

RATE SCHEDULE ITS
Interruptible Transportation Service

1. Availability

Service under this rate schedule is available for the transportation of natural gas by Transporter for any Shipper, providing that:

(a)

Transporter has sufficient facilities and transportation capacity available to receive gas from or on behalf of Shipper and deliver gas to or for Shipper,

(b)

Shipper has submitted a valid request for service under Section 2 (Request for Service) of the General Terms and Conditions, and Transporter has awarded capacity to Shipper under the provisions of this Rate Schedule through the expansion of facilities,

(c)

Shipper has executed an ITS Service Agreement with Transporter, and

(d)

Shipper complies with the provisions of this Rate Schedule and with all other applicable provisions of this Tariff.

2. Applicability and Character of Service

(a)

Service provided under this Rate Schedule shall be performed under Subpart B or G of Part 284 of the Commission's Regulations. Subject to the limitations set forth below, Transporter shall receive scheduled quantities from or on behalf of Shipper and shall deliver thermally equivalent scheduled quantities, less Retainage, to or for Shipper. Such service shall be provided on an interruptible basis and shall apply to all gas transported by Transporter for Shipper under this Rate Schedule, up to the Transportation Quantity set forth in Shipper's ITS Service Agreement.

(b)

Service provided under this Rate Schedule (i) shall have the priority specified in Section 12 (Nominating, Scheduling and Monitoring) of the General Terms and Conditions, (ii) shall be subject to interruption as provided in this Rate Schedule, or in Section 18 (Force Majeure and Curtailment) and Section 17 (Non-Emergency Service Interruption) of the General Terms and Conditions and (iii) shall be subject to operational flow orders to the extent provided in this Rate Schedule or in Section 19 (Operational Flow Orders) of the

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General Terms and Conditions.

If the total quantities nominated for transportation pursuant to this Rate Schedule for a particular point of receipt and/or point of delivery by all interruptible customers exceed the total capacity at that point, then quantities scheduled for receipt and/or delivery will be allocated as provided in Section 12 (Nominating, Scheduling and Monitoring) of the General Terms and Conditions."

(c)

Transporter shall not be obligated on any Day to accept gas in excess of the lesser of (i) Shipper's Transportation Quantity plus Retainage, or (ii) Shipper's Scheduled Daily Receipt Quantity. Transporter also shall not be obligated on any Day to deliver more gas to Shipper than the lesser of: (i) Shipper's Transportation Quantity, (ii) Shipper's Scheduled Daily Delivery Quantity, or (iii) the quantity of gas Transporter receives for Shipper less Retainage. For the purposes of balancing any imbalances in Shipper's account, Shipper may deliver or take quantities in excess of the above limitations in accordance with the provisions of Section 6 (Operating Conditions) and Section 12 (Nominating, Scheduling and Monitoring) of the General Terms and Conditions.

(d)

The interconnection points shall be incorporated by reference in Shipper's FTS Service Agreement(s).

(e)

Shipper shall not be permitted to increase its existing flowing quantities under this Rate Schedule, regardless of the Transportation Quantity set forth in Shipper's ITS Service Agreement, if such increase would cause a reduction of existing quantities flowing on Transporter's system under any other Service Agreement of equal or higher priority. A scheduled temporary reduction in the quantities being transported, if requested by Shipper and approved by Transporter, shall not reduce the level the Shipper's existing quantities flowing on Transporter's system for the purposes of this paragraph.

(f)

Service rights under an ITS Service Agreement may not be released and assigned.

Sheet No. 26 is reserved for future use.

Sheet No. 27 is reserved for future use.

RATE SCHEDULE ITS
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3. Rate

(a)

The unit rate charges to be paid by Shipper, set forth in paragraph (b) below, shall be no higher than the applicable total effective maximum rate charges and no lower than the applicable total effective minimum rate charges set forth in the currently effective Sheet No. 10 of this Tariff.

(b)

For all service rendered under this Rate Schedule, Shipper each month shall pay Transporter the charges set forth below:

- (1) Commodity Charge A Commodity Charge per Dth of gas actually delivered each Day during the Month to or for the account of Shipper.
- (2) Surcharges The surcharges applicable to this Rate Schedule.

(c)

The charges and surcharges described above are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions.

(d)

In addition to collecting the applicable charges and surcharges, Transporter shall retain from the gas tendered for transportation the effective Retainage percentage set forth in the currently effective Sheet No. 10 of this Tariff. That Retainage percentage shall be subject to adjustment in accordance with Section 24 (Transportation Retainage Adjustment) of the General Terms and Conditions.

4. General Terms and Conditions

All of the General Terms and Conditions of Transporter's FERC Gas Tariff, Original Volume No. 1, are applicable to this Rate Schedule and are hereby incorporated as a part of this Rate Schedule.

Sheet Nos. 29 is reserved for future use.