

RATE SCHEDULES

INDEX

Section Description and Title

- | | | |
|-----|--------|--|
| 1. | AFT-1 | Firm Transportation Service |
| 2. | AFT-E | No-Notice Firm Transportation Service |
| 3. | AFT-1S | Small Customer Firm Transportation Service |
| 4. | AFT-ES | Small Customer No-Notice Firm Transportation Service |
| 5. | T-1 | Transportation Service (New York and New Jersey) |
| 6. | AFT-4 | Firm Transportation Service |
| 7. | AFT-CL | Firm Transportation Service |
| 8. | AIT-1 | Interruptible Transportation Service |
| 9. | AIT-2 | Interruptible Transportation Service |
| 10. | PAL | Park and Loan Service |
| 11. | TTT | Title Transfer Tracking Service |

RATE SCHEDULE AFT-1
FIRM TRANSPORTATION SERVICE

1. **AVAILABILITY**

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

- a. Customer has made a valid request for firm transportation 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 transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;
- c. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence; and
- d. Customer has executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.
- e. Transportation service effectuated through capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Brayton Point Lateral and Algonquin's mainline (M&R No. 80035), the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 8004), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R 80095), and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available under this Rate Schedule AFT-1.

2. **APPLICABILITY AND CHARACTER OF SERVICE**

- 2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-1 Service

Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement, except as provided in Section 2.6 herein below, plus amounts reflecting the Fuel Reimbursement Quantity; provided, however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

- 2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.
- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.
- 2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin

may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42.

- 2.5 Unless otherwise specified in the applicable service agreement, services hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.
- 2.6 With respect to existing service agreements resulting from the conversion pursuant to Order No. 636 of sales and storage service under former Rate Schedules F-1, WS-1, STB and SS-3, subject to Algonquin's firm service obligations from primary points of receipt to primary points of delivery Algonquin shall provide service above Customer's MATQ up to but not in excess of the highest MDTQ specified in the executed service agreement multiplied by 365 (366 for a leap year) and, on any Day, Algonquin shall provide service above Customer's MDTQ up to but not in excess of the highest MDTQ specified in the executed service agreement; provided, however, that such additional quantities shall be provided with the same priority for purposes of Scheduling and Curtailment accorded to service from Secondary Points of Receipt and Secondary Points of Delivery, and provided further, that for purposes of Curtailment Customer's maximum daily entitlement shall be the highest MDTQ specified in Customer's executed service agreement during the period of Curtailment. Such additional quantities shall be subject to fuel, the applicable commodity rate and any applicable commodity surcharges.

3. RATE

- 3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-1 of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate.
- 3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AFT-1 Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-1 Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable service agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:
 - (a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-1 Service Agreement; plus

- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

3.3 Monthly Bill for Backhaul Rates. For Customers executing an AFT-1 Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-1 Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-1 Service Agreement; plus
- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

- 4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.
- 4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.
- 4.3 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.
- 5.2 Algonquin shall schedule receipts at a Secondary Point of Receipt or deliveries at a Secondary Point of Delivery pursuant to the provisions of Sections 48.2 and 48.3 of the General Terms and Conditions.
- 5.3 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. Prior to any reduction or interruption in service due to the failure of the upstream entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.
- 5.4 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt at an hourly rate of 1/24th of the scheduled daily quantity. The daily quantities of natural gas transported shall be accepted at the Point(s) of Delivery at a substantially constant hourly rate or, in the case of service agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, at a rate no greater than .06 multiplied by the scheduled daily quantity.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 (A) Primary Points of Receipt: The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Receipt the MDRO and receipt pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary

Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.

- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Secondary Points of Receipt under this Rate

Schedule AFT-1. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

- 6.3 (A) Primary Points of Delivery: The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDDO and delivery pressure obligations. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Primary Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ except to the extent Customer's MDDOs reflect the conversion of pre-existing entitlements under firm sales agreements.
- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.
- 6.4 Secondary Points of Delivery: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral,

the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Secondary Points of Delivery under this Rate Schedule AFT-1. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.

RATE SCHEDULE AFT-E
FIRM TRANSPORTATION SERVICE

1. **AVAILABILITY**

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

- a. Customer has made a valid request for firm transportation 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 transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;
- c. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence;
- d. Customer has contracted with one or more operators of upstream facilities that interconnect with the Algonquin system (the "Upstream Entity(ies)"), for a sufficient quantity of no-notice transportation services that encompass the right on the part of Customer to increase or decrease its receipts from the Upstream Entity(ies) into designated Points of Receipt on Algonquin's system with no advance notice, up to Customer's MDTQ under this Rate Schedule AFT-E plus fuel as provided for in Section 32 of the General Terms and Conditions of this tariff in the case of increases in receipts, or down to zero in the case of decreases in receipts, without regard to any quantities that Customer previously scheduled on the Upstream Entities, and with no requirement that Customer adhere to a constant rate of flow on the Upstream Entities (the "Upstream Arrangements").
- e. Customer has named a contact party (the "Notice Agent") for the receipt of orders issued in accordance with Section 5 ("Section 5 Orders") of this rate schedule;
- f. Customer has authorized Algonquin to exercise Customer's nomination and scheduling rights under the Upstream Arrangements, if necessary by executing agency instruments satisfactory to the Upstream Entity, to the extent required to permit service under this rate schedule; and
- g. Customer has executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.

- h. Transportation service effectuated through capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Brayton Point Lateral and Algonquin's mainline (M&R No. 80035), the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 8004), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R No. 80095), and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available under this Rate Schedule AFT-E.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-E Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement, except as provided in Section 2.7 herein below, plus amounts reflecting the Fuel Reimbursement Quantity; provided however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.
- 2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-E Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s)

of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.

- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.
- 2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42.
- 2.5 Subject to the conditions specified in Section 5 of this Rate Schedule, service hereunder shall encompass the right on the part of Customer to increase deliveries at the Point(s) of Delivery up to the MDTQ and to decrease deliveries at the Point(s) of Delivery without advance notice to Algonquin and without Customer's previously having provided for a concurrent increase or decrease in receipts at the Point(s) of Receipt.
- 2.6 Unless otherwise specified in the applicable service agreement, service hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.
- 2.7 With respect to existing service agreements resulting from the conversion pursuant to Order No. 636 of sales and storage service under former Rate Schedules F-1, WS-1, STB and SS-3, subject to Algonquin's firm service obligations from primary points of receipt to primary points of delivery Algonquin shall provide service above Customer's MATQ up to but not in excess of the highest MDTQ specified in the executed service agreement multiplied by 365 (366 for a leap year) and, on any Day, Algonquin shall provide service above Customer's MDTQ up to but not in excess of the highest MDTQ specified in the executed service agreement; provided, however, that such additional quantities shall be provided with the same priority for purposes of Scheduling and Curtailment accorded to service from Secondary Points of Receipt and Secondary Points of Delivery, and provided further, that for purposes of Curtailment

Customer's maximum daily entitlement shall be the highest MDTQ specified in Customer's executed service agreement during the period of Curtailment. Such additional quantities shall be subject to fuel, the applicable commodity rate and any applicable commodity surcharges.

3. RATE

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-E of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate.

3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AFT-E Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-E Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable service agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-E Service Agreement; plus
- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

3.3 Monthly Bill for Backhaul Rates. For Customers executing an AFT-E Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-E Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-E Service Agreement; plus
- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and

Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

- 4.2 Delivery of Gas. Based upon the daily quantity scheduled and in accordance with Section 5 herein, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.
- 4.3 No-Notice Service. Notwithstanding the quantities nominated by Customer and scheduled by Algonquin hereunder, Customer shall be entitled to increase its deliveries up to the MDDO at any point, up to the MHTQ during any Hour, and up to the MDTQ, or to decrease its deliveries. Provided that all of the operational conditions specified in Section 5 of this rate schedule (the "Section 5 Conditions") are met, Algonquin shall consent to such increase or decrease in deliveries, thereby nullifying any daily scheduling or hourly scheduling penalty that would otherwise be applicable pursuant to Section 23 of the General Terms and Conditions. Furthermore, if the Section 5 Conditions are met, Algonquin will forbear from taking action pursuant to Section 26 of the General Terms and Conditions to reduce deliveries to Customer. If any of the Section 5 Conditions are not met, Algonquin shall not be required to receive or deliver gas in amounts other than the transportation quantities scheduled by Customer, and variations between scheduled quantities and actual deliveries to Customer's meter shall be subject to the assessment of penalties pursuant to Section 23 of the General Terms and Conditions.
- 4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements, including the Upstream Arrangements, with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of

the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.

- 5.2 Algonquin shall schedule receipts at a Secondary Point of Receipt or deliveries at a Secondary Point of Delivery pursuant to the provisions of Sections 48.2 and 48.3 of the General Terms and Conditions.
- 5.3 To the extent that any Upstream Entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. Prior to any reduction or interruption in service due to the failure of the Upstream Entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.
- 5.4 The Upstream Arrangements must be in full force and effect; Customer shall not be in default of the Upstream Arrangements; and Customer's rights under the Upstream Arrangements shall be enforceable by Customer or its agents without impairment due to curtailment, force majeure or other reasons.
- 5.5 The Upstream Entity(ies) shall recognize Algonquin's rights as Customer's agent to issue orders ("Section 5 Orders") on Customer's behalf nominating or directing for Customer's account no-notice service as encompassed within the Upstream Arrangements at such levels and at such times as Algonquin determines in its reasonable discretion is required by the Algonquin system to meet the needs of Customer under this rate schedule.
- 5.6 All Upstream Entities involved in all Upstream Arrangements with Customer served under this rate schedule shall deliver to the various points of interconnection between Algonquin's facilities and the facilities of the various Upstream Entities such quantities of gas at such times as Algonquin determines in its reasonable discretion are required by the Algonquin system to meet the needs of Customer under this rate schedule.
- 5.7 Customer's Notice Agent must have complete authority to call upon supplies for Customer's account at such times, in such quantities, and at such locations as Algonquin deems necessary, in its reasonable discretion, to enable Algonquin to provide service as contemplated for Customer under this rate schedule.
- 5.8 All Notice Agents named by Customer under this rate schedule shall execute Section 5 Orders at such locations and at such times as Algonquin determines in its reasonable discretion are necessary to enable Algonquin to provide service as contemplated under Rate Schedules AFT-E and AFT-ES.

- 5.9 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt at an hourly rate of 1/24th of the scheduled daily quantity. The daily quantities of natural gas transported shall be accepted at the Point(s) of Delivery at a substantially constant hourly rate or, in the case of service agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, at an hourly rate no greater than .06 multiplied by the scheduled daily quantity.
- 5.10 In the event Customer has multiple upstream no-notice services pursuant to more than one contract, from more than one pipeline, or under more than one rate schedule, Customer shall provide Algonquin a predetermined order of preference for these upstream services. Algonquin shall follow this order of preference in scheduling Customer's upstream no-notice service. Customer may, upon twenty-four hours' written notice to Algonquin, modify this specification of scheduling preferences.
- 5.11 In the event Algonquin issues a Section 5 Order on Customer's behalf, Algonquin shall provide notice as soon as possible to Customer and Customer's Notice Agent by telephone or facsimile and by posting on the Internet Web Site that the Section 5 Order has been issued.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 (A) Primary Points of Receipt: The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Receipt the MDRO and receipt pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.

- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral, are available as Secondary Points of Receipt under this Rate Schedule AFT-E. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

- 6.3 (A) Primary Points of Delivery: The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate

schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDDO and delivery pressure obligations. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Primary Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ except to the extent Customer's MDDOs reflect the conversion of pre-existing entitlements under firm sales agreements.

- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.4 Secondary Points of Delivery: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's

mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Secondary Points of Delivery under this Rate Schedule AFT-E. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. INDEMNIFICATION

- 7.1 Customer acknowledges that as a result of Section 5 Orders issued to Customer's Upstream Entity or Notice Agent hereunder, Customer may incur imbalances between receipts and deliveries that will be cashed out at Month's end pursuant to Section 25 of the General Terms and Conditions of this tariff. Algonquin shall provide Customer with notice of an imbalance in a timely manner. Customer shall hold Algonquin harmless and indemnify Algonquin against any claim by Customer or otherwise arising out of the incurrence of imbalances as a result of Algonquin's issuance of Section 5 Orders.
- 7.2 Customer acknowledges that the exercise by Algonquin of its agency authority with respect to the Upstream Arrangements may cause the Upstream Entity to assess imbalance cash-out charges and transportation usage, storage injection, storage withdrawal or other charges against Customer. Customer shall hold Algonquin harmless and indemnify Algonquin against any liability whatsoever from any party whatsoever as a result of Algonquin's exercise of its agency authority with respect to the Upstream Arrangements hereunder.
- 7.3 Customer acknowledges that Notice Agent's execution of Section 5 Orders may cause upstream transporters or suppliers to assess charges against Customer for gas costs, transportation services, storage services, imbalance cash out or otherwise. Customer shall hold Algonquin harmless and indemnify Algonquin against any liability whatsoever from any party whatsoever as a result of Algonquin's issuance of Section 5 Orders to the Notice Agent, and the Notice Agent's performance or non-performance of its duties.
- 7.4 Notwithstanding the other provisions of this Section 7, Algonquin is not absolved from liability arising as a result of negligence on the part of Algonquin.

8. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.

RATE SCHEDULE AFT-1S
FIRM TRANSPORTATION SERVICE

1. **AVAILABILITY**

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

- a. Customer's total MDTQ under all Algonquin firm rate schedules is 10,000 Dth or less per Day;
- b. Customer's sole source of transportation service deliveries is Algonquin;
- c. Customer has made a valid request for firm transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;
- d. Sufficient firm capacity is available to effectuate such transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;
- e. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence; and
- f. Customer has executed a Service Agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.
- g. Transportation service effectuated through capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Brayton Point Lateral and Algonquin's mainline (M&R No. 80035), the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 8004), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R No. 80095), and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available under this Rate Schedule AFT-1S.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-1S Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement, except as provided in Section 2.7 herein below, plus amounts reflecting the Fuel Reimbursement Quantity; provided however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.
- 2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-1S Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.
- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any

of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

- 2.4 A Customer executing a service agreement under this Rate Schedule AFT-1S has the right to make an election to convert its service in its entirety from firm transportation service under this rate schedule to firm transportation service under Rate Schedule AFT-1 by providing written notice of such election on or before June 1 of any year. As part of such conversion, such converting Customer has the right to reduce its MDTQ to be applicable under Rate Schedule AFT-1 upon such written notice of its election to convert. Such conversion and reduction shall be effective as of November 1 of that year.
- 2.5 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42.
- 2.6 Unless otherwise specified in the applicable service agreement, service hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.
- 2.7 With respect to existing service agreements resulting from the conversion pursuant to Order No. 636 of sales and storage service under former Rate Schedules F-1, WS-1, STB and SS-3, subject to Algonquin's firm service obligations from primary points of receipt to primary points of delivery Algonquin shall provide service above Customer's MATQ up to but not in excess of the highest MDTQ specified in the executed service agreement multiplied by 365 (366 for a leap year) and, on any Day, Algonquin shall provide service above Customer's MDTQ up to but not in excess of the highest MDTQ specified in the executed service agreement; provided, however, that such additional quantities shall be provided with the same priority for purposes of Scheduling and Curtailment accorded to service from Secondary Points of Receipt and Secondary Points of Delivery, and provided further, that for purposes of Curtailment Customer's maximum daily entitlement shall be the highest MDTQ specified in Customer's executed service agreement during the period of Curtailment. Such additional quantities shall be subject to fuel, the applicable commodity rate and any applicable commodity surcharges.

3. RATE

- 3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-1S of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff.

The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate.

3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AFT-1S Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-1S Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-1S Service Agreement; plus
- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

3.3 Monthly Bill for Backhaul Rates. For Customers executing an AFT-1S Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-1S Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service

Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-1S Service Agreement; plus
- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

- 4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.
- 4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any

excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

- 4.3 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.
- 5.2 Algonquin shall schedule receipts at a Secondary Point of Receipt or deliveries at a Secondary Point of Delivery pursuant to the provisions of Sections 48.2 and 48.3 of the General Terms and Conditions.
- 5.3 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. Prior to any reduction or interruption in service due to the failure of the upstream entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.
- 5.4 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt at an hourly rate of 1/24th of the scheduled daily quantity. The daily quantities of natural gas transported shall be accepted at the Point(s) of Delivery at a substantially constant hourly rate or, in the case of service agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, at a rate no greater than .06 multiplied by the scheduled daily quantity.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 (A) Primary Points of Receipt: The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Receipt the MDRO and receipt pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.
- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt

granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Secondary Points of Receipt under this Rate Schedule AFT-1S. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.
- 6.3 (A) Primary Points of Delivery: The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Delivery the MDDO and delivery pressure obligations. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Primary Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ except to the extent Customer's MDDOs reflect the conversion of pre-existing entitlements under firm sales agreements.
- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the

original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.4 Secondary Points of Delivery: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Secondary Points of Delivery under this Rate Schedule AFT-1S. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.

RATE SCHEDULE AFT-ES
FIRM TRANSPORTATION SERVICE

1. **AVAILABILITY**

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

- a. Customer's total MDTQ under all Algonquin firm rate schedules is 10,000 Dth or less per Day;
- b. Customer's sole source of transportation service deliveries is Algonquin;
- c. Customer has made a valid request for firm transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;
- d. Sufficient firm capacity is available to effectuate such transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;
- e. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence;
- f. Customer has contracted with one or more operators of upstream facilities that interconnect with the Algonquin system (the "Upstream Entity(ies)"), for a sufficient quantity of no-notice transportation services that encompass the right on the part of Customer to increase or decrease its receipts from the Upstream Entity(ies) into designated Points of Receipt on Algonquin's system with no advance notice, up to Customer's MDTQ under this Rate Schedule AFT-ES plus fuel as provided for in Section 32 of the General Terms and Conditions of this tariff in the case of increases in receipts, or down to zero in the case of decreases in receipts, without regard to any quantities that Customer previously scheduled on the Upstream Entity(ies), and with no requirement that Customer adhere to a constant rate of flow on the Upstream Entity(ies) (the "Upstream Arrangements");
- g. Customer has named a contact party (the "Notice Agent") for the receipt of orders issued in accordance with Section 5 ("Section 5 Orders") of this rate schedule;
- h. Customer has authorized Algonquin to exercise Customer's nomination and scheduling rights under the Upstream Arrangements, if necessary by executing

agency instruments satisfactory to the Upstream Entity, to the extent required to permit service under this rate schedule; and

- i. Customer has executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.
- j. Transportation service effectuated through capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Brayton Point Lateral and Algonquin's mainline (M&R No. 80035), the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 8004), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R No. 80095), and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available under this Rate Schedule AFT-ES.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-ES Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement, except as provided in Section 2.8 herein below, plus amounts reflecting the Fuel Reimbursement Quantity; provided however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

- 2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-ES Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.
- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.
- 2.4 A Customer executing a service agreement under this Rate Schedule AFT-ES has the right to make an election to convert its service in its entirety from firm transportation service under this rate schedule to firm transportation service under Rate Schedule AFT-E or Rate Schedule AFT-1 by providing written notice of such election on or before June 1 of any year. As part of such conversion, such converting Customer has the right to reduce its MDTQ to be applicable under Rate Schedule AFT-E or Rate Schedule AFT-1 upon such written notice of its election to convert. Such conversion and reduction shall be effective as of November 1 of that year.
- 2.5 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42.
- 2.6 Subject to the conditions specified in Section 5 of this Rate Schedule, service hereunder shall encompass the right on the part of Customer to increase deliveries at the Point(s) of Delivery up to the MDTQ and to decrease deliveries at the Point(s) of Delivery without advance notice to Algonquin and without Customer's previously having provided for a concurrent increase or decrease in receipts at the Point(s) of Receipt.

- 2.7 Unless otherwise specified in the applicable service agreement, service hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.
- 2.8 With respect to existing service agreements resulting from the conversion pursuant to Order No. 636 of sales and storage service under former Rate Schedules F-1, WS-1, STB and SS-3, subject to Algonquin's firm service obligations from primary points of receipt to primary points of delivery Algonquin shall provide service above Customer's MATQ up to but not in excess of the highest MDTQ specified in the executed service agreement multiplied by 365 (366 for a leap year) and, on any Day, Algonquin shall provide service above Customer's MDTQ up to but not in excess of the highest MDTQ specified in the executed service agreement; provided, however, that such additional quantities shall be provided with the same priority for purposes of Scheduling and Curtailment accorded to service from Secondary Points of Receipt and Secondary Points of Delivery, and provided further, that for purposes of Curtailment Customer's maximum daily entitlement shall be the highest MDTQ specified in Customer's executed service agreement during the period of Curtailment. Such additional quantities shall be subject to fuel, the applicable commodity rate and any applicable commodity surcharges.

3. RATE

- 3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-ES of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate.
- 3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AFT-ES Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-ES Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:
- (a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-ES Service Agreement; plus

- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

3.3 Monthly Bill for Backhaul Rates. For Customers executing an AFT-ES Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-ES Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in the applicable Service Agreement; plus
- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

- 4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.
- 4.2 Delivery of Gas. Based upon the daily quantity scheduled and in accordance with Section 5 herein, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.
- 4.3 No-Notice Service. Notwithstanding the quantities nominated by Customer and scheduled by Algonquin hereunder, Customer shall be entitled to increase its deliveries up to the MDDO at any point, up to the MHTQ during any Hour, and up to the MDTQ, or to decrease its deliveries. Provided that all of the operational conditions specified in Section 5 of this rate schedule (the "Section 5 Conditions") are met, Algonquin shall consent to such increase or decrease in deliveries, thereby nullifying any daily scheduling or hourly scheduling penalty that would otherwise be applicable pursuant to Section 23 of the General Terms and Conditions. Furthermore, if the Section 5 Conditions are met, Algonquin will forbear from taking action pursuant to Section 26 of the General Terms and Conditions to reduce deliveries to Customer. If any of the Section 5 Conditions are not met, Algonquin shall not be required to receive or deliver gas in amounts

other than the transportation quantities scheduled by Customer, and variations between scheduled quantities and actual deliveries to Customer's meter shall be subject to the assessment of penalties pursuant to Section 23 of the General Terms and Conditions.

- 4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements, including the Upstream Arrangements, with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.
- 5.2 Algonquin shall schedule receipts at a Secondary Point of Receipt or deliveries at a Secondary Point of Delivery pursuant to the provisions of Sections 48.2 and 48.3 of the General Terms and Conditions.
- 5.3 To the extent that any Upstream Entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. Prior to any reduction or interruption in service due to the failure of the Upstream Entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.
- 5.4 The Upstream Arrangements must be in full force and effect; Customer shall not be in default of the Upstream Arrangements; and Customer's rights under the Upstream Arrangements shall be enforceable by Customer or its agents without impairment due to curtailment, force majeure or other reasons.
- 5.5 The Upstream Entity(ies) shall recognize Algonquin's rights as Customer's agent to issue orders ("Section 5 Orders") on Customer's behalf nominating or directing for Customer's account no-notice service as encompassed within the Upstream Arrangements at such levels and at such times as Algonquin determines in its reasonable discretion is required by the Algonquin system to meet the needs of Customer under this rate schedule.

- 5.6 All Upstream Entities involved in all Upstream Arrangements with Customer served under this rate schedule shall deliver to the various points of interconnection between Algonquin's facilities and the facilities of the various Upstream Entities such quantities of gas at such times as Algonquin determines in its reasonable discretion are required by the Algonquin system to meet the needs of Customer under this rate schedule.
- 5.7 Customer's Notice Agent must have complete authority to call upon supplies for Customer's account at such times, in such quantities, and at such locations as Algonquin deems necessary, in its reasonable discretion, to enable Algonquin to provide service as contemplated for Customer under this rate schedule.
- 5.8 All Notice Agents named by Customer under this rate schedule shall execute Section 5 Orders at such locations and at such times as Algonquin determines in its reasonable discretion are necessary to enable Algonquin to provide service as contemplated under Rate Schedules AFT-ES and AFT-E.
- 5.9 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt at an hourly rate of 1/24th of the scheduled daily quantity. The daily quantities of natural gas transported shall be accepted at the Point(s) of Delivery at a substantially constant hourly rate or, in the case of service agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, at an hourly rate no greater than .06 multiplied by the scheduled daily quantity.
- 5.10 In the event Customer has multiple upstream no-notice services pursuant to more than one contract, from more than one pipeline, or under more than one rate schedule, Customer shall provide Algonquin a predetermined order of preference for these upstream services. Algonquin shall follow this order of preference in scheduling Customer's upstream no-notice service. Customer may, upon twenty-four hours' written notice to Algonquin, modify this specification of scheduling preferences.
- 5.11 In the event Algonquin issues a Section 5 Order on Customer's behalf, Algonquin shall provide notice as soon as possible to Customer and Customer's Notice Agent by telephone or facsimile and by posting on its Internet Web Site that the Section 5 Order has been issued.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 (A) Primary Points of Receipt: The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary

Point of Receipt the MDRO and receipt pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.

- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt, with the exception of interconnections with the facilities of other operators accessible only through

the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Secondary Points of Receipt under this Rate Schedule AFT-ES. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

- 6.3 (A) Primary Points of Delivery: The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Delivery the MDDO and delivery pressure obligations. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ except to the extent Customer's MDDOs reflect the conversion of pre-existing entitlements under firm sales agreements.
- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon

termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.4 Secondary Points of Delivery: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Secondary Points of Delivery under this Rate Schedule AFT-ES. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. INDEMNIFICATION

- 7.1 Customer acknowledges that as a result of Section 5 Orders issued to Customer's Upstream Entity or Notice Agent hereunder, Customer may incur imbalances between receipts and deliveries that will be cashed out at Month's end pursuant to Section 25 of the General Terms and Conditions of this tariff. Algonquin shall provide Customer with notice of an imbalance in a timely manner. Customer shall hold Algonquin harmless and indemnify Algonquin against any claim by Customer or otherwise arising out of the incurrence of imbalances as a result of Algonquin's issuance of Section 5 Orders.
- 7.2 Customer acknowledges that the exercise by Algonquin of its agency authority with respect to the Upstream Arrangements may cause the Upstream Entity to assess imbalance cash-out charges and transportation usage, storage injection, storage withdrawal or other charges against Customer. Customer shall hold Algonquin harmless and indemnify Algonquin against any liability whatsoever from any party whatsoever as a result of Algonquin's exercise of its agency authority with respect to the Upstream Arrangements hereunder.

- 7.3 Customer acknowledges that Notice Agent's execution of Section 5 Orders may cause upstream transporters or suppliers to assess charges against Customer for gas costs, transportation services, storage services, imbalance cash out or otherwise. Customer shall hold Algonquin harmless and indemnify Algonquin against any liability whatsoever from any party whatsoever as a result of Algonquin's issuance of Section 5 Orders to the Notice Agent, and the Notice Agent's performance or non-performance of its duties.
- 7.4 Notwithstanding the other provisions of this Section 7, Algonquin is not absolved from liability arising as a result of negligence on the part of Algonquin.

8. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.

RATE SCHEDULE T-1
TRANSPORTATION SERVICE - NEW JERSEY AND NEW YORK

1. **AVAILABILITY**

This rate schedule is available to any gas distribution system serving gas consumers in New Jersey or New York (hereinafter called "Customer") for the transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin"):

- (a) When such natural gas is transported through the portion of Algonquin's pipeline located in New Jersey and New York;
- (b) When such natural gas is tendered for transportation by Customer at a point or points on the main pipeline system of Algonquin in New Jersey or New York;
- (c) When, after transportation by Algonquin, Customer takes delivery of natural gas at a point or points on Algonquin's main pipeline system in New Jersey or New York; and
- (d) When Customer has an effective service agreement for such transportation service between specified points of receipt and delivery up to a specific Maximum Daily Transportation Quantity of natural gas which shall be stated in said service agreement.

2. **APPLICABILITY AND CHARACTER OF SERVICE**

- 2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed T-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement plus amounts reflecting the Fuel Reimbursement Quantity; provided, however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such

Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

- 2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed T-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.
- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

3. RATE

- 3.1 Unit Rates. The applicable unit rates are set forth in the currently effective Statement of Rates for Rate Schedule T-1 of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 34 of the General Terms and Conditions of this tariff.
- 3.2 Monthly Bill. Commencing for the Month in which the T-1 Service Agreement is effective and for each Month thereafter, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:
- (a) Reservation Charge: The charge per Month per Dth of Customer's effective MDTQ under this rate schedule; plus
 - (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

- 4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.
- 4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.
- 4.3 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.
- 5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.
- 5.3 The daily quantities of natural gas transported shall be delivered at the Points of Receipt and accepted at the Points of Delivery at a substantially constant hourly rate, or such other hourly rate as may be acceptable to Algonquin.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 The Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Receipt the MDRO and receipt pressure obligations.
- 6.2 The Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDDO and delivery pressure obligations.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff, with the exception of Section 14 (Capacity Release), are hereby made a part of this rate schedule.

RATE SCHEDULE AFT-4
FIRM TRANSPORTATION SERVICE

1. **AVAILABILITY**

This rate schedule is available to Columbia Gas Transmission Corporation (hereinafter called "Customer") for the firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") when Customer has entered into a service agreement with Algonquin providing for the receipt, transportation, and delivery of gas on a firm basis pursuant to this rate schedule.

2. **APPLICABILITY AND CHARACTER OF SERVICE**

2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-4 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement plus amounts reflecting the Fuel Reimbursement Quantity; provided, however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-4 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests

exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.

- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

3. RATE

- 3.1 Unit Rates. The applicable unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-4 of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 34 of the General Terms and Conditions of this tariff.

- 3.2 Monthly Bill. Commencing for the Month in which the AFT-4 Service Agreement is effective and for each Month thereafter, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Reservation Charge: The charge per Month per Dth of Customer's effective MDTQ under this rate schedule; plus
- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

- 4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.
- 4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.
- 4.3 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.
- 5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to

receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

- 5.3 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt and accepted at the Point(s) of Delivery at a substantially constant hourly rate, or such other hourly rate as may be acceptable to Algonquin.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 The Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Receipt the MDRO and receipt pressure obligations.
- 6.2 The Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDRO and delivery pressure obligations.

7. WARRANTY OF TITLE

Customer warrants that it, its designee ("Designee"), or any assignee under Section 284.242 of the Commission's regulations will at the time of delivery of the gas to Algonquin have good and merchantable title to all of the gas free and clear of all liens, encumbrances and claims whatsoever. Title to the gas received by Algonquin for Customer's, Designee's or assignee's account hereunder shall remain with Customer, Designee or assignee during transportation of the gas by Algonquin. Customer, its designee ("Designee"), or any assignee under Section 284.242 of the Commission's regulations agrees to indemnify and save Algonquin 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 Algonquin.

8. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff, with the exception of Section 14 (Capacity Release), are hereby made a part of this rate schedule.

RATE SCHEDULE AFT-CL
FIRM TRANSPORTATION SERVICE

1. **AVAILABILITY**

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer") on that portion of Algonquin's pipeline system known as (1) the Canal Lateral, which shall mean pipeline facilities including pipeline lateral facilities, meter station, and appurtenant facilities which extend from a point on Algonquin's existing mainline interstate natural gas pipeline system in Bourne, Massachusetts, along the north side of the Cape Cod Canal, under the Cape Cod Canal at or near the Bourne/Sandwich town line, and terminating at a point in the town of Sandwich in Barnstable County, Massachusetts, (2) the Middletown Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station, and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Glastonbury, Connecticut to a point of interconnection, at the outlet side of the Middletown Meter Station, with facilities constructed by Connecticut Light and Power Company, (3) the Cleary Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station, and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Berkley, Massachusetts, under the Taunton River to a point of interconnection, at the outlet side of the Cleary Meter Station, with facilities constructed by Taunton Municipal Lighting Plant, (4) the Lake Road Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station, and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Windham County, Connecticut to a point of interconnection, at the outlet side of the Lake Road Meter Station, with facilities constructed by Lake Road Generating Co. LP, (5) the Brayton Point Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station, and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Dighton, MA (M&R No. 80034) to a point of interconnection, at the outlet side of the Brayton Point Meter Station, with facilities owned by US Gen New England, Inc. (M&R No. 00090), (6) the Bellingham Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Norfolk County, Massachusetts to a point of interconnection, at the outlet side of the Bellingham Meter Station, with facilities constructed by ANP Bellingham Energy Company, (7) the Phelps Dodge Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in New London County, Connecticut to a point of interconnection at the outlet side of the Phelps Dodge Meter Station, with facilities owned by Phelps Dodge Copper Products Company, (8) the Manchester Street Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities that extend from a point on Algonquin's existing interstate natural gas pipeline system at the head of the G-12 Lateral (M&R No.

80070) to a point of interconnection with facilities owned by USGen New England, Inc. at the outlet side of the Manchester Street power plant (M&R No. 00087), (9) the Cape Cod Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities that extend from the terminus of Algonquin's Canal Lateral in the town of Sandwich in Barnstable County, Massachusetts, to a point of interconnection with facilities owned by Colonial Gas Company d/b/a KeySpan Energy Delivery New England in the town of Sandwich in Barnstable County, Massachusetts, (10) the Northeast Gateway Lateral, which shall mean pipeline facilities including a pipeline lateral and appurtenant facilities that extend from a point on Algonquin's existing HubLine offshore system in Massachusetts Bay, Massachusetts, to a point of interconnection with the offshore deepwater port facilities owned by Northeast Gateway Energy Bridge, L.L.C., (11) the J-2 Facility, which shall mean pipeline facilities including two parallel pipeline laterals, meter stations and appurtenant facilities that extend from a point on Algonquin's existing interstate natural gas pipeline system at the head of the J-2 Facility (M&R No. 80094) to a point of interconnection with facilities owned by NSTAR Gas Company downstream of the Mystic Street Station (M&R No. 00826), or (12) the Kleen Energy Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities that extend from a point on Algonquin's existing Middletown Lateral in the City of Middletown, Connecticut, to a point of interconnection, at the outlet side of the Kleen Energy Meter Station (M&R No. 00833), with the Kleen Energy Power Plant facilities when:

- a. Algonquin has placed the Canal Lateral, Middletown Lateral, Cleary Lateral, Lake Road Lateral, Brayton Point Lateral, Bellingham Lateral, Phelps Dodge Lateral, Manchester Street Lateral, Cape Cod Lateral, Northeast Gateway Lateral, J-2 Facility, or Kleen Energy Lateral, as applicable, in service;
- b. Customer has made a valid request for firm transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;
- c. Sufficient firm capacity is available to effectuate such transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;
- d. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence; and
- e. 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 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-CL Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for account of Customer up to Customer's Maximum Daily Transportation Quantity the ("MDTQ") and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement; provided, however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO"), provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.
- 2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall transport and deliver hourly quantities of gas required by Customer up to Customer's MDTQ and, on a cumulative basis in any year, up to Customer's MATQ at those points on Algonquin's system as are specified in an executed AFT-CL Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery a daily quantity exceeding the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.
- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.
- 2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin

may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 3 below.

- 2.5 Unless otherwise specified in the applicable Service Agreement, services hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.

3. RATE

- 3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-CL of this tariff and are hereby incorporated herein. Such rates are subject to change under Sections 33 and 34 of the General Terms & Conditions as well as subject to the provisions of Section 4.3 of this rate schedule. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate.

- 3.2 Monthly Bill. Commencing for the Month in which the AFT-CL Service Agreement is effective, and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Reservation Charge: The charge per Month per Dth of Customer's MDTQ as specified in Customer's executed AFT-CL Service Agreement; plus
- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

- (g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

3.3 Customer Reimbursement. Customer shall, in addition to the charges referenced above, reimburse Algonquin for the following:

- (a) The costs of any facilities installed by Algonquin with Customer's consent to receive, measure, transport or deliver natural gas for the account of Customer; and
- (b) Any and all filing and approval fees required in connection with Customer's service agreement that Algonquin is obligated to pay to the FERC or any other governmental authority having jurisdiction.

Any reimbursement due Algonquin by Customer pursuant to this Section 3.3 shall be due and payable to Algonquin within ten days of the date of Algonquin's invoice(s) for same.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder. Any excess or deficiency in such receipts and deliveries shall be resolved in accordance with the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.3 Responsibility for Imbalances. Any imbalance resulting from transportation pursuant to this rate schedule on the Canal Lateral, Middletown Lateral, Cleary Lateral, Lake Road Lateral, Brayton Point Lateral, Bellingham Lateral, Phelps Dodge Lateral, Manchester Street Lateral, Cape Cod Lateral, Northeast Gateway Lateral, J-2 Facility, or Kleen Energy Lateral, as applicable, shall be accounted for under the upstream transportation agreement(s) pursuant to which such gas was delivered to the inlet of the Canal Lateral, Middletown Lateral, Cleary

Lateral, Lake Road Lateral, Brayton Point Lateral, Bellingham Lateral, Phelps Dodge Lateral, Manchester Street Lateral, Cape Cod Lateral, Northeast Gateway Lateral, J-2 Facility, or Kleen Energy Lateral, as applicable. No imbalance resolution charges, unauthorized overrun penalties, or scheduling penalties shall be assessed under this rate schedule to the extent that Algonquin has assessed any such charges or penalties under another agreement with respect to the same gas or transaction.

- 4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.
- 5.2 Algonquin shall schedule receipts at a Secondary Point of Receipt or deliveries at a Secondary Point of Delivery pursuant to the provisions of Sections 48.2 and 48.3 of the General Terms and Conditions.
- 5.3 To the extent that any upstream entity involved in handling Customer's gas (other than Algonquin) refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. Prior to any reduction or interruption in service due to the failure of the upstream entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 (A) Primary Points of Receipt: The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Receipt the MDRO and receipt pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which

may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.

- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators on the designated AFT-CL lateral for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment to the Primary Points of Receipt under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In addition, a Replacement Customer may choose only those primary points along the lateral segment on which it contracts for transportation service under the replacement contract, as those lateral segments are set forth in the description of Secondary Points in Section 6.2 below. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the Canal Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Canal Lateral, all interconnections between the Middletown Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Middletown Lateral, all interconnections between the Cleary Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Cleary Lateral, all interconnections between the Lake Road Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Lake Road Lateral, all interconnections between the Brayton Point Lateral facilities of Algonquin and the facilities of other operators including, but not limited to, the tap on the Algonquin G-1 System in Dighton, MA (M&R No. 80034) shall be available for use by Customer as Secondary Points of Receipt for service on the Brayton Point Lateral, all interconnections between the Bellingham Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Bellingham Lateral, all interconnections between the Phelps Dodge Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Phelps Dodge Lateral, all interconnections between the Manchester Street Lateral facilities of Algonquin and the facilities of other operators, including, but not limited to, the head of the G-12 Lateral (M&R No. 80070), shall be available for use by Customer as Secondary Points of Receipt for service on the Manchester Street Lateral, all interconnections between the Cape Cod Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Cape Cod Lateral, all interconnections between the Northeast Gateway Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Northeast Gateway Lateral, all interconnections between the J-2 Facility of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the J-2 Facility, and all interconnections between the Kleen Energy Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Kleen Energy Lateral. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.
- 6.3 (A) Primary Points of Delivery: The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDDO and delivery pressure obligations. Algonquin shall

not accept any proposed Primary Point(s) of Delivery, or quantity at any Primary Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ except to the extent Customer's MDDOs reflect the conversion of pre-existing entitlements under firm sales agreements.

- (B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the GT&C of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators on the designated AFT-CL lateral for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment to the Primary Points of Delivery under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In addition, a Replacement Customer may choose only those primary points along the lateral segment on which it contracts for transportation service under the replacement contract, as those lateral segments are set forth in the description of Secondary Points in Section 6.4 below. In the event that Replacement Customer selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

- 6.4 Secondary Points of Delivery: Notwithstanding the foregoing, all interconnections between the Canal Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Canal Lateral, all interconnections between the Middletown facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Middletown Lateral, all interconnections between the Cleary Lateral facilities of Algonquin and the facilities of other operators shall be available for use by

Customer as Secondary Points of Delivery for service on the Cleary Lateral, all interconnections between the Lake Road Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Lake Road Lateral, all interconnections between the Brayton Point Lateral facilities of Algonquin and the facilities of other operators including, but not limited to, the tap on the Algonquin G-1 System in Dighton, MA (M&R 80034) shall be available for use by Customer as Secondary Points of Delivery for service on the Brayton Point Lateral, all interconnections between the Bellingham Lateral facilities of Algonquin and facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Bellingham Lateral, all interconnections between the Phelps Dodge Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Phelps Dodge Lateral, all interconnections between the Manchester Street Lateral facilities of Algonquin and the facilities of other operators, including, but not limited to, the head of the G-12 Lateral (M&R No. 80070), shall be available for use by Customer as Secondary Points of Delivery for service on the Manchester Street Lateral, all interconnections between the Cape Cod Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Cape Cod Lateral, all interconnections between the Northeast Gateway Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Northeast Gateway Lateral, all interconnections between the J-2 Facility of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the J-2 Facility, and all interconnections between the Kleen Energy Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Kleen Energy Lateral. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.

RATE SCHEDULE AIT-1
INTERRUPTIBLE TRANSPORTATION SERVICE

1. **AVAILABILITY**

This rate schedule is available for interruptible transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

- a. Customer has made a valid request for interruptible transportation 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.
- c. Transportation service effectuated through capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Brayton Point Lateral and Algonquin's mainline (M&R No. 80035), the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 8004), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R No. 80095), and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available under this Rate Schedule AIT-1.

2. **APPLICABILITY AND CHARACTER OF SERVICE**

- 2.1 Transportation service hereunder will be on an interruptible basis. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AIT-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement plus amounts reflecting the Fuel Reimbursement Quantity.

- 2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AIT-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"), provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ.
- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.
- 2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42.

3. RATE

- 3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AIT-1 of this FERC Gas Tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate.
- 3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AIT-1 Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AIT-I Service Agreement is effective and for each Month thereafter, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:
 - (a) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

- (b) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (c) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (d) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (e) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions.

3.3 Monthly Bill for Backhaul Rates. For Customers executing an AIT-1 Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AIT-1 Service Agreement is effective and for each Month thereafter, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

- (a) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
- (b) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
- (c) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (d) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (e) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to

Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

- 4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with the General Terms and Conditions. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.
- 4.3 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.
- 5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.
- 5.3 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt and accepted at the Point(s) of Delivery at a substantially constant hourly rate, or such other hourly rate as may be acceptable to Algonquin.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 All interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Point(s) of Receipt, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Points of Receipt under this Rate Schedule AIT-1.
- 6.2 All interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Point(s) of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Brayton Point Lateral and Algonquin's mainline, the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, and the interconnection between the Middletown Lateral and the Kleen Energy Lateral are available as Points of Delivery under this Rate Schedule AIT-1.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.

RATE SCHEDULE AIT-2
INTERRUPTIBLE TRANSPORTATION SERVICE

1. **AVAILABILITY**

This rate schedule is available for interruptible transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer") on the Brayton Point Lateral, on the Manchester Street Lateral, on the Canal Lateral, on the Cape Cod Lateral, on the Northeast Gateway Lateral, on the J-2 Facility, or on the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL, when:

- a. Customer has made a valid request for interruptible transportation 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; and
- c. Customer's service agreement specifies that either the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL, shall be utilized to effectuate service hereunder.

2. **APPLICABILITY AND CHARACTER OF SERVICE**

- 2.1 Transportation service hereunder will be on an interruptible basis. Algonquin shall receive from Customer, or for the account of Customer, at those points on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as specified in Customer's executed AIT-2 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity, if applicable, as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement plus amounts reflecting the Fuel Reimbursement Quantity, if applicable.
- 2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, if applicable, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on the

Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as specified in Customer's executed AIT-2 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"), provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ.

- 2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.
- 2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42 of the General Terms and Conditions of this tariff.

3. RATE

- 3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AIT-2 of this FERC Gas Tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate, except as provided in Section 46 of the General Terms and Conditions of Algonquin's FERC Gas Tariff.
- 3.2 Monthly Bill. Commencing for the Month in which the AIT-2 Service Agreement is effective and for each Month thereafter, Algonquin shall charge Customer and Customer shall pay Algonquin the sum of the following amounts:
- (a) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
 - (b) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

- (c) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus
- (d) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
- (e) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

- 4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.
- 4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with the General Terms and Conditions. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.
- 4.3 Responsibility for Imbalances. Any imbalance resulting from transportation transactions pursuant to this rate schedule on the Brayton Point Lateral, the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, or the Kleen Energy Lateral, as specified on Customer's AIT-2 Service Agreement for which natural gas was received under an upstream transportation agreement(s) on Algonquin's system shall be accounted for under the upstream transportation agreement(s). No imbalance resolution charges, unauthorized overrun penalties, or scheduling penalties shall be assessed under this rate schedule for such transactions to the extent that Algonquin has assessed any such charges or penalties under the upstream transportation agreement(s) with respect to the same gas or transactions.

- 4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Customer shall make all necessary arrangements with Algonquin or other parties, as applicable, at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.
- 5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.
- 5.3 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt and accepted at the Point(s) of Delivery at a substantially constant hourly rate, or such other hourly rate as may be acceptable to Algonquin.

6. POINT(S) OF RECEIPT AND DELIVERY

- 6.1 All interconnections between the Brayton Point Lateral facilities, including, but not limited to, the tap on Algonquin's G-1 System in Dighton, MA (M&R No. 80034); the Manchester Street Lateral facilities, including, but not limited to the head of the G-12 Lateral (M&R No. 80070); the Canal Lateral facilities, including, but not limited to, the interconnection between the Canal Lateral and Algonquin's mainline; the Cape Cod Lateral facilities, including, but not limited to, the interconnection between the Cape Cod Lateral and the Canal Lateral; the Northeast Gateway Lateral facilities, including, but not limited to, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts; the J-2 Facility, including, but not limited to the head of the J-2 Facility (M&R No. 80094); or the Kleen Energy Lateral facilities, including, but not limited to, the interconnection between the Kleen Energy Lateral and the Middletown Lateral, as specified in Customer's executed AIT-2 Service Agreement, and the facilities of other operators shall be available for use by Customer as Point(s) of Receipt.

- 6.2 All interconnections between the Brayton Point Lateral facilities, including, but not limited to, the tap on Algonquin's G-1 System in Dighton, MA (M&R No. 80034); the Manchester Street Lateral facilities, including, but not limited to the head of the G-12 Lateral (M&R No. 80070); the Canal Lateral facilities, including, but not limited to, the interconnection between the Canal Lateral and Algonquin's mainline; the Cape Cod Lateral facilities, including, but not limited to, the interconnection between the Cape Cod Lateral and the Canal Lateral; the Northeast Gateway Lateral facilities, including, but not limited to, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts; the J-2 Facility, including, but not limited to the head of the J-2 Facility (M&R No. 80094); or the Kleen Energy Lateral facilities, including, but not limited to, the interconnection between the Kleen Energy Lateral and the Middletown Lateral, as specified in Customer's executed AIT-2 Service Agreement, and the facilities of other operators shall be available for use by Customer as Point(s) of Delivery.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.

**RATE SCHEDULE PAL
PARK AND LOAN SERVICE**

1. **AVAILABILITY**

This rate schedule is available for parking and loaning of natural gas on an interruptible basis by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

- a. Customer has made a valid request for Park and Loan (PAL) Service pursuant to Section 2 of the General Terms and Conditions of the FERC Gas Tariff of which this rate schedule is a part; and
- b. After review and acceptance of such request by Algonquin, Customer and Algonquin have executed a PAL Service Agreement, in the form contained in the FERC Gas Tariff of which this rate schedule is a part, with Algonquin for service under this Rate Schedule; and
- c. Customer and Algonquin have executed a service agreement under any of Algonquin's open-access transportation Rate Schedules which provide for the transportation of gas quantities to or from the PAL Point(s) of Transaction, provided however, that no transportation service agreement is required if gas to be parked and/or loaned pursuant to this Rate Schedule is not transported by Algonquin. Such service agreements shall be 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 Park and Loan Service shall be interruptible, as provided herein, in the effective PAL Service Agreement and in Algonquin's General Terms and Conditions. Individual Park and/or Loan Services provided under this rate schedule shall be provided for a minimum of one (1) Day or such longer period as agreed to by Customer and Algonquin, as specified in Exhibit(s) A to the Customer's PAL Service Agreement. Services shall be properly nominated pursuant to Section 22 of the General Terms and Conditions and such nominations shall include, without limitation, the term of the transaction, the quantity to be parked or loaned, as applicable, the PAL Point(s) of Transaction, and all other information required for a nomination under the General Terms and Conditions. Service under this Rate Schedule does not constitute "no-notice" service as that term is used in Order No. 636.
- 2.2 Park Service is an interruptible service pursuant to which Algonquin will: (a) receive quantities of gas for a Customer's account, at the nominated PAL Point(s) of Transaction, (b) hold such parked quantities, and (c) return such quantities of gas to the Customer at the PAL Point(s) of Transaction where Algonquin received

the gas. The maximum quantity of gas in Customer's account as Park Service on any Day shall not exceed the Maximum Park Quantity ("MPQ") shown in Exhibit(s) A to the Customer's PAL Service Agreement.

- 2.3 Loan Service is an interruptible service pursuant to which Algonquin will: (a) deliver quantities of gas for a Customer's account, from the nominated PAL Point(s) of Transaction, and (b) subsequently receive such quantities of gas at the PAL Point(s) of Transaction where Algonquin delivered the gas. The maximum quantity of gas in Customer's account as Loan Service on any Day shall not exceed the Maximum Loan Quantity ("MLQ") shown in Exhibit(s) A to the Customer's PAL Service Agreement.
- 2.4 Service under this Rate Schedule shall be made available on a first come, first served basis, to any Customer willing to pay maximum rates or such other rate mutually agreed upon by Customer and Algonquin, subject to all applicable provisions of the General Terms and Conditions of the FERC Gas Tariff of which this rate schedule is a part.
- 2.5 Interruptible parking and loaning of natural gas under this Rate Schedule shall be provided when and to the extent that Algonquin determines, using its reasonable discretion, that capacity is available on its existing facilities and that it has the operational flexibility to provide the service without detriment or disadvantage to Algonquin's firm obligations or other interruptible services during the transaction period as specified in Exhibit(s) A to the Customer's PAL Service Agreement. Existing quantities of gas parked or loaned cannot be bumped by new requests for park and/or loan service.
- 2.6 Algonquin shall not be obligated to add any facilities or expand the capacity of its pipeline system in any manner in order to provide Park Service and/or Loan Service to Customer pursuant to this Rate Schedule. Algonquin is free to contract at any time with other parties for new storage or transportation services (whether firm or interruptible) and/or new service under this Rate Schedule without liability to Customer for any resulting interruption or reduction of service hereunder.

3. RATE

- 3.1 The applicable rates for service hereunder are set forth in the currently effective Statement of Rates for Rate Schedule PAL of this FERC Gas Tariff and hereby incorporated herein. The rates in this Rate Schedule are subject to adjustment pursuant to Section 36 of Algonquin's General Terms and Conditions. Unless Algonquin 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(s) as set forth on the effective Statement of Rates for Rate Schedule PAL. In the event a rate less than the applicable maximum rate(s)

and not less than the applicable minimum rate(s) is agreed upon, such rate shall be applicable for the period agreed upon by Customer and Algonquin.

- 3.2 Algonquin shall submit and Customer shall pay a monthly invoice reflecting the sum of all Daily Charges for each Day during the applicable Month that PAL service is provided to the Customer by Algonquin. The Daily Charges shall be the product of the quantities of gas in Customer's PAL account for each separate Park and Loan transaction and the maximum or mutually agreed upon rate.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

- 4.1 If Customer desires parking and loaning service of natural gas on any Day under this Rate Schedule, Customer shall submit a nomination to Algonquin in accordance with Section 22 of Algonquin's General Terms and Conditions. Customer shall nominate the agreed upon park or loan quantities and term at the PAL Point(s) of Transaction specified in Exhibit(s) A to the Customer's PAL Service Agreement. Such nominated quantities and term shall be subject to confirmation by Algonquin. Algonquin shall schedule the quantities nominated hereunder in accordance with Section 23 of Algonquin's General Terms and Conditions.
- 4.2 The park or loan quantity of gas in Customer's account on any Day shall not exceed the MPQ and/or the MLQ set forth in Exhibit(s) A to the Customer's PAL Service Agreement, as applicable. Algonquin shall reject any nomination if Customer nominates quantities when the balance(s) in Customer's account exceeds the specified MPQ and/or MLQ or when giving effect to the nomination would result in a balance(s) in Customer's account in excess of the specified MPQ and/or MLQ.
- 4.3 PAL services shall be provided on an interruptible basis. Interruption of PAL services may include decreasing, temporarily suspending, or discontinuing the receipt or delivery of gas if Algonquin in its reasonable discretion determines that such decrease, suspension or discontinuance is necessary to prevent the impairment of reliable service or when a higher priority service so requires. Nothing in this rate schedule shall limit Algonquin's right to take action pursuant to Section 26 of the General Terms and Conditions of this tariff.
- 4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the PAL Point(s) of Transaction, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

- 5.1 Customer shall make all necessary arrangements with other parties at or upstream of the PAL Point(s) of Transaction where Customer delivers gas to Algonquin for

Park Service or where Customer delivers to decrease the balance in its account for Loan Service, and at or downstream of the PAL Point(s) of Transaction where Algonquin delivers gas to decrease the balance in Customer's account for Park Service or where Algonquin delivers gas to Customer for Loan Service, and such arrangements must be compatible with Algonquin's system operations.

- 5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue to receive gas on behalf of Customer, as contemplated in Section 5.1 of this Rate Schedule. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce an equal quantity of the deliveries of gas on behalf of Customer, as contemplated in Section 5.1 of this Rate Schedule.

6. PARK AND LOAN (PAL) POINT(S) OF TRANSACTION

Any physical or accounting point that exists from time to time on Algonquin's system shall be available for use by PAL Customers as Point(s) of Transaction. Algonquin shall permit a PAL Customer to park at the Point(s) of Receipt specified in Exhibit(s) A of Customer's PAL Service Agreement, and/or Algonquin shall loan to Customer at the Point(s) of Delivery specified in Exhibit(s) A of Customer's PAL Service Agreement, the quantity specified in Exhibit(s) A of Customer's PAL Service Agreement.

Customer shall provide a nomination, in accordance with Section 22 of the General Terms and Conditions, for each transaction identified in Exhibit(s) A to the Customer's PAL Service Agreement.

7. IMPAIRMENT OF RECEIPTS AND DELIVERIES

- 7.1 If Algonquin, on any Day is unable to receive and/or deliver the total requests of all Customers on Algonquin's system, Algonquin shall limit receipts and/or deliveries of gas hereunder in accordance with Sections 16 and 24 of Algonquin's General Terms and Conditions.
- 7.2 Customer may be required, upon notification from Algonquin, to suspend or reduce receipts or deliveries for the agreed upon Park Service and/or the agreed upon Loan Service. Further, Customer may be required, upon notification from Algonquin, to remove quantities of gas previously provided to Algonquin under the Park service, or return quantities of gas previously loaned to Customer under the Loan service. Notwithstanding anything to the contrary in Section 40 of the General Terms and Conditions, such notification shall be provided to affected parties through the affected party's choice of Electronic Notice Delivery mechanism(s).

- 7.3 Should Algonquin notify Customer to remove or return quantities of gas pursuant to Section 7.2, Algonquin's notification shall specify the time frame, which shall be no less than twenty-four (24) hours, within which Park service quantities shall be removed, or Loan service quantities shall be returned. Such notifications shall be consistent with Algonquin's operating conditions, unless Algonquin and Customer mutually agree to a different specific time frame. The obligation of Customer to comply with the issued notification shall continue until such time as Algonquin is able to recommence the PAL services. In the event that Customer does not comply with Algonquin's notice, the parked balance or the loaned balance will be resolved in accordance with Sections 7.5 and 7.6, as applicable, of this Rate Schedule PAL.

To the extent that Customer is unable to comply with Algonquin's notice to remove parked quantities or return loaned quantities either because Algonquin is not able to schedule Customer's nomination for such transaction(s), the PAL penalties set forth in Sections 7.5 and 7.6, as applicable, shall not be assessed for those quantities that Algonquin is unable to schedule during the period that Algonquin is unable to schedule the Customer's nominations required by this Section 7.3.

- 7.4 If Customer requests delivery of parked quantities and Algonquin is unable to return the gas to Customer, then Customer has the option to: (i) suspend the Daily Charge and extend the term of the transaction until Algonquin is able to return the gas to Customer; or (ii) trade the balance with another Customer that has an offsetting loan balance at the same PAL Point of Transaction.

If Customer requests to return loaned quantities to Algonquin and Algonquin is unable to accept such receipts, then Customer has the option to: (i) suspend the Daily Charge and extend the term of the transaction until Algonquin is able to accept such receipts from Customer; or (ii) trade the balance with another Customer that has an offsetting park balance at the same PAL Point of Transaction.

- 7.5 Parked quantities shall become the property of Algonquin at no cost to Algonquin, free and clear of any adverse claims, in the event that any of the following situations occur:
- (a) Algonquin's operating conditions require Algonquin to notify Customer that receipts of parked quantities must be suspended or reduced, and Customer fails to comply with such notification within the specified time frame; and/or
 - (b) Algonquin's operating conditions require Algonquin to notify Customer that all or a part of Customer's parked quantities must be removed, and

Customer fails to comply with such notification within the specified time frame; and/or

- (c) The PAL account reflects a balance at the termination date of the associated Exhibit A to the Customer's PAL Service Agreement or at the end of any mutually agreed upon extension of the termination date, and Algonquin's operating conditions require the removal of the parked quantities.

If Algonquin notifies Customer, pursuant to Sections 7.2 and 7.5(a) herein, that receipts of parked quantities must be suspended or reduced, only those quantities parked by the Customer in violation of the notification shall become the property of Algonquin at no cost to Algonquin, free and clear of any adverse claims.

Algonquin shall credit the Fuel Reimbursement Quantity Deferred Account as provided in Section 32 of the General Terms and Conditions of this FERC Gas Tariff with the value of the gas retained pursuant to this Section 7.5. The value of the gas retained by Algonquin shall be based on the average of the Gas Daily postings for the high "Common" price for the "AGT Citygate" posting for the seven Day period beginning three Days before the Day on which the park occurred.

- 7.6 Title to loaned quantities shall be transferred to Customer and Customer shall be obligated to pay for each Dekatherm of such gas at a price equal to 150% of the average of the Gas Daily postings for the "Midpoint" price for the "AGT Citygate" posting for the seven Day period beginning three Days before the Day on which the loan occurred, in the event that any of the following situations occur:

- (a) Algonquin's operating conditions require Algonquin to notify Customer that deliveries of Customer's loaned quantities must be suspended or reduced, and Customer fails to comply with such notification; and/or
- (b) Algonquin's operating conditions require Algonquin to notify Customer that all or a part of Customer's loaned quantities must be returned to Algonquin, and Customer fails to comply within the specified time frame; and/or
- (c) The PAL account reflects a balance at the termination date of the associated Exhibit A to the Customer's PAL Service Agreement or at the end of any mutually agreed upon extension of the termination date.

If Algonquin notifies Customer, pursuant to Sections 7.2 and 7.6(a) herein, that deliveries of Customer's loaned quantities must be suspended or reduced, only those quantities taken by the Customer in violation of the notification shall be

transferred to Customer and Customer shall be obligated to pay for each Dekatherm of such gas at a price calculated as described in this Section 7.6. Algonquin shall credit the Fuel Reimbursement Quantity Deferred Account as provided in Section 32 of the General Terms and Conditions, with the net proceeds from the operation of this Section 7.6.

8. BALANCES

- 8.1 All PAL balance quantities reside at the PAL Point of Transaction at which the original park or loan quantity was nominated, and must be resolved at that PAL Point of Transaction by taking delivery of the Park Balance or returning the Loan Balance to Algonquin, as applicable. Balances incurred under this Rate Schedule PAL shall be resolved via in-kind balancing during the remaining term of the transaction, which term is specified in Exhibit(s) A to the Customer's PAL Service Agreement. Customer may resolve park and/or loan balances by transporting such balances between PAL Points of Transaction. The transportation shall be accomplished by Customer's submission of a nomination under Customer's executed transportation service agreement and the subsequent scheduling and confirmation processes pursuant to Sections 22 and 23 of the General Terms and Conditions.

Customer shall be required to reduce to zero each park and/or loan quantity of gas at each PAL Point of Transaction no later than the termination date of the Exhibit(s) A to the Customer's PAL Service Agreement, or prior to any mutually agreed upon extension of that term, applicable to that quantity. Any balances remaining upon the termination date of the Exhibit(s) A to the Customer's PAL Service Agreement, or any mutually agreed upon extension of that term, shall be resolved in accordance with Sections 7.5 and 7.6, as applicable, of this rate Schedule PAL.

Algonquin shall debit or credit, as appropriate, the Fuel Reimbursement Quantity Deferred Account as provided in Section 32 of the General Terms and Conditions, with the net proceeds, from the operation of this Section 8.

- 8.2 If Customer's PAL account reflects a park balance at the termination date of the associated Exhibit A to Customer's PAL Service Agreement or at the end of any mutually agreed upon extension of the termination date, and the balance has not been resolved pursuant to Section 7.5(c) of this Rate Schedule PAL, the term of the transaction will be extended until the earlier of (i) such time as the balance is reduced to zero or (ii) operating conditions require the removal of the balance pursuant to Section 7.5(c) of this Rate Schedule PAL. For any balance remaining beyond such agreed upon period set forth for a PAL transaction in Exhibit A of Customer's PAL Service Agreement, the applicable maximum rate(s) as set forth on the effective Statement of Rates for Rate Schedule PAL shall be applied on a daily basis until the balance is reduced to zero.

9. GOVERNMENTAL AUTHORIZATIONS

Park and Loan Services under executed PAL Service Agreements shall be implemented pursuant to any applicable self-implementing authorization or program of the FERC for which Algonquin has filed or in which Algonquin has agreed to participate.

10. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Algonquin's FERC Gas Tariff of which this Rate Schedule is a part are applicable to this Rate Schedule and are made a part hereof to the extent that such terms and conditions are not contradicted by any provision herein.

RATE SCHEDULE TTT
TITLE TRANSFER TRACKING SERVICE

1. AVAILABILITY

- 1.1 This Open-access Rate Schedule is available to any party (hereinafter called "TTT Party") which has requested Title Transfer Tracking ("TTT") service pursuant to Section 2 of Algonquin Gas Transmission, LLC's (hereinafter called "Algonquin") General Terms and Conditions and, after review and acceptance of such request by Algonquin, has entered into a service agreement with Algonquin for service under Rate Schedule TTT. Such service agreement shall be in the form contained in Algonquin's FERC Gas Tariff of which this Rate Schedule TTT is a part. In addition, this Rate Schedule is available to any Third Party Account Administrator ("3PAD") who has either (i) been designated as an agent for a TTT Party, or (ii) executed a service agreement with Algonquin for service under this Rate Schedule TTT. For the purposes of this rate schedule, the term "TTT Party" shall also refer to a 3PAD.
- 1.2 Title Transfer Tracking Service will be made available pursuant to the scheduling provisions of Sections 22, 23 and 24 of the General Terms and Conditions of this FERC Gas Tariff, to any TTT Party that is willing and able to pay either the maximum rates hereunder or another rate to which Algonquin and TTT Party mutually agree, in accordance with the General Terms and Conditions. Algonquin is not required to provide any requested TTT service under this Rate Schedule for which Algonquin determines that administrative capability is not available, or that would interfere with Algonquin's performance of its firm service obligations.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to quantities of natural gas for which Algonquin provides TTT service on behalf of TTT Party, subject to an executed TTT Agreement that conforms to the form of Agreement contained in this Tariff. TTT service is an administrative service, under which Algonquin provides TTT Party with the ability to submit nominations for Title Transfer transactions at any receipt location on Algonquin's system, provided that the point is covered by an active Operational Balancing Agreement. These receipt locations shall be referred to in this Rate Schedule TTT as "TTT Points". Upon receipt of a nomination from the TTT Party, Algonquin will process the nomination at the TTT Point as directed by the TTT Party.
- 2.2 TTT Party or its customers must arrange for transportation service in accordance with Algonquin's FERC Gas Tariff under separate transportation service agreements (the "Subject Service Agreements"), for physical delivery of natural gas quantities subsequent to Title Transfers that are tracked pursuant to

nominations under this Rate Schedule, or for additional TTT service under separate TTT Service Agreements. This Rate Schedule does not entitle TTT Party to transportation service under Algonquin's FERC Gas Tariff separate from the entitlements under the Subject Service Agreements, nor does it entitle TTT Party to maintain imbalances on Algonquin's system.

- 2.3 Physical deliveries of the quantities of gas for which the title was tracked pursuant to this Rate Schedule shall be performed in accordance with provisions of the Subject Service Agreements and the terms of this FERC Gas Tariff. Quantities nominated under the TTT Service Agreement shall have the same scheduling priority as the Subject Service Agreement(s) used to physically transport the gas away from the TTT Point.
- 2.4 Nothing herein shall limit Algonquin's right to take action as may be required to adjust receipts of gas in order to alleviate conditions which threaten the integrity of its system, or the ability of Algonquin to transport firm quantities scheduled by any Customer, including actions taken pursuant to Sections 23 and 24 of the General Terms and Conditions.

3. RATES

The applicable rates and charges for service provided to TTT Party under this Rate Schedule shall include those uniform rates set forth in the currently effective Statement of Rates for Rate Schedule TTT of this FERC Gas Tariff. These rates and charges are incorporated herein by reference. Unless Algonquin and TTT Party agree in writing upon a rate for service provided hereunder, the rate applicable to a TTT Party for service hereunder shall be the applicable maximum rate(s). In the event a rate less than the applicable maximum rate(s) and not less than the applicable minimum rate(s) is agreed upon, such rate shall be applicable for the period agreed upon by Algonquin and TTT Party.

4. MONTHLY BILL

- 4.1 For TTT service provided under this Rate Schedule, TTT Party shall pay Algonquin each month the sum of the following:
 - A. TTT Service Charge. A charge for transaction nominated and scheduled for TTT service;
 - B. Any other applicable rates, charges and penalties as set forth in the General Terms and Conditions of this FERC Gas Tariff.
- 4.2 Notwithstanding the general provisions of Sections 3 and 4.1, above, if Algonquin and TTT Party mutually agree to Negotiated Rates for service hereunder, then

such Negotiated Rates shall apply in lieu of the otherwise applicable charges identified in Section 4.1.A of this Rate Schedule.

5. TTT POINTS

Any physical receipt point located on Algonquin's system ("TTT Point"), provided that the point is covered by an active Operational Balancing Agreement, can be utilized for the nomination of TTT service. Algonquin will permit TTT Party to nominate Title Transfers of quantities of natural gas at any of the TTT Points, subject to the existence of adequate corresponding transportation rights under Subject Service Agreement(s) to transport the quantities away from the TTT Point.

Algonquin shall provide one meter identification number to correspond to each location at which Title Transfer Tracking services for that location can be effected. This meter identification will be used exclusively for nominations of transactions related to Title Transfer Tracking service on Algonquin's system. Algonquin shall post the meter identification numbers on its Internet Web Site.

6. TITLE TRANSFER TRACKING PROCEDURES

6.1 General Procedure.

A. For any Day on which a TTT Party desires to utilize the TTT service to track a Title Transfer for TTT Party's account under this Rate Schedule, such TTT Party shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions, specifying:

- (1) the quantity of gas for which title is to be transferred,
- (2) the upstream party participating in the TTT transaction, and the upstream party's associated upstream contract identifier,
- (3) the downstream party participating in the TTT transaction, and the downstream party's associated downstream contract identifier,
- (4) the meter identification number that corresponds to the physical receipt location at which the TTT service is being performed, and
- (5) such other information as may be required by Algonquin to effect the TTT service.

B. When TTT Party's nomination is confirmed as required by the General Terms and Conditions and subject to the limitations set forth in this Rate Schedule, such quantity shall constitute a TTT Scheduled Quantity at that TTT Point.

6.2 TTT Party is required to ensure that quantities transferred to the transferee(s) of TTT Party and scheduled under a Subject Service Agreement or another TTT

Service Agreement equal the quantities received from TTT Party's transferor(s) at each TTT Point on each Day.

- 6.3 On or before the nomination deadlines applicable to Algonquin's service under the Subject Service Agreement(s), TTT Party shall provide nomination data to Algonquin consistent with the requirements of Section 22 of the General Terms and Conditions, for each of TTT Party's TTT Points. Algonquin shall confirm that the nomination data received from TTT Party is equivalent to valid nominations under another TTT Service Agreement(s) or under Subject Service Agreements that will physically transport the quantities away from the TTT Point(s). The quantities determined through this process shall be referred to as the "TTT Scheduled Quantities."
- 6.4 After confirmation and scheduling, any changes to TTT Scheduled Quantities shall be effective only if a corresponding nomination change has been made under a Subject Service Agreement and the change has been confirmed by Algonquin, the affected point operator(s) and any other affected TTT Party.
- 6.5 If any nominated service under a Subject Service Agreement fails to be scheduled for any reason, then Algonquin shall notify TTT Party, and TTT Party shall revise the nomination data on a prospective basis to reflect the revised TTT Quantities.
- 6.6 TTT Party shall make personnel available to Algonquin at all times, for purposes of the nomination and confirmations to be performed hereunder.
- 6.7 With respect to the TTT service, Algonquin shall be entitled to rely upon the information set forth in the nomination of a TTT Party made in accordance with Section 22 of the General Terms and Conditions, and Algonquin shall have no obligation to verify the accuracy of such information.

7. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Algonquin's FERC Gas Tariff of which this Rate Schedule is a part are applicable to this Rate Schedule and are made a part hereof to the extent that such terms and conditions are not contradicted by any provision herein. For purposes of the applicable General Terms and Conditions of Algonquin's FERC Gas Tariff, references to Customer shall refer to the TTT Party.