

**CAPACITY RELEASE NOTICE**

\_\_\_\_\_ (Releasing Shipper) hereby notifies KO Transmission Company (Transporter) that pursuant to Section 4 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 1 (Tariff), it desires to release and assign its service rights (i) under its Service Agreement (Agreement) under the FTS Rate Schedule with Transporter dated \_\_\_\_\_, \_\_\_\_\_ and having Contract Number \_\_\_\_\_, as limited and described herein; or (ii) under another Assignment Agreement (Agreement) by and between Releasing Shipper \_\_\_\_\_ and \_\_\_\_\_ pertaining to service under Transporter's FTS Rate Schedule dated \_\_\_\_\_, \_\_\_\_\_, and having Assignment Number \_\_\_\_\_, as limited and described herein.

**1. Prearrangement**

The capacity and service rights described herein shall be submitted for bid pursuant to Section 4 (Release and Assignment of Service Rights) of the General Terms and Conditions of Transporter's Tariff as a release for which:

- (a) There is no prearranged assignment; or
- (b) an assignment has been prearranged with \_\_\_\_\_ (Replacement Shipper) for a period of more than 31 days and does not qualify as an exempt from bidding offer as described in the General Terms and Conditions 4.2(a) or 4.2(c).

**2. Released Service Rights**

The capacity and service rights to be released and assigned under the Agreement shall be as follows:

- (a) Quantity: \_\_\_\_\_ MMBtu per day
- (b) The release of capacity and service rights described herein shall commence as of \_\_\_\_\_, 20\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, 20\_\_\_\_, subject to any recall rights specified herein by Releasing Shipper.

- (c) Receipt points and MDQ's, and delivery points and MDDOs

| Receipt point(s) | MDQ(s) | Delivery point(s) | MDDOs |
|------------------|--------|-------------------|-------|
| _____            | _____  | _____             | _____ |
| _____            | _____  | _____             | _____ |
| _____            | _____  | _____             | _____ |

- (d) In case of 1(b) above, the price offered under the prearrangement in absolute dollars and cents or percent of maximum: \_\_\_\_\_

- (e) The resulting assignment may \_\_\_\_\_ may not \_\_\_\_\_ be reassigned.

**3. Releasing Shipper's Recall Rights**

Releasing Shipper's recall rights shall be subject to the following requirements: [a] The frequency with which Releasing Shipper may recall the capacity shall be \_\_\_\_\_; (b) the maximum duration of any such recall(s) shall be: \_\_\_\_\_; and (c) the length of advance notice to Replacement Shipper and Transporter required before recall(s) may be effected shall be as follows: (no less than twenty-four (24) hours, unless otherwise agreed to between Releasing Shipper and Replacement Shipper): \_\_\_\_\_. (d) The Replacement Shipper has has not \_\_\_\_\_ the option to accept the capacity after a recall for the remainder of the release term.

**4. Minimum Conditions**

The minimum price, minimum term, or minimum volume, if any, applicable to bids for the released capacity are as follows:

- a. (i) Price \_\_\_\_\_ (iii) Volume \_\_\_\_\_
- (ii) Term \_\_\_\_\_
- b. (i) absolute dollars and cents, or \_\_\_\_\_
- (ii) percent of maximum rate \_\_\_\_\_

Any other minimum conditions applicable to bids for the released capacity are as follows:

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**5. Posted Period**

The date and time at which this Release Notice shall be posted on Transporter's Bulletin Board shall be:

Date \_\_\_\_\_ Time \_\_\_\_\_

Bidding shall commence at the time of posting and shall continue until:

Date \_\_\_\_\_ Time \_\_\_\_\_

(must comply with the minimum established in the General Terms and Conditions Section 4.2(d)).

**6. Maximum Demand Charge**

The maximum demand charge (including demand-type surcharges) applicable to the released capacity is: \_\_\_\_\_.

**7. Evaluation and Tie-breaking Criteria**

Releasing Shipper agrees that all bids for its released capacity shall be evaluated by Transporter pursuant to the evaluation criteria referenced in Section 4 of this Tariff's General Terms and Conditions, unless specified as follows:

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**8. Releasing Shipper's Contact Person**

Releasing Shipper's contact person with respect to this Release Notice is:

Name \_\_\_\_\_  
Telephone No. \_\_\_\_\_  
Facsimile No. \_\_\_\_\_

**9. Type of Rate**

Bids for the capacity are to be submitted on the following basis:

Reservation \_\_\_\_\_ Volumetric \_\_\_\_\_

**10. Indemnification**

This release is not subject to an indemnification provision pursuant to which the initial Replacement Shipper for the released capacity shall indemnify Releasing Shipper for any claims relating to refunds made by successive Replacement Shippers of that capacity. Any such indemnification provision must be subject to the requirement that Releasing Shipper correctly calculate refunds to the initial Replacement Shipper. If any such indemnification provision applies to this release, the terms of that provision are as follows:

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**11. Bids**

All bids for the capacity to be released and assigned, as limited and described in this Release Notice, shall be made to Transporter in accordance with the provisions of Section 4 of the General Terms and Conditions of Transporter's Tariff.

**12. Conditions of Release**

Transporter reserves the right to request modifications or deletions of all or any portion of this Release Notice to the extent it is incomplete or fails to conform in any manner to the requirements in Transporter's Tariff. Transporter shall have no responsibility for any errors, omissions, or other aspects of this Release Notice.