SPECIAL SUPPLEMENTARY TARIFF INTERSTATE PIPELINE CAPACITY SERVICES PROVISION NORTHERN NEVADA DIVISION

Canceling

Ι. TITLE ASSIGNMENT SERVICE

Α. APPLICABILITY

This Title Assignment Service provision shall apply only to natural gas transportation customers with Title Assignment Operating Agreements executed with the Utility prior to November 1, 1993, in conjunction with an executed service agreement pursuant to Schedule No. NT-1, Transportation of Customer-Secured Natural Gas, for interstate pipeline transportation service on the Paiute Pipeline Company (Paiute) and/or Northwest Pipeline Corporation (Northwest) systems. It specifies the procedures to be utilized by the Utility in providing upstream pipeline firm transportation service on the Paiute and/or Northwest systems to eligible Title Assignment transportation customers and recovering associated costs from such customers. This Title Assignment Service provision is closed to new customers.

CHARACTER OF SERVICE Β.

- 1. The Utility will provide eligible transportation customers access to the Utility's upstream pipeline firm transportation capacity and service on the Paiute and/or Northwest systems subject to the provisions and limitations set forth in this provision, Schedule No. NT-1 and Rule No. 8 of this Nevada Gas Tariff. Upstream pipeline firm transportation service under this provision is available on a recallable basis only.
- 2. Title Assignment Service shall be recalled by the Utility only to protect service to Priority 1, Priority 2 and Priority 3 gas sales customers pursuant to the provisions of Schedule No. NT-1 and Rule No. 8 of this Nevada Gas Tariff, in force majeure conditions which may occur from time to time on the upstream pipeline system and in situations when the recall of Title Assignment Service will result in a reduction in the cost of gas purchased from suppliers.

Issued: September 27, 1996		
Effective: October 27, 1996	Issued by Edward S. Zub Senior Vice President	
Advice Letter No.: <u>345</u>		

SPECIAL SUPPLEMENTARY TARIFF INTERSTATE PIPELINE CAPACITY SERVICES PROVISION NORTHERN NEVADA DIVISION (Continued)

Canceling

1. TITLE ASSIGNMENT SERVICE (Continued)

C. TERRITORY

Throughout the Northern Nevada Division certificated area served by the Utility as set forth in this Nevada Gas Tariff.

D. TERM

- The minimum term for transportation customers electing service under this 1. provision is 1 month.
- 2. The minimum requirement for notice of suspension of Title Assignment Service shall be by written notice from the customer at least 1 month prior to the start of any calendar month.

Ε. RATES FOR TITLE ASSIGNMENT SERVICE

Title Assignment customers shall pay the Utility monthly the sum of the following charges for service under this provision:

- 1. <u>Reservation Charge</u>. A rate per therm for all quantities transported by the Utility on behalf of the customer on the Paiute and/or Northwest systems during the month, which includes Paiute's and/or Northwest's currentlyeffective reservation charges for firm transportation, including applicable surcharges, expressed on a 100 percent load factor volumetric basis.
- 2. Volume Charge. A rate per therm for all quantities transported by the Utility on behalf of the customer on the upstream pipeline(s) during the month, which includes the currently-effective usage charges for the applicable firm upstream pipeline transportation service plus any applicable surcharges.

Issued: September 27, 1996		
Effective: October 27, 1996	Issued by Edward S. Zub Senior Vice President	
Advice Letter No.: <u>345</u>		

SPECIAL SUPPLEMENTARY TARIFF INTERSTATE PIPELINE CAPACITY SERVICES PROVISION NORTHERN NEVADA DIVISION

Canceling

(Continued)

I. <u>TITLE ASSIGNMENT SERVICE</u> (Continued)

F. <u>CHANGES IN RATES</u>

The Utility will revise rates for Title Assignment Service as necessary to reflect Federal Energy Regulatory Commission (FERC) authorized changes in Paiute's or Northwest's upstream pipeline transportation rates. Any refunds received from Paiute or Northwest will be allocated on the basis of the customer's Title Assignment volumes billed during the refund period.

G. ACCOUNTING FOR TITLE ASSIGNMENT REVENUES

All Reservation Charge revenues received by the Utility in providing service under this provision shall be credited to Account No. 191, Unrecovered Purchased Gas Costs.

II. <u>CAPACITY RELEASE SERVICE</u>

A. <u>APPLICABILITY</u>

The purpose of this Capacity Release Service provision is to govern the release of interstate pipeline capacity in excess of the requirements of Title Assignment and Priority 1, Priority 2 and Priority 3 gas sales customers. The Utility shall identify and offer for release any available interstate pipeline capacity reserved to serve such customers for the purpose of minimizing the overall cost of upstream interstate pipeline capacity.

Issued:

June 4, 2001

Effective: July 26, 2001 Issued by Edward S. Zub Executive Vice President

11.

SPECIAL SUPPLEMENTARY TARIFF INTERSTATE PIPELINE CAPACITY SERVICES PROVISION NORTHERN NEVADA DIVISION (Continued)

Canceling

<u>CAPACITY RELEASE SERVICE</u> (Continued)

B. <u>RELEASE PROCEDURES</u>

- 1. The Utility reserves the right to not release capacity if market conditions so warrant.
- 2. The Utility shall determine from time to time the amount of capacity which may be available for release and over what time period(s).
- 3. The Utility may elect to prearrange releases, solicit bids for releases, post open offers for releases with the applicable pipeline, or any combination thereof which it determines from time to time to best achieve the goal of minimizing costs.

C. <u>BILLING</u>

Billing for released capacity shall be made by the interstate pipeline directly to acquiring customers and shippers. Shippers acquiring released capacity shall be billed by the pipeline at the awarded rate plus applicable usage charges and surcharges. The Utility will receive credit from the interstate pipeline for the payment of reservation charges and reservation surcharges due from the acquiring shipper.

Issued:

June 4, 2001

Effective: July 26, 2001 Issued by Edward S. Zub Executive Vice President

SPECIAL SUPPLEMENTARY TARIFF INTERSTATE PIPELINE CAPACITY SERVICES PROVISION NORTHERN NEVADA DIVISION (Continued)

Canceling

II. <u>CAPACITY RELEASE SERVICE</u> (Continued)

D. <u>RECALL OF RELEASED CAPACITY</u>

- 1. Capacity released by the Utility shall be made subject to recall when the Utility has determined that retaining such recall rights is in the best interest of its Priority 1, Priority 2 and Priority 3 customers.
- 2. The order in which existing capacity release transactions are recalled shall be that which either (1) best addresses the operational needs of Priority 1 and Priority 2 sales customers, or (2) maximizes remaining capacity release credits.

E. <u>ACCOUNTING FOR CAPACITY RELEASE CREDITS</u>

All capacity release credits received by the Utility shall be credited to Account No. 191, Unrecovered Purchased Gas Costs.

Issued:

June 4, 2001

Effective: July 26, 2001 Issued by Edward S. Zub Executive Vice President

<u>First Revised</u> P.U.C.N. Sheet No. <u>191 – 193</u> <u>Original</u> P.U.C.N. Sheet No. <u>191 – 193</u>

HELD FOR FUTURE USE

Canceling

Issued:

June 4, 2001

Effective: July 26, 2001 Issued by Edward S. Zub Executive Vice President

Canceling ______ First Revised P.U.C.N. Sheet No. ______ 194-197 P.U.C.N. Sheet No. ______ 194-197

HELD FOR FUTURE USE

Issued:

February 8, 2000

Effective:

March 9, 2000

Advice Letter No.: <u>375-A</u>

Issued by Edward S. Zub Senior Vice President