



## **Rate Schedule FT Firm Transportation Service**

### 1. Availability

This Rate Schedule is available for the transportation of natural gas by Heartland Gas Pipeline for any Customer:

#### 1.1 Where Customer:

- a) Has requested gas to be transported on a firm basis and is eligible for firm transportation service pursuant to Section 8 of this Rate Schedule FT; and
- b) Has executed a Firm Transportation Agreement with Heartland Gas Pipeline for service under Rate Schedule FT.

1.2 Heartland Gas Pipeline shall not be required to construct new facilities to perform service under this Rate Schedule in the event capacity necessary to render the requested service does not exist at the time the request is made pursuant to Section 8 herein.

1.3 Heartland Gas Pipeline may, at its option, add facilities or expand capacity to provide such transportation service. Customer may be required to pay or cause Heartland Gas Pipeline to be paid for the installed cost of all such facilities.

1.4 Heartland Gas Pipeline shall not be required to perform service under this Rate Schedule, subject to obtaining any necessary approvals, on behalf of any Customer that fails to comply with any and all of the terms of this Rate Schedule and with the terms of Customer's Firm Transportation Agreement with Heartland Gas Pipeline.

### 2. Applicability and Character of Service

2.1 The transportation service provided under this Rate Schedule shall be performed and shall apply to all gas transported by Heartland Gas Pipeline for Customer under this Rate Schedule up to the Transportation Contract Demand set forth in the Firm Transportation Agreement.

2.2 Transportation under this Rate Schedule shall be considered firm at both the Receipt and Delivery Point(s) to Customer for quantities delivered within Customer's Transportation Contract Demand, and subject to curtailment as provided in Section 10 of the General Terms and Conditions. Heartland Gas

Pipeline shall be obligated to receive from Customer, or for the account of Customer, on a firm basis, quantities of natural gas up to a specific daily transportation quantity which shall be Customer's Firm Transportation Contract Demand and Heartland Gas Pipeline's Maximum Daily Transportation Obligation.

- 2.3 Customer shall designate firm primary Receipt Point capacity within its Firm Transportation Contract Demand. Primary Receipt Point capacity will be allocated on a first come, first-served basis, with Customers requesting capacity on the same day treated as being the same in time. If capacity at any receipt point is oversubscribed, such capacity will be allocated pro rata among the parties same in time, based upon the capacity requested by each Customer.
- 2.4 Provided Heartland Gas Pipeline's prior consent is obtained, Customer may tender quantities of gas in excess of the Transportation Contract Demand on any day if such tender and transportation of such gas can be accomplished by Heartland Gas Pipeline without detriment to any other Customer. Subject to the foregoing restrictions, Heartland Gas Pipeline's consent shall not be unreasonably withheld.

### 3. Rates and Charges

The applicable rates per Dth under this Rate Schedule for firm transportation are set forth on the currently effective Sheet No. 4 of this Tariff and these rates are incorporated herein by reference.

#### 3.1 Rates

Customer shall pay to Heartland Gas Pipeline each month a Daily Reservation Charge which shall consist of the Transportation Contract Demand as specified in the Customer's Firm Transportation Agreement multiplied by the applicable Daily Reservation Charge per Dth multiplied by the numbers of days in the month. The Daily Reservation Charge shall be billed as of the effective day of the Firm Transportation Agreement. In addition, Customer shall pay Heartland Gas Pipeline each month the applicable Commodity Charge multiplied by the quantity of gas received from Customer at the Point(s) of Receipt. Unless otherwise agreed to in writing by Heartland Gas Pipeline and Customer, Customer shall pay Heartland Gas Pipeline the Maximum Daily Reservation and Commodity Charges for firm transportation service provided to Customer up to the Customer's Transportation Contract Demand.

Unless otherwise agreed to in writing by Heartland Gas Pipeline and Customer, Heartland Gas Pipeline may file to adjust the rates at any time. However, at no time shall the applicable rate to any Customer exceed the Maximum Rates nor shall they be less than the Minimum Rates set forth in the currently effective Sheet No. 4 of this Tariff.

### 3.2 Adjustment of Rates

Heartland Gas Pipeline shall have the right to propose and file with the Commission changes and revisions of this effective Rate Schedule, or to propose and file superseding Rate Schedules for the purpose of changing the rates, charges, or other provisions thereof effective as to the Customer.

### 4. Minimum Monthly Bill

4.1 The minimum monthly bill for transportation service rendered hereunder on a firm basis shall consist of the monthly Daily Reservation Charge as described in Section 3.1 of this Rate Schedule.

4.2 There shall be no minimum monthly commodity charges for service rendered hereunder on a firm basis.

### 5. Adjustments of Daily Reservation Charge

#### 5.1 Allowable Variation in Contract Demand

On any day in which Customer requires deliveries in excess of the effective Transportation Contract Demand, Customer must contact Heartland Gas Pipeline to receive prior written or oral approval to exceed the contractual quantity.

At the end of each month, there shall be a daily determination for each day during the month that the Customer required delivery of volumes in excess of its Transportation Contract Demand. For all such volumes during a month period, Customer shall pay to Heartland Gas Pipeline an amount equal to the sum of the Daily Reservation Charge plus the Commodity Charge multiplied by the sum of the quantities that were in excess of the Transportation Daily Demand.

#### 5.2 For Impairment of Deliveries

If Heartland Gas Pipeline declares force majeure, pursuant to the General Terms and Conditions, which renders it unable to perform service for Customer under this Rate Schedule either in whole or in part, then Customer shall be relieved of its obligation to pay FT demand charges for that part of its Transportation Contract Demand that was affected by the force majeure event until the force majeure event is remedied. The reservation charge as otherwise computed under this Rate Schedule shall be reduced by an amount which shall be equal to the portion of the Daily Reservation Charge multiplied by the difference between the quantity of gas actually delivered during said period and the quantity desired by the Customer during said period.

## 6. Reimbursement of Fees and Taxes

- 6.1 Customer shall reimburse Heartland Gas Pipeline for all fees, if any, required by the Commission or any other regulatory body related to service provided under this Rate Schedule, including filing, reporting and applicable fees. Provided, however, Heartland Gas Pipeline may waive the filing fees for Customer on a non-discriminatory basis.

## 7. Receipts and Deliveries

- 7.1 The Receipt Point(s) for all gas transported by Heartland Gas Pipeline under this Rate Schedule shall be at mutually agreeable interconnections between Heartland Gas Pipeline's facilities and the facilities of upstream supply sources or interconnections.

Should Customer's nominations at any particular Point(s) of Receipt exceed the quantity of gas available for receipt at such Point(s) of Receipt, it is the responsibility of Customer working with its suppliers to allocate the correct quantities consistent with the availabilities at such point(s).

Customer agrees to indemnify and hold harmless Heartland Gas Pipeline from any and all claims, suits, damages, or actions arising from failure of Heartland Gas Pipeline to receive quantities of gas nominated by Customer at any particular Point(s) of Receipt, resulting specifically from the situation described above.

- 7.2 The Delivery Point(s) for all gas transported by Heartland Gas Pipeline under this Rate Schedule shall be at mutually agreeable interconnections between Heartland Gas Pipeline's facilities and the facilities of downstream delivery locations.

## 8. Data Required for Valid Request for Transportation

Requests for transportation hereunder shall provide the following information in writing to Heartland Gas Pipeline:

- 8.1 Gas Quantities – The Transportation Contract Demand, which will represent Heartland Gas Pipeline's maximum daily transportation obligation and a statement of the transportation demand quantities stated individually in Dth for each Primary Point of Receipt and Primary Point of Delivery. The sum of the maximum quantities stated for each Primary Point of Receipt or Primary Point of Delivery shall not exceed the total Firm Transportation Contract Demand.
- 8.2 Primary Point(s) of Receipt – The Point(s) of entry into the Heartland Gas Pipeline's pipeline where Customer desires capacity to be reserved on a firm basis.
- 8.3 Primary Point(s) of Delivery – The Point(s) of delivery by Heartland Gas Pipeline where Customer desires capacity to be reserved on a firm basis.

8.4 Term of Service –

- a) Date that service is requested to commence;
- b) Duration of service requested.

8.5 Statement that Customer has the right to acquire title to the gas to be delivered at the time a transportation request is made, and has title to the gas to be delivered when the service commences, or at some stage of the transaction, and has entered into or will enter into those arrangements necessary to assure all upstream and downstream transportation will be in place prior to the commencement of transportation of gas through the Heartland Gas Pipeline.

8.6 That the gas to be transported by Heartland Gas Pipeline meets the quality specifications as stated in the General Terms and Conditions. At Heartland Gas Pipeline's request, Customer shall provide an analysis of the gas stream to be delivered to Heartland Gas Pipeline.

8.7 If the Firm Transportation Agreement is to be signed with a party acting as an agent for Customer, then a copy of the Agency Agreement must be provided.

8.8 Customer shall provide the credit information as contained in the General Terms and Conditions. Service is contingent upon a satisfactory credit appraisal and maintenance of a satisfactory credit record. Based upon the credit information of the Customer, Heartland Gas Pipeline may require additional information, deny service to or require security from Customer.

8.9 Customer must execute the Firm Transportation Agreement within fifteen (15) days after Heartland Gas Pipeline has accepted the request for firm transportation service and tendered the Firm Transportation Agreement to Customer. If Customer does not execute the Firm Transportation Agreement within this time, Customer's request may be deemed null and void.

9. General Terms and Conditions

All of the General Terms and Conditions are applicable to and are hereby incorporated as a part of this Rate Schedule for FT, Firm Transportation Service.