

FORM OF SERVICE AGREEMENT  
APPLICABLE TO FIRM TRANSPORTATION SERVICE  
OFFERED BY CAMERON INTERSTATE PIPELINE LLC  
UNDER RATE SCHEDULE FT

SERVICE AGREEMENT

This Service Agreement (this "Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, and will become effective on the "Commencement Date" as defined in the "Precedent Agreement for Firm Natural Gas Transportation Service" entered into as of \_\_\_\_\_, 2005("Effective Date"), by and between Cameron Interstate Pipeline LLC, a limited liability company located at 488 8<sup>th</sup> Avenue, San Diego, CA 92101 (herein called "Pipeline") and \_\_\_\_\_, a \_\_\_\_\_ [type of entity]\_\_\_\_\_ located at \_\_\_\_\_[address]\_\_\_\_\_ (herein called "Shipper"). Pipeline and Shipper shall be referred to individually as a "Party", and collectively as the "Parties".

W I T N E S S E T H:

WHEREAS, Pipeline is an interstate pipeline providing service pursuant to its Tariff filed with the Federal Energy Regulatory Commission ("FERC").

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the Parties do covenant and agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1.1 Subject to the terms, conditions and limitations hereof, of Pipeline's Rate Schedule FT, and of the General Terms and Conditions ("GT&Cs") of Pipeline's Tariff, including without limitation any provisions on the interpretation of Service Agreements, transportation service hereunder will be firm and Pipeline agrees to deliver for Shipper's account quantities of gas up to the following total quantities:

Maximum Daily Transportation Quantity ("MDTQ"): \_\_\_\_\_ Dth; provided, that Pipeline's ability to receive and deliver the entire MDTQ for Shipper's account is subject to Shipper's gas having a minimum heat content of at least 1040 Dth per standard cubic foot, which is the minimum heat content assumed by Pipeline in the design of its facilities. To the extent that any of Shipper's gas has a heat content of less than that amount, the MDTQ may, to the extent operationally necessary, be reduced accordingly.

1.2 Pipeline will receive for Shipper's account for transportation hereunder daily quantities of gas up to Shipper's MDTQ, plus quantities equal to the Fuel Retainage

Percentage, at Receipt Points as specified in the attached Exhibit A hereto. Pipeline will transport and deliver for Shipper's account such daily quantities tendered up to such Shipper's MDTQ, but not the Fuel Retainage Percentage quantities, to the Delivery Points as specified in the attached Exhibit B hereto. Exhibits A and B are hereby incorporated as part of this Agreement for all intents and purposes.

- 1.3 On any given Gas Day, Pipeline shall not be obligated to, but may at its sole discretion, receive at Receipt Points quantities of gas in excess of the Maximum Daily Receipt Quantity ("MDRQ"), plus the Fuel Retainage Percentage quantities, or be obligated to receive in the aggregate at all Receipt Points on any Gas Day a quantity of gas in excess of the applicable MDTQ, plus the Fuel Retainage Percentage quantities. On any given Gas Day, Pipeline shall not be obligated to, but may at its sole discretion, deliver at any Delivery Point quantities of gas in excess of the Maximum Daily Delivery Quantity ("MDDQ"), or be obligated to deliver in the aggregate at all Delivery Points on any Gas Day quantities of gas in excess of the applicable MDTQ.
- 1.4 Shipper shall reimburse Pipeline a transaction-specific rate comprised of any filing fees incurred by Pipeline specific to Shipper in seeking governmental authorizations for the initiation of any new service or extension of service under this Agreement or under the Pipeline's Rate Schedule FT. Shipper shall reimburse Pipeline for such fees within ten (10) days of receipt of notice from Pipeline that such fees are due and payable.

## ARTICLE II TERM OF AGREEMENT

- 2.1 This Agreement shall become effective as of the Effective Date and shall continue in effect for a term of \_\_\_ months after service commences ("Primary Term") and shall remain in force from year to year thereafter unless terminated by either Party by written notice (at least 12 months for long term Agreements; mutually agreeable notice for short term Agreements) prior to the end of the Primary Term or any successive term thereafter. Extension and termination of this Agreement shall be governed by the applicable provisions in GT&Cs Sections 8.2, 8.4 and 8.20 (or any successor provisions).

[If the Primary Term is equal to or greater than 20 years, Shipper may elect, in lieu of the foregoing paragraph, to the following provision relating to the term of the Agreement (and such provision shall replace in its entirety the following paragraph).]

This Agreement shall become effective as of the Effective Date and shall continue in effect for a term of \_\_\_ months thereafter ("Primary Term"); provided, that Shipper may upon written notice delivered to Pipeline no later than six calendar months after the Effective Date elect to extend the Primary Term by up to six

calendar months. At the expiration of the Primary Term (as it may be extended pursuant to the preceding sentence), Shipper shall have the right, but not the obligation:

- (a) to extend the term of this Agreement for a period of five years beyond the Primary Term, subject to an election one year in advance of the end of the Primary Term;
- (b) if Shipper exercises its right to extend this Agreement pursuant to subparagraph (a) of this Section 2.1, to extend the term of this Agreement for an additional period of five years, subject to an election one year in advance of the end of the first five year extension period; and
- (c) to extend the term of this Agreement as reasonably requested past any extension under subparagraphs (a) and (b) above to allow for delivery of make-up cargoes of liquefied natural gas, subject to an election one year in advance of the then-existing term. If Shipper exercises each of the extension options set forth above in subparagraphs (a) and (b), Shipper shall have the right exercisable no later than one year in advance of the end of the then-existing term to elect to pay, in lieu of the rate payable by Shipper during the Primary Term, the maximum applicable recourse rate for firm service. If Shipper makes such an election, Shipper shall have the same rights as other recourse rate shippers under the General Terms and Conditions then in effect.

Following the last extension requested by Shipper, as provided above, the service hereunder shall continue on a year-to-year basis unless terminated by either Party by written notice at least 12 months prior to the end of any successive one year extension. In the event Pipeline provides such 12 month notice of termination, Shipper shall have a contractual right of first refusal (ROFR) to be exercised in accordance with the procedures established by Section 8.4 of the General Terms and Conditions; provided, that notwithstanding the provisions hereof, Shippers period for notifying Pipeline of Shippers desire to exercise its ROFR shall be 11 months.

- 2.2 Any portions of this Agreement necessary to correct or cash-out imbalances or to make payment under this Agreement as required by the GT&Cs, or to make payment of refunds as required by FERC, will survive the other parts of this Agreement until such time as such balancing or payment has been completed.

### ARTICLE III RATE SCHEDULE AND GENERAL TERMS AND CONDITIONS

- 3.1 For the entire period when this Agreement is in effect, this Agreement will be subject to all provisions of Rate Schedule FT and the GT&Cs of Pipeline's Tariff on file with FERC, as such may be revised or superseded from time to time, all of

which are by this reference made a part of this Agreement. All of the terms defined in Pipeline's Tariff shall have the same meaning in this Agreement.

- 3.2 Shipper agrees to and will pay Pipeline all Reservation, Usage and other charges and fees provided for in Rate Schedule FT, as effective from time to time, for service under this Agreement unless otherwise agreed to by the Parties in a negotiated arrangement set forth in Exhibit C hereto which shall be incorporated as part of this Agreement for all intents and purposes.
- 3.3 If applicable, Pipeline warrants that the transportation service hereunder meets the requirements set out in Subpart B of Part 284 of FERC's Regulations and qualifies for service under Rate Schedule FT, as applicable; provided, however, that this warranty does not extend to actions taken that are not within the control of Pipeline. A certification from the Shipper on whose behalf Pipeline will render the transportation services hereunder is set forth in Exhibit D hereto. Exhibit D is hereby incorporated as part of this Agreement for all intents and purposes. Shipper further agrees to abide by the terms of Rate Schedule FT, as applicable. Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the Effective Date, and that it has or will advise the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity or pressure limitations for each point as specified on Exhibit A attached hereto.
- 3.4 Shipper agrees that Pipeline shall have the unilateral right to file with FERC to propose changes to the provisions in its GT&Cs or Rate Schedules, except that Pipeline shall not file with FERC to limit its responsibility to decrease Reservation charges, as provided in GT&C Section 8.10.9, and shall not file with FERC to limit Shipper's ability to terminate this agreement under the conditions specified in GT&C Section 8.10.9. Shipper retains its rights under Section 5 of the NGA.

#### ARTICLE IV QUALITY

- 4.1 All natural gas tendered to Pipeline for Shipper's account shall conform to the quality specifications set forth in GT&Cs Section 8.14 (or any successor thereto). In the event that Shipper is unable to meet such gas quality requirements, Pipeline and Shipper shall promptly meet to discuss possible solutions to allow Pipeline's receipt and delivery of Shipper's gas and shall use commercially reasonable efforts to implement any agreed solution or remedy, whether upstream or downstream of Shipper's applicable receipt point. Nothing in this Article IV shall in and of itself be construed as negating or modifying in any way Shipper's obligations to meet the gas quality requirements set forth in Pipeline's tariff.

#### ARTICLE V NOTICES

- 5.1 Except as provided in this Section 8.5.1, notices hereunder shall be given pursuant to the provisions of GT&Cs Sections 8.29 and 8.36 (or any successor thereto) on Pipeline's Internet Web Site; provided however, that in the event the Pipeline's Internet Web Site is not operational, notice in the form herein described shall be given to a party via facsimile or electronic mail.

PIPELINE

Notices and General Correspondence

Cameron Interstate Pipeline LLC  
488 8<sup>th</sup> Avenue  
San Diego, California 92101  
Email: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Facsimile Machine No.: \_\_\_\_\_

Dispatching Notices-Nominations/Confirmations

Name/Dept: \_\_\_\_\_  
Email: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Facsimile Machine No.: \_\_\_\_\_

Emergencies and 24-Hour Dispatching Contact

Name/Dept: \_\_\_\_\_  
Email: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Facsimile Machine No.: \_\_\_\_\_

Alternative Contact: \_\_\_\_\_

Alternative Contact: \_\_\_\_\_

Payments

Cameron Interstate Pipeline LLC  
488 8<sup>th</sup> Avenue  
San Diego, California 92101

SHIPPER:

Notices and Request

Email: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Facsimile Machine No.: \_\_\_\_\_

Dispatching Notices-Nominations/Confirmations

Name/Dept: \_\_\_\_\_  
Email: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Facsimile Machine No.: \_\_\_\_\_

Emergencies and 24-Hour Dispatching Contact

Name/Dept: \_\_\_\_\_  
Email: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Facsimile Machine No.: \_\_\_\_\_

ARTICLE VI  
ASSIGNMENTS

- 6.1 Either Shipper or Pipeline may assign or pledge this Agreement under the provisions of any mortgage, deed of trust, indenture, bank credit agreement, receivable sale, or similar instrument, which it has executed or may execute hereafter, without relieving itself of its obligations under this Agreement. Furthermore, each of Shipper and Pipeline hereby agree to timely execute and deliver such consents to assignment and certificates as are reasonably requested by the assigning Party or its lenders in connection with any such assignment, in each case on terms and conditions reasonably satisfactory to such Party. In addition, Shipper may release its rights to capacity pursuant to GT&Cs Section 8.11 (or any successor provisions).

ARTICLE VII  
NONRECOURSE OBLIGATION  
OF PIPELINE'S PARENTS AND OTHER AFFILIATES

- 7.1 The Parties agree that notwithstanding any other provision hereof neither Party shall be liable to the other Party for any special, indirect, punitive, or consequential damages (including, without limitation, loss of profits or business interruptions), whether in contract or in tort, arising out of or in any manner related to this Agreement, even if a Party has been advised of the possibility of such damages.

ARTICLE VIII  
LAW OF CONTRACT

- 8.1 The Parties agree that the interpretation and performance of this Agreement must be in accordance with the laws of the State of \_\_\_\_\_ without recourse to any law or principle governing conflict of laws.
- 8.2 This Agreement and the obligations of the Parties are subject to all present and future valid laws with respect to the subject matter, State and Federal, and to all valid present and future orders, rules, decisions and regulations of duly constituted authorities having jurisdiction.

ARTICLE IX  
CANCELLATION OF PRIOR CONTRACT(S)

- 9.1 This Agreement supersedes and cancels, as of the Effective Date of this Agreement, the following prior contract(s) between the Parties regarding firm transportation service\_\_\_\_\_.

ARTICLE X  
MISCELLANEOUS

- 10.1 No waiver by Pipeline or Shipper of any default of either Party under this Agreement shall operate as a waiver of any subsequent default whether of a like or different character. To be effective, any waiver shall be in writing and signed by the Party against whom it is to be enforced.
- 10.2 No modification of or supplement to the terms and provisions of this Agreement shall become effective except by execution of a separate written agreement between the Parties, and in no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

(Signatures appear on the following page)

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized officers and attested by their respective Secretaries or Assistant Secretaries on the Effective Date.

Cameron Interstate Pipeline LLC

By \_\_\_\_\_

WITNESS: \_\_\_\_\_

WITNESS: \_\_\_\_\_

[SHIPPER]

By \_\_\_\_\_

WITNESS: \_\_\_\_\_

WITNESS: \_\_\_\_\_

EXHIBIT A

TO SERVICE AGREEMENT UNDER RATE SCHEDULE FT  
BETWEEN CAMERON INTERSTATE PIPELINE LLC  
AND \_\_\_\_\_ ("Shipper")

DATED \_\_\_\_\_

FIRM RECEIPT POINTS:

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RECEIPT POINT

MDRQ (Dth) (plus  
applicable fuel retainage  
quantities)

RECEIPT PRESSURE  
LIMITATIONS

Signed for Identification

Pipeline: \_\_\_\_\_

Shipper: \_\_\_\_\_

Supersedes Exhibit A Dated \_\_\_\_\_

EXHIBIT B

TO SERVICE AGREEMENT UNDER RATE SCHEDULE FT  
BETWEEN CAMERON INTERSTATE PIPELINE LLC  
AND \_\_\_\_\_ ("Shipper")

DATED \_\_\_\_\_

FIRM DELIVERY POINTS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DELIVERY  
PRESSURE  
POINTMDRQ  
(Dth)DELIVERY  
LIMITATIONS

Signed for Identification

Pipeline: \_\_\_\_\_

Shipper: \_\_\_\_\_

Supersedes Exhibit B Dated \_\_\_\_\_

EXHIBIT C

TO SERVICE AGREEMENT UNDER RATE SCHEDULE FT  
BETWEEN CAMERON INTERSTATE PIPELINE LLC  
AND \_\_\_\_\_ ("Shipper")

DATED \_\_\_\_\_

RATE:

NEGOTIATED RATE:

Rate: Subject to the provisions hereof, the transportation rate for Shipper for [\_\_\_\_] Dth of Shipper's capacity shall be fixed for the full term of the FTSA based on the following negotiated formula. As a fixed rate, Pipeline and Shipper waive any rights to seek either an increase, a decrease, or any other adjustment to the negotiated rates specified herein during the primary term of the FTSA, unless mutually agreed otherwise.

The charges shall consist of a monthly reservation fee of \$[\_\_\_\_] per Dth, times 30.42 days/ month times the MDTQ specified in Exhibit B, plus a volumetric rate of \$[\_\_\_\_] per Dth shipped, plus fuel and any applicable surcharges.

Pipeline and Shipper waive any rights to seek either an increase, a decrease, or any other adjustment to the negotiated rate specified herein, unless mutually agreed otherwise.

CREDIT REQUIREMENTS

Shipper shall be deemed creditworthy if Shipper's long term unsecured debt is a rating of at least "BBB-" by Standard & Poor's Ratings Service ("S&P") or at least "Baa3" by Moody's Investors Service, Inc. ("Moody's"). If Shipper is not rated, Shipper may at its own expense obtain a private rating from S&P, Moody's, or a mutually acceptable independent party.

Signed for Identification

Pipeline: \_\_\_\_\_

Shipper: \_\_\_\_\_

Supersedes Exhibit C Dated \_\_\_\_\_

EXHIBIT D

TO

TO SERVICE AGREEMENT UNDER RATE SCHEDULE FT  
BETWEEN CAMERON INTERSTATE PIPELINE LLC  
AND \_\_\_\_\_ ("Shipper")

DATED \_\_\_\_\_

Shipper Certification:

Shipper Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_