

| <u>RATE SCHEDULE GRS-1</u>  |  |                            |                           |                              |
|---|--|----------------------------|---------------------------|------------------------------|
| <u>Type of Charge</u>   | <u>Tariff Rate</u>   | <u>Gas Cost Adjustment</u> |                           | <u>Rate After Adjustment</u> |
|   | \$   | <u>Current*</u><br>\$      | <u>Cumulative**</u><br>\$ | \$                           |
| <u>Demand Charge</u>  |  |                            |                           |                              |
| Per Mcf of Contract Demand per Month                                | 5.8846   |                            |                           | 5.8846                       |
| <u>Litigated Settlement Special Rate Surcharge ("LSSRS") 4/</u>     |  |                            |                           |                              |
| Per Mcf delivered per Monthly Billing Period                        | 0.2699   |                            |                           | 0.2699                       |
| <u>Commodity Charge</u>   |  |                            |                           |                              |
| Per Mcf delivered per Monthly Billing Period                        | 4.1595   | 2.6405                     | 4.8631                    | 9.0226                       |
| <u>Authorized Overruns</u>  |  |                            |                           |                              |
| Per Mcf delivered per Monthly Billing Period                        | 2.0357 3/  |                            |                           |                              |
| <u>Unauthorized Overruns</u>  |  |                            |                           |                              |
| Per Mcf in excess of Tolerance delivered per Monthly Billing Period | 6.0000 3/  |                            |                           |                              |
| <u>Base Gas Cost and Adjustments</u>                                |  |                            |                           |                              |
| Base Gas Cost   | 2.4637   | 2.0818                     | 4.4027                    | 6.8664                       |
| Gas Cost Recovery Adjustment  | ---  | 0.5587                     | 0.4604                    | 0.4604                       |
| Total   | <u>2.4637</u>  | <u>2.6405</u>              | <u>4.8631</u>             | <u>7.3268</u>                |
| Notes:  |  |                            |                           |                              |
| 1/  | The current GCA is the rate change from the last GCA filing.   |                            |                           |                              |
| 2/  | The cumulative GCA is the rate change from the stated Tariff rate.   |                            |                           |                              |
| 3/  | Plus the highest spot gas price listed in <u>Gas Daily's</u> Daily Price Survey relative to Colorado Interstate Gas Company, Northwest Pipeline Corporation and Questar Pipeline Company, applicable to the "Rockies" (Rocky Mountain) region, for the Day that the unauthorized overrun occurred. |                            |                           |                              |
| 4/  | Pursuant to Section 7A of the General Terms and Conditions of this Tariff.   |                            |                           |                              |

I

I

I

Advice Letter No. \_\_\_

Bentley W. Breland  
Signature of Issuing Officer

Issue Date: October 18, 2004

Decision or Authority No. \_\_\_\_\_

Vice President  
Title

Effective Date: November 1, 2004

Category Cost Determination

| <u>Rate Schedule</u> | <u>Commodity Charge</u><br>\$ | <u>Distribution Charge</u><br>\$ | <u>Upstream Pipeline Charge</u><br>\$ | <u>Total Commodity Charge 1/</u><br>\$ | <u>LSSRS 3/</u><br>\$ | <u>Demand Charge 2/</u><br>\$ |
|----------------------|-------------------------------|----------------------------------|---------------------------------------|--|-----------------------|-------------------------------|
| GRS-1                | 7.2710                        | 1.6958                           | 0.0558                                | 9.0226                                 | 0.2699                | 5.8846                        |

1/ per Mcf delivered per Monthly Billing Period, plus the LSSRS, if applicable.

2/ per Mcf of Contract Demand per Month

3/ Litigated Settlement Special Rate Surcharge (LSSRS) per Mcf delivered per Monthly Billing Period; applied pursuant to Section 7A of the General Terms and Conditions of this Tariff.

Advice Letter No. \_\_\_

Bentley W. Breland  
Signature of Issuing Officer

Issue Date: October 18, 2004

Decision or  
Authority No. \_\_\_\_\_

Vice President  
Title

Effective Date: November 1, 2004