and confirmed to permit Transporter to schedule and confirm a firm Transportation Intraday Nomination which has a higher priority.
 - (c) In the event of an intraday recall of released capacity, "Bumping" or "Bump" shall also mean the reduction of the Replacement Shipper's previously Scheduled and Confirmed Firm Transportation Quantity.

Bumping that affects transactions on multiple Transportation Service Providers' systems should occur at grid-wide synchronization times only (NAESB Standard 1.3.39). Pursuant to NAESB Standard 1.2.12, absent an agreement to the contrary between Transporter, Shipper and any affected interconnect Party, a Bump shall not result in a Scheduled Quantity that is less than the applicable elapsed pro rated flow quantity.

- 1.5 "Business Day" shall mean Monday, Tuesday, Wednesday, Thursday, and Friday, excluding Federal Bank Holidays.

- 1.5A "Carbon Dioxide Monitoring Location" or "CDM Location" shall mean a location on Transporter's system where Transporter monitors carbon dioxide content in the gas stream and is identified as a CDM Location on Transporter's interactive website, along with associated carbon dioxide information. CDM Locations will be sited, as determined by Transporter in its reasonable operating judgment, at various locations on Transporter's system to allow Transporter to monitor and meet its carbon dioxide Tariff specification on its laterals and mainlines.
- 1.6 "Cash Out Index Price" shall mean the price calculated as the average of the daily average index prices for the CIG-Mainline as published on the IntercontinentalExchange ("ICE") Day Ahead Index. Should the ICE Day Ahead Index become unavailable, Transporter shall base the Cash Out Index Price on information posted in a similar publication. The Cash Out Index Price shall be calculated and posted on Transporter's electronic bulletin board no later than 5:00 p.m. CCT on the fifth Business Day of the Month following the production month.
- 1.7 "Central Clock Time" or "CCT" shall mean Central Standard Time (CST) except for that period when daylight savings is in effect. During this period, CCT shall mean Central Daylight Time (CDT). Unless otherwise stated, all times in this Tariff are Central Clock Time (CCT).
- 1.8 "Confirmation" shall mean the verification of the Confirmed Quantity by the Confirming Parties. A Confirmation Response is a report provided via EDM which conforms to the requirements of the Data Dictionary standards as set forth in NAESB Standard 1.4.4. The Explicit Confirmation process requires that the Confirming Party respond to a Request for Confirmation or initiate an unsolicited Confirmation Response. Absent mutual agreement to the contrary, Explicit Confirmation is the default methodology. (NAESB Standard 1.3.40)
- (a) A "Confirmation Requester" is a Service Provider (including an Interconnecting Party) which is seeking to confirm a quantity of Gas via the information outlined in NAESB Standard 1.4.3 with another Service Provider (the Confirming Party) with respect to a Nomination at a location. (NAESB Standard 1.2.8)
 - (b) A "Confirming Party" is a Service Provider (including an Interconnecting Party) which provides a Confirmation for a quantity of Gas via the information outlined in NAESB Standard 1.4.4 to another Service Provider (the Confirmation Requester) with respect to a Nomination at a location. (NAESB Standard 1.2.9)
 - (c) The term "Confirming Parties" refers to the Confirmation Requester and the Confirming Party. (NAESB Standard 1.2.10)

1.8 "Confirmation" (continued)

(d) "Confirmation by Exception" ("CBE") means that the Confirming Parties agree that one party deems that all requests at a location are Confirmed by the other party (the CBE Party) without response communication from that party. The CBE party can take exception to the request by so informing the other party within a mutually agreed upon time frame. (NAESB Standard 1.2.11)

1.9 "Confirmed Quantity" shall mean the final result of the confirmation process and is the quantity of gas stated in MMBtu or Dth which has been determined as authorized to flow on a specified Gas Day at a specified Point of Receipt or Delivery on behalf of a Shipper or Shippers. Transporter's Scheduled Quantity reports provided via EDM shall conform to the requirements of the Data Dictionary standards as set forth in NAESB Standards 1.4.5 and shall reflect Confirmed Quantities.

1.10 "Critical Notices" are defined, in conformance with NAESB Definition 5.2.1, as those notices which pertain to information of conditions on Transporter's system that affect scheduling or adversely affect scheduled gas flow.

1.11 "Cubic Foot" shall mean the volume of gas which would occupy a space of 1 cubic foot at a temperature of 60 degrees Fahrenheit and at a pressure of 14.73 pounds per square inch absolute (p.s.i.a.). "Mcf" shall mean 1,000 cubic feet. "MMcf" shall mean 1,000,000 cubic feet. Pressure Base conversion factors should be reported to not less than 6 decimal places. (NAESB Standard 2.3.10) However, the reporting basis for Gas transactions is thermal. See definition of Dekatherm.

1.12 "Daily Nomination" or "Timely Nomination" shall mean a Nomination submitted by a Nominating Party in conformance with the Timely Nomination Schedule set forth in Section 6 of these General Terms and Conditions, one calendar day prior to the Begin Date of a Gas transaction.

1.13 Reserved

1.14 "Day" or "Gas Day" shall mean a period beginning at 9:00 a.m. Central Clock Time and ending at 9:00 a.m. Central Clock Time on the next calendar day.

1.15 "Dekatherm" or "Dth" shall mean the quantity of heat energy which is equivalent to 1,000,000 British Thermal Units (MMBtu). One Dekatherm of Gas shall mean the quantity of Gas which contains one Dekatherm of heat energy and will be reported on a dry MMBtu or Dth basis. Dth is the standard quantity unit for Nominations, Confirmations and Scheduled Quantities in the United States. The standard conversion factor between Dth and Canadian Gigajoules (Gj) is 1.055056 Gjs per Dth. As used in this Tariff, related services agreements, statements and invoices, MMBtu and Dth are considered synonymous.

- 1.16 "Deliver" (or Delivers or Delivered) shall mean the Tender by Transporter to Shipper, or to a third party for Shipper's account, and the acceptance by Shipper or a third party for Shipper's account at the Point of Delivery under Shipper's agreement of quantities of Gas containing the same thermal content as the quantities received by Transporter for Transportation Service less the FL&U Adjustment.
- 1.17 "Delivery Quantities" (or Deliveries) shall mean the quantities of natural Gas Delivered at the Point of Delivery. The Delivery Quantities so determined shall be further adjusted, if appropriate, by any Gas vented as provided in Section 3.3 hereof during the same period of time.
- 1.18 "Downstream Party" shall mean the entity (name or identifying number) receiving Gas at a designated location as identified by a Shipper's Nomination.
- 1.18A "Echo Springs Lateral" shall mean that portion of Transporter's transmission system including all Point(s) of Receipt beginning at Transporter's interconnecting points located in Section 1, Township 19 North, Range 93 West, Carbon County, Wyoming and extending northeasterly terminating at Transporter's mainline in Section 17, Township 20 North, Range 92 West, Sweetwater County, Wyoming.
- 1.19 "Electronic Delivery Mechanism" or "EDM" shall mean the electronic communication methodology used to transmit and receive data related to Gas transactions. Transporter shall designate an electronic "site" at which Shippers and Transporter may exchange data electronically. All data provided at such site shall be considered as being delivered to the appropriate party.
- Transporter's use and implementation of EDM shall conform to all appropriate NAESB Standards.
- Furthermore, Transporter's implementation of EDM shall be specified in an Electronic Data Interchange Trading Partner Agreement, which shall substantially conform to the NAESB Model EDI Trading Partner Agreement.
- 1.20 "Electronic Transmission" or "Electronic Communication" shall mean the transmission of information via Transporter's electronic bulletin board, Transporter's standardized internet website, Electronic Data Interchange (EDI), including information exchanged via EDM. These terms exclude facsimile.
- 1.21 "End Date" shall mean the Day specified by a Shipper on which a Gas transaction is to end. Most Gas transactions are to be effective for a full Gas Day. However, Shipper may indicate a requested end time when submitting Intraday Nominations.

- 1.22 "Equivalent Quantities" shall mean the sum of the quantities of Gas measured in Dth received by Transporter for the account of Shipper at the Points of Receipt during any given period of time reduced by the FL&U Adjustment and any Gas vented as provided in Section 3.3 hereof during the same period of time. In determining Equivalent Quantities for Delivery, each Shipper shall provide the FL&U Adjustment based on the actual quantity of Gas Tendered by such Shipper to Transporter; provided, however, that each Shipper shall be responsible for Unauthorized Overrun Gas Tendered by it to Transporter which is vented under Section 3.3; provided further, that the FL&U Adjustment shall be modified periodically to reflect Transporter's actual operating experience as described in Section 1.27 ("FL&U Requirement"). Each Shipper's share of Transporter's total FL&U Requirement shall be calculated as a percentage of each Shipper's Gas at each Point of Receipt.
- 1.23 "FERC" shall mean the Federal Energy Regulatory Commission or any federal commission, agency, or other governmental body or bodies succeeding to, lawfully exercising, or superseding any powers which are exercisable by the Federal Energy Regulatory Commission.
- 1.24 "FL&U" shall mean Fuel Gas and Lost and Unaccounted-for Gas.
- 1.25 "FL&U Adjustment" shall mean the quantity of Gas to be retained by Transporter to replace its requirement for FL&U, and shall be reflected as a portion of all Receipt Quantities.
- 1.26 "FL&U Percentage", reported separately for Fuel Gas and L&U, shall refer to the percentages derived by dividing: (i) the sum of the Projected FL&U Requirement and the FL&U Requirement Adjustment (numerator); by (ii) the projected Receipt Quantities related to the anticipated Transportation Service for Shippers charged Fuel Gas and all Shippers charged L&U during the projected FL&U Requirement period (denominator).
- 1.27 "FL&U Requirement" shall mean the quantity of Gas expected to be required by Transporter during the effective period of FL&U Adjustment as determined by Transporter.
- 1.28 "Flow Path Secondary Capacity" shall mean the capacity status assigned to that portion of a Transportation transaction for which the Point of Receipt or the Point of Delivery lie outside the Primary Receipt-to-Delivery Flow Path when at least some part of such transaction passes through Shipper's Primary Receipt-to-Delivery Flow Path. Additionally, the Flow Path Secondary priority shall apply to any non-primary point that lies within Shipper's Primary Receipt-to-Delivery Flow Path, and such point shall be designated a Flow Path Secondary Point. Flow Path Secondary Capacity is limited by the capacity entitlement of the underlying transportation service agreement on the Primary Receipt-to-Delivery Flow Path Segment being used.
- 1.29 "Fuel Gas" shall mean the quantity of Gas which is required by Transporter for transportation related purposes to accomplish the Transportation Service for all Shippers.

- 1.30 "Gas" shall mean combustible hydrocarbon Gas.
- 1.31 "Gas Industry Standards Board" or "GISB" also known as "North American Energy Standards Board" or "NAESB" shall mean that accredited organization established to set standards for certain natural Gas industry business practices and procedures.
- 1.32 "GISB or NAESB or NAESB WGQ Standards" and "GISB or NAESB or NAESB WGQ Definitions" shall mean the standardized business practices, procedures, criteria, and definition of terms which have been adopted and published by the Wholesale Gas Quadrant of the North American Energy Standards Board and which have been adopted by reference by the FERC in compliance with 18 CFR, Section 284.12, as described in Section 22 of the General Terms and Conditions.
- 1.33 "Gross Heating Value" shall mean the number of Btu's produced by the combustion, at a constant pressure, of the amount of Gas which would occupy a volume of one cubic foot at a temperature of 60 degrees Fahrenheit on a water-free basis at a pressure of 14.73 p.s.i.a. with air of the same temperature and pressure as the Gas, when the products of combustion are cooled to the initial temperature of Gas and air and when the water formed by combustion is condensed to the liquid state. The value so determined shall be adjusted to reflect actual conditions of pressure and temperature. The calculations shall be based on dry Gas if the Gas at the measurement points contains less than 5 pounds of water per MMcf. If the Gas at the measurement point contains more than 5 pounds of water per MMcf, an appropriate correction factor determined by Transporter for the actual water vapor content in the delivered Gas stream will be applied to the Btu calculations to correct for this water content.
- 1.34 "Interconnecting Party" shall mean the party or such party's designee that is responsible for operations of a natural Gas system which interconnects with Transporter's pipeline system and is responsible for verifying Nominations and scheduling Gas flow at such point of interconnections. An Interconnecting party is also a Confirming Party. Each Interconnecting Party is required to conform to the schedules set forth in Section 6 of these General Terms and Conditions of this Tariff, unless specifically exempted by Transporter.
- 1.35 "Intraday Nomination" shall mean a Nomination submitted by a Nominating Party after the Timely Nomination Deadline set forth in Section 6 of these General Terms and Conditions. Intraday Nominations shall be accepted for the following cycles pursuant to the schedule set forth in Section 6 of these General Terms and Conditions:
- a) Evening Cycle - the day prior to the Gas Day
 - b) Intraday 1 Cycle - the morning of the Gas Day
 - c) Intraday 2 Cycle - the afternoon of the Gas Day

1.35A Reserved.

1.35B "Loan", "Loaned", "Lend", or "Lending" shall mean Transporter's advancement of quantities of Gas to a Shipper pursuant to Rate Schedule PAL.

1.36 "Lost and Unaccounted-for Gas" or "L&U" shall mean the quantity of Gas required by Transporter to replace lost or otherwise unaccounted-for Gas (including vented Gas, other than Gas vented pursuant to Section 3.3 of the General Terms and Conditions) for Transportation Service for all Shippers. Lost and Unaccounted-for Gas shall be calculated by reducing the actual total system fuel and lost quantity (receipts minus Deliveries) by the actual Fuel Gas for the data collection period.

1.37 "Maximum Delivery Quantity" or "MDQ" shall mean the maximum quantity of Gas, expressed in Dths per Day, which Transporter shall be obligated under a service agreement to Deliver to Shipper or for Shipper's account.

The MDQ listed on the service agreement between Transporter and Shipper is based on a thermal content for the operational area of Shipper's Primary Points of Receipt. The thermal content used for MDQ determinations for the ~~four~~ five operational areas of Transporter's system are:

<u>Operational Area</u>	<u>Btu/cubic foot</u>
Medicine Bow Lateral	968
Powder River Lateral	981
Wyoming Mainline and Echo Springs Lateral	1053
Piceance Basin Lateral	1050
Kanda Lateral	1050

Transporter continuously measures the thermal content of Gas on its system. If the thermal content in any Month deviates from the Btu per cubic foot levels stated above, or the then-current thermal content on which MDQ's are based, and Transporter reasonably determines that it will not be able to fully provide firm service due to the thermal change, Transporter can adjust each firm Shipper's MDQ. The MDQ adjustment will be posted on Transporter's electronic bulletin board, and will become effective on the first Day of the Month following posting. If an adjustment causes Shipper to be in an overrun situation, Shipper will not be liable for any overrun charges that are incurred during the first thirty days after implementation of the adjustment. In the event of an MDQ adjustment, Transporter shall also adjust its rates to prevent any undercharge or overcharge to Shippers which might otherwise result from the MDQ adjustments. The adjusted rates shall also be posted on Transporter's electronic bulletin board. The adjusted rates will be calculated by multiplying the fraction (Btu level stated above applicable to Shipper, or the then-current thermal content, divided by the new thermal content) by Transporter's rates that were applicable to Shipper. The adjusted rates will take effect the first Day of the Month that begins after the posting. The net effect on total payment due as a result of Shipper's adjusted MDQ and rates will be zero. Transporter will seek FERC approval if the adjustment to MDQ and rates, due to changes to the thermal content of the Gas, is more than 5 percent of the then-current thermal content. This provision also applies to Segmentation.

- 1.38 "Mcf" shall mean 1,000 cubic feet of Gas at a pressure of 14.73 p.s.i.a. and at a temperature of 60 degrees Fahrenheit. Pressure base conversion factors shall be stated with at least six decimal places. (NAESB Standard 2.3.10) However, the reporting basis for Gas transactions is thermal. (See definition of Dth in this Section.)
- 1.39 "Medicine Bow Lateral" shall mean that portion of Transporter's transmission system including all Point(s) of Receipt beginning at Transporter's interconnecting points located in Section 33, Township 33 North, Range 73 West, Converse County, Wyoming and extending Southeasterly terminating at Transporter's mainline in Section 28, Township 12 North, Range 67 West, Weld County, Colorado.
- 1.40 "Month" shall mean the period beginning at 9:00 a.m. Central Clock Time on the first Day of the calendar month and ending at 9:00 a.m. Central Clock Time on the first Day of the next succeeding calendar month.
- 1.41 "Nominated Imbalance Quantity" shall mean any quantity of Gas which a Shipper includes in a Nomination for which the quantity at the Point of Receipt is not equal to the quantity at the Point of Delivery, after accounting for any appropriate FL&U. Nominated Imbalance Quantities may be Nominated by the Shipper at any time in anticipation of a prospective imbalance or to resolve an imbalance which occurred previously. Nominated Imbalance Quantities will be scheduled and confirmed in accordance with the provisions of Section 6 of these General Terms and Conditions.
- 1.42 "Nomination" or "Nominate" shall mean a request by a Shipper for a prospective transportation or pooling transaction under an executed service agreement and submitted to Transporter.
- (a) Valid Nomination is a data set which contains the mandatory data elements included in the NAESB Standards related to Nominations and any appropriate business conditional or mutually agreeable data elements, which is consistent with the provisions of the Shipper's service agreement, and which has been delivered to Transporter, or to Transporter via Electronic Communication, or when agreed to by Transporter, by facsimile. Shipper Nominations sent by EDM shall conform to the requirements of the Data Dictionary standards set forth in NAESB Standard 1.4.1.
- 1.43 "Nominating Party" shall mean a Shipper or such Shipper's designee authorized to submit Nominations to Transporter pursuant to Shipper's executed service agreements.
- 1.44 "Overrun Capacity" shall mean capacity other than Primary Capacity, Flow Path Secondary and/or Secondary Capacity on any portion of the Receipt-to-Delivery Flow Path as required under a firm transportation service agreement when Shipper Nominates for Transportation Service in excess of Shipper's contractual entitlements.

- 1.45 "Overrun Gas" shall mean the following:
- (a) Shipper may Nominate and Tender and Transporter may confirm and receive quantities in excess of Shipper's MDQ on a segment. Such quantities shall be considered as Overrun Gas and transported on an interruptible basis.
 - (b) In total, Shipper may nominate and Tender and Transporter may confirm and receive quantities pursuant to Segmentation transactions which exceed Shipper's MDQ. The quantity of capacity usage on any Segment which exceeds Shipper's MDQ shall be considered as Overrun Gas and shall be invoiced at the applicable maximum overrun rate.
- 1.46 "Package Identifier" or "Package ID" shall mean a Nomination data element which is provided at the service requestor's option to differentiate between discreet 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. Package ID is not required for transportation invoicing. Use of the Package ID is at the discretion of the service requestor, and if sent, should be accepted and processed by Transporter. (NAESB Definition 1.2.5 and NAESB Standards 1.3.24 and 1.3.25)
- 1.47 "Party" or "Parties" shall mean either Shipper or Transporter.
- 1.47A "Park" shall mean acceptance by Transporter of quantities of Gas Tendered by Shipper for Delivery at a later date pursuant to Rate Schedule PAL.
- 1.48 "Piceance Expansion" shall mean the expansion of the Piceance Basin Lateral certificated in Docket No. CP08-403-000.
- 1.49 "Point(s) of Delivery" shall mean the physical or logical point(s) (including Pool(s)) where Transporter Tenders Gas to Shipper or for Shipper's account.
- 1.50 "Point of Delivery Quantity" shall mean the quantity of Gas specified for Delivery to Shipper at a specific Point of Delivery under the agreement.
- 1.51 "Point(s) of Receipt" shall mean the physical or logical point(s) (including Pools) where Transporter receives Gas for the account of a Shipper for transportation.
- 1.52 "Point of Receipt Quantity" shall mean the quantity of Gas specified for receipt by Transporter at a specific Point of Receipt under the Agreement.
- 1.53 "Pool" shall mean a physical or logical point determined by Transporter at which supplies may be aggregated and disaggregated. Pool(s) are not valid Point(s) of Receipt or Delivery for determination of Primary Point(s), Capacity Scheduling or for Capacity Release.

- 1.54 "Pooler" shall mean that party holding an executed Pooling service agreement under this Tariff and on whose behalf Gas is being aggregated at a Pool. For purpose of Nominations, the term "Pooler" is synonymous with "Shipper".
- 1.55 "Pooling" shall mean the aggregation of multiple sources of supply to a single quantity and the disaggregation of such quantity to multiple markets or market contracts. "Headstation Pooling" shall mean the aggregation of supplies from one or more physical or logical Point(s) of Receipt to a designated Pool and the disaggregation of such aggregated quantities to one or more Transportation Service Agreement(s).
- 1.56 "Pooling Area" shall mean the area implied by the designation of various Segments and related to a specific Pool. Transporter's Pooling Area(s) and the Point(s) of Receipt and the related Headstation Pooling point(s) shall be posted on Transporter's electronic bulletin board.
- 1.57 ~~"Powder River Lateral" shall mean that portion of Transporter's capacity, including all Point(s) of Receipt beginning at Transporter's interconnect with MIGC, Inc. located in Section 34, Township 33 North, Range 73 West, Converse County, Wyoming and extending Southward to the outlet of the WIC Laramie Jumper Station in Section 21, Township 17 North, Range 76 West, Albany County, Wyoming.~~ Reserved
- 1.58 "Primary Capacity" shall mean the transmission system capacity on any portion of the Primary Receipt-to-Delivery Flow Path reserved for a Shipper under a firm transportation service agreement. On any pipeline segment, Primary Capacity is limited by the Primary Point(s) of Receipt Quantity upstream of such segment and the Primary Point(s) of Delivery Quantity downstream of such segment, whichever is less.
- 1.59 "Primary Point(s)" shall mean those Point(s) of Receipt and Delivery where Shipper is entitled to firm service.
- 1.60 "Quick Response" shall mean the preliminary response record generated by Transporter and made available to the Nominating Party indicating the successful receipt of a Nomination and the fact that such Nomination is correct and able to be processed or is incorrect and rejected. Transporter's Quick Response shall conform to the requirements of the Data Dictionary standards as set forth in NAESB Standard 1.4.2.
- 1.61 "Rank" shall mean the relative value provided at the Nominating Party's option as a data element in a Nomination. Such value shall indicate the Nominating Party's requested scheduling priority among Nominations for the same period under the same contract. One (1) shall indicate the highest priority and nine hundred ninety-nine (999) is the lowest (NAESB Standard 1.3.23).

- 1.61A "Rate Default" - For index-based capacity release transactions, Rate Default is the term used to describe the non-biddable rate specified in the capacity release offer to be used for invoicing purposes when the result of the index-based formula is unavailable or cannot be computed. If a Rate Default is not otherwise specified, the Rate Floor should serve as the Rate Default.
- 1.61B "Rate Floor" – Rate Floor is the term used to describe the lowest rate specified in the capacity release offer in dollars and cents that is acceptable to the Releasing Shipper. The Rate Floor may not be less than Transporter's minimum reservation rate or zero cents when there is no stated minimum reservation rate.
- 1.62 "Receipt-to-Delivery Flow Path" shall mean the path of Gas through and from a Point of Receipt to and through a Point of Delivery. Furthermore, "Primary Receipt-to-Delivery Flow Path" shall mean the path of Gas through and from a Primary Point of Receipt to and through a Primary Point of Delivery. The authorized direction of flow shall be from the Primary Point of Receipt to the Primary Point of Delivery.
- 1.63 "Receipt Quantities" shall mean all quantities of Gas received by Transporter at the Point(s) of Receipt for the account of Shipper for Transportation Service.
- 1.64 "Releasing Shipper" is any Shipper who has a transportation service agreement under Rate Schedule FT who elects to release all or a portion of its firm capacity, subject to the capacity release program contained in Section 9 of the General Terms and Conditions.
- 1.65 "Render" shall mean postmarked, or electronically delivered via Electronic Communication.
- 1.66 "Replacement Capacity Agreement" is an agreement between Transporter and the Replacement Shipper setting forth the rate(s) and the terms and conditions of the service for using capacity rights acquired pursuant to Section 9 of these General Terms and Conditions.
- 1.67 "Replacement Shipper" is any Shipper who acquires capacity rights from a Releasing Shipper through Transporter's capacity release program as contained in Section 9 of the General Terms and Conditions.
- 1.68 "Request for Confirmation" shall mean the information provided via EDM which conforms to the Data Dictionary standards as set forth in NAESB Standard 1.4.3. A Request for Confirmation may be sent by any operator to an interconnected operator to initiate the communication of a Confirmation Response. (See definition of Confirmation in this Section.)

- 1.69 "Scheduled Quantity" shall mean the quantity of Gas Transporter has determined it can transport, based on a Shipper's Nomination, from a specific Point of Receipt to a specific Point of Delivery on a designated Gas Day subject to Transporter's available transportation system capacity. Such quantities shall be determined pursuant to the provisions of Section 6 of these General Terms and Conditions and are subject to final Confirmation. Transporter's Scheduled Quantity reports provided via EDM shall conform to the requirements of the Data Dictionary standards as set forth in NAESB Standard 1.4.5.
- 1.70 "Secondary Capacity" shall mean capacity other than Primary Capacity or Flow Path Secondary Capacity under a firm transportation service agreement when Shipper Nominates at Secondary Points which lie outside of Shipper's Primary Receipt-to-Delivery Flow Path.
- 1.71 "Secondary Point(s)" shall mean those Points of Receipt and Delivery which are not specified in the firm transportation service agreement as Primary Points. Secondary Points which lie in the Primary Receipt-to-Delivery Flow Path are automatically awarded a scheduling status of Flow Path Secondary.
- 1.72 "Secondary Point of Delivery" shall mean a Point of Delivery which is not specified in the firm transportation service agreement as Primary Point(s) of Delivery and which is located outside of Shipper's Primary Receipt-to-Delivery Flow Path.
- 1.73 "Secondary Point of Receipt" shall mean a Point of Receipt which is not specified in the firm transportation service agreement as Primary Point(s) of Receipt and which is located outside of Shipper's Primary Receipt-to-Delivery Flow Path.
- 1.74 "Segment" shall mean a discrete portion of Transporter's pipeline system between two specific locations. Transporter shall evaluate the operating capacity of the Segment against the capacity requested for Transportation Service(s) by Shippers. In the event the requested capacity exceeds the Segment operating capacity, Transporter will follow the procedures specified in General Terms and Conditions Section 6 to reduce the transportation requests to the Segment operating capacity.
- 1.74A "Segmentation" shall refer to the ability of a Shipper holding a contract for firm transportation capacity to subdivide such capacity into Segments and to use those Segments for different capacity transactions. Segmentation may be effected by the Shipper by designating a number of discrete Transportation combinations (Points of Receipt to Points of Delivery), each of which being equal to or less than Shipper's Primary Capacity for that pipeline segment. The applicability and prerequisites for Segmentation are described in Section 8.1 of the General Terms and Conditions.

- 1.75 "Segmentation Point(s)" shall mean any non-Primary Point of Receipt or Point of Delivery identified on a Segmentation transaction. All Segmentation Point(s) which lie within the Shipper's Primary Receipt-to-Delivery Flow Path are automatically awarded a scheduling status of Flow Path Secondary for Nominated quantities up to Shipper's Segment entitlement. Segmentation Points of Receipt and/or Delivery which lie outside of the Primary Receipt-to-Delivery Flow Path are considered Secondary for scheduling. Nothing in this section shall preclude Shipper from acquiring Primary Point rights at Segmentation Point(s) and using such capacity on a Primary Capacity scheduling priority basis.
- 1.76 "Shipper" shall mean that Party on whose behalf Gas is being transported.
- 1.77 "Standard Quantity" as used in Nominations, Confirmations and scheduling shall mean Dekatherms per Gas Day in the United States, gigajoules per Gas Day in Canada and gigacalories per Gas Day in Mexico. (For reference 1 dekatherm = 1,000,000 Btu's; 1 gigajoule = 1,000,000,000 joules; and 1 gigacalorie = 1,000,000,000 calories.) For commercial purposes, the standard conversion factor between Dekatherms and gigajoules is 1.055056 gigajoules per Dekatherm and between Dekatherms and gigacalories is 0.251996 gigacalories per Dekatherm. The standard Btu is the International Btu, which is also called the Btu(IT); the standard joule is the joule specified in the SI system of units. The International Btu is specified for use in the gas measurement standards of the American Gas Association, the American Petroleum Institute, the Gas Processors Association and the American Society for Testing Materials. For non-commercial purposes, these associations note that the exact conversion factor is 1.05505585262 gigajoules per Dekatherm. (NAESB Standard 1.3.14)
- 1.78 "Tender" or "Tendered" shall mean making natural Gas available in accordance with all of the provisions of this Tariff and Shipper's transportation service agreement.
- 1.79 "Thermal Content" when applied to any volume of Gas shall mean the aggregate number of Btu's contained in such volume. The Thermal Content shall be determined by multiplying the volume of Gas in cubic feet by the Gross Heating Value of the Gas.
- 1.80 "Transportation Service" shall consist of the acceptance by Transporter of Gas Tendered by Shipper to Transporter at the Point(s) of Receipt, the transportation and Delivery of an equivalent quantity of Gas (minus FL&U Adjustment and any quantities vented pursuant to Section 3.3 hereof) to Shipper either directly, by displacement, or otherwise at the Point(s) of Delivery.
- 1.81 "Transporter" shall mean Wyoming Interstate Company, L.L.C., a limited liability company under the laws of the State of Colorado.
- 1.82 "Unauthorized Overrun Gas" shall mean Overrun Gas not accepted by Transporter for Nomination, pursuant to Section 6 hereof.

- 1.83 "Upstream Party" shall mean the entity (name or identifying number) Tendering Gas to Transporter at a designated location as identified by a Shipper's Nomination.

13. FUEL AND L&U

- 13.1 The FL&U Percentage(s) shall be stated separately on the Statement of Rates in Transporter's Tariff as a Fuel Gas component and an L&U component, and shall apply to all quantities received by Transporter under all Rate Schedules (except Rate Schedule HSP-1) in this Tariff. Furthermore, the FL&U Percentages shall be stated separately for Transporter's mainline and each lateral, as applicable.
- 13.2 The FL&U Percentage(s) shall be recomputed every three months. Transporter shall file with the FERC the documentation supporting such quarterly recomputation. The proposed FL&U Percentage(s) shall become effective on the proposed date after appropriate FERC review and notice.
- 13.3 Fuel Gas and the L&U will be assessed as follows:
- (a) For Shippers assessed both a Fuel Gas and L&U charge, should the sum of the Fuel Gas and the L&U components be less than zero, the FL&U Percentage shall be adjusted to zero and the quantities that would have reduced the calculation of the FL&U rates to below zero shall be excluded and applied to the calculation of the FL&U Percentage in future period(s), except as provided in Section 13.5(d) below. Such amounts will be deemed to be Excess Fuel Gas and L&U Quantities.
 - (b) For Shippers not assessed Fuel Gas pursuant to Section 13.6, the L&U Percentage shall not be less than zero. Quantities that would have reduced the calculation of the L&U percentage to below zero shall be excluded from the calculation and applied to the Fuel Gas percentage pursuant to Section 13.3(a), except as provided in Section 13.5(d) below. Such amount will be deemed to be Excess L&U Quantities.
- 13.4 The FL&U Adjustment quantity shall be calculated as a fixed ratio (FL&U Percentage) applied to all quantities received by Transporter during the effective period of the FL&U Percentages. Transporter will provide, if applicable, a fuel matrix for receipt and Delivery point combinations. Shipper should not be responsible for calculating and totaling fuel based on each zone or facility traversed. (NAESB WGQ Standard 1.3.30)
- 13.5 The FL&U Requirement shall be calculated separately for all Incremental FL&U Percentages. FL&U shall be the sum of separately stated reimbursement percentages for Fuel Gas and for L&U. The FL&U Requirement shall include the following components:
- (a) "Projected FL&U Requirement" shall mean the quantity of Gas which is the sum of the Fuel Gas and the Lost and Unaccounted-for Gas projected by Transporter to be required to support the anticipated Transportation Service for all Shippers under all Rate Schedules during the projected period.

13.5 (continued)

- (b) "FL&U Requirement Adjustment" for December 1, 2009 forward shall mean the quantity of Gas which is the difference between: (i) the actual quantities of FL&U experienced by Transporter adjusted for anticipated changes in system operations; and (ii) the quantities of Gas retained by Transporter through application of the FL&U Percentages during the data collection period adjusted for any prior under or over-recoveries resulting from a prior true-up. Determination of the actual quantities of FL&U experienced during this period shall include an adjustment to eliminate the effect of changes in system line pack, if any. The data collection period shall be the most recent twelve months of available data ending on the last Day of the second previous Month before a FL&U Percentages filing is to be made (i.e., if the FL&U Percentages filing is to be made on October 31, the data collection period would be the previous twelve months ending on August 31).
- (c) FL&U calculations shall be accomplished pursuant to NAESB WGQ Standards.
- (i) FL&U calculations shall be rounded to the nearest Dth for each Nomination transaction (NAESB Standard 1.3.15).
- (ii) Balanced Nomination transactions are calculated as follows:
- Receipt Quantity times $(1 - (\text{FL\&U Percentage} / 100))$ equals Delivery Quantity (NAESB Standard 1.3.16).
- (iii) In the event of differences resulting from rounding the calculation of FL&U Adjustment, a Nomination shall not be rejected for differences less than 5 Dth (NAESB Standard 1.3.29).
- (iv) FL&U Adjustment quantities have the same scheduling priority as their base Nomination (NAESB Standard 1.3.31).
- (v) FL&U Percentages shall be posted by and be effective at the beginning of the Month (NAESB Standard 1.3.28).
- (d) Excess Fuel Gas and L&U Quantities.
- (i) Transporter will remit by invoice credit the value of the Excess Fuel Gas and/or L&U quantities when any of the following occur:
- (1) The Excess Fuel Gas and/or L&U quantities exceeds 50,000 Dth;
or
- (2) There has been Excess Fuel Gas and/or L&U quantities in three consecutive Fuel Gas and L&U filings.

- 13.5 (d) (continued)
- (ii) Excess Fuel Gas and/or L&U quantities will be valued at the Cash Out Index Price, as posted on Transporter's electronic bulletin board, for the month the Excess Fuel Gas and/or L&U quantities are calculated and deferred.
 - (iii) Invoice credits of deferred amounts will be remitted to Shippers using an allocation based on the ratio of a Shipper's Fuel Gas and/or L&U Receipt quantities to the total Fuel Gas and/or L&U quantities receipt quantity during the Period.
- 13.6 Fuel Gas shall not be assessed on the following types of transactions. However, the applicable L&U charge will be assessed on these transactions unless such charge is less than zero. Such L&U charge is set forth on the Statement of Rates:
- (a) When Transportation Service is provided using the displacement segments/routes identified here or on the electronic bulletin board:
 - (i) Mainline (east to west) to include:
 - (1) Cheyenne to Laramie
 - (2) Laramie to Rawlins
 - (3) Rawlins to Wam-WIC and
 - (ii) Laterals (away from Mainline) to include:
 - (1) ~~Medicine Bow Lateral (south to north)~~~~Powder River Lateral (south to north)~~
 - (2) ~~Piceance Basin Lateral (north to south)~~~~Medicine Bow Lateral (south to north)~~
 - (3) ~~Kanda Lateral (north to south)~~~~Piceance Basin Lateral (north to south)~~
 - (4) ~~Kanda Lateral (north to south)~~
 - (b) When Transportation Service is provided in the Western No-Fuel Wheeling Area which is located on the western portion of WIC's mainline. The Western No-Fuel Wheeling Area shall consist of the facilities west of Wamsutter to the western terminus of Transporter's mainline. Transportation Service provided within this area that involves high pressure receipts and lower pressure deliveries will not be assessed Fuel Gas to the extent the transaction does not require the use of Transporter's compression to receive or deliver Gas. All receipt points in this area meet this requirement except as noted below.

- (i) Baxter to WIC - Compression is required for all Baxter to WIC receipts. Mainline Fuel Gas reimbursement will be assessed regardless of the nominated direction of Gas flow (east or west).

|

13.6 (b) (continued)

- (ii) Piceance Lateral receipts will be subject to the Piceance Lateral Fuel Gas Adjustment and Piceance Lateral L&U percentage before entering the mainline.
 - (iii) Kanda Lateral receipts will be subject to the Kanda Lateral FL&U Adjustment or the Diamond Mountain Compressor Station FL&U Adjustment (as applicable) before entering the mainline.
- (c) When Transportation Service is provided in the Eastern No-Fuel Wheeling Area which is located on WIC's mainline east of the Medicine Bow Lateral mainline junction. Transportation Service provided completely within this area will not be assessed Fuel Gas to the extent the transaction does not require the use of Transporter's compression to receive or deliver Gas. The current interconnect points included in the Eastern No-Fuel Wheeling Area are:

Bowie
Dover
Dullknife
Flying Hawk
Little Wolf
Owl Creek
Rockport
Sitting Bull
Thunder Chief

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT Y

ACCOUNTING TREATMENTS

COLORADO INTERSTATE GAS COMPANY, L.L.C.
 ABANDONMENT OF POWDER RIVER LATERAL LINE
 BASED ON JULY 31, 2015 PLANT BALANCES

1. ORIGINAL COST OF FACILITIES TO BE SOLD

	367 Mains		5,126,868
	369 Measuring and Regulating Equipment		80,108
	365.1 Land and Land Rights		394
	365.2 Right of Way		63,479
			5,270,849
			5,270,849

2. PROPOSED ACCOUNTING ENTRIES

DR	108	ACCUMULATED PROVISION FOR DEPRECIATION	5,270,849
CR	101	GAS PLANT IN SERVICE	(5,270,849)
		To record the sale of property abandoned at original cost	
DR	131	CASH	26,092
CR	108	ACCUMULATED PROVISION FOR DEPRECIATION	(26,092)
		To record proceeds of sale	
DR	410.2	PROVISION FOR DEFERRED INCOME TAXES, OTHER INCOME & DEDUCTIONS	9,428
CR	282	ACCUMULATED DEFERRED INCOME TAXES, OTHER PROPERTY	(9,428)
		To adjust Deferred Income Tax Accounts to reflect the abandonment of Gas Utility Plant	
DR	236	CURRENT TAX ACCRUED	9,428
CR	409.2	CURRENT FEDERAL INCOME TAX EXPENSE UTILITY OPERATING INCOME	(9,428)
		To adjust Current Income Tax Accounts to reflect the abandonment of Gas Utility Plant	

COLORADO INTERSTATE GAS COMPANY, L.L.C.
 ABANDONMENT OF THE POWDER RIVER, GLENROCK AND NORTH PLATTE METER STATIONS
 BASED ON JULY 31, 2015 PLANT BALANCES

1. ORIGINAL COST OF FACILITIES TO BE ABANDONED

369 Measuring and Regulating Station Equipment	839,614
370 Communication Equipment	4,407
371 Other Equipment	3,596
365.1 Land and Land Rights	280
366.2 Measuring and Regulating Station Structures	25,311
	<u>873,208</u>

2. PROPOSED ACCOUNTING ENTRIES

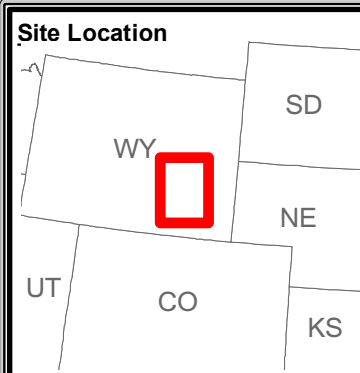
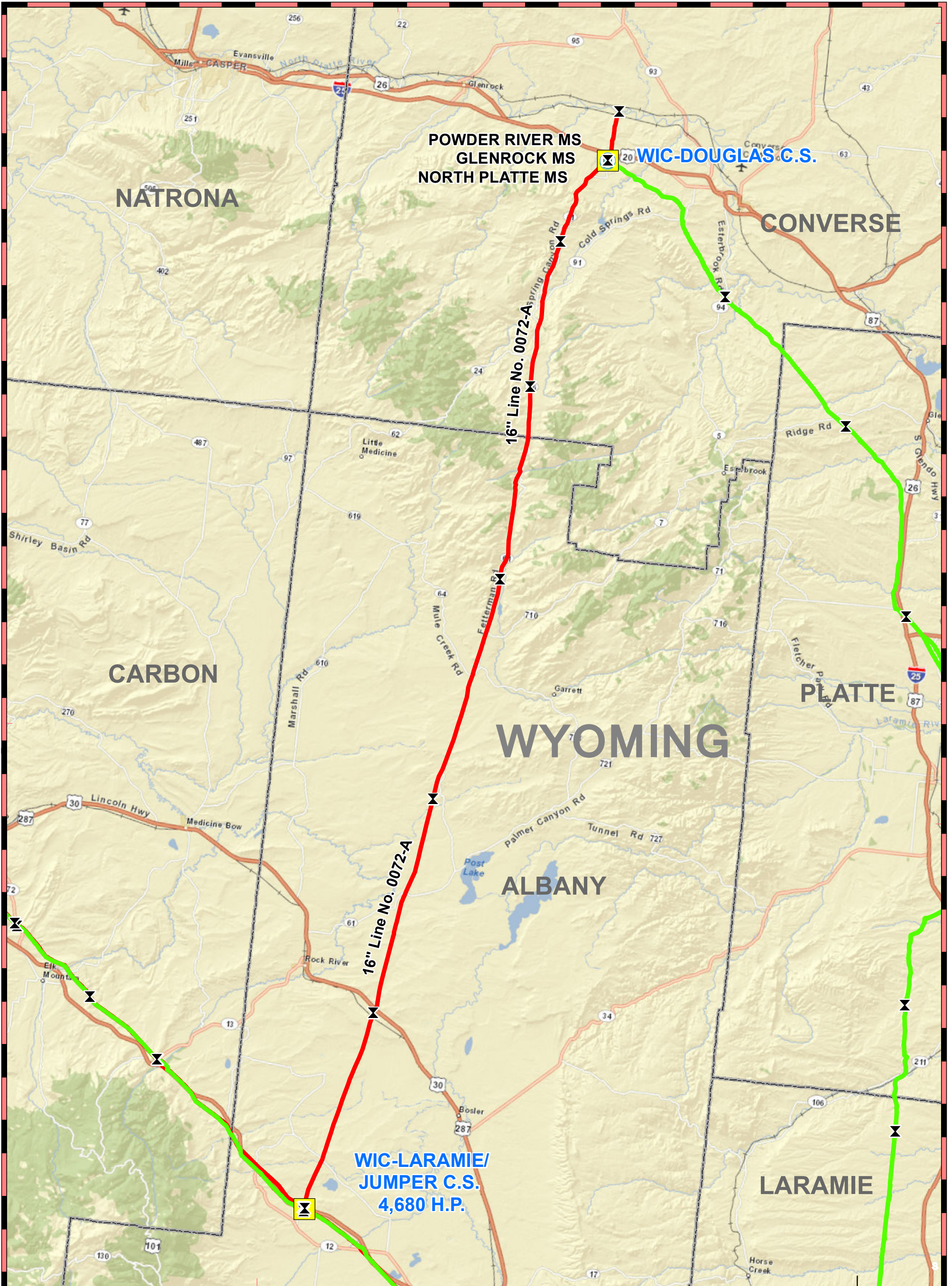
DR	108	ACCUMULATED PROVISION FOR DEPRECIATION	873,208
CR	101	GAS PLANT IN SERVICE	(873,208)
		To record property abandoned at original cost	
DR	131	ACCUMULATED PROVISION FOR DEPRECIATION	-
CR	108	CASH	-
		To record cost of removal for abandonment	
DR	410.1	PROVISION FOR DEFERRED INCOME TAXES, OTHER INCOME & DEDUCTIONS	173,609
CR	282	ACCUMULATED DEFERRED INCOME TAXES, OTHER PROPERTY	(173,609)
		To adjust Deferred Income Tax Accounts to reflect the abandonment of Gas Utility Plant	
DR	236	CURRENT TAX ACCRUED	173,609
CR	409.1	CURRENT FEDERAL INCOME TAX EXPENSE UTILITY OPERATING INCOME	(173,609)
		To adjust Current Income Tax Accounts to reflect the abandonment of Gas Utility Plant	






**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT Z

LOCATION OF FACILITIES MAP



Legend			
	CIG		Valves
	WIC		Meters
	Compressors		



KINDER MORGAN

CIG - Powder River Lateral

Line No. 72A

Location of Facilities Map

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT Z-2

LANDOWNER NOTIFICATION LETTER

August ____, 2015

<Name>
<Street>
<City, State, Zip>

**Re: Landowner Notification
Powder River Lateral Abandonment Project;
Docket No. CP15-__-000**

Dear Landowner:

Colorado Interstate Gas Company, L.L.C. ("CIG"), owns and operates an interstate natural gas pipeline system under the jurisdiction of the Federal Energy Regulatory Commission ("FERC"). CIG is authorized to transport natural gas in the States of Colorado, Kansas, Montana, New Mexico, Oklahoma, Texas, Utah, and Wyoming.

After an operational review of its system, CIG has determined that the approximate 100-mile Powder River Lateral Line No. 72A located in Albany and Converse Counties, Wyoming is no longer required in interstate natural gas transportation service. Accordingly, CIG agreed to abandon this pipeline by sale to Copano Pipelines/Rocky Mountain LLC ("CP/RM"), an affiliate of CIG, who will then convert the pipeline to natural gas liquids transportation use. As part of the sale, three meter stations will be abandoned in place, the Powder River Meter Station, Glenrock Meter Station, and the North Platte Meter Station. These meter stations were originally constructed to measure natural gas being delivered into or from the Powder River Lateral. Once the Lateral is sold, there will be no further need for these metering facilities. As part of its permitting requirements, CIG filed an application with FERC on August ____, 2015 seeking permission to abandon the lateral by sale to CP/RM and to abandon in place the associated meters.

CIG has attached to this letter a map showing the location of the Powder River Lateral Facilities. CIG's FERC application is available online at FERC's website using the "elibrary" link at <http://www.ferc.gov>. The FERC docket number assigned to this proceeding is Docket No. CP15-__-000. Alternatively, a hard copy of the application may be requested from:

Francisco Tarin, Director
Regulatory Affairs Department
Colorado Interstate Gas Company, L.L.C.
2 North Nevada Avenue,
Colorado Springs, Colorado 80903
(719) 667-7517

Should you be interested in intervening or submitting comments regarding CIG's proposed abandonment by sale, CIG has enclosed a copy of the FERC's notice of application that provides the date by which timely motions to intervene or comments are due. CIG strives to be a good neighbor as it provides a safe, clean and reliable source of energy to your area. If you have any questions or comments regarding this project, you may contact the undersigned at _____.

Respectfully,

**Colorado Interstate Gas Company,
L.L.C.**

NAME
Land Department

Enclosures

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT Z-3

PROTECTIVE AGREEMENT

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

Colorado Interstate Gas Company, L.L.C.)
Wyoming Interstate Company, L.L.C.

Docket No. CP15-____-000

PROTECTIVE AGREEMENT

This Protective Agreement is made and entered into effective as of the ____ day of _____, ____ (“Effective Date”) by and between:

Colorado Interstate Gas Company, L.L.C. (CIG) and Wyoming Interstate Company, L.L.C. (WIC), limited liability companies duly organized and existing under the laws of the State of Delaware, having its principal place of business located in Colorado Springs, Colorado, herein called “Pipelines” and **[insert name of Participant]**, a **[insert state and type of corporate entity]**, herein called “Participant” (collectively Pipelines and Participant are referred to herein as the “Participants”).

WHEREAS, Pipelines filed on _____ a request pursuant to Section 7(b) of the Natural Gas Act (NGA) and Section 157.5, et seq., of the Commission's Regulations, for permission and approval to abandon, by sale and in place, certain pipeline facilities and to abandon an associated capacity lease to transport natural gas service in the Powder River Basin; and

WHEREAS, the Commission’s regulations require Pipelines to include as part of its request for privileged treatment a proposed Protective Agreement that governs access to the privileged information in the above-captioned docket; and

WHEREAS, Participant desires to obtain access to the information for which Pipelines has requested privileged treatment and has attached hereto the explanation and documentation required by 18 C.F.R. § 388.112(b)(2)(iii) of the Commission’s regulations; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Pipelines and Participant agree as follows:

1. This Protective Agreement shall govern the use of all Protected Materials produced by, or on behalf of, Pipelines, in the above-captioned docket. Notwithstanding any order terminating this proceeding, this Protective Agreement shall remain in effect until the earlier of: (i) termination by mutual agreement of the Participants; (ii) the

effective date of a new Protective Order issued by a Presiding Administrative Law Judge (“Presiding Judge”) (which includes the Chief Administrative Law Judge) or the Commission in trial-type hearing or settlement procedures in connection with adjudication of Pipelines' [Date] filing, as set forth in 18 C.F.R. § 388.112(b)(2)(v); or (iii) by a specific order of the Commission terminating this Protective Agreement. To the extent there is a conflict between the terms of this Protective Agreement and a subsequent Protective Order as set forth in (ii) above, the terms of the subsequent Protective Order shall control.

2. This Protective Agreement applies to the following two categories of materials: (A) Pipelines may designate as protected those materials which customarily are treated by Pipelines as sensitive or proprietary, which are not available to the public, and which, if disclosed freely, would subject Pipelines or its customers to risk of competitive disadvantage or other business injury; and (B) Materials which contain critical energy infrastructure information, as defined in 18 CFR§ 388.113(c)(1) (“Critical Energy Infrastructure Information”).

3. Definitions -- For purposes of this Agreement:

(a) (1) The term “Protected Materials” means (A) materials submitted to the Commission with Pipelines' _____ certificate application in the above-captioned docket for which Pipelines have requested privileged treatment pursuant to the Commission’s regulations and any subsequent submissions by Pipelines to the Commission in the above captioned docket for which Pipelines request privileged treatment pursuant to the Commission’s regulations; (B) materials designated by Pipelines or Participant as protected; (C) any information contained in or obtained from such designated materials; (D) any other materials which are made subject to this Protective Agreement by the Commission, by any court or other body having appropriate authority, or by mutual written agreement of the Participants; (E) Notes of Protected Materials; and (F) copies of Protected Materials. The Pipelines or Participant, as applicable, producing the Protected Materials shall physically mark them on each page in accordance with 18 C.F.R. § 388.112(b), including labeling each page as “PROTECTED/PRIVILEGED MATERIALS– DO NOT RELEASE”. If the Protected Materials contain Critical Energy Infrastructure Information, the Pipelines or Participant, as applicable, producing such information shall additionally mark on each page containing such information the words “CONTAINS CRITICAL ENERGY INFRASTRUCTURE INFORMATION - DO NOT RELEASE”.

(2) The term “Notes of Protected Materials” means memoranda, handwritten notes, or any other form of information (including electronic form) which copies or discloses materials described in Paragraph 3(b)(1). Notes of Protected Materials are

subject to the same restrictions as Protected Materials, except as specifically provided in this Protective Agreement.

(3) Protected Materials shall not include (A) any information or document that has been filed with and accepted into the public files of the Commission, or contained in the public files of any other federal or state agency, or any federal or state court, unless the information or document has been determined to be protected by such agency or court, or (B) information that is public knowledge, or which becomes public knowledge, other than through disclosure in violation of this Protective Agreement. Protected Materials do include any information or document contained in the files of the Commission that has been designated as Critical Energy Infrastructure Information.

(b) The term “Non-Disclosure Certificate Concerning Protected Material” and “Non-Disclosure Certificate Concerning Protected Material Including Protected Material Marked as Not Available to Competitive Duty Personnel” shall mean the certificates annexed hereto which, once signed by a Reviewing Representative of Participant, will allow for access to Protected Materials and certifies Reviewing Representative’s understanding that such access to Protected Materials is provided pursuant to the terms and restrictions of this Protective Agreement applicable to such materials, and that such Reviewing Representative has read the Protective Agreement and agrees to be bound by it.

(c) The term “Reviewing Representative” shall mean a person who has signed a Non-Disclosure Certificate and who is:

- (1) an attorney who has made an appearance in this proceeding for Participant;
- (2) attorneys, paralegals, and other employees associated for purposes of this case with an attorney described in Subparagraph (2);
- (3) an expert or an employee of an expert retained by Participant for the purpose of advising, preparing for or testifying in this proceeding;
- (4) a person designated as a Reviewing Representative by order of the Commission; or
- (5) employees or other representatives of Participant appearing in this proceeding with significant responsibility for this docket.

4. Protected Materials shall be made available under the terms of this Protective Agreement only to Participant and only through its Reviewing Representative(s) as provided in Paragraphs 7-9.

5. Protected Materials shall remain available to Participant until the later of the date that an order terminating this proceeding becomes no longer subject to judicial review, or the date that any other Commission proceeding relating to the Protected Materials is concluded and no longer subject to judicial review. If requested to do so in writing after that date, Participant shall, within fifteen days of such request, return the Protected Materials (excluding Notes of Protected Materials) to Pipelines, or shall destroy the materials, except that copies of filings, official transcripts and exhibits in this proceeding that contain Protected Materials, and Notes of Protected Materials may be retained, if they are maintained in accordance with Paragraph 6, below. Within such time period Participant, if requested to do so, shall also submit to the Pipelines an affidavit stating that, to the best of its knowledge, all Protected Materials and all Notes of Protected Materials have been returned or have been destroyed or will be maintained in accordance with Paragraph 6. To the extent Protected Materials are not returned or destroyed, they shall remain subject to the Protective Agreement and may not be used in any other proceeding, tribunal or case outside of the above-referenced FERC Docket.

6. All Protected Materials shall be maintained by Participant in a secure place. Access to those materials shall be limited to those Reviewing Representatives specifically authorized pursuant to Paragraphs 8-9. The Secretary shall place any Protected Materials filed with the Commission in a non-public file. By placing such documents in a non-public file, the Commission is not making a determination of any claim of privilege. The Commission retains the right to make determinations regarding any claim of privilege and the discretion to release information necessary to carry out its jurisdictional responsibilities. For documents submitted to Commission Trial Staff (“Staff”), Staff shall follow the notification procedures of 18 CFR § 388.112 before making public any Protected Materials.

7. Protected Materials shall be treated as confidential by Participant and by its Reviewing Representative(s) in accordance with the Non-Disclosure Certificate(s) executed pursuant to Paragraph 9. Protected Materials shall not be used except as necessary for the conduct of this proceeding, nor shall they be disclosed in any manner to any person except a Reviewing Representative who is engaged in the conduct of this proceeding and who needs to know the information in order to carry out that person's responsibilities in this proceeding. Reviewing Representatives may make copies of Protected Materials, but such copies become Protected Materials. Reviewing Representatives may make notes of Protected Materials, which shall be treated as Notes of Protected Materials if they disclose the contents of Protected Materials.

8. (a) If a Reviewing Representative's scope of employment includes the marketing, sale, or purchase of natural gas, natural gas transportation services, or natural gas storage service, the direct supervision of any employee or employees whose duties include the marketing, sale, or purchase of natural gas, natural gas transportation services, or natural gas storage service, the provision of consulting services to any person whose duties include the marketing, sale, or purchase of natural gas, natural gas transportation services, or natural gas storage service, or the direct supervision of any employee or employees whose duties include the marketing, sale, or purchase of natural gas, natural gas transportation services, or natural gas storage service, such Reviewing Representative may not use information contained in any Protected Materials obtained through this proceeding to give Participant, Participant's affiliates, or any competitor of Pipelines a commercial advantage.

(b) Subject to Paragraph 22 regarding access to Protected Materials that are marked as Not Available to Competitive Duty Personnel, in the event that Participant wishes to designate as a Reviewing Representative a person not described in Paragraph 3 (c) above, the Participant shall seek agreement from the Pipelines. If an agreement is reached, that person shall be a Reviewing Representative pursuant to Paragraphs 3(c) above with respect to those materials. If no agreement is reached, Participant may submit the disputed designation to the Commission for resolution.

9. (a) A Reviewing Representative shall not be permitted to inspect, participate in discussions regarding, or otherwise be permitted access to Protected Materials pursuant to this Protective Agreement unless that Reviewing Representative has first executed the appropriate Non-Disclosure Certificate; provided, that if an attorney qualified as a Reviewing Representative has executed such a certificate, the paralegals, secretarial and clerical personnel under the attorney's instruction, supervision or control need not do so. A copy of each Non-Disclosure Certificate shall be provided to counsel for the Pipelines prior to disclosure of any Protected Material to that Reviewing Representative.

(b) Attorneys qualified as Reviewing Representatives are responsible for ensuring that persons under their supervision or control comply with this order.

10. Any Reviewing Representative may disclose Protected Materials to any other Reviewing Representative as long as the disclosing Reviewing Representative and the receiving Reviewing Representative both have executed the appropriate Non-Disclosure Certificate and provided the Certificate to counsel for Pipelines. In the event that any Reviewing Representative to whom the Protected Materials are disclosed ceases to be engaged in these proceedings, or is employed or retained for a position whose occupant is not qualified to be a Reviewing Representative under Paragraph 3(c), access to Protected

Materials by that person shall be terminated. Even if no longer engaged in this proceeding, every person who has executed a Non-Disclosure Certificate shall continue to be bound by the provisions of this Protective Agreement and the certification.

11. Subject to Paragraph 18, the Commission shall resolve any disputes arising under this Protective Agreement. Prior to presenting any dispute under this Protective Agreement to the Commission, Participants shall use their best efforts to resolve the dispute. If Participant contests Pipelines' designation of materials as privileged, it shall notify Pipelines in writing and specify the materials the designation of which is contested.

12. All documents reflecting Protected Materials, including the portion of any application, contract, pleading, exhibits, transcripts, briefs and other documents which contain or refer to Protected Materials, to the extent they will be filed with the Commission, shall be filed either (i) by hand in sealed envelopes or other appropriate containers endorsed to the effect that they are sealed pursuant to this Protective Agreement; or (ii) electronically on the Commission's website in accordance with the procedures for electronic filing of privileged material or CEII. Such documents shall be marked "PROTECTED/PRIVILEGED MATERIALS- DO NOT RELEASE" and shall be filed and served in accordance with Commission regulations. Such documents containing Critical Energy Infrastructure Information shall be additionally marked "CONTAINS CRITICAL ENERGY INFRASTRUCTURE INFORMATION - DO NOT RELEASE". For anything filed by hand or electronically, redacted versions or, where an entire document is protected, a letter indicating such, will also be filed with the Commission and served in accordance with Commission regulations. Participant shall take all reasonable precautions necessary to assure that Protected Materials are not distributed to unauthorized persons.

13. Except in cases where release is ordered sooner by the Commission, Protected Materials that have been requested pursuant to this Protective Agreement will be provided within five days of receipt of the request satisfying 18 C.F.R. § 388.112(b)(2)(iii); provided, however, that if Pipelines files an objection to such request with the Commission, Pipelines is under no obligation to disclose the requested Protected Materials until ordered by the Commission or a decisional authority.

14. Nothing in this Protective Agreement shall be construed as precluding Pipelines or Participant from objecting to the use of Protected Materials on any legal grounds.

15. Nothing in this Protective Agreement shall preclude Participant from requesting that the Commission, or any other body having appropriate authority, find that this Protective Agreement should not apply to all or any materials previously designated as Protected Materials pursuant to this Protective Agreement. The Commission may alter or

amend this Protective Agreement as circumstances warrant at any time during the course of this proceeding. Participants may amend this Protective Agreement at any time by written mutual agreement without seeking Commission approval, unless such amendment is otherwise specifically prohibited by law.

16. Both Pipelines and Participant have the right to seek changes in this Protective Agreement as appropriate from the Commission.

17. If the Commission finds at any time in the course of this proceeding that all or part of the Protected Materials need not be protected, those materials shall nevertheless, be subject to the protection afforded by this Protective Agreement until the date the Commission orders the materials be produced. Pipelines reserve its rights to seek additional administrative or judicial remedies after the Commission's decision respecting Protected Materials or Reviewing Representatives, or the Commission's denial of any appeal thereof. The provisions of 18 CFR §§ 388.112 and 388.113 shall apply to any requests under the Freedom of Information Act (5 U.S.C. § 552) for Protected Materials in the files of the Commission.

18. Nothing in this Protective Agreement shall be deemed to preclude any Participant from independently seeking through discovery in any other administrative or judicial proceeding information or materials produced in this proceeding under this Protective Agreement.

19. Neither Pipelines nor Participant waives the right to pursue any other legal or equitable remedies that may be available in the event of actual or anticipated disclosure of Protected Materials.

20. The contents of Protected Materials or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with this Protective Agreement and shall be used only in connection with this (these) proceeding(s).

21. Pipelines shall physically mark with the words "Not Available to Competitive Duty Personnel," any Protected Materials that Pipelines believes in good faith would, if freely disclosed, subject Pipelines, or third party, to risk of competitive disadvantage or other concrete business injury if provided to all Reviewing Representatives. Such information may include, but is not limited to (a) non-public business development, acquisition, or marketing data, plans or activities, (b) non-public strategic business or financial plans or activities, or (c) negotiations of services, prices and rates, the public disclosure of which such Participant in good faith believes would competitively harm the disclosing Participant or third party (hereafter "Market Sensitive Information"). Market Sensitive

Information should customarily be treated by the providing Participant as sensitive or proprietary and not be available to the public. Any challenge to such a designation may be made as provided in this Protective Order for challenges to designations of Protected Materials.

22. Solely with respect to Protected Materials that have been marked “Not Available to Competitive Duty Personnel” and information derived therefrom, a Reviewing Representative may not be any employee or agent of Participant whose duties include, on a consistent and regular basis, (1) the marketing, sale, or purchase of natural gas, natural gas transportation services, or natural gas storage services (i) on Pipelines or (ii) on a natural gas pipeline or storage facility in any region in which Pipelines operates or (iii) for a shipper or prospective shipper on a natural gas pipeline or storage facility in any region in which Pipelines operates; (2) management responsibility regarding, or the supervision of any employee whose duties include, the marketing, sale, or purchase of natural gas, natural gas transportation services, or natural gas storage services (i) on Pipelines or (ii) on a natural gas pipeline or storage facility in any region in which Pipelines operates or (iii) for a shipper or prospective shipper on any pipeline or storage facility in any region in which Pipelines operates; (3) the provision of consulting services regarding the marketing, sale, or purchase of natural gas, natural gas transportation services, or natural gas storage services for a pipeline or storage facility in any region in which Pipelines operates or for a shipper or prospective shipper on Pipelines or any pipeline or storage facility in any region in which Pipelines operates; or (4) management responsibility regarding other strategic business activities in which use of Market Sensitive Information could be reasonably expected to cause competitive harm to Pipelines or third party (collectively, “Competitive Duties”). Notwithstanding the above, in-house and/or outside counsel for Participant may serve as a Reviewing Representative; provided, however, that in-house and/or outside counsel shall not disclose any Market Sensitive Information to Competitive Duty Personnel. In the event that (a) any person who has been a Reviewing Representative subsequently is assigned to perform any Competitive Duties, or (b) previously available Protected Materials are changed to “Not Available to Competitive Duty Personnel,” a Reviewing Representative involved in Competitive Duties shall have no access to Pipelines' Protected Materials that are marked “Not Available to Competitive Duty Personnel” or information derived therefrom. Such Reviewing Representative shall immediately dispose of Pipelines' Protected Materials in his/her possession that are marked “Not Available to Competitive Duty Personnel” and information derived therefrom and shall continue to comply with the requirements of the Non-Disclosure Certificate Concerning Protected Material, Including Protected Material Marked As Not Available to Competitive Duty Personnel, and this Protective Agreement with respect to any Protected Materials to which such person previously had access.

Notwithstanding the foregoing, with respect to Protected Materials that have been marked “Not Available to Competitive Duty Personnel” and information derived therefrom, a Reviewing Representative may not be an employee of a FERC-regulated natural gas pipeline or storage facility in any region in which Pipelines operates. Reviewing Representatives of such a pipeline or storage facility, with respect to Protected Materials that have been marked “Not Available to Competitive Duty Personnel”, shall be limited to outside counsel and/or consultants, provided such individuals are not engaged in Competitive Duties, as defined above, on behalf of such pipeline or storage facility.

Notwithstanding the foregoing, a person who otherwise would be disqualified as Competitive Duty Personnel may serve as a Reviewing Representative upon agreement of Pipelines or, in the absence of such agreement, upon entry of an order of the Commission authorizing such person to serve as a Reviewing Representative. Any request for an agreement or order under the preceding sentence shall be subject to the following conditions: (i) Participant must certify in writing to Pipelines that Participant’s ability to participate effectively in this proceeding would be prejudiced if it was unable to rely on the assistance of the particular Reviewing Representative; (ii) Participant must identify by name and job title the particular Reviewing Representative required and must describe the person’s duties and responsibilities; (iii) the Participant claiming such prejudice must acknowledge in writing to Pipelines that access to the Protected Materials which are marked as Not Available to Competitive Duty Personnel shall be restricted only to such access necessary for the adjudication of this proceeding, absent prior written consent of the Pipelines or authorization of the Commission with opportunity for Pipelines to seek review of such decision as provided in this order; (iv) Participant must acknowledge in writing that any other use of Protected Materials which are Not Available to Competitive Duty Personnel shall constitute a violation of this Protective Agreement; and (v) prior to having access to any Protected Materials which are marked as Not Available to Competitive Duty Personnel, the Competitive Duty Personnel who is authorized to act as a Reviewing Representative must execute and deliver to Pipelines a Non-Disclosure Certificate Concerning Protected Material, Including Protected Material Marked As Not Available to Competitive Duty Personnel acknowledging his or her familiarity with the contents of this Protective Agreement and the particular restrictions set forth in this paragraph regarding such Protected Materials. Such agreement by Pipelines shall not be unreasonably withheld, delayed or conditioned. Materials marked as “Not Available to Competitive Duty Personnel” shall be returned or destroyed at the conclusion of this proceeding as otherwise provided in this Protective Agreement.

23. If Pipelines believes that Protected Materials that it previously disclosed to Reviewing Representative(s) contain Market Sensitive Information, public disclosure of which would competitively harm the Pipelines, and should be treated as if such Protected Materials had been labeled “Not Available to Competitive Duty Personnel,” Pipelines

must notify Participant. Such notice must specifically identify the Protected Materials that contain such Market Sensitive Information, make an informal showing of why such information should be subject to the restrictions applicable to Protected Materials labeled “Not Available to Competitive Duty Personnel,” and must seek Participant’s consent to treatment of the subject materials as “Not Available to Competitive Duty Personnel.” Such consent shall not be unreasonably withheld, delayed or conditioned. If no agreement is reached concerning the designation of previously distributed Protected Material as “Not Available to Competitive Duty Personnel,” Pipelines may submit the dispute to the Commission. In the event that Pipelines' previously distributed Protected Material is subsequently designated as “Not Available to Competitive Duty Personnel,” it will be the responsibility of Participant to ensure compliance with this Protective Agreement after the additional designation; Pipelines will not be responsible for redistributing or re-labeling the affected Protected Materials.

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**COLORADO INTERSTATE GAS
COMPANY, L.L.C.
WYOMING INTERSTATE
COMPANY, L.L.C.**

[NAME OF PARTICIPANT]

**AGREED TO AND ACCEPTED
THIS __ DAY OF _____, 20[XX]**

**AGREED TO AND ACCEPTED
THIS __ DAY OF _____, 20[XX]**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Colorado Interstate Gas Company, L.L.C.)
Wyoming Interstate Company, L.L.C.

Docket No. CP15-____-000

NON-DISCLOSURE CERTIFICATE
CONCERNING PROTECTED MATERIALS

I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Protective Agreement in this proceeding, that I have been given a copy of and have read the Protective Agreement, and that I agree to be bound by it. I understand that the contents of the Protected Materials, any notes or other memoranda, or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with that Protective Agreement. I acknowledge that a violation of this certificate constitutes a violation of an order of the Federal Energy Regulatory Commission.

By: _____

Printed Name: _____

Title: _____

Representing: _____

Email Address: _____

Date: _____

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Colorado Interstate Gas Company, L.L.C.)
Wyoming Interstate Company, L.L.C.

Docket No. CP15-____-000

NON-DISCLOSURE CERTIFICATE
CONCERNING PROTECTED MATERIAL
AND PROTECTED MATERIAL MARKED AS
NOT AVAILABLE TO COMPETITIVE DUTY PERSONNEL

I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Protective Agreement in this proceeding, that I have been given a copy of and have read the Protective Agreement, and that I agree to be bound by it. I understand that the contents of the Protected Materials, including Protected Materials that are marked as “Not Available to Competitive Duty Personnel”, any notes or other memoranda, or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with that Protective Agreement. I acknowledge that a violation of this certificate constitutes a violation of an order of the Federal Energy Regulatory Commission.

By: _____

Printed Name: _____

Title: _____

Representing: _____

Email Address: _____

Date: _____

**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

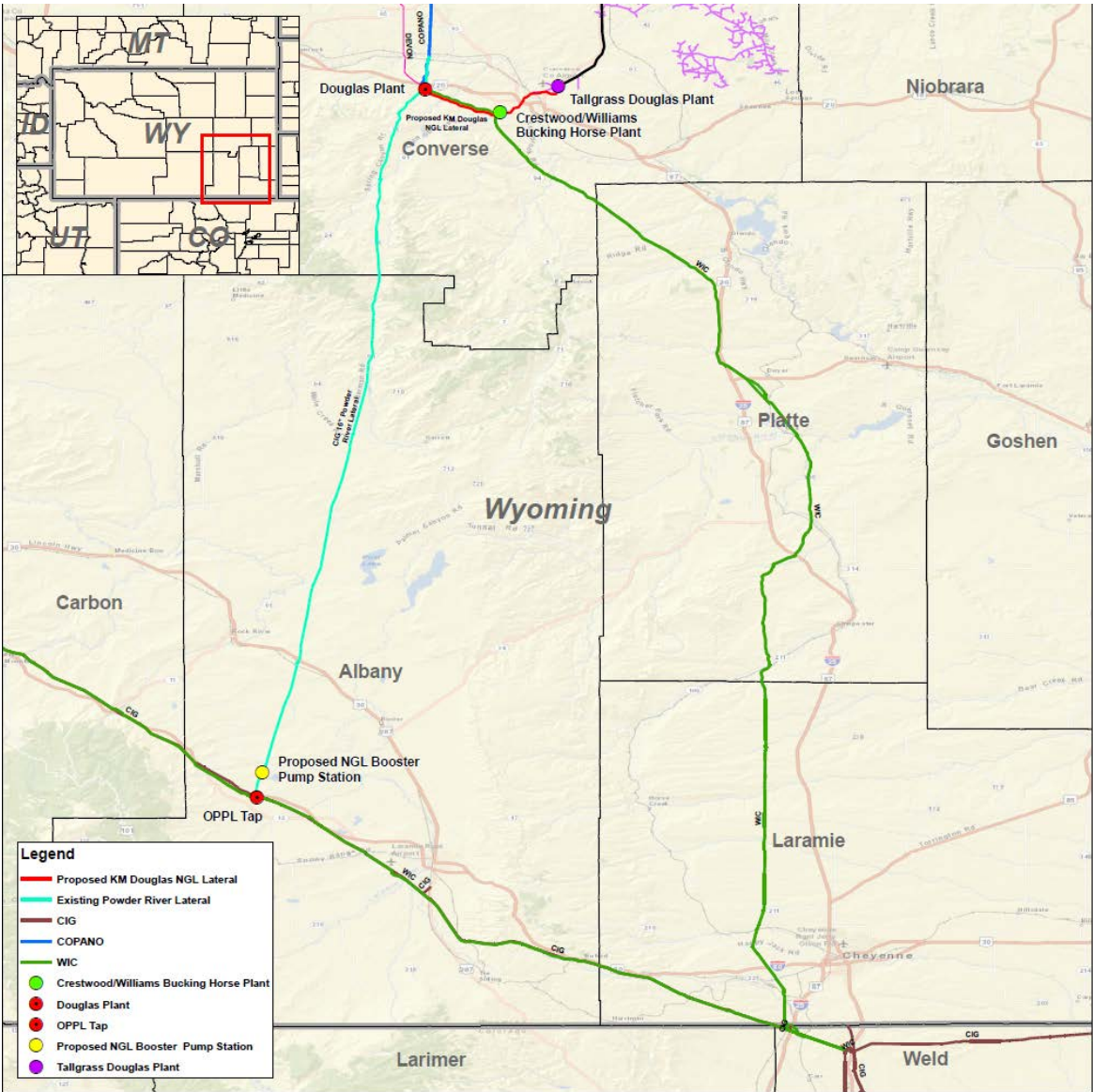
ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT Z-4

NATURAL GAS LIQUIDS CONVERSION

Powder River Lateral Abandonment & Conversion to NGL Service

A new tap and meter would be installed at this location to connect the converted CIG lateral to Overland Pass Pipeline. In addition to the conversion of service of the CIG Powder River Lateral, CP/RM would construct a new pump station at the southern terminus of the converted lateral within or near an existing compressor station yard owned by CIG near Laramie, Wyoming. A second pump station along with measurement facilities would be installed at an existing plant yard owned by Tallgrass Energy at its Tallgrass' Douglas processing facility. CP/RM also plans to construct approximately 17 miles of new 10" pipeline west of the northern terminus of the converted CIG lateral to existing processing plants and NGL pipelines located near Douglas, Wyoming.



**COLORADO INTERSTATE GAS COMPANY, L.L.C.
AND WYOMING INTERSTATE COMPANY, L.L.C.**

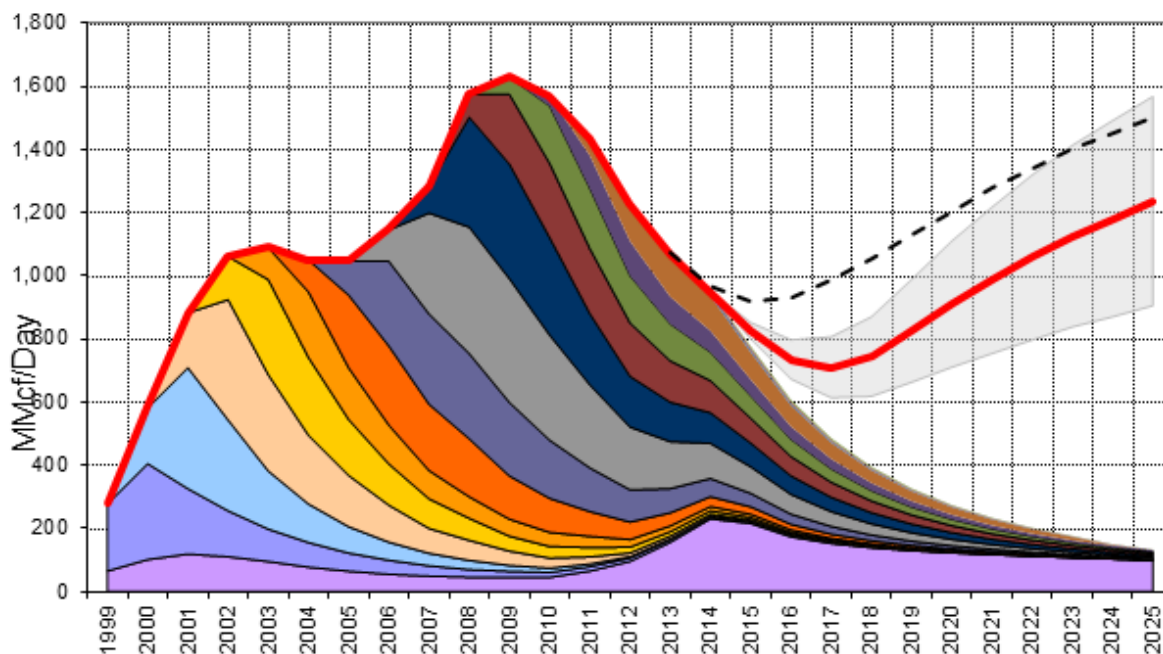
ABANDONMENT OF THE POWDER RIVER LATERAL
DOCKET NO. CP15-____-000

EXHIBIT Z-5

DRILLING PROJECTIONS AND
TAKEAWAY CAPACITY

POWDER RIVER BASIN PRODUCTION PROJECTIONS AND PIPELINE TAKEAWAY CAPACITY

To illustrate production in the Powder River Basin with and without price recovery (\$5/Dth range by 2025), the forecast for the Powder River Basin is depicted in the first chart below. The volumes depicted on the graph represent wellhead volumes; pipeline takeaway volumes would shrink due to processing and be roughly 80 to 85% of the volume shown (by 2025 that shrink is estimated to be 20%). The red line is the current forecast and the dashed black line is last summer’s forecast. This “base case” forecast assumes price recovery based on the current forward curve (in the \$5/Dth range by 2025) spurring an increase in drilling activity over the long-run. The range shown in light gray in the forecast represents +/- \$1/Dth sensitivity cases (i.e. \$6/Dth and \$4/Dth prices by 2025).



To further illustrate the fact that there is more than adequate pipeline takeaway capacity out of the Powder River Basin, current pipeline capacities out of the Powder River area include the following:

<u>Pipeline</u>	<u>Capacity (MDth/d)</u>
WIC (Medicine Bow)	1,440
Bison Pipeline LLC	477
WBI Energy Transmission Inc.	100
CIG (Powder River Lateral)	100
Tallgrass Interstate Gas Transmission, LLC	110
Total	2,227
Total without CIG Powder River Lateral	2,127
CIG % of the total	4.5%

Even in the high range of the current forecast (1,567 MDth/d in 2025; 1,250 Mmth/d delivered to pipelines after 20% processing shrink), Powder River area pipelines only reach a capacity factor of 59% by 2025. In the base forecast, the capacity factor is only 46.5% by 2025 with approximately 990 MDth/d of production (after shrink) hitting the pipelines.