National Grid LNG, L.P.

FERC Gas Tariff Volume No. 1

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PRELIMINARY STATEMENT

National Grid LNG, L.P. ("the Company"), owns a facility located in Providence, Rhode Island, for the storage of liquefied natural gas ("LNG"). The Company renders a storage service for customers by receiving LNG at the facility for storage, and by storing and redelivering such gas to the customer, either in liquid phase or in gaseous phase after regasification.

It is the policy of the Company to provide storage service only under written contract acceptable to the Company after consideration of its commitments to others, availability of storage capacity, and other factors deemed pertinent by the Company. If any such contract is to become operative only upon performance of certain precedent conditions, it is the policy of the Company to execute a separate written agreement covering the conditions to be satisfied before the contract for storage of LNG becomes operative.

This FERC Gas Tariff is filed in compliance with Part 154 of the Commission's Regulations under the Natural Gas Act. Nothing in this tariff is intended to inhibit the formation or use of market centers.

FACILITY MAP

INSERT
FACILITY MAP

RATE SHEETS SHOWING EFFECTIVE RATES INDEX

FST-LG Firm Storage Service

IST-LG Interruptible Storage Service

FST-LG Capacity Release

RATE SCHEDULE FST-LG
Storage of Liquefied Gas

Base
Tariff Surcharge Total
Rate Schedule FST-LG Rate * Adjust Rate
--- --- --- ---
Capacity Reservation Charge: ------$/Per Dth Per Month------
Maximum $0.2729 - $0.2729
Minimum $0.0000 - $0.0000

Displacement Reservation Charge: ------$/Per Dth Per Month -----
Maximum $0.0417 - $0.0417
Minimum $0.0000 - $0.0000

Receipt Charge: ---------$/Per Dth ----------
Maximum $0.0000 - $0.0000
Minimum $0.0000 - $0.0000

Delivery Charge: ----------$/Per Dth ----------
Maximum $0.0000 - $0.0000
Minimum $0.0000 - $0.0000

Authorized Overrun Charge: --------- $/Per Dth Per Day --
Space charge $0.0090 - $0.0090

Excess Displacement Charge: ---------_$/Per Dth ----------
Delivery Charge $0.2500 - $0.2500

* The Base Tariff Rate is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

RATE SCHEDULE IST-LG
Storage of Liquefied Gas

Base
Tariff Surcharge Total
Rate Schedule IST-LG Rate *Adjust Rate
--- --- ---
Space Charge: --- $/Per Dth Per Day---
Maximum $0.0090 - $0.0090
Minimum $0.0000 - $0.0000

Displacement Charge: --- $/Per Dth ---
Maximum $0.5000 - $0.5000
Minimum $0.0000 - $0.0000

Receipt Charge: --- $/Per Dth---
Maximum $0.0000 - $0.0000
Minimum $0.0000 - $0.0000

Delivery Charge: --- $/Per Dth ---
Maximum $0.0000 - $0.0000
Minimum $0.0000 - $0.0000

Authorized Overrun Charge: --- $/Per Dth Per Day---
Space charge $0.0090 - $0.0090

Excess Displacement Charge: ---_$/Per Dth ---
Delivery Charge $0.2500 - $0.2500

* The Base Tariff Rate is the effective rate on file with the
Commission, excluding adjustments approved by the Commission.

RATE SCHEDULE FST-LG
Storage of Liquefied Gas
Capacity Release

---- Volumetric ----

Rate Schedule FST-LG	Base Tariff Rate*	Surchg Adj	Total Rate	Base Tariff Rate*	Surchg Adj	Total Rate
Capacity Reservation Charge:	$/Per Dth Per Month			$/Per Dth Per Day		
Maximum	$0.2729	$0.0000	$0.2729	$0.0090	$0.0000	$0.0090
Minimum	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
Displacement Reservation Charge:	$/Per Dth Per Month			$/Per Dth Per Day		
Maximum	$0.0417	$0.0000	$0.0417	$0.0014	$0.0000	$0.0014
Minimum	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000

* The Base Tariff Rate is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

RATE SCHEDULES INDEX

FST-LG Firm Storage Service

IST-LG Interruptible Storage Service

RATE SCHEDULE FST-LG
Storage of Liquefied Gas

1. AVAILABILITY

This rate schedule is available to any party ("Customer") for the purchase from National Grid LNG, L.P. ("the Company") of a liquefied natural gas ("LNG") firm storage service in the Company's storage facility located in Providence, Rhode Island, when:

a. Customer has made a valid request for firm storage service pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;

b. Sufficient firm capacity is available to effectuate such storage without any construction of facilities or other investment by the Company, or the Company has waived this requirement in writing; and

c. Customer has executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Storage service hereunder will be on a firm basis except as provided herein and in Sections 17 and 18 of the General Terms and Conditions of this tariff.

2.2 Service rendered under this rate schedule shall consist of:

(a) The receipt by the Company of LNG for the account of Customer up to the Customer's Contract Storage Quantity from trucks or by alternate means, mutually agreed to.

(b) The storage of such LNG for the account of Customer in the Company's facility.

(c) The redelivery by the Company of such stored LNG to Customer via vaporization of LNG up to Customer's MDWQ on any day for Customer's account or by truck (less the adjustments set forth in Section 7 of the General Terms and Conditions of this tariff).

2.3 Provided the Company's prior consent is obtained, Customer may tender quantities of LNG in excess of its Contract Storage Quantity if in the Company's reasonable judgment storage of such LNG can be accomplished by the Company without detriment to any other Customer under any of the Company's rate schedules, if such storage is compatible with the Company's facility operation requirements, and if Customer can demonstrate to the Company's satisfaction that Customer will have the ability to remove such excess quantities when Customer is required to do so under Section 6 of the General Terms and Conditions of this tariff. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

2.4 The Company shall not be obligated to add any facilities or expand its capacity in any manner in order to provide storage service to Customer pursuant to this rate schedule; provided, however, the Company may, at its option, and with Customer's consent, add facilities or expand capacity to provide such storage service, subject to Section 3 below.

2.5 Customer shall make or cause to be made all necessary arrangements with other parties at or upstream of the point where Customer tenders LNG to the Company for storage, and at or downstream of the point where the Company delivers LNG or revaporized LNG from
Customer's account, and such arrangements must be compatible with the Company's facility operations.

3. RATES AND CHARGES

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Sheet No. 5 of this tariff and are hereby incorporated herein. The applicable unit rates to be charged by the Company for LNG stored for Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate. Unless the Company and Customer agree in writing upon a rate for service provided hereunder, the rate applicable to a Customer for service hereunder shall be the applicable maximum rate as set forth on the effective Sheet No. 5.

3.2 Monthly Bill. Commencing for the month in which the FST-LG Service Agreement is effective and for each month thereafter, the Company shall charge and Customer shall pay the Company the sum of the following amounts:

(a) Capacity Reservation Charge: The charge per month per Dth of Customer's effective Contract Storage Quantity under this rate schedule; plus

(b) Displacement Reservation Charge: The charge per month per Dth of Customer's effective Contract Storage Quantity under this rate schedule; plus

(c) Receipt Charge: The applicable receipt charge rate multiplied by the quantity in Dth received pursuant to this rate schedule for the month (excluding Authorized Overrun Quantities); plus

(d) Delivery Charge: The applicable delivery charge rate multiplied by the quantity in Dth delivered pursuant to this rate schedule for the month (excluding Authorized Overrun Quantities); plus

(e) Authorized Overrun Charge: The applicable authorized overrun charge per Dth per day of Authorized Overrun Quantity stored for Customer during the month under this rate schedule as measured at the end of each day; plus

(f) Excess Displacement Charge: The applicable excess displacement charge per Dth of vapor delivered multiplied by the quantity in Dth in excess of Customer's Contract Storage Quantity during a contract year.

(g) Reimbursement for Expenses: Expenses that are reimbursable by Customer pursuant to Section 20 of the General Terms and Conditions.

4. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of this tariff are applicable to this rate schedule and are hereby made a part hereof.

RATE SCHEDULE IST-LG
Storage of Liquefied Gas

1. AVAILABILITY

This rate schedule is available to any party ("Customer") for the purchase from National Grid LNG, L.P. ("the Company") of a liquefied natural gas ("LNG") interruptible storage service in the Company's storage facility located in Providence, Rhode Island, when:

a. Customer has made a valid request for interruptible storage service pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part; and

b. Customer has executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Storage service hereunder will be on an interruptible basis.

2.2 Service rendered under this rate schedule shall consist of:

(a) The receipt by the Company of LNG for the account of Customer up to the Customer's Contract Storage Quantity from trucks or by alternate means, mutually agreed to.

(b) The storage of such LNG for the account of Customer in the Company's facility.

(c) The redelivery by the Company of such stored LNG to Customer via vaporization of LNG up to Customer's MDWQ on any day for Customer's account or by truck (less the adjustments set forth in Section 7 of the General Terms and Conditions of this tariff).

2.3 Interruptible storage service shall be available only to the extent that the storage capacity designated for Rate Schedule FST-LG storage service is not required for such firm storage service. The Company shall be entitled to refuse to perform service under Rate Schedule IST-LG when Customer cannot demonstrate to the Company's satisfaction that Customer will have the ability to remove LNG quantities stored under Rate Schedule IST-LG when Customer is required to do so under Section 6 of the General Terms and Conditions of this tariff.

2.4 Provided the Company's prior consent is obtained, Customer may tender quantities of LNG in excess of its Contract Storage Quantity if in the Company's reasonable judgment storage of such LNG can be accomplished by the Company without detriment to any other Customer under any of the Company's rate schedules, if such storage is compatible with the Company's facility operation requirements, and if Customer can demonstrate to the Company's satisfaction that Customer will have the ability to remove such excess quantities when Customer is required to do so under Section 6 of the General Terms and Conditions of this tariff. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

2.5 The Company shall not be obligated to add any facilities or expand its capacity in any manner in order to provide storage service to Customer pursuant to this rate schedule; provided, however, the Company may, at its option, and with Customer's consent, add facilities or expand capacity to provide such storage service, subject to Section 3 below.

2.6 Customer shall make or cause to be made all necessary arrangements with other parties at or upstream of the point where Customer tenders LNG to the Company for storage, and at or downstream of the point where the Company delivers LNG or revaporized LNG from Customer's account, and such arrangements must be compatible with the Company's facility operations.

3. RATES AND CHARGES

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Sheet No. 6 of this tariff and are hereby incorporated herein. The applicable unit rates to be charged by the Company for LNG stored for Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate. Unless the Company and Customer agree in writing upon a rate for service provided hereunder, the rate applicable to a Customer for service hereunder shall be the applicable maximum rate as set forth on the effective Sheet No. 6.

3.2 Monthly Bill. Commencing for the month in which the IST-LG Service Agreement is effective and for each month thereafter, the Company shall charge and Customer shall pay the Company the sum of the following amounts:

(a) Space Charge: The applicable space charge multiplied by the sum of the quantity in Dth of LNG stored under this rate schedule as measured at the end of each day (excluding Authorized Overrun Quantities); plus

(b) Displacement Charge: The applicable displacement charge multiplied by the quantity in Dth of vapor delivered pursuant to this rate schedule for the month; plus

(c) Receipt Charge: The applicable receipt charge rate multiplied by the quantity in Dth received pursuant to this rate schedule for the month (excluding Authorized Overrun Quantities); plus

(d) Delivery Charge: The applicable delivery charge rate multiplied by the quantity in Dth delivered pursuant to this rate schedule for the month (excluding Authorized Overrun Quantities); plus

(e) Authorized Overrun Charge: The applicable authorized overrun charge per Dth per day of Authorized Overrun Quantity stored for Customer during the month under this rate schedule as measured at the end of each day; plus

(f) Excess Displacement Charge: The applicable excess displacement charge per Dth of vapor delivered multiplied by the quantity in Dth in excess of Customer's Contract Storage Quantity during a contract year.

(g) Reimbursement for Expenses: Expenses that are reimbursable by Customer pursuant to Section 20 of the General Terms and Conditions.

4. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of this tariff are applicable to this rate schedule and are hereby made a part hereof.

GENERAL TERMS AND CONDITIONS INDEX

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General Terms And Conditions

1. DEFINITIONS AND ABBREVIATIONS

The following terms and abbreviations, when used herein or in any agreement incorporating these General Terms and Conditions, shall have the following meaning:

1.1 Day. The term "day" or "gas day" shall mean a period of twenty-four consecutive hours, beginning at 9:00 a.m. Central Clock Time.

1.2 Business Day. The term "Business Day" shall mean Monday through Friday excluding Federal Banking Holidays in the U.S. and similar holidays for transactions occurring in Canada and Mexico.

1.3 CT. The Term "CT" shall mean Central Clock Time, which includes the recognition of Daylight Savings Time, whereas "CST" shall mean Central Standard Time.

1.4 Month. The term "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 the same hour on the first day of the next succeeding calendar month.

1.5 Year. The term "year" shall mean a period consisting of twelve consecutive months.

1.6 LNG. The term "LNG" shall mean liquefied natural gas; that is, natural gas in the liquid phase.

1.7 MMBtu. The term "MMBtu" shall mean one million British thermal units, which shall constitute the unit of energy related to this tariff.

1.8 Dekatherm. The term "Dth" or "dekatherm" shall mean the quantity of heat energy which is equivalent to 1,000,000 British Thermal Units. One "dekatherm" of gas shall mean the quantity of gas which contains one dekatherm of heat energy.

1.9 Cubic Foot. The term "cubic foot" shall mean the volume of gas which occupies one cubic foot of space, measured according to Boyle's and Charles's Law for the measurement of gas under varying pressures with deviation therefrom as provided in Section 8 of these General Terms and Conditions and on the measurement basis likewise specified in such Section 8.

1.10 Mcf. The term "Mcf" shall mean 1,000 cubic feet of gas.

1.11 Gas. Unless otherwise indicated, the term "gas" shall mean LNG, whether in liquid or gaseous phase.

1.12 Heel. The term "heel" shall mean the minimum quantity of LNG which must remain in the Company's tank to maintain the redelivery capability of the facility.

1.13 Total Heating Value. The term "Total Heating Value" shall mean the number of British thermal units evolved by the complete combustion with air, at constant pressure, of one anhydrous (dry) cubic foot of gas under a pressure of 14.73 pounds per square inch absolute and at a temperature of 60º Fahrenheit and when the products of combustion are cooled to the initial temperature of the gas and air and the water formed by combustion is condensed to the liquid state.

1.14 Maximum Daily Withdrawal Quantity. The term "Maximum Daily Withdrawal Quantity" shall mean the maximum quantity of gas in Dth which the Company is obligated to produce by vaporization of LNG for Customer's account on any day pursuant to the applicable rate schedule and executed service agreement.

1.15 Contract Storage Quantity. The term "Contract Storage Quantity" shall mean the quantity expressed in Dth which a Customer may use to store its LNG, as specified in Customer's Service Agreement.

1.16 Commission or FERC. The term "Commission" or "FERC" shall mean the Federal Energy Regulatory Commission or its predecessor agency, the Federal Power Commission, or any successor agency.

1.17 The Company. The term "the Company" shall mean National Grid LNG, L.P.

1.18 Customer. The term "Customer" shall mean the entity that has executed a service agreement with the Company under one or more of the Company's rate schedules.

1.19 Algonquin. The term "Algonquin" shall mean Algonquin Gas Transmission Company.

1.20 Narragansett Electric. The term " Narragansett Electric" shall mean The Narragansett Electric Company d/b/a National Grid.

1.21 Web Site. The term "Web site" shall mean the Company's HTML site accessible via the Internet's World Wide Web located at http://www.nationalgridus.com.

1.22 Maximum Number of Trucks. The term "Maximum Number of Trucks" shall mean the Maximum Number of Trucks that the Company is willing to accommodate at its facility for firm Customer's account on any day, which shall have a ratio of 24/2,259,664 per Dth of Customer's Contract Storage Quantity rounded to the nearest whole truck.

1.23 Boil-off Gas. The term "Boil-off Gas" shall mean (i) gas boiling off from the Company's storage tank and other terminal facilities; (ii) gas flashing from the liquid phase to the gaseous phase during loading and unloading of Customer's LNG, and (iii) gas boiling off or flashing from the liquid phase to the gaseous phase during vaporization.

1.24 NEC Interconnect. The term "NEC Interconnect" shall mean the interconnection between the Company system and the facilities of Narragansett Electric at Allens Avenue in Providence, Rhode Island.

1.25 Elapsed Prorata Capacity. The term "Elapsed Prorata Capacity" means that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity.

2. REQUEST FOR STORAGE SERVICE

2.1 General. Customers seeking service from the Company must submit a request for service in the form set forth herein and containing the information described herein. No service will be scheduled for delivery to storage until a completed service request form has been provided and Customer's credit evaluation pursuant to Section 3 of these General Terms and Conditions is satisfactory. In the event the Company determines that Customer's request for service does not comply with this section or Customer's credit evaluation does not comply with Section 3 of these General Terms and Conditions, the Company shall notify Customer of the deficiencies and the additional information or changes required to complete the request. Customer shall have the right for a period of ten days after such notice to supplement Customer's request as required to comply with this section. If Customer's request, as supplemented within said ten days after such notice, is satisfactory, then Customer's original request date shall be utilized. If Customer's request, as supplemented within said ten days, remains incomplete and deficient, then Customer's request shall be deemed void. Firm capacity will be made available based on the valid request date. In the event that there is insufficient capacity available to satisfy all requests for firm service with the same valid request date, the Company shall allocate the available capacity to such Customers on a pro rata basis.

2.2 Execution of Service Agreement. If Customer's request for service and credit evaluation comply with these General Terms and Conditions, and the Company accepts Customer's request for service, the Company will tender a service agreement to Customer. In the event the service agreement is not executed by Customer and returned within thirty days after the Company tendered the service agreement, the Company shall consider the request for service invalid and the service agreement shall be void and the Company shall refund any prepayment paid or return any security given by Customer pursuant to this section and Section 3 of the General Terms and Conditions.

2.3 Identification of Ultimate Consumer. Contemporaneously with execution of the service agreement, Customer shall inform the Company whether the gas is for system supply, end-use or other.

2.4 Service Request Form. Customers seeking service from the Company must submit a request for service in the following form:

National Grid LNG, L.P.
40 Sylvan RoadWaltham, MA 02451

Attention: Fikret Su

_____ ("Customer") hereby requests storage service from National Grid LNG, L.P. ("the Company") and hereby provides the following information in connection with this request:

(a) Complete legal name of Customer:
_____
_____

(b) Type of legal entity and state of incorporation:
_____
_____

(c) Type of company:

_____ Interstate Pipeline
_____ Local Distribution Company
_____ Intrastate Pipeline
_____ Producer
_____ End-User
_____ Marketer
_____ Broker
_____ Other (describe)

(d) The specific affiliation of the party requesting service with the Company.

(e) (1) Name of person responsible for this request; address, electronic and fax numbers to which correspondence or other communications should be directed. State relationship to Customer.
_____
_____
_____

(2) Name, address, electronic number and fax number of twenty-four hour contact person(s) for purposes of dispatching.
_____
_____
_____

(f) Are additional or new facilities required to receive or deliver gas for the storage service requested herein?
_____ Yes _____ No

(g) Name and title of the person or persons who are authorized to execute a written storage agreement with the Company.

_____
_____

(h) The maximum quantity of LNG to be stored at any one time is _____ Dth.

(i) In the case of interruptible service, the place where the LNG will originate, the name of the party delivering the LNG, and the name of the party receiving the LNG.

(j) (1) Service is requested under Rate Schedule:
___ FST-LG
___ IST-LG

(2) Is service requested under Section 311 of the Natural Gas Policy Act of 1978? _____ Yes
_____ No

(3) Date service is proposed to commence: _____

(4) Date service is proposed to terminate: _____

(k) Customer must provide the credit evaluation information set forth in Section 3 of these General Terms and Conditions.

(l) Submission of this request shall constitute certification of the following:

(1) Customer has title to, or a current contractual right to acquire such title to, the gas to be stored by the Company.

(2) Prior to the commencement of service, Customer has made or will cause to be made all necessary arrangements with other parties at or upstream of the point where Customer tenders LNG to the Company for storage, and at or downstream of the point where the Company delivers LNG or revaporized LNG from Customer's account, which arrangements are compatible with the Company's facility operations.

(3) If Customer is requesting service hereunder to be implemented pursuant to Section 311 of the Natural Gas Policy Act of 1978, certification executed by the local distribution company or the intrastate pipeline company on whose behalf the storage will be performed, whether or not such local distribution company or intrastate pipeline is the Customer, that the local distribution company or intrastate pipeline (1) will have physical custody of and transport the gas at some point during the transaction of which the storage by the Company is a part, or (2) will hold title to the gas at some point for a purpose related to its status and functions as a local distribution company or intrastate pipeline, or (3) that the gas will be delivered to a customer that is located within the local distribution company's service area and the storage is being provided on its behalf, or (4) that the gas will be delivered to a customer that is physically able to receive direct deliveries of gas from the intrastate pipeline and the storage is being provided on its behalf.

(4) Prior to the commencement of service Customer will obtain the insurance required by Sections 4.6 and 21 of the General Terms and Conditions.

(m) Customer understands that a request for service in the form set forth herein, complete and unrevised as to format, must be received by the Company before the request will be accepted and processed. Customer hereby agrees to pay the Company's currently effective storage rate applicable to this service. In the case of firm service requiring the construction of additional facilities, Customer agrees to pay rates as approved by the Commission designed, inter alia, to reimburse the Company for the cost of construction of such additional facilities. Customer also understands that it must reimburse the Company for the Commission's filing fee upon receipt of an invoice therefor. Customer, by its signature, represents to the Company that the information set forth in this storage service request is correct and accurate and that all necessary transportation arrangements with the upstream and downstream transporters, as stated herein, have been or will be secured prior to the commencement of the requested storage services.

Signature: _____

Name: _____

Title: _____

2.5 Prepayment. If requesting firm service, Customer shall make a prepayment by wire transfer to the Company's account in an amount equal to the capacity reservation charges for one month's service at the levels specified in Customer's request. The prepayment shall be applied to the first month's invoice or refunded in accordance with the applicable rate schedule.

3. CREDIT EVALUATION

3.1 Standards Used in Appraising Credit. The Company shall apply, on a non-discriminatory basis, consistent financial evaluation standards to determine the acceptability of Customer's overall financial condition. Such credit appraisal and any further or ongoing credit appraisal as may be necessary shall be based upon the following information and criteria:

(a) Customer shall provide current financial statements, annual reports, 10-K reports or other filings with regulatory agencies which discuss Customer's financial status; a list of all corporate affiliates, parent companies and subsidiaries; and any reports from credit reporting and bond rating agencies which are available. The Company shall determine the acceptability of the Customer's overall financial condition.

(b) Customer shall provide a bank reference and at least two trade references. The results of reference checks and any credit reports submitted in (a) above must show that Customer's obligations are being paid on a reasonably prompt basis.

(c) Customer shall confirm in writing that Customer is not operating under any chapter of the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Customer who is a debtor in possession operating under Chapter 11 of the Federal Bankruptcy Act but only with adequate assurance that the service billing will be paid promptly as a cost of administration under the federal court's jurisdiction.

(d) Customer shall confirm in writing that Customer is not aware of any change in business conditions which would cause a substantial deterioration in its financial condition, a condition of insolvency, or the inability to exist as an ongoing business entity.

(e) Customers with an ongoing business relationship with the Company shall have no delinquent balances outstanding for services made previously by the Company, and Customer must have paid its account according to the established terms and not made deductions or withheld payment for claims not authorized by contract.

(f) Customer shall confirm in writing that no significant collection lawsuits or judgments are outstanding which would materially affect Customer's ability to remain solvent as a business entity.

3.2 Alternatives to Satisfaction of Credit Criteria. Upon notification by the Company that Customer has failed to satisfy the credit criteria or subsequently during the term of the service agreement no longer satisfies the credit criteria, such Customer may still obtain credit approval by the Company if it elects to provide one of the following:

(a) an advance deposit;

(b) a standby irrevocable letter of credit;

(c) security interest in collateral found to be satisfactory to the Company; or

(d) a guarantee, acceptable to the Company, by another person or entity which satisfies credit appraisal.

Such advance deposit, standby irrevocable letter of credit, security interest or guarantee should at all times equal the amount equal to three months of storage service utilizing Customer's requested Storage Capacity at the maximum applicable unit rate hereunder. If Customer's credit standing ceases to meet the Company's credit requirements during the period of service, then the Company has the right to require

security or a deposit as specified herein. If security or a deposit is not tendered in a timely period as reasonably determined by the Company, then the Company is not required to continue service. If Customer is unable to maintain credit approval, the executed service agreement shall terminate as of the first day of the month following written notice to Customer.

4. OPERATING CONDITIONS: DELIVERY OF LNG BY CUSTOMER TO THE COMPANY FOR STORAGE

LNG delivered by Customer to the Company for storage shall be by truck or by alternate means mutually agreed to subject to the conditions set forth below:

4.1 Delivery Hours. The actual hours for delivery will be established by mutual agreement of Customer and the Company.

4.2 Notice. Customer shall advise the Company of the scheduled arrivals of its trucks at least twenty-four hours in advance; provided, however, that the Company may waive any part of such twenty-four hour notice as, in the Company's discretion, reasonably exercised, operating conditions permit.

4.3 Facility Compatibility. It shall be Customer's responsibility to assure that the facilities of each truck be compatible with the Company's facilities.

4.4 Commingling of Gas. The Company shall have the unqualified right to commingle Customer's LNG with other LNG at the Company's storage facility.

4.5 Compliance with Codes and Regulations. It shall be Customer's responsibility to assure that each truck and driver is in complete compliance with all applicable codes and regulations pertaining to the design, construction, and operation of containers for the transportation of LNG, including such limitations as the Company may require in connection with its facilities.

4.6 Insurance. It shall be Customer's responsibility to have proper insurance for each truck and Customer shall provide the Company with a certificate of insurance satisfactory to the Company prior to the movement of any truck onto the Company's property. This requirement is without limitation to other insurance requirements specifically in this tariff or required by law.

4.7 Employed Carrier Companies. If Customer employs any carrier company, Customer shall cause such carrier company to comply with the requirements set forth herein.

4.8 Alternate Means of Delivery. Alternate means of delivery may be employed upon mutual agreement of Customer and the Company.

5. OPERATING CONDITIONS: DELIVERY BY THE COMPANY TO CUSTOMER FROM STORAGE

When Customer desires the Company to deliver stored LNG to Customer (or for Customer's account), such deliveries shall be subject to the conditions set forth below as applicable:

5.1 Delivery Hours. The actual hours for delivery will be established by mutual agreement of Customer and the Company.

5.2 Notice. Customer shall advise the Company of the scheduled vaporization or arrivals of its trucks at least twenty-four hours in advance; provided, however, that the Company may waive any part of such twenty- four notice as, in the Company's discretion, reasonably exercised, operating conditions permit.

5.3 Deliveries in Liquid Form at the Storage Tank. The general conditions set forth in Section 4 shall apply when LNG stored by the Company for Customer is to be redelivered to Customer in liquid form.

5.4 Deliveries of Regasified LNG for Customer's Account. Upon completion of necessary arrangements with other parties, LNG stored by the Company for Customer may be delivered in gaseous phase by displacement by means of: (i) regasification by the Company; and (ii) delivery of regasified LNG by the Companyat the NEC Interconnect to displace gas otherwise delivered by Algonquin to Narragansett Electric.

Accordingly, pursuant to Section 2.2(c) of Rate Schedules FST-LG and IST-LG, Customer shall be obligated to make any necessary arrangements with Algonquin in order to effectuate the delivery in the gaseous phase of the LNG stored by the Company.

Customer shall correct any imbalance in deliveries and receipts within thirty days, except as otherwise agreed in writing between the parties.

6. TRANSFER OR REMOVAL OF INVENTORY

6.1 Customers may transfer the ownership of stored LNG among one another, subject to the following conditions:

(a) Both the Customer that is transferring the LNG inventory (the "Transferor" and the Customer that is obtaining the ownership of the LNG (the "Transferee") must have executed service agreements under Rate Schedule FST-LG or IST-LG.

(b) The transfer does not cause the Transferee's Storage Inventory Balances to exceed the sum of (i) its Contract Storage Quantity and (ii) any Authorized Overrun Quantities nominated and scheduled.

(c) The Transferor must notify the Company's dispatcher of the transfer in ownership prior to the deadline for nominations provided in Sections 4 & 5 of the General Terms and Conditions.

(d) The Transferor and the Transferee will provide confirmation of such transfer of ownership to the Company in writing within three days.

6.2 Removal. If (a) a Customer's storage quantity is curtailed under Section 18 of these General Terms and Conditions, (b) a Customer's storage quantity is released or recalled from release under Section 14 of these General Terms and Conditions, (c) a Customer's service agreement terminates or (d) Customer's LNG is of a composition or quality incompatible with Section 9 of these GT&C, then Customer shall remove its LNG inventory at the maximum rate achievable by the Company's facilities commencing (i) at the earliest practicable time following notice by the Company but no later than twenty-four hours following such notice, in the event of curtailment; (ii) upon the effectiveness of the release or time specified in the notice of recall, in the event of a capacity release or recall under Section 14; (iii) upon the termination of the service agreement, in the event of a termination; or (iv) within 5 business days after notification by the Company that the LNG has failed to satisfy the quality specifications set forth in Section 9 of the GT&C. If the Customer fails to so remove such LNG then the Company may, at its option, take title to such LNG free and clear of any adverse claims, in which case Customer shall indemnify the Company and hold it harmless from all costs, damages, and liabilities arising out of the failure of the Customer to remove such LNG and the disposal of such LNG by sale by the Company, including storage charges under the applicable rate schedule.

In the event that, notwithstanding its exercise of due diligence, Customer is inhibited from so withdrawing its LNG, the Company shall pay to Customer any net proceeds from the Company's sale of the LNG. The Company shall use reasonable efforts to maximize the sales price of such LNG.

In the event that Customer fails to exercise due diligence to remove the LNG and therefore does not receive any net proceeds from the Company's sale of the LNG, the Company shall file a disbursement report with the Commission within thirty days of such sale proposing to credit such proceeds to all other Customers holding a storage agreement ("Qualifying Customer") based on the ratio of the total charges paid by each Qualifying Customer for storage service to the total amount of such charges paid by all Qualifying Customers during the month in which the sale of the LNG occurred. Such credits shall be included on the Qualifying Customer's invoice for the month following the date of the final Commission order approving the Company's disbursement report.

6.3 Liability. The Company shall not be taken to have breached its obligations under any rate schedule, service agreement, or these General Terms and Conditions of this tariff by reason of any Customer's failure to remove its LNG under this Section 6 or the Company's inability to dispose of such inventory if it has elected to take title to such inventory.

7. BALANCING RECEIPTS AND DELIVERIES

7.1 Adjustments. LNG delivered by Customer to the Company for storage shall be balanced on a Total Heating Value basis with LNG to be received by Customer from the Company after storage, after adjustment for boil-off gas, fuel gas, and unaccounted-for gas in accordance with the rules set forth below:

(a) Fuel Gas. Customer will provide fuel gas for regasification of its LNG at no cost to the Company to the extent not otherwise provided for.

(b) Unaccounted-for Gas. Customers' inventory shall be adjusted for unaccounted-for gas, including gas lost due to events of force majeure, in proportion to the amount of each Customer's LNG in storage versus the total amount in storage excluding heel.

7.2 Estimates and Balancing. Estimates of fuel gas, boil-off gas, and unaccounted-for gas may be utilized by the Company to establish Customer's LNG available for delivery at any time, but final determination shall be made as soon as practicable, and departures of estimates of such quantities from such finally determined quantities shall be balanced out as soon as practicable. The cutoff for fuel gas and boil off gas for final determination for the closing of measurement is 5 days after the business month.

8. MEASUREMENTS

8.1 Unit of Measurement. The unit of measurement for the purposes of this tariff shall be Dth. All quantities of LNG measured, whether in the gaseous phase or the liquid phase, shall be reduced to terms of Dth.

8.2 LNG Deliveries in Gaseous Phase. LNG deliveries in the gaseous phase shall be first measured in Mcf and then converted to Dth by determining the Total Heating Value per cubic foot as delivered, multiplying such Total Heating Value by the number of cubic feet delivered, and dividing by one million.

(a) The unit of volume for the purpose of measuring LNG in the gaseous phase shall be one cubic foot of gas at a temperature of 60 degrees Fahrenheit and an absolute pressure of 14.73 pounds per square inch, and dry.

(b) The volume of gas shall be determined in accordance with, but not limited to, the published recommendations of the American Gas Association and the American National Standards Institute as the Company deems to be in accordance with accepted industry practice.

(c) The atmospheric pressure shall be assumed to be 14.4 pounds per square inch, irrespective of actual elevation or location of the point of measurement above sea level, or variations in such atmospheric pressure.

(d) The static pressure of the gas passing through the meters shall be determined by the use of electronic measurement equipment or by the use of another pressure recording device. The instantaneous static pressure measurements from the electronic measurement equipment or the arithmetic average of the temperature recorded each day shall be used in computing gas volumes.

(e) The temperature of the gas passing through the meters shall be determined by the use of electronic measurement or other temperature recording device. The instantaneous temperature measurements from the electronic measurement equipment or the arithmetic average of the temperature recorded each day shall be used in computing gas volumes.

(f) The specific gravity of the gas delivered shall be determined by methods the Company deems to be in accordance with accepted industry practice, such as, but not limited to, calculation of specific gravity based upon inventory composition or use of recording gravitometer(s) or gas chromatograph(s) located at appropriate point(s).

(g) The deviation of the gas from Boyle's and Charles's Law shall be determined in accordance with, but not limited to, the published recommendations of the American Gas Association and the American National Standards Institute as the Company deems to be in accordance with industry practice.

(h) The Total Heating Value per cubic foot of British thermal units shall be determined by the combustion in a Cutler-Hammer or an equally efficient recording calorimeter, or by some other acceptable method when in the Company's judgment the quantities of gas being measured do not warrant a recording calorimeter.

8.3 LNG Deliveries and Receipts in Liquid Phase. LNG deliveries and receipts by the Company in the liquid phase into or from trucks shall be measured in terms of weight or by some other acceptable unit and converted into Dth. The quantity so delivered or received shall be determined by having the truck weighed before and after loading or unloading on certified scales designated by the Company, or by some other method acceptable to the Company. LNG deliveries and receipts by the Company pursuant to Section 4.8 of the General Terms and Conditions shall be measured in appropriate units and converted

into Dth. The quantities of LNG so delivered or received shall be converted into Dth (reflecting Total Heating Value) in accordance with standards acceptable to the Company applied in a practical manner.

8.4 Inventory. The Company shall maintain accurate inventory accounting of LNG in its storage facilities in Dth and barrels. Such inventory accounting shall be utilized to ascertain quantities received, stored and delivered by the Company for the account of Customer.

8.5 General Provision. Gauging and measurements shall be in accordance with accepted industry practices or such other practices which in the Company's judgment will produce reasonable and nondiscriminatory gauging and measurements.

8.6 Company's Service Obligation – Adjustment For Differences In Total Heating Value.
The Company's LNG storage facility has a maximum net volumetric storage capacity of 2,054,240 Mcf. While Customer's Service Agreement provides for contract quantities stated in Dth, such quantities are premised on Customers' delivering for storage quantities of Gas having an average Total Heating Value of 1100 Btu/cf. To the extent that Customers deliver Gas for storage that has an average Total Heating Value that differs from 1100 Btu/cf, then Company's obligations to physically store Gas for Customers shall be adjusted at least once per month on the first day of each calendar month, and upon customer's request, to reflect the differences between the actual Total Heating Value of gas in place and the Total Heating Value assumed for contractual purposes in accordance with the formula set forth below. The Adjusted Maximum Storage Quantity shall define Customer's maximum storage rights until changed via a subsequent adjustment under this Section 8.6. However, such operational adjustments shall not affect Customer's obligation to pay to the Company the reservation charges for the contract quantities set forth in Customer's Service Agreement. In no event will the Company have an obligation to physically store more than 2,054,240 Mcf of gas at its LNG storage facility. The formula for making adjustments for Total Heating Value is as follows:

$$\frac{\text{Actual Average Heating Value (Btu/cf)} \times \text{Maximum Storage Quantity}}{\text{1100 Btu/cf}} = \text{Adjusted Maximum Storage Quantity}$$

9. QUALITY

The Company may reject any quantities of LNG tendered for delivery into, or require removal pursuant to Section 6.2 of these GT&C of any LNG stored in the storage facility which in the Company's sole judgment, reasonably exercised, (i) are of a composition or quality incompatible with the operation and safety of the Company's facilities including, but not limited to, the Company's storage tank, truck handling and vaporization facilities, or (ii) are incompatible with the Company's contractual arrangements for displacement service with Narragansett Electric. Customer shall, upon request, provide the Company with a chemical analysis of the LNG prior to the receipt by the Company of each LNG truck delivery. The Company shall, upon request, provide Customer, upon initiation of LNG storage service for Customer and from time to time thereafter as substantial changes occur, an analysis of the chemical composition of the LNG in the storage facility.

10. BILLING

10.1 Monthly Bill. The Company shall bill Customer on or before the seventh day of each month for all charges incurred during the preceding month.

10.2 Access to Billing Data. Both the Company and Customer shall have the right to examine at reasonable times books, records and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions hereof.

10.3 Discounts. In the event that the Company discounts its rates, the discounts shall be attributed to the Company's base reservation charge.

11. PAYMENTS

11.1 Payment. On or before the nineteenth day of each month, Customer shall pay the Company, by wire transfer of federal funds to an address designated by the Company, the amounts billed by the Company in said month pursuant to Section 10 of these General Terms and Conditions; provided, however, that when the nineteenth day of the month falls on a day that is not a Business Day, such payment is due on the first Business Day following the nineteenth day of the month. Any payment shall be considered to have been made as of the time that such payment is received by the Company. Payment will be applied in accordance with documentation provided by Customer. All payments shall be identified by invoice number(s) and if payment differs from invoiced amount, remittance detail shall be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two Business Days of the payment due date.

11.2 Late Payments. Should Customer fail to make timely payment of part or all of the amount of any bill, payment, when made, either partly or all, shall be deemed a late payment and the Company shall charge interest from the due date of payment until the actual date of payment at an annual interest rate equal to the current national prime interest rate plus 1-1/2 percent, prorated for the number of days that the payment was late. The Company shall bill Customer for any interest due under this subsection in its next billing for gas service, and Customer shall pay such amount in accordance with Subsection 11.1 above. Notwithstanding the foregoing provisions of this subsection, where a Customer fails to make timely payments three times during any twelve-month period, the applicable interest rate for subsequent late payments during such twelve month period shall be twice the sum of the current national prime interest rate plus 1-1/2 percent, but not in excess of the maximum lawful rate. The Company may waive the interest on a late payment made within five days of the due date where Customer has diligently paid its prior bills on time, and lateness in payment is of a nonrecurring nature.

Should Customer fail to pay the bill for thirty days after payment is due and such failure continues beyond such thirty days, the Company, in addition to any other remedy it may have hereunder, may, after any necessary authorization by regulatory bodies having jurisdiction, suspend further receipt, storage, or delivery of gas for Customer until such amount is paid, subject to Subsection 11.3 below.

11.3 Disputed Bills. If Customer in good faith shall dispute the amount of any bill or parts thereof and shall pay to the Company such amounts as it concedes to be correct, and at any time thereafter within thirty days of a demand made by the Company shall furnish a good and sufficient surety bond guaranteeing payment, which may be reached either by agreement or judgment of the courts as may be the case, of the amount ultimately found due upon such bills after a final determination, then the Company shall not be entitled to suspend further receipt, storage, or delivery of gas unless and until default be made in the conditions of such bond. Customer shall pay the portion of the bill not in dispute and shall provide documentation identifying the basis for the dispute. No payment by Customer of the amount of a disputed bill shall prejudice the right of Customer to claim an adjustment of the disputed bill. Customer shall pay interest on disputed portions of a bill for which Customer has withheld payment, and which ultimately is found due, at the rate specified in the first sentence of Subsection 11.2 above.

11.4 Extension of Time. If presentation of bills by the Company is delayed after the seventh day of the month, then the time of payment shall be extended accordingly unless Customer is responsible for such delay.

11.5 Billing Errors. In the event an error is discovered in the amount billed in any statement rendered by the Company, such error shall be adjusted within thirty days of the determination thereof, provided that claim therefor shall have been made in writing.

(a) Measurement data corrections shall be processed within six (6) months of the production month with a three-month rebuttal period.

(b) The time limitation for disputes of allocations shall be six (6) months from the date of the initial month-end allocation with a three-month rebuttal period.

(c) Prior period adjustment time limits shall be six (6) months from the date of the initial transportation invoice with a three-month rebuttal period, excluding government-required rate changes.

These three standards shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

12. TERM OF EXECUTED SERVICE AGREEMENTS

12.1 Firm Service Agreements. The primary term to be covered by an executed firm service agreement shall be as mutually agreed at the time of execution. Upon the expiration of the primary term, the term of such firm service agreement shall continue from year-to-year until terminated either by the Company or by Customer upon twelve months prior written notice to the other specifying a termination date at the end of such agreed period or any yearly period thereafter unless the applicable service agreement provides otherwise.

12.2 Interruptible Service Agreements. The primary term to be covered by an executed interruptible service agreement shall be as mutually agreed at the time of execution. Upon the expiration of the primary term, the term of such interruptible service agreement shall continue from month-to-month until terminated either by the Company or by Customer upon one month's prior written notice to the other specifying a termination date at the end of such agreed period or any monthly period thereafter unless the applicable service agreement provides otherwise.

12.3 Extension of Service Agreements. Prior to the expiration of the term of a service agreement and prior to the posting of available capacity under Section 13 hereof, the Company and Customer may mutually agree to an extension of the term of the service agreement (the exact length and terms of which is to be negotiated on a case-by-case basis, in a not unduly discriminatory manner).

12.4 Early Termination of Service Agreements. The Company may, in a not unduly discriminatory manner, agree with Customer to terminate or reduce its service agreement prior to the expiration date if Customer and the Company enter into a financial settlement to pay an exit fee that is sufficient, taking into account the remaining term of the service agreement and the value and liquidity of the capacity subscribed under the service agreement being terminated or reduced, to make the termination or reduction financially beneficial in the Company’s reasonable judgment. An agreement to terminate or reduce a service agreement shall not constitute a material deviation from the applicable form of service agreement.

13. PROCEDURES FOR AVOIDANCE OF PREGRANTED ABANDONMENT

13.1 Applicability. This section applies to service agreements executed pursuant to open access rate schedules governed by those provisions of the regulations promulgated by the FERC that pregrant abandonment authorization under Section 7(b) of the Natural Gas Act.

13.2 Short-Term and Interruptible Agreements. A customer receiving service under a firm service agreement having a primary term of less than one year ("short-term service agreement") or under an interruptible service agreement, is not entitled to retain a right to service following the termination of such service agreement. Upon termination of a short-term service agreement or an interruptible service agreement, the Company shall have all necessary abandonment authorization under the Natural Gas Act as of such termination date.

13.3 Long-Term Firm Agreements. To the extent a Customer satisfies the bid matching requirements of this section or the Company and Customer reach agreement as contemplated by Section 13.9, such Customer may retain its capacity and continue to receive service under a firm service agreement with a primary term of one year or more ("long-term firm service agreement") for which the Company has served notice of termination ("right of first refusal"). The right of first refusal shall be applicable only to (i) firm service agreements requiring the payment of the maximum applicable tariff rate with a primary term of at least twelve (12) months of consecutive service, or (ii) firm service agreements requiring the payment of the maximum applicable tariff rate with a primary term of more than one (1) year for service which is not available for twelve (12) consecutive months ("seasonal contracts"). Service agreements which include negotiated rates and/or discounted rates shall not be eligible for the right of first refusal, with the exception that any service agreement in effect on September 1, 2000, shall be granted a one-time exemption and the right of first refusal provisions described in this section shall apply; provided, however, that the right of first refusal shall be applicable to a service agreement entered into or re-executed to supersede a contract grandfathered under the prior provision only if the new service agreement meets the requirements of (i) and (ii) above. If Customer does not satisfy the bid matching requirements of this Section 13 or the Company and Customer do not reach agreement as contemplated by Section 13.9, Customer shall no longer have, as of the termination date of the contract, rights under the long-term firm service agreement for which the Company has served notice of termination, and the Company shall have all necessary abandonment authorization under the Natural Gas Act except as provided in Section 13.9 below. Customer is not entitled to retain a right to service following a termination by the Customer of its long-term firm service agreement, and the Company shall have all necessary abandonment authorization under the Natural Gas Act with respect to such service.

13.4 Notice and Posting. Within thirty days of the issuance by the Company of a notice of termination of a long-term firm service agreement in accordance with the applicable service agreement, the Company shall post on its Internet Web site the following information:

(a) the specific quantity available under the terminated contract,

(b) the date of expiration, and

(c) the current maximum rate applicable to the terminated service.

13.5 Submission of Bids. Bids from Customers who desire service to be provided in whole or in party by the capacity to be made available upon termination of a long-term firm service agreement ("Potential Customers") must be received by the Company no later than sixty days before the effective date of the termination of the service agreement noticed pursuant to Section 13.4. A bid shall be considered to be an offer to enter into a service agreement that remains open until retracted in writing or until the Company accepts a competing bid. To be a valid bid, a bid must comply with the bid requirements set forth in

Section 13.6. At the close of such bidding period, the Company shall select among the valid bids the Best Bid, as determined pursuant to Section 13.7, and shall relay the relevant terms of such Best Bid to the Customer whose long-term firm service agreement is being terminated by the Company. If Customer elects to match, as determined by Section 13.8, the Best Bid, the Customer shall be entitled to retain its capacity and continue to receive service under a long-term firm service agreement which reflects the matching of the relevant terms of the Best Bid. If Customer does not match the Best Bid, then Customer's existing long-term firm service agreement shall terminate and the Company shall have all necessary abandonment authorization under the Natural Gas Act. In the event there is no Best Bid for Customer to match, Section 13.9 shall determine whether Customer shall be entitled to retain its capacity and continue to receive service.

13.6 Bid Requirements. To be a valid bid, a bid must be in writing and be executed by one authorized to sign contractual agreements on behalf of the Potential Customer, and the Potential Customer must in all other particulars have complied with the requirements for a request for service pursuant to Section 2 and meet the credit evaluation standards set forth in Section 3 of these General Terms and Conditions. If the Potential Customer's bid is matched or if the Potential Customer fails to satisfy all of the Company's tariff provisions governing Customer eligibility, the Company will refund the Potential Customer's prepayment supplied pursuant to Section 2 of the General Terms and Conditions. The prepayment will not be refunded if the bid is withdrawn by the Potential Customer. The Company may reject all bids which would require the Company to discount below a rate and discount term agreeable to the Company.

13.7 Best Bid. The Company shall review all bids from Potential Customers received pursuant to Section 13.5, which have not been rejected by the Company, to determine which bid is the Best Bid. For purposes of this Section 13, the Best Bid shall be the bid with the longest term which offers the maximum applicable rate for the full term of the bid. If no bidder offers the maximum rate for the full term of the bid, the Best Bid shall be that bid that the Company determines in its discretion, reasonably exercised, is likely to maximize its revenue earning potential, taking into account current and future anticipated demand for firm capacity.

13.8 Matching the Best Bid. Upon written notification from the Company of the terms of the Best Bid, Customer shall have the right for a thirty-day period to notify the Company whether the Customer is willing to match the Best Bid. Failure to notify the Company in writing within said thirty-day period constitutes a non-revocable waiver of Customer's right to match the Best Bid. In order to match the Best Bid, Customer must agree to a rate equal to or greater than the rate set forth in the Best Bid and agree to execute a service agreement for a contract term equal to or longer than the contract term set forth in the Best Bid, up to a period of five (5) years; provided, however, the maximum rate an existing Customer must match is the maximum rate the Company can charge under the agreement that is subject to the Customer's right to match the Best Bid.

13.9 Mutual Agreement. In the event the Company does not receive any bids pursuant to Section 13.5 or the Company rejects all bids received, the Company and Customer may mutually agree upon the terms and conditions under which Customer shall be entitled to retain its capacity and continue to receive service. In the event the Company and Customer have not reached agreement on the terms and conditions under which service will be extended at Customer’s election, service for all or part of the contractual quantity will be extended for a term to be specified by the Customer, so long as Customer agrees to pay the maximum rate.

14. CAPACITY RELEASE

14.1 General. This section sets forth the sole means by which a Customer under any firm, open-access Part 284 service agreement with the Company ("Releasing Customer") may release its capacity rights under a service agreement ("Existing Service Agreement"). Subject to the following provisions, firm capacity rights shall be released to the Company for resale by it on a firm basis. This section is not applicable to any Customer whose service agreement has been executed pursuant to an individually certificated service. Firm storage capacity rights released under an Existing Service Agreement shall be subject to adjustment pursuant to Section 8.6 hereof.

14.2 Capacity Eligible for Release. A Customer under any firm rate schedule under Part 284 may release all or a part of its capacity under an Existing Service Agreement on a permanent or temporary basis, subject to recall if so specified. A Releasing Customer may propose a customer ("Proposed Customer") to obtain the Releasing Customer's released capacity, provided the Proposed Customer is an Approved Bidder.

14.3 Biddable Capacity Releases.
(a) Sections 14.3 through 14.6 hereof set forth the requirements for capacity releases not exempt from bidding under Section 14.7.
(b) To qualify as an Approved Bidder, a party must have been accepted by the Company as satisfying the credit standards of Section 3 of these General Terms and Conditions and must continue to satisfy the credit standards of Section 3 when its bid is made and accepted. The Company shall process applications for credit approval with diligence. The Company shall maintain and make available upon request a list of Names of Approved Bidders. Any previously listed Approved
Bidder that fails to continue to satisfy the standards of Section 3 shall be deleted from the list of Approved Bidders.

14.4 Biddable Release Procedures.

(a) Notice by Releasing Customer. A Releasing Customer wanting to release capacity shall notify the Company by telephone and facsimile (hereinafter called "Releasing Customer's Notice"). Releasing Customer's Notice may include reasonable terms and conditions that are objectively stated, applicable to all potential bidders, and non-discriminatory, and shall include the following:

(1) service agreement number and rate schedule;
(2) whether the release is firm or recallable, and if recallable, whether the rights are on a full day or a partial day basis, the specifics of any recall right, and any reput methods and rights associated with returning the previously recalled capacity to the Replacement Customer;
(3) the amount of storage capacity to be released;
(4) the period of the release;
(5) any other conditions of the release, including whether contingencies for transportation arrangements are permitted, or whether any agency arrangements are included;
(6) identity of any Proposed Customer and whether the Proposed Customer is an affiliate of the Releasing Customer;
(7) any minimum, or maximum reservation charge requirements or, if Releasing Customer elects to entertain bids on a volumetric rate basis, the minimum reservation charge stated on a volumetric basis. For releases of one year or less, that will take effect on or before one year from Releasing Customer’s Notice, the maximum or minimum rates may exceed the maximum rate that Releasing Customer is contractually obligated to pay, and such rates shall not be subject to refund;
(8) whether bids should be submitted in dollars and cents or percentages of maximum tariff rate;
(9) the bid evaluation method which shall be, at the Releasing Customer's option, either one of the following three standard evaluation methods: highest rate, net revenue or present value. For index-based

capacity release transactions, the Releasing Customer should provide the necessary information and instructions to support the chosen methodology. The Company permits alternative Releasing Customer defined bid evaluation methods; provided, however, that the Company shall not be required to process the capacity release transaction using the standard process timeline should the Releasing Customer elect an alternate method of bid evaluation;
(10) the Business Day on which the Bid Period will expire, if other than that determined in Section 14.4(b); and
(11) the expiration of the period within which the Proposed Customer may match the best bid, if other than that determined in Section 14.5(c). Releasing Customer shall not be allowed to specify an extension of the original Bid Period or the Prearranged deal Matching Period without posting a new release; and
(12) any requirement that the Proposed or Replacement Customer take title to any LNG in the released storage capacity and/or that such Customer return the capacity to the Releasing Customer (at the end of the release or upon exercise of a recall right) with a specified amount of LNG in storage and, if so, the specified amount as well as any other conditions related to the LNG portion of the release.

(b) Posting Requirements and Bid Periods for Standard Releases Subject to Bidding. The Capacity Release timeline is applicable to all parties involved in the Capacity Release process; however, it is only applicable if 1) all information provided by the parties to the transaction is valid and the Replacement Customer has been determined to be credit worthy before the capacity release bid is tendered, 2) for index-based capacity release transactions, the Releasing Customer has provided the Company with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and 3) there are no special terms or conditions of the release. The term "Bid Period" shall mean the period during which bids may be submitted, commencing upon the posting of Releasing Customer's Notice and ending at the time specified below.

(1) For short term releases (less than five months), offers should be tendered by 1:00 p.m. CT on the day before nominations are due. The Bid Period shall end no later than 2:00 p.m. CT on the same day or at 2:00 p.m. CT on any subsequent day as specified in Customer's Notice, whichever is elected by Customer. The evaluation period begins at 2:00 p.m. CT during which contingency is eliminated, the determination of the best bid is made, and ties are broken. The evaluation period ends at 3:15 p.m. CT. The match or award is communicated by 3:15 p.m. CT. If the Proposed Customer's bid is not the "best bid," the Company shall allow such Proposed Customer a Matching Period of forty-five (45) minutes from 3:15 p.m. CT to 4:00 p.m. CT on the day the Bid Period ends, or such later time as permitted by Customer's Notice, to determine whether to match the "best bid" and to notify the Company of its decision. The Company will finalize all contractual arrangements by 5:00 p.m. CT on the day the Matching Period ends, or if no Matching Period, on the day the Bid Period ends or such later time as permitted by Customer's Notice.

(2) For long term releases (five months or more), offers shall be tendered by 1:00 p.m. CT four (4) Business days before the award for long term releases. The Bid Period shall end at 2:00 p.m. CT on the third business day following such posting or at 2:00 p.m. CT on any subsequent business day as specified in Customer's Notice, whichever is elected by Customer. The evaluation period begins at 2:00 p.m. CT during which contingency is eliminated, the determination of the best bid is made, and ties are broken. The evaluation period ends at 3:15 p.m. CT. The match or award is communicated by 3:15 p.m. CT. If the Proposed Customer's bid is not the "best bid," the Company shall allow such Proposed Customer a Matching Period of forty-five (45) minutes from 3:15 p.m. CT to 4:00 p.m. CT on the day the Bid Period ends, or such later time as permitted by Customer's Notice, to determine whether to match the "best bid" and to notify the Company of its decision. The Company will finalize all contractual arrangements by 5:00 p.m. CT on the day the Matching Period ends, or if no Matching Period, on the day the Bid Period ends or such later time as permitted by Customer's Notice.

(c) Timeline for Non-Standard Releases

If the Releasing Customer specifies a bid evaluation methodology other than highest rate, net revenue or present value, or any other special terms or conditions, the above timeline shall apply; provided, however,

one additional Business Day will be added to the evaluation period. Such extended evaluation period shall cause the gas day to be at least one day later than under the timeline set forth in Section 14.4(b)(1) or Section 14.4(b)(2).

(d) Notice by the Company. Releasing Customer's Notice, including the identity of the Releasing Customer, shall be posted on the Company's internet Web site until the expiration of the applicable Bid Period. At the Releasing Customer's request the Company may, but shall not be obligated to take other action to market any capacity which the Releasing Customer desires to release, and the Releasing Customer may search for any party to take its capacity.

(e) Bids. Only Approved Bidders that have executed a Capacity Release Umbrella Agreement, the form of which is contained in this tariff, may bid on capacity which the Releasing Customer proposes to release. Bids shall be submitted to the Company either by telephone or by facsimile and posted on the Company's internet Web site during the Bid Period. Upon request prior to the close of a Bid Period, the Company will disclose the terms of submitted bids (other than the bidders' names). The bidder shall provide confirmation by facsimile prior to posting by the Company on its Internet Web site of the terms of any bid given by telephone. Bids must meet the minimum terms of Releasing Customer's Notice in order to be considered a valid bid. Invalid bids shall be rejected. The Company shall select the bid to be accepted in accordance with Section 14.5(b). If permitted by Releasing Customer's Notice, and subject to the provisions thereof, any bid may be made contingent upon the bidder's acquiring related upstream or downstream arrangements identified in the bid. Any bidder making such a contingent bid shall confirm that the contingency has been satisfied or eliminated according to the procedures set forth in Releasing Customer's Notice, failing which the bid shall no longer be considered a valid bid.

(f) If there are awards of capacity for which there have been multiple bids meeting minimum conditions, the best bid shall be awarded first, until all offered capacity is awarded.

14.5 Effect of Notices and Bids.

(a) The posting of Releasing Customer's Notice shall constitute an invitation to entertain bids on the Releasing Customer's firm storage capacity rights and obligations pursuant to its terms and the terms herein, but shall not constitute an offer by the Company. A bid shall constitute an offer by the bidding party to accept from the Company such rights and obligations, and shall remain open until the Company accepts the bid or a competing bid, unless retracted by the bidder prior to the close of the Bid Period by any means that meets the requirements of the tariff and the Releasing Customer's terms and conditions. Bids will be legally binding on the Replacement Customer or Proposed Customer until written or telephonic notice of withdrawal is received by the Company. Bids may be revised during the Bid Period, and shall be deemed received as of the time of the last revision; provided, however, that no bidder shall maintain more than one bid for the same capacity. No bid may be resubmitted or revised in order to submit a lower bid.

(b) Releasing Customer's Notice shall constitute authorization for the Company to accept bids by posting notice of such acceptance on its Internet Web site. Releasing Customer may withdraw Releasing Customer's Notice at any time prior to the close of the Bid Period associated with Releasing Customer's Notice, where unanticipated circumstances justify the withdrawal and no bids meeting the minimum conditions have been made. The Releasing Customer's notice will be legally binding on the Releasing Customer until the written or telephonic notice of withdrawal is received by the Company. The reason for withdrawal must be submitted to the Company for posting.

In the event Releasing Customer has not specified the bid evaluation method, the Company shall accept bids in accordance with the following:

(i) If there is only one valid bid, the Company shall accept such bid.

(ii)If there is more than one valid bid and all such bids are identical in terms, the Company shall accept the bid that was received first in time.

(iii) If there is more than one valid bid and all such bids are not identical in terms, the Company shall accept the offer that yields the highest present value, taking into account the price, volume and term of the bid and, where the terms of the competing bids are different, the present value of the revenue stream expected from any replacement contract at the end of a shorter-term bid. For purposes of determining the present value of a bid, the Company shall use only the reservation charge (including reservation charges stated on a volumetric basis) and shall use a discount rate equal to the then effective interest rate prescribed by the Commission for purposes of refunds. If more than one bid may be accepted under this subsection (iii), the Company shall accept the bid that was received first in time.

(iv) In the event of a tie, a bid with no contingency shall be accepted over a bid with a contingency even if received later.

14.6 Effect of Acceptance of Bid. The Company's acceptance of a bid shall, subject to the other provisions hereof, result in and constitute a binding agreement (a) between the Company and the Releasing Customer pursuant to which the Releasing Customer releases the rights described in the accepted bid without being released from any of its obligations under the Existing Service Agreement (the "Release") and (b) between the Company and the bidder whose bid was accepted ("Successful Bidder") pursuant to which the Successful Bidder acquires from the Company all of the Releasing Customer's released rights under its firm service agreement with the Company that are described in the accepted bid and the Successful Bidder agrees to perform timely and irrevocably all obligations under the terms of the service agreement applicable to the released capacity, in the form of an addendum to the Capacity Release Umbrella Agreement incorporating the specific terms of the accepted bid ("New Service Agreement"). The Company shall tender electronically to the Successful Bidder a service agreement in the form of an addendum to the Capacity Release Umbrella Agreement incorporating the terms of the accepted bid. At the request of the Company, the Releasing Customer and the Successful Bidder shall promptly execute such further documents as may be necessary or appropriate to evidence the Release and New Service Agreement, and provide true copies of same to the Company. A party that acquires released capacity from the Company under this Section 14 shall be a Customer for all purposes under this tariff, including capacity release under this Section 14. Nothing in this Section 14 shall operate as a waiver of any other requirements of this tariff applicable to Customers, including requirements regarding Customer eligibility and scheduling of service. Upon acceptance of its bid by the Company a Replacement Customer may schedule service and store LNG upon the effective date of the release, subject to compliance with the other provisions of this tariff.

14.7 Non-Biddable Capacity Releases.
(a) This Section 14.7 sets forth the rules applicable to capacity releases exempt from bidding pursuant to FERC Order No. 712, et. al., and Part 284.8 of the Commission's regulations.
(b) Customers have the right to release firm LNG storage capacity without posting for bidding pursuant to this Section if (i) prompt notice of the release is provided to the Company for posting on its Web site prior to the first nomination containing the information set forth in Section 14.4 applicable to such release, and (ii) such release is for any period of 31 days or less, is a release of capacity for more than one year at the maximum rate the Releasing Customer is obligated to pay, or is a release to an "asset manager" or to a "marketer participating in a state-regulated retail access program" as defined in Section 284.8(h) of the Commission's regulations.
(c) The notice provided to the Company for posting on its Web site in accordance with Section 14.7(b) above must identify any such asset manager or marketer. If the release is to an asset manager, the notice also must include the volumetric level of the asset manager's delivery or purchase obligation to the Releasing Customer, and the time period during which that obligation is in effect. In addition, such notice shall specify any deadlines applicable to capacity recalls by the Releasing Customer.

14.8 Obligations of Releasing Customer and Other Matters.
New Service Agreements for Replacement Customers obtaining capacity under either a biddable or non-biddable Release will be tendered within one hour after the Company awards capacity to the Successful Bidder or is notified of the Replacement Customer pursuant to Section 14.7 above. Notwithstanding

anything to the contrary herein, in any Releasing Customer's Notice, in any bid or accepted bid, in any Release, in any New Service Agreement or otherwise:

(a) The Release or the New Service Agreement relating thereto shall not constitute a release of any of the obligations of the Releasing Customer under the Existing Service Agreement and the Releasing Customer shall remain fully liable for all of those obligations, including, without limitation, all capacity reservation charges, reservation surcharges, and other fixed costs owing under that service agreement in respect of capacity rights released pursuant to the Release, as if the Release had never been entered into; provided, however, the Company shall credit the Releasing Customer with all reservation charges, reservation surcharges, and other fixed costs ("Fixed Charges"), but not charges related to usage, actually paid by a Customer and received by the Company which are owed in respect of the capacity rights released by that Releasing Customer and acquired by that Customer from the Company under a New Service Agreement pursuant to Releasing Customer's release (but not pursuant to subsequent releases of the same capacity), even if greater than the Fixed Charges obligation of the Releasing Customer, up to the maximum rate for the released capacity. Customer under a New Service Agreement shall be liable to the Company for all obligations incurred thereunder, including Fixed Charges and charges related to usage. Subject to Section 14.4(a)(7) hereof, any Replacement Customer obtaining capacity under either a biddable or non-biddable Release shall be entitled to receive refunds to the extent the rate paid by it is subsequently determined to be in excess of a just and reasonable rate; provided, however, that if the Releasing Customer is subject to a discounted rate and received credits attributable to Fixed Charges that the Company is required to refund, the Company shall be entitled to reverse such credits and shall be required to refund such amounts to the Replacement Customer only to the extent actually collected back from the Releasing Customer.

(b) The service agreement between the Company and each Releasing Customer shall remain in full force and effect and unmodified, as if the Release from that Releasing Customer and related New Service Agreement had never been entered into, except (i) the Releasing Customer shall not be entitled to any of the rights under the service agreement which is released by it for the period set forth in the Release and (ii) the Releasing Customer shall be entitled to a credit as provided in this subsection. Notwithstanding the above, in the event there is a permanent release of Releasing Customer's capacity, the Company will agree to discharge Releasing Customer of liability, on a prospective basis, in whole or in part.

(c) The Company shall bill the Releasing Customer the amount it is obligated to pay for Fixed Charges and shall simultaneously credit such invoice with the Fixed Charges that the Company is entitled to recover under all New Service Agreements which are owed in respect of the capacity rights released by the Releasing Customer and acquired pursuant to such release (but not pursuant to subsequent releases of the same capacity); provided, however, that such credit shall be reversed, and the Company shall be entitled to interest from Releasing Customer in accordance with Section 11 of these General Terms and Conditions, to the extent the Company does not recover such Fixed Charges from the Replacement Customer on the due date. To the extent Releasing Customer makes payment in satisfaction of any such obligations it shall be subrogated to the Company's rights to collect such amounts from the defaulting Customer under the New Service Agreement.

(d) The Company may rely upon and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, notice, or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(e) The Company shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, notice, or other document, but the Company, in its reasonable discretion, may make such further inquiry or investigation into such facts or matters as it may see fit.

(f) Except as expressly set forth in Section 14.7(a), each Releasing Customer agrees to protect and indemnify the Company against, and to release and hold the Company harmless against, any loss, liability or expense (including, without limitation, court costs and attorneys' fees) incurred or suffered by

the Company or such Releasing Customer arising out of or in connection with the provisions of this Section 14 (including, without limitation, the Company's performance or failure of performance of any of its obligations under this Section 14).

(g) Without in any way limiting the other provisions of this Section 14, each Approved Bidder, by delivery of a bid to the Company, shall be deemed to have agreed:

(i) to the provisions of (d) and (e) above;

(ii)to protect and indemnify the Company against, and to release and hold the Company harmless against, any loss, liability or expense (including, without limitation, court costs and attorneys' fees) incurred or suffered by the Company or such Approved Bidder arising out of or in connection with the provisions of this Section 14 (including, without limitation, the Company's performance or failure of performance of any of its obligations under this Section 14); and

(iii) that the Company shall have disclaimed all express and implied representations and warrants concerning the released rights acquired by the bidder, the New Service Agreement and the related Release.

(h) Any Releasing Customer retaining agency authority as a condition to a release shall indemnify the Company and hold it harmless for any liability or costs the Company incurs as a result of its reliance on such agency authority, and the Replacement Customer for whom the Releasing Customer acts as agent shall release the Company and hold it harmless for such reliance.

(i) Notwithstanding the other provisions of this Section 14.7, the Company is not absolved from liability arising as a result of negligence on the part of the Company.

14.9 Terms of Release.

(a) Recall Provisions

A Releasing Customer's rights to recall capacity on a full day or partial day basis shall be stated clearly in Releasing Customer's Notice. Any Releasing Customer retaining any rights to recall capacity during the term of the New Service Agreement may exercise such right to the extent permitted as a condition of the capacity release, subject to compliance with other provisions of this tariff, by providing a recall notice to the Company via facsimile. Such notice should express the recalled quantity of capacity in terms of adjusted total released capacity entitlements based on the Elapsed Prorata Capacity. Any Releasing Customer exercising right to recall capacity must also provide notice of recall to the affected Replacement Customer.

Notification to Replacement Customers will be provided by the Company within one hour of receipt of recall notification. The recalling Releasing Customer may nominate the recalled capacity pursuant to the provisions of Section 19 of the General Terms and Conditions.

Upon receipt of the Releasing Customer's recall notice submitted via facsimile, the Company shall process the recall by restating the contractual quantities for each Releasing and Replacement Customer affected by the recall notice and reducing nominated and scheduled quantities for each affected Replacement Customer. The Releasing Customer initiating the recall process shall be solely responsible for submitting the appropriate nominations in accordance provisions of Section 19 of the General Terms and Conditions to effectuate such Customer's use of the recalled capacity. Each affected Replacement Customer will be responsible for adjusting its supply and transportation arrangements, which may be necessary as a result of such recall.

(b) Capacity released under this Section 14 for firm LNG storage shall be for a maximum term not longer than the remaining term of the underlying Existing Service Agreement. Capacity released to the

Replacement Customer for firm LNG storage service under a new Service Agreement shall be for a minimum term of one day.

14.10 Capacity Request Notice. If requested by a party desiring to receive firm capacity under this Section 14, the Company shall post a notice of such desire (including quantity, period, and rate) on its Internet Web site for one month.

14.11 Compensation. If the Company and a Releasing Customer so agree, the Company may receive a mutually agreeable fee for taking action to market released capacity other than merely posting the notice of availability. Such fee may be deducted from the credit due Releasing Customer under Section 14.8.

14.12 Capacity Release Rollover Restriction. Releases for a period of 31 Days or less may not re-release, roll-over, extend, or continue in any way to the same Replacement Customer using the 31 days or less bidding exemption set forth in Section 14.7 hereof until twenty-eight Days after the first release period has ended. The foregoing twenty-eight Day hiatus does not apply to any such re-release, roll-over, extension or continuation to the same Replacement Customer that is posted for bidding pursuant to Sections 14.4 through 14.6 hereof or that qualifies for any of the other exemptions from bidding set forth in Section 14.7 of the Company's GT&C.

14.13 The Company's Rights to Terminate Temporary Capacity Releases.

(a) In the event of a temporary release for which (1) the Company has given notice of termination of the Releasing Customer's Existing Service Agreement because the Releasing Customer no longer satisfies the Company's credit requirements as outlined in Sections 3.1 and 3.2 of the Company's General Terms and Conditions and (2) the Fixed Charges specified in the effective Addendum to the Replacement or Proposed Customer's Capacity Release Umbrella Agreement are less than the level of the Fixed Charges which the Releasing Customer was obligated to pay the Company (or, if the Releasing Customer is paying a negotiated rate, the sum of all fixed-type charges and commodity-type charges), then the Company shall be entitled to terminate the Addendum, upon 30 Days' written notice to the Replacement or Proposed Customer, unless the Replacement or Proposed Customer agrees prior to the end of said 30-day notice period to pay for the remainder of the term of the Addendum one of the following: (i) the Fixed Charges and usage charges at levels which the Releasing Customer was obligated to pay the Company, (ii) the applicable maximum tariff rate, or (iii) such rate as mutually agreed to by the Company and Replacement or Proposed Customer. Customer may elect to pay the lesser of the foregoing three options. The Company's right to terminate the Addendum is subject to the Company providing written notice of termination to the Replacement or Proposed Customer within 60 Days of the determination by the Company that the Releasing Customer no longer satisfies the Company's credit requirements. Termination of the Addendum shall not occur prior to termination of the Releasing Customer's Existing Service Agreement.

(b) In the event that a Customer has received 30 Days' notice of termination of the Addendum to Customer's Capacity Release Umbrella Agreement pursuant to Section 14.13(a) above and there is LNG in storage for Customer's account at the end of such 30-Day period, the Addendum shall continue in force and effect for the sole purpose of withdrawal of said LNG until Customer's inventory is zero. The Company shall require Customer to withdraw each day a quantity equal to the MDWQ, or such other lesser quantity acceptable to the Company. The requirement to withdraw LNG shall be suspended on any day to the extent that the Company cannot accommodate a nomination to withdraw the LNG quantities on such day. Customer may also transfer title of LNG remaining in Customer's inventory to another Customer pursuant to Section 6 of the Company's General Terms and Conditions, provided such other Customer has an executed service agreement and that such transfer does not cause such other Customer to exceed its Contract Storage Quantity specified in such service agreement. In the event Customer fails to withdraw its entire LNG inventory within the time required by this section, the Company shall auction any remaining LNG inventory and credit the proceeds of such sale to Customer, net of delivery charges and fuel, if applicable. Customer shall indemnify the Company and hold it harmless from all costs, damages, and liabilities arising out of the failure of the Customer to remove such LNG and the disposal of such LNG by sale by the Company, including storage charges under the applicable rate

schedule. The Company shall post such LNG quantities on its electronic bulletin board and the Web site on the fifth business day following the fifteenth of the month. The Company shall accept bids only during the time period from 7:00 a.m. until 11:00 a.m. CT on the seventh business day following the fifteenth of the month. Prior to 4:00 p.m. CT of the same day, the Company shall notify the Customer submitting the highest bid. When the LNG is purchased at auction, Customer purchasing the LNG must provide identification of the existing storage service agreement with the Company under which Customer shall store all such LNG quantities purchased. Customer purchasing the LNG agrees to pay the applicable storage rate on the LNG quantities purchased beginning on the date the bid was accepted at auction.

15. INTERNET WEB SITE

15.1 Applicability. The Company shall provide all Customers with equal and timely access to information relevant to the availability of firm and interruptible storage service by providing an Internet Web site. All information that is submitted by facsimile for posting on the Internet Web site should be submitted to the attention of Controller and Administrator, National Grid LNG, L.P..

15.2 System Description. Completed transactions will remain on the Internet Web site for at least ninety days after completion.

15.3 Information. The Company shall post information on a daily basis on its Internet Web site relevant to the availability of firm and interruptible capacity in its storage facilities. The Internet Web site will note whether the capacity is available from the Company directly or through the Company's capacity release mechanism as set forth in Section 14. The Company shall make available through its Internet Web site the following information: notice of service interruptions due to force majeure and related capacity constraints, the Company's maximum and minimum rates for service under Rate Schedules FST-LG and IST-LG, and notices and telephone numbers of the Company employees to contact in an emergency. The Internet Web site also includes information allowed or required to be posted thereon by other provisions of the tariff including Section 14, information which the Company is required to post pursuant to Section 284.13 of the Commission's regulations, or other information the Company chooses to post in furtherance of the operation of its facilities.

The Company's Informational Postings on its website will have the following categories and subcategories:

CATEGORIES	SUBCATEGORIES
Capacity	Operationally Available Unsubscribed
Gas Quality	Gas Quality Data
Index of Customers	
Notices	Critical Non-Critical Planned Service Outage
Standards of Conduct	Affiliate Names and Addresses Affiliate Tariff Waivers Chief Compliance Officer Employee Transfers Information Disclosure Potential Mergers Voluntary Consent
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15.4 Liability. The Company's liability for operation of the Internet Web site shall be governed by the same standards which govern the Company's liability for its other system operations.

16. TERMINATION FOR DEFAULT

16.1 Termination of Service. If either the Company or Customer shall fail to perform any of the covenants or obligations imposed upon it or them under and by virtue of an applicable rate schedule or effective service agreement, then the other party may at its option terminate such agreement by proceeding as follows. The party not in default shall provide written notice to the party in default stating specifically the cause for terminating the agreement and declaring it to be the intention of the party giving the notice to terminate the same; thereupon the party in default shall have thirty days after receipt of such notice to remedy or remove the cause or causes stated in the notice, and if within the thirty-day period the party in default does so remove and remedy said cause or causes and fully indemnifies the party not in default for any and all consequences of such breach, by a good and sufficient indemnity bond or otherwise, then such notice shall be withdrawn and the agreement shall continue in full force and effect. In case the party in default does not so remedy and remove the cause or causes or does not so indemnify the party giving the notice for any and all consequences of such breach, within the thirty-day period, then, after any necessary authorization by regulatory bodies having jurisdiction, the agreement shall become void at the expiration of said period, provided that notice of termination has not been withdrawn prior thereto. Any cancellation of such agreement pursuant to the provisions of this paragraph shall be without prejudice to the right of the Company to collect any amounts then due to it for service prior to the time of cancellation, and shall be without prejudice to the right of Customer to receive any service for which it has paid but has not received, although entitled thereto, prior to the time of cancellation, and without waiver of any remedy to which the party not in default may be entitled for violations of such agreement.

16.2 Suspension of Service. Prior to a termination for default, the Company may suspend service to any Customer who fails to comply with the General Terms and Conditions, the applicable rate schedule, or Customer's service agreement. The Company shall obtain the appropriate regulatory authorization prior to terminating service to any customer. The Company's failure to invoke its right to terminate an agreement for default shall not be construed as a waiver of the Company's right to terminate service during any other period when Customer is in violation of the terms of this tariff or of Customer's service agreement.

17. FORCE MAJEURE

17.1 Relief from Liability. Neither party shall be taken to have breached its obligations under the service agreement, the applicable rate schedule, or these General Terms and Conditions by reason of any act, omission or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, damage, breakage or other material impairment to machinery, facilities, or lines of pipe, revocation or cancellation of permits or licenses, interruption in or unavailability of utilities, loss or unavailability of insurance, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension under this section, which act, omission or circumstance such party is unable by the exercise of due diligence
to prevent or overcome.

17.2 Liabilities Not Relieved. Such causes or contingencies affecting performance by either party, however, shall not relieve such party of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting performance relieve either party from its obligations to make payments of amounts then due in respect of services theretofore rendered.

17.3 Proration of Impaired Capacity. The provisions of Section 18 of these General Terms and Conditions shall govern the apportionment of available capacity when such available capacity is impaired so that the Company is unable to store for Customer the quantities of gas provided by effective service agreements.

17.4 Scheduling of Construction and Maintenance. The Company shall have the right to curtail, interrupt, or discontinue service in whole or in part on all or a portion of its storage facilities from time to time to perform repair, maintenance or improvements on the facilities as necessary to maintain the operational capability of the facilities, or to comply with applicable regulatory requirements, or to perform construction pursuant to valid FERC authorization. The Company shall exercise due diligence to schedule repair, construction and maintenance so as to minimize disruptions of service to Customer and shall provide reasonable notice of the same to Customer.

17.5 Compliance with Directives of Governmental Agencies. Whenever in order to comply with orders, directives or regulations of duly constituted state, local or federal authorities having jurisdiction, including, but not limited to, the Department of Transportation, the Federal Energy Regulatory Commission, and the Environmental Protection Agency, the Company must curtail storage for Customer and is unable to store for Customer the quantities of gas which Customer may then require up to the quantities of gas the Company is then obligated to store for Customer, the Company shall not be liable in damages or otherwise to Customer or any other person or entity for any such failure to store such quantities of gas for Customer.

18. CURTAILMENT

18.1 General. This section sets out the procedures whereby the Company will reduce or discontinue firm or interruptible services available under this tariff. If, due to any cause whatsoever, the capacity of the Company's storage facility, or any part thereof, is impaired so that the Company is unable to store or deliver in the gaseous phase the total quantity of gas which the Company is then obligated to store or deliver in the gaseous phase under agreements with Customer, then the Company shall allocate such reduced available capacity in accordance with this Section 18, subject to the terms of the Company's existing lease agreement with Narragansett Electric.

18.2 Causes of Curtailment. The Company shall have the right to curtail, interrupt, or discontinue service in whole or in part from time to time and at any time (a) for reasons of force majeure or when necessary, in the Company's reasonable judgment, to meet its facility operating requirements or other service obligations, (b) to perform routine maintenance, repairs, improvements and regulatory compliance activity, provided that the Company shall utilize due diligence to schedule such activity so as not to disrupt confirmed service and shall provide reasonable notice of such interruptions to Customer, (c) to the extent, in the Company's reasonable judgment, such service would impair the Company's ability to meet its firm service obligations or to render any future service that may be provided by the Company on a firm basis, (d) to the extent necessary in the Company's reasonable judgment to comply with applicable laws and regulations including, but not limited to, governmental permits governing the operation of the Company's facilities, and (e) to the extent necessary in the Company's reasonable judgment to protect people and property, including the Company's facilities, from harm or damage due to operational or safety conditions.

18.3 Order of Curtailment. In the event service is interrupted or curtailed then the Company shall reduce each Customer's scheduled service in the following order:

(a) Scheduled service for Authorized Overrun Quantities and scheduled service under Rate Schedule IST-LG.

(b) Scheduled service under Rate Schedule FST-LG not otherwise classified in subsection (a).

18.4 Order of Curtailment Within Categories. The Company shall reduce service to those Customers affected by insufficient capacity beginning with requests within subsection (a) of Section 18.3 above, and continuing through the order listed above in Section 18.3. In the event that sufficient capacity is available to provide partial service in any of the categories defined in Section 18.3 above, then the available capacity shall be allocated within such category as follows:

(a) The capacity available for service to the Customers affected within subsection (a) of Section 18.3 above shall be allocated among such Customers as follows: first, pro rata among firm customers paying the maximum rate; next, among interruptible customers paying the maximum rate on a first-come/first-served basis based upon the priority assigned to Customer's request for service; and next, among firm and interruptible customers paying a discounted rate based upon the size of the discount, with the Customer paying the higher rate having the higher priority.

(b) The capacity available for service to the Customers affected within subsection (b) of Section 18.3 above shall be allocated among such Customers who have scheduled interruptible quantities on a first-come/first-served basis based upon the priority assigned to Customer's request for service, subject only to the willingness of another Customer with a lower request priority paying a higher rate than a Customer is paying who otherwise would be entitled to capacity hereunder.

(c) The capacity available for service to Customers affected within subsection (c) of Section 18.3 above shall be prorated based on the Customer's Contract Storage Quantity under the affected rate schedules.

(d) As between Customers with equal priority assigned to their requests for service, first-come/first-served basis shall mean pro rata among such Customers based on the Customer's Contract Storage Quantity under the affected service agreement.

18.5 No Bump Policy. Once a Customer has tendered LNG for storage under Rate Schedule IST-LG or as Authorized Overrun Service its use of such capacity shall not be interrupted unless: (a) such capacity is required to provide a higher priority firm service; or (b) curtailment is necessary pursuant to the provisions of this Section 18.

19. SCHEDULING OF SERVICE

The Company shall schedule simultaneous requests for vaporization and trucking service so that the various services occur simultaneously. The Company shall schedule service among vaporization customers in accordance with Section 19.1, and customers requesting truck receipts and deliveries in accordance with Section 19.2. All vaporization quantities shall be delivered to the NEC Interconnect at uniform hourly rates unless Narragansett Electric agrees to a higher rate.

19.1 Vaporization.

(a) Firm: Requests for vaporization by firm Customers shall be scheduled in advance of the allocation of any vaporization capacity to interruptible Customers. Subject only to Sections 17 (Force Majeure), and 18 (Curtailment) of these General Terms and Conditions, the Company shall schedule for vaporization each firm Customers' nominated quantity up to its Maximum Daily Withdrawal Quantity. In the event that the sum of all timely nominations by firm Customers for authorized overrun vaporization exceed the portion of the vaporization capacity of the Company's facilities committed to Customers nominating up to their Maximum Daily Withdrawal Quantities, the available vaporization capacity shall be allocated among Customers submitting nominations for overrun service pro rata on the basis of their firm Maximum Daily Withdrawal Quantities.

(b) Interruptible: In the event that capacity remains available after the scheduling of all requests for vaporization by firm Customers, requests for vaporization by interruptible Customers shall be scheduled (1) among Customers paying the maximum applicable rate on a first-come, first-served basis based upon the priority assigned to Customer's request, then (2) among Customers paying a discounted rate on the basis of the rate being paid, with the Customer paying the highest rate having the highest priority.

(c) Limitation: Requests for vaporization shall be rejected to the extent that the amount of gas requested, plus amounts retained for vaporization fuel, would exceed Customer's remaining Contract Storage Quantity.

19.2 LNG Receipts and Deliveries by Truck.

(a) LNG Receipts by the Company:

(1) Firm. Requests for LNG receipts by truck for firm Customers shall be scheduled in advance of the allocation of any truck handling capacity to interruptible Customers. Subject only to Sections 17 (Force Majeure) and, 18 (Curtailment) of these General Terms and Conditions, the Company shall schedule each firm Customer's truck nominations up to its Maximum Number of Trucks. In the event that the sum of all timely nominations by firm Customers for truck handling exceed the Company's truck handling capacity, the available capacity shall be allocated among Customers submitting nominations pro rata on the basis of their firm Contract Storage Quantity, rounded to the nearest truckload.

(2) Interruptible. In the event that capacity remains available after the scheduling of all requests for LNG receipts by truck for firm Customers, requests for LNG receipts by truck by interruptible Customers shall be scheduled, rounded to the nearest truckload, (1) among Customers paying the maximum applicable rate on a first-come, first-served basis based upon the priority assigned to Customer's request, then (2) among Customers paying a discounted rate on the basis of the rate being paid, with the Customer paying the highest rate having the highest priority.

(b) LNG Deliveries by the Company:

(1) Firm. Requests for LNG deliveries into trucks for firm Customers shall be scheduled in advance of the allocation of any truck handling capacity to requests for LNG deliveries into trucks for interruptible Customers. Subject only to Sections 17 (Force Majeure), and 18 (Curtailment) of these General Terms and Conditions, the Company shall schedule each firm Customer's truck nominations up to its Maximum Number of Trucks. In the event that the sum of all timely nominations by firm Customers for truck handling exceed the Company's truck handling capacity, the available capacity shall be allocated among Customers submitting nominations pro rata on the basis of their firm Contract Storage Quantity, rounded to the nearest truckload.

(2) Interruptible. In the event that capacity remains available after the scheduling of all requests for LNG deliveries into trucks for firm Customers, requests for LNG deliveries into trucks by interruptible Customers shall be scheduled, rounded to the nearest truckload (1) among all Customers paying the maximum applicable rate on a first-come, first-served basis based upon the priority assigned to Customer's request, then (2) among Customers paying a discounted rate on the basis of the rate being paid, with the Customer paying the highest rate having the highest priority.

(c) Limitation: Requests for LNG deliveries into trucks shall be rejected to the extent that the amount of LNG requested would exceed Customer's remaining Contract Storage Quantity.

(d) Loading: Regardless of Customer's scheduling priority, performance of scheduled LNG loading and unloading shall be performed during the Day in the order of the arrival of Customers' trucks.

19.3 Notice of Amounts Scheduled. Upon completion of scheduling, the Company shall notify each Customer of the quantities of service scheduled under each of the Company's rate schedules if the amount scheduled is other than the amount nominated.

19.4 Transfer of Inventory. A Customer that is transferring LNG inventory pursuant to Section 6.1 of the General Terms and Conditions must notify the Company's dispatcher of the transfer of ownership prior to the deadline for nominations provided in Section 5 of the General Terms and Conditions. The Company will not recognize the change in inventory ownership for dispatching purposes prior to such notification.

19.5 Storage Inventory Adjustments. LNG delivered by Customer to the Company for storage under Rate Schedules FST-LG and IST-LG shall be balanced on a Total Heating Value basis with LNG to be received by Customer from the Company after storage, after adjustment for boil-off gas.

(a) Customer’s storage inventory balance is subject to adjustment based on actual boil-off rates, the amount of the Customer’s inventory and the length of time that Customer’s inventory has remained in the tank.

(b) Boil-off gas, like vaporization, will be treated as a receipt on an Algonquin service agreement to be designated by the customer.

(c) Estimates of boil-off gas may be utilized by the Company to establish Customer’s Storage Inventory Balance at any time, but final determination shall be made as soon as practicable, and departures of estimates of such quantities from such finally determined quantities shall be balanced out within thirty days.

20. EXPENSES INCURRED BY THE COMPANY ON BEHALF OF CUSTOMER

In addition to payment of the rates and charges otherwise provided by this tariff, Customer shall reimburse the Company for the expenses identified below that are incurred by the Company on behalf of Customer:

20.1 Any and all filing and approval fees required in connection with Customer's service agreement that the Company is obligated to pay to the FERC or any other governmental authority having jurisdiction.

20.2 The costs of any facilities installed by the Company with Customer's consent to receive, measure, store, or deliver LNG for the account of Customer.

20.3 The average inventory tax on Customer's LNG inventory under Section 44-5-13, Rhode Island Laws or any superseding law, which the Company is required to file and pay on Customer's behalf.

20.4 Expenses incurred in conjunction with the weighing of Customer's LNG Transporting Vehicles necessary in the determination of quantities delivered to or from the Company's storage facility, which the Company shall pay on Customer's behalf for Customer's convenience.

21. PROPERTY INSURANCE ON STORED LNG AND FACILITY

Customer shall carry property insurance on its LNG stored in the Company's facility, and provide the Company with a certificate of insurance satisfactory to the Company. The Company shall carry property insurance on the Company's facility. The Company and Customer shall each make provision with their respective property insurers to the end that such insurers shall waive all rights of subrogation against the other party in the event of physical damage or loss covered by their respective property insurance policies referred to in this section above. Upon request, the Company and Customer shall each provide the other with a copy of the current waiver of subrogation required by this section.

22. POSSESSION OF GAS

22.1 Delivery Controls. As between the Company and Customer, the Company shall be deemed to be in control and possession of the gas after receipt by the Company into its facility, until it shall have been delivered to or for the account of Customer, after which Customer shall be deemed to be in control and possession thereof.

22.2 Responsibility. Customer shall have no responsibility with respect to any gas after its delivery into the Company's storage facility except (i) as provided in Section 20 of these General Terms and Conditions, and (ii) to provide property insurance as set forth in Section 21 of these General Terms and Conditions, until it is delivered to Customer or for Customer's account, and the Company shall have no responsibility with respect to such gas prior to its delivery into the Company's storage facility, or after its delivery to Customer or for Customer's account.

23. WARRANTY OF TITLE TO GAS

Customer warrants that it will at the time of delivery of the gas to the Company have good and merchantable title to all of the gas subject only to security interests, liens and encumbrances that would not prevent Customer from tendering the gas for storage hereunder or receiving delivery of the gas from the Company. Title to the gas received by the Company for Customer's account hereunder shall remain with Customer during storage of the gas by the Company. Customer agrees to indemnify and save the Company harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising out of adverse claims of any and all persons to the gas other than claims arising solely through acts of the Company.

24. JOINT OBLIGATIONS

When Customer under a service agreement consists of two or more persons, the obligations of such persons under such agreement shall be joint and several and, except as otherwise provided, any action provided to be taken by Customer shall be taken by such persons jointly.

25. DISCRETIONARY WAIVER

The Company may waive any of its rights hereunder or any obligations of Customer on a basis that is not unduly discriminatory; provided that no waiver by either Customer or the Company of any one or more defaults by the other in the performance of any provision of the service agreement between Customer and the Company shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

26. MODIFICATION

No modification to the terms and provisions of any service agreement or exhibit thereto shall be or become effective except by the execution of a superseding service agreement or exhibit thereto.

27. DESCRIPTIVE HEADINGS

The descriptive headings of the provisions of this Gas Tariff are formulated and used for convenience only and shall not be deemed to affect the meaning or construction of any such provisions.

28. SUCCESSORS IN INTEREST

Any company which shall succeed by purchase, merger, consolidation or otherwise to the properties substantially as an entirety, of the Company or of Customer, used or intended to be used for rendering gas service authorized by the Commission, shall be entitled to the rights and shall be subject to the obligations of its predecessors in title under a service agreement. In accordance with the capacity release procedures set forth in Section 14, Customer may, without relieving itself of its obligations under such agreement, assign any of its rights and obligations thereunder to another Customer, but otherwise no assignment of such agreement, or of any of the rights or obligations thereunder shall be made unless there first shall have been obtained the consent thereto of the Company, in the event of any assignment by Customer, or the consent thereto of Customer, in the event of an assignment by the Company. These restrictions on assignment shall not in any way prevent any party from pledging or mortgaging its rights under a service agreement as security for its indebtedness.

29. INCORPORATION IN RATE SCHEDULES AND SERVICE AGREEMENTS

These General Terms and Conditions are incorporated in and are a part of the Company's Rate Schedules contained in this tariff, Fourth Revised Volume No. 1, and executed service agreements relating thereto.

30. GOVERNMENTAL REGULATION

The service agreements, and all terms and provisions contained or incorporated therein, and the respective obligations of the parties thereunder, are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.

31. PERIODIC RATE ADJUSTMENTS

The Company and Customer recognize that the Company will from time to time experience changes in costs related to providing service under this tariff, including, but not limited to, changes in the cost of labor, benefits, materials and supplies, taxes, required rate of return, costs associated with the resolution of past disputes or outstanding uncertainties concerning amounts owed by the Company or Customer or attributable to the Company or Customer, and costs generated by decisions of the Commission, the courts or by an arbitration panel or other body having jurisdiction over the Company. The parties further recognize that it may be appropriate, equitable and consistent with cost responsibility to allocate such costs among customers based on or taking into account past period factors, such as Contract Storage Quantity levels, storage inventory levels, or other factors related to a prior period of time. Customer agrees that the Company shall have the right from time to time to make rate change filings which may include such costs and utilize an allocation methodology based in whole or in part on factors related to past periods. Customer shall have the right to intervene and protest any such filing; provided, however, it shall not be grounds for protest that such filing constitutes a violation of the filed rate doctrine or constitutes retroactive ratemaking or that Customer did not have adequate notice of the fact that such costs could be allocated to Customer.

32. MARKETING AFFILIATE RULE COMPLIANCE PROCEDURES

32.1 Uniform Application. All terms and conditions contained in this tariff shall be applied in a uniform and nondiscriminatory manner without regard to affiliation of any entity to the Company.

32.2 Comparability of Service. The Company shall provide service under Rate Schedules FST-LG and IST-LG on a basis that is equal in quality for all gas stored under those rate schedules, regardless of the identity of the seller Customer.

32.3 Shared Facilities and Employees. Information on any facilities or operating personnel that the Company shares with its marketing affiliates will be available on the Company's Internet Web site. Such information will be updated within three (3) business days of any change.

32.4 The Company shall make available upon request a copy of its marketing affiliate Standards of Conduct Information.

33. COMPLAINT PROCEDURES

Complaints concerning the Company's compliance with Part 358 of the Commission's regulations should be directed to the Company's Compliance Officer by phone at (781) 907-3704 with a designation that it is a marketing affiliate regulation complaint. The Company shall respond initially within forty-eight (48) hours and in writing within thirty (30) days to such complaints. In the event the required date of the Company's response falls on a Saturday, Sunday, or a holiday that affects the Company, the Company shall respond by the next business day.

34. North American Energy Standards Board ("NAESB")

The Company has adopted all of the Business Practices and Electronic Communications Standards, NAESB WGC Version 2.0, which are required by the Commission in 18 CFR Section 284.12(a), as amended from time to time in accordance with Order No. 587, et al., except those practices and standards for which the Company has been granted waivers or extensions of time to comply by the Commission, as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff section in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

Standards Incorporated by Reference:

Gas/Electric Operational Communications
Definitions: 0.2.1 through 0.2.4
Standards: 0.3.11 through 0.3.15

General Standards:
0.3.1; 0.3.2; 0.3.16; 0.3.17

Creditworthiness Standards: 0.3.3 through 0.3.10

Operating Capacity and Unsubscribed
Standards:
0.3.18 through 0.3.22
Data Sets: 0.4.2; 0.4.3

Storage Information:
Data Set 0.4.1

Nominations Related Standards:
Definitions 1.2.1 through 1.2.6; 1.2.8 through 1.2.19
Standards 1.3.3 through 1.3.9; 1.3.11; 1.3.13 through 1.3.16; 1.3.19 through 1.3.21; 1.3.26; 1.3.28 through 1.3.31; 1.3.33 through 1.3.34; 1.3.80
Data Sets 1.4.6 through 1.4.7

Flowing Gas Related Standards:
Definitions: 2.2.1; 2.2.4; 2.2.5
Standards: 2.3.9, 2.3.65
Data Sets: 2.4.6 through 2.4.18

Invoicing Related Standards 3.3.9, 3.3.14

Quadrant EDM Related Standards
Definitions: 4.2.1 through 4.2.20

Standards: 4.3.5; 4.3.16; 4.3.24; 4.3.26 through 4.3.36, 4.3.38 through 4.3.41; 4.3.89 through 4.3.102

Capacity Release Standards
Definitions 5.2.1 through 5.2.5
Standards 5.3.5; 5.3.7; 5.3.11; 5.3.15; 5.3.18through 5.3.19; 5.3.23; 5.3.26 through 5.3.29; 5.3.47; 5.3.49; 5.3.51 through 5.3.53; 5.3.56 through 5.3.60; 5.3.62 through 5.3.72
Data Sets 5.4.14through 5.4.16; 5.4.20 through 5.4.23

Internet Electronic Transport Related Standards:
Definitions: 10.2.1 through 10.2.38

Standards Not Incorporated by Reference and Location in the Tariff:

1.3.1	GT&C Section 1	Definitions
2.3.7	GT&C Section 7	Balancing
2.3.26	GT&C Section 11	Payments
3.2.1	GT&C Section 1	Definitions
3.3.15	GT&C Section 11	Payments
3.3.16	GT&C Section11	Payments
3.3.17	GT&C Section 9	Quality
3.3.18	GT&C Section11	Payments
3.3.19	GT&C Section11	Payments
3.3.25	GT&C Section 10	Billing
4.3.17	GT&C Section 15	Info Posting
4.3.18	GT&C Section 1	Definitions
4.3.20	GT&C Section 15	Info Posting
4.3.22	GT&C Section 15	Info Posting
4.3.23	GT&C Section 15	Info Posting
4.3.25	GT&C Section 15	Info Posting
4.3.45	GT&C Section 15	Info Posting
4.3.47	GT&C Section 15	Info Posting
4.3.48	GT&C Section 15	Info Posting
4.3.50	GT&C Section 15	Info Posting
4.3.73	GT&C Section 15	Info Posting
4.3.74	GT&C Section 15	Info Posting
5.3.1	GT&C Section 14	Capacity Release
5.3.3	GT&C Section 14	Capacity Release
5.3.4	GT&C Section 14	Capacity Release
5.3.8	GT&C Section 14	Capacity Release
5.3.9	GT&C Section 14	Capacity Release
5.3.13	GT&C Section 14	Capacity Release
5.3.14	GT&C Section 14	Capacity Release
5.3.16	GT&C Section 14	Capacity Release

5.3.25	GT&C Section 14	Capacity Release
5.3.55	GT&C Section 14	Capacity Release

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

1.3.2	Waiver
1.3.2(vi)	Waiver
1.3.17 through 1.3.18	Waiver
1.3.22	Waiver
1.3.23	Extension
1.3.24 through 1.3.25	Waiver
1.3.27	Waiver
1.3.32	Waiver
1.3.35 through 1.3.63	Waiver
1.3.64 through 1.3.77	Extension
1.3.79	Extension
1.4.1 through 1.4.5	Waiver
2.2.2 through 2.2.3	Waiver
2.3.1 through 2.3.6	Waiver
2.3.8	Waiver
2.3.10 through 2.3.23	Waiver
2.3.25	Waiver
2.3.27 through 2.3.31	Waiver
2.3.32 through 2.3.35	Waiver
2.3.40 through 2.3.64	Waiver
2.4.1 through 2.4.5	Waiver
3.3.1 through 3.3.5	Extension
3.3.6	Waiver
3.3.7 through 3.3.8	Extension
3.3.10 through 3.3.13	Extension
3.3.20 through 3.3.21	Extension
3.3.22 through 3.3.24	Waiver
3.3.26	Waiver
3.4.1 through 3.4.4	Waiver
4.3.1 through 4.3.3	Waiver
4.3.22 through 4.3.23	Partial Waivers
4.3.25	Partial Waivers
4.3.42 through 4.3.44	Waiver
4.3.46	Waiver
4.3.49	Waiver
4.3.51 through 4.3.62	Waiver
4.3.65 through 4.3.69	Waiver
4.3.72	Waiver

4.3.75 through 4.3.76	Waiver
4.3.78 through 4.3.87	Waiver
5.3.2	Waiver
5.3.10	Extension
5.3.12	Extension
5.3.20 through 5.3.22	Waiver
5.3.24	Waiver
5.3.31 through 5.3.42	Waiver
5.3.44 through 5.3.46	Waiver
5.3.48	Waiver
5.3.50	Waiver
5.3.54	Waiver
5.4.17	Waiver
5.4.24 through 5.4.27	Waiver
10.3.1	Waiver
10.3.3 through 10.3.12	Waiver
10.3.14 through 10.3.27	Waiver

35. OFF-SYSTEM PIPELINE CAPACITY

From time to time, the Company may enter into transportation and/or storage agreements with other interstate or intrastate pipeline companies ("off-system pipeline"). In the event that the Company acquires capacity on an off-system pipeline, the Company will use such capacity for operational reasons and will only render service to Customers on the acquired capacity pursuant to the Company's FERC Gas Tariff and subject to the Company's approved rates, as such tariff and rates may change from time to time. For purposes of transactions entered into subject to this Section 35, the "shipper must have title" requirement is waived.

FORMS OF SERVICE AGREEMENTS INDEX

FST-LG Firm Storage Service

IST-LG Interruptible Storage Service

Capacity Release Umbrella Agreement

FORM OF SERVICE AGREEMENT (Applicable to Service Under Rate Schedule FST-LG)

This Agreement, is made and entered into this ____ day of _____,
____, by and between National Grid LNG, L.P., a Delaware limited partnership (hereinafter referred to as "the Company") and _____, a _____ _____
(hereinafter referred to as "Customer" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I
QUANTITY OF LNG TO BE STORED

Subject to the terms, conditions and limitations hereof and of the Company's Rate Schedule FST-LG, the Company agrees to:

- receive for Customer's account and inject into its storage facility liquefied natural gas ("LNG") in liquid form;

- store LNG up to a total quantity at any one time of

Dth, to constitute Customer's
(quantity)
Contract Storage Quantity;

- withdraw up to a Maximum Daily Withdrawal Quantity (MDWQ) of
_____ Dth/d, plus applicable fuel, of stored gas as requested by Customer and deliver it, less applicable fuel, to Customer or for Customer's account;

- withdraw LNG and deliver it at the Company's truck loading facilities on any day, pursuant to Section 19.2 of the GT&C.

ARTICLE II
TERM OF AGREEMENT

2.1 This agreement shall become effective as of _____, shall continue in effect for a term of _____ years ("Primary Term") and shall remain in force from year-to-year thereafter unless terminated by either party pursuant to Section 12 of the General Terms and Conditions.

ARTICLE III
RATE SCHEDULE AND ADJUSTMENTS

3.1 Customer shall pay for all services rendered hereunder and for the availability of such service under the Company's Rate Schedule FST-LG, as filed with the Federal Energy Regulatory Commission, and as the same may be hereafter revised or changed. The rate to be charged Customer for storage hereunder shall not be more than the maximum rate under Rate Schedule FST-LG, nor less than the minimum rate under Rate Schedule FST-LG.

3.2 Customer agrees that the Company shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to the Company's Rate Schedule FST-LG, (b) the Company's Rate Schedule FST-LG, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions

applicable to Rate Schedule FST-LG. the Company agrees that Customer may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of the Company's existing FERC Gas Tariff as may be found necessary to assure that the provisions in (a), (b), or (c) above are just and reasonable.

ARTICLE IV
ADDRESSES

Except as herein otherwise provided, or as provided in the General Terms and Conditions of the Company's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered, certified, or first class mail to the post office address of the parties hereto, as the case may be, as follows:

(a) the Company: National Grid LNG, L.P.
40 Sylvan Road Waltham, MA 02451Attn: _____

(b) Customer: _____
_____

or such other address as either party shall designate by formal
written notice.

ARTICLE V
RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of the Company's applicable rate schedules and of the Company's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.

ARTICLE VI
INTERPRETATION

The interpretation and performance of this Agreement shall be in accordance with the laws of the state of Rhode Island, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VII
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede (as of the date of commencement of service hereunder) the following agreements between parties hereto for the storage of natural gas by the Company for Customer:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

National Grid LNG, L.P.

By:_____

Title: _____

(CUSTOMER)

By:_____

Title: _____

FORM OF SERVICE AGREEMENT (Applicable to Service Under Rate Schedule IST-LG)

This Agreement, is made and entered into this ____ day of _____, ____, by and between National Grid LNG, L.P., a Delaware limited partnership (hereinafter referred to as "the Company") and _____, a _____ _____(hereinafter referred to as "Customer" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I
QUANTITY OF LNG TO BE STORED

Subject to the terms, conditions and limitations hereof and of the Company's Rate Schedule IST-LG, the Company agrees to:

- receive for Customer's account and inject into its storage facility liquefied natural gas ("LNG") in liquid form;

- store such LNG up to a total quantity at any one time of _____Dth, to constitute Customer's (quantity) Contract Storage Quantity;

- withdraw up to a Maximum Daily Withdrawal Quantity (MDWQ) of _____ Dth/d, plus applicable fuel, of stored gas as requested by Customer and deliver it, less applicable fuel, to Customer or for Customer's account;

- withdraw LNG and deliver it at the Company's truck loading facilities on any day, pursuant to Section 19.2 of the GT&C.

ARTICLE II
TERM OF AGREEMENT

2.1 This Agreement shall become effective as of _____, shall continue in effect for a term of _____ ("Primary Term") and shall remain in force from month-to-month thereafter unless terminated by either party pursuant to Section 12 of the General Terms and Conditions.

ARTICLE III
RATE SCHEDULE AND ADJUSTMENTS

3.1 Customer shall pay for all services rendered hereunder and for the availability of such service under the Company's Rate Schedule IST-LG, as filed with the Federal Energy Regulatory Commission, and as the same may be hereafter revised or changed. The rate to be charged Customer for storage hereunder shall not be more than the maximum rate under Rate Schedule IST-LG, nor less than the minimum rate under Rate Schedule IST-LG.

3.2 Customer agrees that the Company shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to the Company's Rate Schedule IST-LG, (b) the Company's Rate Schedule IST-LG, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions applicable to Rate Schedule IST-LG. the Company agrees that Customer may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of the Company's existing FERC Gas Tariff as may be found necessary to assure that the provisions in (a), (b), or (c) above are just and reasonable.

ARTICLE IV
ADDRESSES

Except as herein otherwise provided, or as provided in the General Terms and Conditions of the Company's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered, certified, or first class mail to the post office address of the parties hereto, as the case may be, as follows:

(a) the Company: National Grid LNG, L.P.
40 Sylvan RoadWaltham, MA 02451
Attn: _____

(b) Customer: _____
_____

or such other address as either party shall designate by formal written notice.

ARTICLE V
RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of the Company's applicable rate schedules and of the Company's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.

ARTICLE VI
INTERPRETATION

The interpretation and performance of this agreement shall be in accordance with the laws of the state of Rhode Island, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VII
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede (as of the date of commencement of service hereunder) the following agreements between parties hereto for the storage of natural gas by the Company for Customer:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

National Grid LNG, L.P.

By:_____

Title: _____

(CUSTOMER)

By:_____

Title: _____

FORM OF SERVICE AGREEMENT FOR CAPACITY RELEASE UMBRELLA AGREEMENT UNDER RATE SCHEDULE FST-LG

This Umbrella Service Agreement, made and entered into this _____ day of _____, by and between _____ (herein called "Replacement Customer"), and National Grid LNG, L.P., a Delaware limited partnership (herein called "the Company").

WHEREAS,

NOW, THEREFORE, for and in consideration of the mutual covenants and promises herein contained, the Replacement Customer and the Company hereby agree as follows:

ARTICLE I

SCOPE OF AGREEMENT

Subject to the terms, conditions and limitations hereof, so long as the financial evaluation and credit appraisal requirements are met in order for Replacement Customer to be on the Company's Approved Bidder list for capacity releases and execute this Umbrella Service Agreement pursuant to Section 14 of the Company's General Terms and Conditions, and this Umbrella Service Agreement is effective, Replacement Customer may bid from time to time on releases of capacity to be acquired under Rate Schedule FST-LG pursuant to the procedures set forth in Section 14 of the Company's General Terms and Conditions. If at any time a bid submitted by Replacement Customer is accepted by the Company with respect to a given capacity release, the Company will promptly send to Replacement Customer an Addendum to this Umbrella Service Agreement, in the format attached hereto. An Addendum shall be deemed to be an executed service agreement under Rate Schedule FST-LG, subject to the terms and conditions of the rate schedule, the form of service agreement applicable to the rate schedule, and the General Terms and Conditions of the Company's tariff. The parties agree that each Addendum is an integral part of this Umbrella Service Agreement as if executed by the parties hereto and fully copied and set forth herein at length and is binding on the parties hereto.

Subject to the terms, conditions and limitations hereof and of the Company's Rate Schedule FST-LG, and the form of service agreement applicable thereto, the Company agrees to provide the applicable released service for Replacement Customer under Rate Schedule FST-LG, provided that the Replacement Customer qualified under the financial evaluation and credit appraisal requirements set forth in Section 3 of the Company's General Terms and Conditions at the time it submitted the bid the Company accepted with respect to such release.

Replacement Customer hereby agrees to advise the Company of any material change in the information previously provided by the Replacement Customer to the Company pursuant to Section 3 of the Company's General Terms and Conditions.

ARTICLE II

TERM OF AGREEMENT

The term of this Agreement shall commence on _____ and shall continue in force and effect until _____ and _____ to _____ thereafter unless this Umbrella Service Agreement is terminated as hereinafter provided. If the Company determines at any time that Replacement Customer fails to meet the financial standards or credit criteria of Section 3 of the General Terms and Conditions, the Company may terminate this Agreement prospectively, without affecting Addenda previously executed but subject to the terms and conditions of the Company's tariff.

ARTICLE III

RATE SCHEDULE

This Umbrella Service Agreement does not have separate terms and conditions for particular services, but only provides a means for a Replacement Customer to utilize service subject to the provisions of the service agreement under Rate Schedule FST-LG and the terms and conditions for Rate Schedule FST-LG, in the form attached hereto and fully incorporated herein as a part of this Umbrella Service Agreement.

Replacement Customer agrees that the Company shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to this Umbrella Service Agreement (b) the terms and conditions of this Umbrella Service Agreement, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions, Rate Schedule applicable to this Umbrella Service Agreement, or Form of Service Agreement applicable to this Umbrella Service Agreement. The Company agrees that the Replacement Customer may protest or contest the aforementioned filings, and the Replacement Customer does not waive any rights it may have with respect to such filings.

ARTICLE IV

ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of the Company's FERC Gas Tariff, any notice, request, demand, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered, certified, or first class mail to the post office address of the parties hereto, as the case may be, as follows:

(a) the Company: National Grid LNG, L.P.
40 Sylvan RoadWaltham, MA 02451
Attn: _____

(b) Replacement Customer:

or such other address as either party shall designate by formal written notice.

ARTICLE V

INTERPRETATION

The interpretation and performance of this Umbrella Service Agreement shall be in accordance with the laws of _____, without recourse to the law governing conflict of laws.

This Umbrella Service Agreement and the obligations of the parties are subject to all present and future valid laws with respect to the subject matter, either State or Federal, and to all valid present and future orders, rules, and regulations of duly constituted authorities having jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this Umbrella Service Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

National Grid LNG, L.P.

By: _____

Title: _____

[CUSTOMER]

By: _____

Title: _____

Deal No.: _____
Addendum Contract No.: _____
Capacity Release Rate Schedule: _____

Releasing Customer: _____
Releasing Customer's Contract No.: _____

Begin Date of Release: _____
End Date of Release: _____

Contract Storage Quantity _____ Dth

Is this capacity subject to right of recall? Yes ___ No ___

Recall Comments

Is this a permanent release? Yes_____ No_____

Other Comments:

Rates: Check all that apply:

Is this release as a percent of Maximum Rate? Yes___ No___
Volumetric _____
Reservation Charge _____

This addendum, entered into pursuant to the Company's capacity release program and to the executed Capacity Release Umbrella Agreement between the Company and the Replacement Customer, is heretofore made a part of and subject to the aforementioned Capacity Release Umbrella Agreement.

INDEX OF CUSTOMERS

Service Agreement Dates

Rate Contract Storage
Names of Customers Schedule Quantity (Dth) Effective End of Term

Boston Gas Company d/b/a National Grid (formerly Boston Gas Co.) - FST-LG 1,159,664 10-Nov-99 31-Oct-09

Consolidated Edison Co. of NY, Inc FST-LG 500,000 10-Nov-99 31-Oct-09

The Narragansett Electric Company d/b/a National Grid (formerly Providence Gas Co.) - FST-LG 600,000 10-Nov-99 01-May-09