

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

Proceeding No. 13A-0046G

---

IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN NATURAL GAS LLC FOR AN ORDER AUTHORIZING IT TO PUT INTO EFFECT A SYSTEM SAFETY AND INTEGRITY RIDER.

---

Proceeding No. 13AL-0067G

---

IN THE MATTER OF ADVICE LETTER NO. 77 FILED BY ROCKY MOUNTAIN NATURAL GAS LLC TO RESTRUCTURE AND UNBUNDLE ITS SERVICE AND TO REPLACE TARIFF NO. 3 IN ITS ENTIRETY TO BECOME EFFECTIVE MARCH 4, 2013.

---

Proceeding No. 13AL-0143G

---

IN THE MATTER OF THE ADVICE LETTER NO. 261 OF SOURCEGAS DISTRIBUTION LLC TO REVISE ITS COLORADO SCHEDULE OF RATES FOR NATURAL GAS SERVICE AVAILABLE IN THE ENTIRE TERRITORY SERVED BY THE COMPANY, WITH TARIFF SHEETS FOR PUC NO. 7, TO BECOME EFFECTIVE MAY 1, 2013.

---

---

**AMENDED STIPULATION AND AGREEMENT IN RESOLUTION OF PROCEEDINGS**

---

This Amended Stipulation and Agreement in Resolution of Proceedings (the “Amended Stipulation”) is intended to incorporate, replace and supersede the Agreement in Principle and the Original Stipulation (as defined below) entered into on November 1 and 13, 2013, respectively, both by and among Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC (respectively, “Rocky Mountain” and “SourceGas Distribution”; collectively, the “Companies”), Staff of the Colorado Public Utilities Commission (“Staff”), the Office of Consumer Counsel (“OCC”), A M Gas Transfer Corp. (“A M Gas”) and Seminole Energy

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

Services, LLC (“Seminole Energy”), each of which is a “Settling Party” and collectively are the “Settling Parties.”<sup>1</sup> This Amended Stipulation sets forth the terms and conditions by which the Settling Parties have agreed to resolve all issues that have been or could have been contested in consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G (the “Consolidated Proceedings”), with the sole exception that the OCC does not support the 10.6% return on equity (“ROE”) agreed to by the other Settling Parties.<sup>2</sup> A previous Stipulation (“Original Stipulation”) was filed on November 13, 2013, as required by the Comprehensive Agreement in Principle that the Settling Parties filed on November 1, 2013 (the “Agreement in Principle”) and the Administrative Law Judge’s (“ALJ’s”) Decision No. R13-1387-I mailed November 4, 2013. This Amended Stipulation is filed pursuant to the ALJ’s order at the conclusion of the hearing held on December 2, 2013 (*see* Section I.A.8, below).

This Amended Stipulation, including the Exhibits to this Amended Stipulation, sets forth the negotiated resolution of the disputed issues among the Settling Parties. This Amended Stipulation is based on compromises of the filed positions of the Settling Parties and is specifically based on the record in the Consolidated Proceedings in its entirety, including, but not limited to, the testimony and exhibits sponsored by the Settling Parties and admitted into evidence in the Consolidated Proceedings. The Settling Parties agree that the results of the compromises reflected herein are a just and reasonable resolution of the Consolidated

---

<sup>1</sup> The other three parties in the Consolidated Proceedings, namely Public Service Company of Colorado (“Public Service”), Colorado Natural Gas, Inc. (“CNG”), and American Gypsum Company LLC (“American Gypsum”), are not signatories to this Stipulation and do not oppose this Stipulation. None of these parties appeared at the December 2, 2013 hearing or presented any testimony or other evidence.

<sup>2</sup> At the hearing on the Original Stipulation held on December 2, 2013, the OCC presented evidence on this topic based upon the prefiled Answer Testimony of its ROE witness, Mr. Ronald Fernandez, Rocky Mountain presented evidence on this topic based upon the prefiled Direct Testimony and Rebuttal Testimony of its ROE witness, Dr. Michael J. Vilbert, and Staff presented evidence on this topic based upon the testimony of its witness supporting the Original Stipulation, Mr. Charles B. Hernandez.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

Proceedings and that implementing the compromises and settlements reflected in this Amended Stipulation will result in substantial benefits to ratepayers of both Rocky Mountain and SourceGas Distribution through reduced rates, and to the Companies and the other Settling Parties by providing certainty due to the establishment of a timeline for a transition from the provision of existing services to new services by Rocky Mountain, as well as by establishing a framework for the resolution of certain issues and avoiding further litigation in these Consolidated Proceedings. The Settling Parties further agree that reaching agreement by means of negotiations and this Amended Stipulation rather than through litigation is in the public interest and supported by the Public Utilities Commission of the State of Colorado (“Commission”) pursuant to Rules 4 *Codes of Colorado Regulations* (“CCR”) 723-1-1407 and 1408 of the Commission’s Rules of Practice and Procedure. The Settling Parties point to the reduced rate case expense recovery reflected in this compromise as compared with the level that would have been requested if litigation was continued by the Companies as one example of this benefit.<sup>3</sup> Each Settling Party supports this Amended Stipulation, with the limited exception of the OCC as to the sole matter of the ROE, and agrees to defend the settlement reached. The Settling Parties respectfully request that the Commission approve this Amended Stipulation pursuant to Rule 4 CCR 723-1-1408 of the Commission’s Rules of Practice and Procedure without modification.

---

<sup>3</sup> See Section II.B.2 below for settled details of this benefit.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

**I. BACKGROUND**

**A. THE CONSOLIDATED PROCEEDINGS**

1. The substantive and procedural history that resulted in the formation of the Consolidated Proceedings and the ALJ's granting interventions by right and by permission are set out in Decision No. R13-0460-I mailed April 18, 2013.<sup>4</sup> The procedural schedule in the Consolidated Proceedings was originally set in Decision No. R13-0645-I mailed May 31, 2013, and was modified in Decision No. R13-1046-I mailed August 22, 2013, which also set this matter for hearing on November 4-8 of 2013. The Companies and the Intervenors filed, as applicable, Direct Testimony, Supplemental Direct Testimony, Answer Testimony, Cross-Answer Testimony and Rebuttal Testimony. The procedural schedule was further modified by Decision No. R13-1264-I mailed October 8, 2013, which extended the deadline to file rebuttal and cross-answer testimony to October 16, 2013, from October 11, 2013. On October 11, 2013, the Companies filed a Motion in the Consolidated Proceedings to allow for the adoption by specific witnesses of a certain witness's direct testimony and exhibits, and simultaneously filed their supplemental direct testimony and exhibits adopting such direct testimony and exhibits.

2. These consolidated proceedings originated with an application<sup>5</sup> which the Commission re-designated as Proceeding No. 13A-0046G to address Rocky Mountain's request for a System Safety and Integrity Rider ("SSIR").<sup>6</sup> Rocky Mountain filed an advice letter for a Phase I and Phase II rate case in Proceeding No. 13AL-0067G and SourceGas Distribution filed

---

<sup>4</sup> The Companies, Staff, the OCC, A M Gas, Seminole Energy, American Gypsum, CNG and Public Service are referred in this Stipulation collectively as the "Parties" and each individually as a "Party," and all Parties except the Companies are also referred to as "Intervenors."

<sup>5</sup> Proceeding No. 12A-1145G.

<sup>6</sup> By Decision No. R13-0498 mailed April 29, 2013, the ALJ granted SourceGas Distribution's motion to withdraw without prejudice its Application to implement an SSIR in Proceeding No. 12A-1145G.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

an advice letter to implement tariff changes associated with Rocky Mountain's rate case in Proceeding No. 13AL-0143G. These three proceedings were consolidated in Decision R13-1460-I.

3. In its rate case, Rocky Mountain requested a net revenue increase of \$1,374,998<sup>7</sup> based on a test year ending on September 30, 2012, with adjustments for known and measureable changes and a new class cost of service to implement the net revenue increase from its customers. In Proceeding No. 13AL-0067G, Rocky Mountain also proposed to restructure its services, including: (i) the elimination of Rocky Mountain's General Resale Service (Rate Schedule GRS-1); (ii) the elimination of Rocky Mountain's Gas Cost Adjustment ("GCA") mechanism; (iii) the implementation of revised services under Rate Schedules FTS (Firm Transportation Service) and ITS (Interruptible Transportation Service) and new services under Rate Schedules NNS (No-Notice Storage), APAL (Interruptible Automatic Park and Loan) and MCS (Interruptible Market Center Services); (iv) the request to modify its rate structure to a Straight Fixed-Variable ("SFV") rate design; (v) the implementation of a Revenue Adjustment Mechanism ("RAM") addressing off-system transportation revenue, revenue from processing facility sales, Market Center Services ("MCS") revenue and operational sales and purchases of natural gas by Rocky Mountain; (vi) a requested change to Rocky Mountain's standard for billing for its services from a volumetric basis (Mcf) to a thermal basis (Dth); (vii) a request to raise the annual revenue to be collected under the Litigated Settlement Special Rate Surcharge ("LSSRS") and to align the recovery of the LSSRS with the rate design being proposed; and (viii) a request to update other aspects of Rocky Mountain's services through specific language

---

<sup>7</sup> The net increase was based on a revenue requirement increase of \$3,835,986, to which a proposed RAM credit of \$2,460,988 was applied for a net increase of \$1,374,998.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

included in a new tariff that would replace and supersede Rocky Mountain's current Colorado Tariff in its entirety.

4. In addition, SourceGas Distribution filed changes to its tariffs in Proceeding No. 13AL-0143G in order to change the allocation of costs for upstream requirements on the Rocky Mountain pipeline system and to change its GCA mechanism.

5. On June 25 and July 8, 2013, the Companies, Staff, the OCC, A M Gas, Seminole Energy and American Gypsum participated in technical conferences in the Consolidated Proceedings at the suggestion of Staff.

6. Certain Intervenors filed Answer and Cross Answer testimony which stated their positions concerning Rocky Mountain's Phase I and Phase II rate case proposals, Rocky Mountain's restructuring proposals, Rocky Mountain's SSIR proposal and the various tariff changes proposed by the Companies.

7. The Settling Parties began to engage in a series of negotiations in order to resolve their disputes, which negotiations culminated in an Agreement in Principle.

8. On November 1, 2013, the Settling Parties filed their Agreement in Principle and a separate Joint Motion to Vacate Evidentiary Hearing Scheduled by Decision No. R13-1046-I and for Waiver of Response Time. By Decision No. R13-1387-I mailed November 4, 2013, the ALJ granted the Settling Parties' requests to vacate the evidentiary hearing scheduled for November 4 through 8, 2013, and scheduled a hearing on the Original Stipulation for December 2 and 3, 2013. At that hearing, the ALJ directed the Settling Parties to file this Amended Stipulation by the close of business on December 13, 2013.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

9. On November 13, 2013, the Settling Parties filed the Original Stipulation and Agreement in Resolution of Proceedings and a separate Joint Motion for Approval of [the Original] Stipulation and Agreement in Resolution of Proceedings and for Waiver of Response Time.

10. On December 2, 2013, the ALJ held a hearing on the Original Stipulation. At the conclusion of the hearing, the ALJ directed the Settling Parties to file this Amended Stipulation and Agreement in Resolution of Proceedings, which incorporates expressly the provisions of the Agreement in Principle.

11. Through a series of amended advice letters filed by the Companies and interim decisions of the ALJ, the suspension periods applicable to the Consolidated Proceedings have been extended through March 27, 2014.

**B. SETTLEMENT NEGOTIATIONS AND AGREEMENT**

1. The Settling Parties in the Consolidated Proceedings conducted private and confidential settlement meetings in August and October 2013.

2. This Amended Stipulation incorporates Exhibits 1-8, appended hereto, which are identified as follows:

- Exhibit 1 – Calculation of Revenue Deficiency
- Exhibit 2 – Calculation of Rates
- Exhibit 3 – Calculation of GRSA (Modified Version of Exhibit JME-15, page 1 of 2)
- Exhibit 4 – Tariff Sheets Implementing Revisions to Rocky Mountain's Colorado P.U.C. Number 3 Tariff, to Be Effective Through May 31, 2014

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

- Exhibit 5 – Rocky Mountain’s Proposed Colorado P.U.C. Number 4 Tariff, to Be Effective June 1, 2014
- Exhibit 6 – Tariff Sheets Implementing Revisions to SourceGas Distribution’s Colorado P.U.C. Number 7 Tariff, to Be Effective June 1, 2014
- Exhibit 7 – Calculation of RAM Credit (Modified Version of Exhibit JME-13)
- Exhibit 8 – Calculation of LSSRS (Modified Version of Exhibit JME-15, page 2 of 2)

**II. TERMS OF SETTLEMENT**

**A. REVENUE REQUIREMENT, RATES AND RATE DESIGN**

1. The Settling Parties agree upon a settled overall non-gas base rate revenue decrease of \$415,873 as compared with currently authorized base rate revenues and in contrast to Rocky Mountain’s original request of increased net revenues in the amount of \$1,374,998. This net base rate revenue decrease of \$415,873 reflects a total revenue requirement of \$23,112,862 and represents a total required revenue increase of \$2,037,448 less \$2,453,321 of revenue credited from the RAM. *See* Exhibit 1. As described more fully in Section II.B.3 below, the revenue decrease for the period from the date of implementation of new rates in these Consolidated Proceedings through May 31, 2014 will be implemented through a GRSA mechanism.

2. The Settling Parties, with the exception of the OCC,<sup>8</sup> agree to an overall rate of return of 7.93% which is based on a 10.60% Return on Equity (ROE), a debt cost of 5.178%, and a capital structure of 50.77% Equity and 49.23% Debt. *See* Exhibit 1.

3. The Settling Parties agree that the total revenue requirement set forth in Section II.A.1 above reflects a rate base that includes actual expenditures for capital additions to Test

---

<sup>8</sup> See footnote 2, above.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

Year plant in service as of September 30, 2013 for the projects identified in Rocky Mountain's direct case. In determining the rate base, Rocky Mountain has removed \$58,797 of "new projects" that were included in its rebuttal evidence. *See* Exhibit 1.

4. The Settling Parties agree that Rocky Mountain's class cost of service study will be implemented. Exhibit 2 to this Amended Stipulation shows the calculation of the base rates supported by the total revenue requirement and the related results of the class cost of service study agreed to by the Settling Parties.

**B. GENERAL RATE SCHEDULE ADJUSTMENT**

1. Exhibit 3 to this Amended Stipulation calculates the GRSA percentage that will be effective under Rocky Mountain's current Colorado P.U.C. Number 3 Tariff upon the implementation of rates in this case through May 31, 2014 (*see* Exhibit 4), and calculates the GRSA percentage that will be effective under Rocky Mountain's proposed P.U.C. Number 4 Tariff on and after June 1, 2014 (*see* Exhibit 5).

2. The Settling Parties agree that Rocky Mountain's rate case expense of \$545,000 incurred through October 31, 2013 will be recovered through a GRSA mechanism based upon a 36-month amortization period at \$181,667 per year effective with the implementation of rates in this case. This amount is a reduction of approximately \$5,000 in rate case expenses as originally requested by Rocky Mountain as well an agreement by Rocky Mountain to not seek recovery of approximately an additional \$51,000 in known and measurable rate case expenses through the date of the hearing, and an agreement that any additional rate case expenses incurred by the Companies in the Consolidated Proceedings above this level will not be recovered from their respective customers in rates. *See* Exhibit 3.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

3. The Settling Parties agree to a two-step implementation process whereby the GRSA percentage resulting from the combination impact of the revenue requirement change and the RAM will be applied to existing rates through May 31, 2014 (*see* Exhibits 3 and 4). On June 1, 2014, Rocky Mountain's PUC No. 4 Tariff (*see* Exhibit 5) will be implemented. The new Tariff will implement Rocky Mountain's new rate design and new resulting rates. Associated changes to SourceGas Distribution's Tariff also will become effective on June 1, 2014. Effective June 1, 2014, the GRSA will be used only to recover Rocky Mountain's rate case expense, as provided for in Section II.B.2 above. The Settling Parties agree that one of the purposes of this two-step implementation process is to allow the Parties time to work together in an amicable manner to implement the new and revised services that will become effective June 1, 2014.

**C. SYSTEM SAFETY AND INTEGRITY RIDER**

1. The Settling Parties agree to the SSIR as filed by Rocky Mountain, except that the SSIR: (i) specifically excludes facility relocation projects from the definition of System Safety and Integrity Projects; (ii) adds a provision to the tariff that analyzes projects based on objective criteria (*e.g.*, specific regulatory requirements, threat assessment, corrosion control analysis, piggability, pipeline design, class location, inspection history, existence of records, leak history, pipeline segmentation, etc.); and (iii) establishes the term of the SSIR rider to be four years from the first effective date of SSIR rates, after which period of time Rocky Mountain's SSIR rider will expire unless the SSIR rider is reinstated upon Commission approval of an application filed by Rocky Mountain no later than six months prior to the expiration date. The first SSIR filing will be for 2014 and will be made as soon as practicable after Commission approval of the SSIR rider. No SSIR expenses are included in the base revenue requirement requested in these

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

Consolidated Proceedings, so the total revenue requirement set forth in Section II.A.1 above appropriately reflects the removal of SSIR expense of \$1,447,124. *See* Exhibit 1.

2. The revisions to Rocky Mountain's filed SSIR agreed to by the Settling Parties in Section II.C.1 above are reflected in Exhibit 4 and Exhibit 5.

**D. WORKING GAS STORAGE ADJUSTMENT**

1. The Settling Parties agree to the Working Gas Storage Adjustment ("WGSA") mechanism as filed by SourceGas Distribution, except that SourceGas Distribution will recover the carrying cost of working gas storage inventory at its short-term cost of debt rate, which is to be based upon SourceGas Distribution's borrowing cost rate under the revolving credit facility held by SourceGas LLC.

2. The revision to SourceGas Distribution's WGSA mechanism agreed to by the Settling Parties in Section II.D.1 above is reflected in Exhibit 6. Such WGSA mechanism shall be implemented by SourceGas Distribution filing an application or advice letter upon approval of this Amended Stipulation as ordered by the Commission and SourceGas Distribution providing proper notice with the Commission through such application or advice letter and approval by the Commission of such filing.

**E. ROCKY MOUNTAIN AND SOURCEGAS DISTRIBUTION TARIFFS**

1. Exhibit 4 to this Amended Stipulation contains the recommended sheets of Rocky Mountain's current Colorado P.U.C. Number 3 Tariff that will become effective through a compliance filing made upon order of the Commission approving this Amended Stipulation and will continue in effect through May 31, 2014.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

2. Exhibit 5 to this Amended Stipulation is a copy of Rocky Mountain's proposed P.U.C. Number 4 Tariff that, through a compliance filing made upon order of the Commission approving this Amended Stipulation, will become effective on and after June 1, 2014.

3. Exhibit 6 to this Amended Stipulation is a copy of the specific tariff sheets of SourceGas Distribution's current Colorado P.U.C. Number 7 Tariff that, through a compliance filing made upon order of the Commission approving this Amended Stipulation, will become effective on June 1, 2014.

4. The Settling Parties agree to the implementation of Rocky Mountain's rate design and Rocky Mountain's P.U.C. No. 4 Tariff, including Rate Schedules FTS (Firm Transportation Service), ITS (Interruptible Transportation Service), NNS (No-Notice Storage), APAL (Interruptible Automatic Park and Loan) and MCS (Interruptible Market Center Services), and to SourceGas Distribution's revisions to its PUC No. 7 Tariff as set forth in Rocky Mountain's and SourceGas Distribution's direct case and rebuttal case, as modified by this Amended Stipulation, including Section II.G below, and in accordance with the two-step implementation process referenced in Section II.B.3 above.

**F. ELIMINATION OF ROCKY MOUNTAIN'S RATE SCHEDULE GRS-1  
(GENERAL RESALE SERVICE) AND GAS COST ADJUSTMENT  
MECHANISM**

1. The Settling Parties agree that the elimination of Rocky Mountain's Rate Schedule GRS-1 (General Resale Service) and Rocky Mountain's GCA mechanism as set forth in Rocky Mountain's direct case and rebuttal case and in accordance with the two-step implementation process referenced in Section II.B.3 above is a good resolution of the concerns of the Settling Parties other than the Companies regarding the intent of Rocky Mountain to

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

implement its transition to a natural gas transportation and storage provider from its existing form of business as a gas supply provider and regarding the transparency, implementation and effects of the proposed services of Rocky Mountain to meet its business intent.

2. Rocky Mountain's Rate Schedule GRS-1 (General Resale Service) and its GCA mechanism in its current Colorado P.U.C. Number 3 Tariff will be eliminated and will cease to exist under Rocky Mountain's proposed Colorado P.U.C. Number 4 Tariff (*see* Exhibit 5). Any GCA balances remaining on Rocky Mountain's books at the elimination of its GCA (including future retroactive adjustments) will be transferred to the proper deferred accounts of SourceGas Distribution, if necessary. This approach is required and appropriate as the impact of the elimination of Rocky Mountain's GCA is unknown at the time of the filing of this Amended Stipulation because the impact depends upon future gas costs and the difference between gas cost expenditures and recoveries between the date of this Amended Stipulation and the date that Rocky Mountain's GCA is eliminated. Future operational purchases and sales shall be accounted for in the RAM.

**G. RESOLUTION OF TARIFF ISSUES RAISED BY A M GAS AND SEMINOLE ENERGY<sup>9</sup>**

1. A M Gas requested that SourceGas Distribution's methodology for determining contract quantities for transportation service customers other than SourceGas Distribution use SourceGas Distribution's regression analysis, presented during the discovery process, based on

---

<sup>9</sup> While Staff and the OCC are Settling Parties to this Amended Stipulation, their agreement to the resolution of tariff issues raised by A M Gas and Seminole Energy as set forth in Section II.G of this Amended Stipulation is based solely on agreement that the Companies and these specific Intervenors are in the best position to resolve the specific issues as settled here. Staff and the OCC support Section II.G without any specific agreement as to the actual tariff language or other obligations between the Companies and A M Gas and Seminole Energy necessary to implement Section II.G.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

data from the prior three years plus a five-percent contingency planning standard. SourceGas Distribution agrees to A M Gas's request with the addition of a rate element that reflects the effective Fuel, Lost, and Unaccounted-For Gas (FL&U) rate on SourceGas Distribution's system, as that rate is adjusted from time to time. In addition to SourceGas Distribution, the remaining Settling Parties agree to this resolution. The Settling Parties' resolution of A M Gas's request is reflected in Exhibit 6.

2. A M Gas and Seminole Energy requested that natural gas marketers such as A M Gas and Seminole Energy not be required to take applicable upstream pipeline capacity on Colorado Interstate Gas Company, L.L.C. ("CIG") by means of a capacity release. Provisions on the tariff sheets of SourceGas Distribution in Exhibit 6 have been amended to remove the original proposed language that would have required Distribution Transportation Service Customers or their designated agents to take applicable upstream CIG pipeline capacity by means of a capacity release. CIG pipeline capacity may be made available by SourceGas Distribution through the pipeline's capacity release process and, thus, CIG pipeline capacity will not be a mandatory service to marketers such as A M Gas and Seminole Energy. SourceGas Distribution agrees to file an advice letter or application within 30 days after the Commission has approved this Amended Stipulation by which SourceGas Distribution will propose that the cost of the CIG pipeline capacity be reflected in SourceGas Distribution's GCA mechanism and that any credits from any release of CIG pipeline capacity flow 100% through SourceGas Distribution's GCA mechanism. In addition to SourceGas Distribution, the remaining Settling Parties agree to this resolution and to support such advice letter or application in concept. No Settling Party shall be prejudiced by signing this Amended Stipulation as to any position taken

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

on the specific proposals in such an advice letter or application, as the total effects of the change concerning upstream pipeline capacity are unknown at the time of the filing of this Amended Stipulation.

3. A M Gas requested that Rocky Mountain's storage costs incurred by SourceGas Distribution be allocated to sales customers through SourceGas Distribution's GCA mechanism on a zoned basis such that only those customers who benefit from storage will pay rates that include the cost of storage. SourceGas Distribution agrees to file an advice letter or application within 30 days after the Commission has approved this Amended Stipulation by which SourceGas Distribution will propose that its GCA mechanism allocate such storage costs on a zoned basis. In addition to SourceGas Distribution, the remaining Settling Parties agree to this resolution and to support such advice letter or application in concept. No Settling Party shall be prejudiced by signing this Amended Stipulation as to any position taken on the specific proposals in such an advice letter or application, as the total effects of the change concerning the allocation of storage costs are unknown at the time of the filing of this Amended Stipulation.

4. A M Gas requested that Rocky Mountain implement a seasonal rate design. Rocky Mountain agrees to file an advice letter or application within 30 days after the Commission has approved this Amended Stipulation by which Rocky Mountain will propose a revision to the rate design applicable to Rate Schedules NNS (No-Notice Storage) and FTS (Firm Transportation Service) such that, effective June 1, 2014, shippers on Rocky Mountain will be able to choose between an annual rate design and a seasonal rate design. Under the seasonal rate design, the reservation charge applicable to October through March will recover monthly Rate Schedule NNS and FTS charges at 150% of the average monthly reservation charge for each

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

annual period (June through May) and the reservation charge applicable to April through September will recover 50% of the average monthly reservation charge. In addition to Rocky Mountain, the remaining Settling Parties agree to this resolution and to support such advice letter or application in concept. No Settling Party shall be prejudiced by signing this Amended Stipulation as to any position taken on the specific proposals in such advice letter or application, as the total effects of the change concerning the implementation of a seasonal rate design are unknown at the time of the filing of this Amended Stipulation.

5. A M Gas requested modifications to Rocky Mountain's Rate Schedule APAL (Interruptible Automatic Park and Loan). Rocky Mountain's resolutions of A M Gas's requested modifications are set forth below. In addition to Rocky Mountain, the remaining Settling Parties agree to such resolutions. The resolutions are reflected in Exhibit 5.

a. Rate Schedule APAL will include a two-tier daily charge, with the first 10% charged at 10% of the maximum rate and everything above the first 10% charged at the maximum rate.

b. Rate Schedule APAL will provide for a waiver of charges on any change in allocated balances due to a prior period adjustment through the implementation of a zero rate account on Rate Schedule MCS (Interruptible Market Center Services).

c. Upon receipt of adequate documentation by the shipper, Rocky Mountain will consider on a case-by-case, not unduly discriminatory basis a waiver of material Rate Schedule APAL charges caused by production month allocation adjustments.

d. Month-end imbalances under Rate Schedule APAL will be addressed as set forth in Rocky Mountain's rebuttal case.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

e. Rate Schedule APAL will provide for a waiver of APAL charges in a critical event if the imbalance is an opposite position of the event unless Rocky Mountain posts prior notice on its Electronic Bulletin Board that APAL charges will not be waived.

6. A M Gas requested that Rocky Mountain and SourceGas Distribution make various contracting and transition changes to the Rocky Mountain and SourceGas Distribution tariff. Rocky Mountain's and SourceGas Distribution's resolutions of A M Gas's requested changes are set forth below. In addition to Rocky Mountain and SourceGas Distribution, the remaining Settling Parties agree to such resolutions. Such resolutions are reflected in Exhibit 6.

a. If an End-User<sup>10</sup> chooses to use a marketer, the marketer will be the shipper on Rocky Mountain's system and the marketer will hold title to the natural gas it transports and stores. In order to effectuate such transactions, Rocky Mountain will agree to assign capacity on Rocky Mountain's system to SourceGas Distribution. SourceGas Distribution, with Rocky Mountain's consent, will sign an agreement with the marketer, which includes a credit form, by which SourceGas Distribution will assign the appropriate level of Rocky Mountain capacity to the marketer. The agreement may be extended for the next 12-month transportation program period without further signature if the Maximum Daily Transportation Quantity ("MDTQ") does not change.

b. For the purposes of determining responsibilities in all future transactions and to resolve prior issues regarding the scope of responsibilities on the SourceGas Distribution system, the End-User will be the "shipper" on SourceGas Distribution's system. Marketers such as A M Gas and Seminole Energy will not be shippers on SourceGas Distribution's system. The

---

<sup>10</sup> For clarity, the term "End-User" in Section II.G.6 of this Amended Stipulation does not include American Gypsum.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

End-User will be responsible for distribution charges and will pay SourceGas Distribution invoices. All End-Users will sign a distribution transportation service agreement, including a credit form, with SourceGas Distribution. If the End-User chooses to employ a marketer, the End-User will sign an agency agreement with the marketer. The agreements may be extended for the next 12-month transportation program period without further signature.

c. Customers on SourceGas Distribution may only switch between Transportation Service and Sales Service once per year effective on June 1st.

d. Rocky Mountain will allow a 60-day transition period to rectify Rate Schedule NNS (No-Notice Storage) requirements if an End-User changes a marketer during the contract year.

7. A M Gas requested that marketers be granted a “grandfathered” credit line for existing service currently provided under Rocky Mountain’s Rate Schedule FTS-1 (Firm Transportation Service). Rocky Mountain agrees to A M Gas’s request, but will require a credit review and may ask for assurances that may include a secured interest in natural gas in storage for any other services or increase in customer base. In addition to Rocky Mountain, the remaining Settling Parties agree to this resolution. The resolution is reflected in Exhibit 5.

8. A M Gas requested that SourceGas Distribution notify a marketer’s End-User customers of tariff and rate changes approved in these Consolidated Proceedings and instruct such customers to contact their marketer on any follow-up matters. SourceGas Distribution agrees to A M Gas’s request. In addition to SourceGas Distribution, the remaining Settling Parties agree to this resolution.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

9. Seminole Energy requested that Rocky Mountain post to their Electronic Bulletin Board discounts provided to all affiliated and non-affiliated firm on-system transportation customers between the maximum and minimum rates during the term these rates are in effect. Rocky Mountain agrees to Seminole Energy's request. In addition to Rocky Mountain, the remaining Settling Parties agree to this resolution. The resolution is reflected in Exhibit 5.

10. Seminole Energy requested clarification regarding Rate Schedule MCS (Interruptible Market Center Services). Rocky Mountain hereby clarifies that Rate Schedule MCS is a voluntary service and imbalances can be traded outside of Rate Schedule MCS. In addition to Rocky Mountain, the remaining Settling Parties agree to this resolution. The resolution is reflected in Exhibit 5.

**H. REVENUE ADJUSTMENT MECHANISM**

1. Exhibit 7 to this Amended Stipulation calculates the RAM credit of \$2,453,321, as shown on Exhibit 1 to this Amended Stipulation. The RAM credit will be reflected in the GRSA in Rocky Mountain's current Colorado P.U.C. Number 3 Tariff that will become effective through a compliance filing made after a final Commission order approving this Amended Stipulation and will continue in effect through May 31, 2014 (*see* Exhibit 4). Again, after another compliance filing to be effective on and after June 1, 2014, the RAM will be a credit to the Reservation Charge of Rate Schedule FTS (Firm Transportation Service) as set forth on the Statement of Rates in Rocky Mountain's proposed P.U.C. Number 4 Tariff (*see* Exhibit 5).

2. The Settling Parties agree that the RAM will require an annual filing that uses Exhibit JME-13 (*see* Exhibit 7), as modified by this Amended Stipulation, as the method of reporting. The annual revenues derived from RAM activities will be shared as follows:

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

- a. Rocky Mountain will credit to the RAM 100% of existing off-system transportation contract revenues, except for the \$514,236 of revenues from contracts that were included in the determination of Rocky Mountain's base rates.
- b. Rocky Mountain will credit to the RAM 25% of all off-system transportation revenues from new transportation contracts exceeding any additional facilities costs incurred with respect to said contracts, and Rocky Mountain will take the risk of under-recovery if the transportation contract revenues associated with these new transportation contracts fall below the facilities cost.
- c. Rocky Mountain will credit to the RAM 75% of net Liquids revenue exceeding current revenue requirement of \$266,000 for the Rifle Processing Plant and \$20,000 for the Piceance Processing Plant.
- d. Rocky Mountain will credit to the RAM 70% of net Market Center Services revenue.
- e. Rocky Mountain will credit to the RAM 100% the net results of all operational purchases and sales.
- f. Rocky Mountain will credit to the RAM 100% of all APAL revenues.
- g. Rocky Mountain will credit to the RAM 100% of additional Reservation Charge revenues if the Rocky Mountain-SourceGas Distribution contract MDTQ ("Contract MDTQ") is increased after the three-year period set forth in Section II.I below and no additional costs are incurred or facilities are required by Rocky Mountain to provide for the increased capacity made available to SourceGas Distribution. Rocky Mountain will notify Staff in writing at least ten calendar days prior to any increase of the Contract MDTQ by making an

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

informational filing in these Consolidated Proceedings, followed by an advice letter filing to implement such increase of the Contract MDTQ.

3. The additional RAM provisions agreed to by the Settling Parties in Section II.H.2 above are reflected in Exhibit 5.

**I. FIRM TRANSPORTATION SERVICE AGREEMENT BETWEEN  
ROCKY MOUNTAIN AND SOURCEGAS DISTRIBUTION**

1. The Settling Parties have agreed that Rocky Mountain and SourceGas Distribution will execute a Firm Transportation Service Agreement with a Contract MDTQ that will be set at 113,179 Dth/d, which Contract MDTQ will not change for a minimum of three years from the effective date of the Firm Transportation Service Agreement. The execution of such an agreement shall take place at a time and place such that the GRSA, GCA and other tariff changes as set forth in this Amended Stipulation can be implemented pursuant to the agreed upon deadlines as set forth in this Amended Stipulation.

**J. EXTINGUISHMENT OF REGULATORY REQUIREMENT THAT  
SOURCEGAS DISTRIBUTION FILE A VOLUNTARY CHOICE GAS  
PROGRAM PLAN BY THE END OF CALENDAR YEAR 2013**

1. The Settling Parties have agreed to seek to extinguish the regulatory requirement resulting from Decision No. R10-1268 in Proceeding 10AL-455G that SourceGas Distribution file a voluntary Choice Gas Program Plan by the end of calendar year 2013.<sup>11</sup> SourceGas Distribution agrees to not file a voluntary Choice Gas Program Plan before June 1, 2014. Prior

---

<sup>11</sup> On December 11, 2013, SourceGas Distribution filed in Proceeding No. 10AL-455G its "Motion of SourceGas Distribution LLC for Waiver of Requirement in Ordering Paragraph 2 of Decision No. C11-1333 that SourceGas Distribution LLC File a Voluntary Choice Gas Program Plan by Issuance of an Order Extinguishing Such Requirement, and Waiver of Response Time." As stated in paragraph 12 of that Motion, counsel for each Settling Party authorized SourceGas Distribution to state that the party supports or does not oppose the Motion or the relief sought by the Motion.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

to filing a voluntary Choice Gas Program Plan, SourceGas Distribution will meet with and seek the input of interested parties, such as Staff, the OCC, Seminole Energy and A M Gas, and will discuss with such interested parties, among other related topics, the timing of the filing of a voluntary Choice Gas Program Plan and which aspects, if any, of Rocky Mountain's new P.U.C. No. 4 Tariff are more appropriate for a Choice Gas Program than for a transportation program. SourceGas Distribution will schedule the first meeting with interested parties prior to June 1, 2014. SourceGas Distribution will file a voluntary Choice Gas Program Plan based upon the meetings with and input of interested parties.

**K. ANNUAL COMPLIANCE REPORT FILING**

1. The Settling Parties have agreed that Rocky Mountain will make an annual compliance report filing with the Commission in the Consolidated Proceedings no later than July 30, 2015, 2016 and 2017, that addresses Rocky Mountain's operations under its new P.U.C. No. 4 Tariff and provides Rocky Mountain's management assessment of its performance under its new Tariff. The annual compliance report filing will include a listing of transportation quantities by type of service by receipt and delivery point, as well as rate and contract term shown on a monthly basis for each month ending on May 31<sup>st</sup> of the annual period.<sup>12</sup> The compliance report filing also will include information on revenues from the sale of natural gas liquids and off-system transportation revenue. All annual compliance reports will be subject to audit, discovery and comment by Staff, the OCC and other interested parties. All annual compliance reports are intended to assist Rocky Mountain, Staff, the OCC and other interested parties in determining whether potential improvements or modifications can and should be made to Rocky Mountain's

---

<sup>12</sup> Rocky Mountain may seek confidential treatment under the Commission's Rules of Practice and Procedure of information provided in the annual compliance reports.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

tariffs to more appropriately implement the intent of this Amended Stipulation. Should a Party request a hearing within 60 days of the filing of the annual compliance report, no Party will object to such a request for hearing. The Settling Parties agree that the purpose of this compliance report filing is to provide transparency into the implementation of the tariffs due to the nature of the revisions to the services and terms and conditions found in Rocky Mountain's proposed Colorado P.U.C. Number No. 4 Tariff.

**L. NON-CONTESTED ISSUES**

1. The Parties agree that this Section II.L is intended to provide specific delineation of non-contested matters raised by the Companies in their testimony.

2. Exhibit 8 to this Amended Stipulation calculates the Litigated Settlement Special Rate Surcharge (LSSRS) set forth in Exhibit 4 and Exhibit 5.

3. The Settling Parties agree that the Commission should approve the Cost Assignment and Allocation Manual filed by Rocky Mountain in these Consolidated Proceedings in compliance with Rule 4503 of the Commission's Rules Regulating Gas Utilities and Pipeline Operators, 4 CCR 723-4.

4. The Settling Parties agree that Rocky Mountain filed a Fully Distributed Cost Study in these Consolidated Proceedings in compliance with Rules 4503 and 4504 of the Commission's Rules Regulating Gas Utilities and Pipeline Operators, 4 CCR 723-4.

**III. THIS AMENDED STIPULATION IS A JUST AND REASONABLE RESULT  
FROM THESE CONSOLIDATED PROCEEDINGS AND IS IN THE PUBLIC  
INTEREST**

1. Each of the Settling Parties, with the exception of the OCC on the sole matter of the ROE, believes that this Amended Stipulation is a just and reasonable result from these

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

Consolidated Proceedings and is in the public interest for reasons determined by each of the Settling Parties, including, but not limited to, the testimonies and exhibits of the Settling Parties. The Settling Parties have agreed to stipulate to all the testimony and exhibits in these Consolidated Proceedings, except in relation to footnote 2 of this Amended Stipulation. The Companies, Staff and the OCC presented testimony at the hearing on this Amended Stipulation held on December 2, 2013, as to their reasons for supporting this settlement as being just and reasonable and in the public interest, including testimony addressing the substantive provisions of this Amended Stipulation. The Settling Parties agree that although their individual reasons for determining the justness, the reasonableness and the public interest determination may be the same, similar and/or different from other Settling Parties, both this Amended Stipulation and the stipulated testimony at hearing support such a determination.

**IV. EFFECTIVE DATE OF AMENDED STIPULATION**

1. On November 13, 2013, the Settling Parties filed a Joint Motion for Approval of [the Original] Stipulation and Agreement in Resolution of Proceedings.
2. This Amended Stipulation shall take effect upon a final decision of the Commission. Nothing in this Amended Stipulation shall be construed as precluding the Companies from filing a general rate case to change the rates for their natural gas services at any time. Nothing in this Amended Stipulation shall be construed to limit the Companies from applying to the Commission for adjustment clauses or for any other change to the Companies' natural gas service rates or tariffs. Nothing in this Amended Stipulation shall be construed to prevent Staff or any other Party from seeking review by the Commission of the justness and reasonableness of the Companies' natural gas service rates or tariffs.

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

**V. IMPLEMENTATION**

1. This Amended Stipulation shall not become effective until the issuance of a final Commission Order that does not modify this Amended Stipulation in a manner that is unacceptable to any Settling Party. In the event that a final Commission Order modifies this Amended Stipulation in a manner that is unacceptable to any Settling Party, that Settling Party shall have the right to withdraw from this Amended Stipulation (the “Withdrawing Settling Party”) and proceed to hearing on the issues that may be appropriately raised by the Withdrawing Settling Party in the Consolidated Proceedings only after the following procedures are followed by the Withdrawing Settling Party. The Withdrawing Settling Party shall, within seven business days of the mailed date of such a final Commission Order, notify the Commission and the other Settling Parties in writing to the signatory of each Settling Party to this Amended Stipulation and by a filing in these Consolidated Proceedings that the Settling Party is withdrawing from this Amended Stipulation and is ready to proceed to hearing. The written notice as well as the filing in these Consolidated Proceedings shall designate the precise issue or issues on which the Withdrawing Settling Party desires to proceed to hearing (the “Notice of Withdrawal”).

2. The withdrawal of a Settling Party shall not automatically terminate this Amended Stipulation as to any other Settling Party. The unmodified aspects of this Amended Stipulation remain in force. The Settling Parties agree to meet and confer at an agreed upon time and date arranged by the Withdrawing Settling Party, within seven days after the Notice of Withdrawal, to attempt to resolve the issues of dispute set forth in the Notice of Withdrawal. If no such resolution has occurred within seven days of such meeting, the Withdrawing Settling

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

Party shall notify the Commission that a hearing is requested, and all the Settling Parties that proceed to hearing shall have and be entitled to exercise all rights with respect to the issues raised in the Notice of Withdrawal. The Settling Parties waive their right to a hearing only to the extent that the Commission approves this Amended Stipulation either without modification or with their consent to any modification.

3. Any negotiations or discussions undertaken pursuant to the meet and confer requirements set forth in Section V.2 above, shall not be admissible at any hearing on the issues raised in the Notice of Withdrawal sent to the other parties, and filed at the Commission.

4. The Settling Parties agree that, upon final Commission approval of this Amended Stipulation, either without modification or with modification with their consent, the Companies each will make a filing with the Commission, on not less than two business days' notice prior to the effective date ordered by the Commission. The filing will cite the order approving this Amended Stipulation, either without modification or with modifications that have the Settling Parties' consent, and include the settlement rates, terms and conditions, and tariff sheets, or modified versions thereof upon consent of the Settling Parties.

**VI. GENERAL TERMS AND CONDITIONS**

1. The Settling Parties agree that this Amended Stipulation and the settlement rates, terms and conditions herein, and tariff sheets and other Exhibits attached to and incorporated by reference into this Amended Stipulation have been agreed to by the Settling Parties solely for purposes of settlement and do not constitute a settled practice or otherwise have precedent-setting value in any future proceedings. The Settling Parties shall not be deemed to have approved, accepted, agreed to, or consented to any concept, theory, or principle underlying or

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

supposed to underlie any of the matters provided for in this Amended Stipulation.

Notwithstanding the resolution of the issues set forth in this Amended Stipulation, none of the methods or ratemaking principles contained herein shall be deemed by the Settling Parties to constitute a settled practice or precedent in any future proceeding, and nothing herein shall constitute a waiver by any Settling Party with respect to any matter not specifically addressed herein. Nothing in this Amended Stipulation shall preclude the Companies from seeking prospective changes in their natural gas service rates or tariffs by an appropriate filing with the Commission.

2. The Settling Parties agree that all pre-filed testimony and exhibits filed in the Consolidated Proceedings, except as to the evidence presented in relation to footnote 2 of this Amended Stipulation, shall be admitted into evidence without cross-examination.

3. Each Settling Party hereto pledges its support of this Amended Stipulation and urges the Commission to approve this Amended Stipulation in its entirety, subject to the terms and conditions provided herein.

4. This Amended Stipulation may be executed in counterparts, which together shall constitute the entire Amended Stipulation with respect to the issues addressed by this Amended Stipulation.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

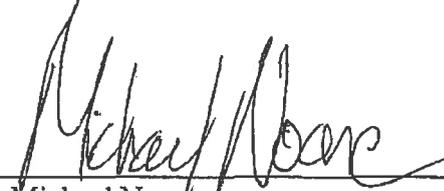
**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

DATED this 13<sup>th</sup> day of December, 2013.

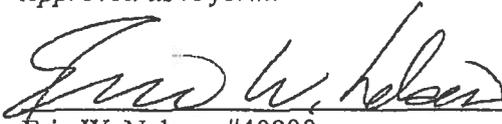
Respectfully submitted,

**ROCKY MOUNTAIN NATURAL GAS LLC  
SOURCEGAS DISTRIBUTION LLC**

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

  
Michael Noone  
President  
SourceGas LLC  
600 12th Street, Suite 300  
Golden, CO 80401

*Approved as to form:*

  
Eric W. Nelsen, #40800  
Deputy General Counsel – Regulatory Law  
SourceGas LLC  
600 12th Street, Suite 300  
Golden, CO 80401  
Telephone: (303) 243-3420  
Fax: (303) 243-3608  
Eric.Nelsen@sourcegas.com

and

Rebecca H. Noecker, #14845  
Beatty & Wozniak, P.C.  
216 16th Street, Suite 1100  
Denver, CO 80202  
Telephone: (303) 407-4499  
Fax: (303) 407-4494  
RNoecker@bwenergylaw.com

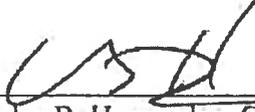
Attorneys for Rocky Mountain Natural Gas LLC  
and SourceGas Distribution LLC

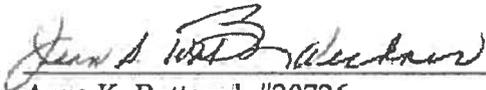
**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

**STAFF OF THE COLORADO PUBLIC  
UTILITIES COMMISSION**

*Approved as to form:*

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

  
Charles B. Hernandez, CPA  
Chief Economist  
Energy & Water; Economics &  
Financial Analysis  
Colorado Department of  
Regulatory Agencies  
Public Utilities Commission  
1560 Broadway, Suite 250  
Denver, CO 80202

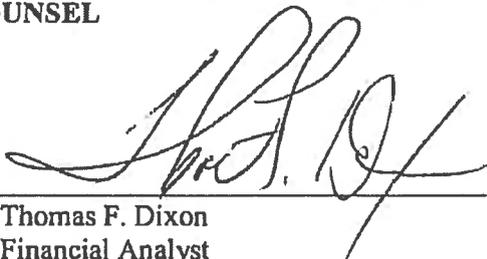
  
Anne K. Botterud, #20726  
First Assistant Attorney General  
Jean S. Watson-Weidner, #21036  
Assistant Attorney General  
Revenue and Utilities Section  
Office of the Attorney General  
Ralph L. Carr Colorado Judicial Center  
1300 Broadway, 8<sup>th</sup> Floor  
Denver, CO 80203  
Telephone: (720) 508-6334/6331  
Fax: (720) 508-6038  
Anne.Botterud@state.co.us  
JSWW@state.co.us

Counsel for Staff of the Colorado  
Public Utilities Commission

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

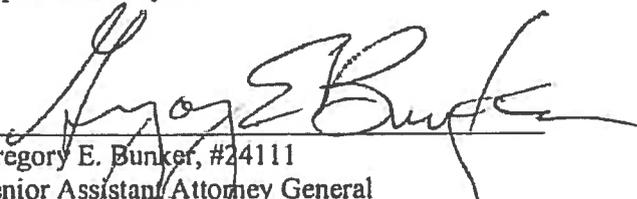
**COLORADO OFFICE OF CONSUMER  
COUNSEL**

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



Thomas F. Dixon  
Financial Analyst  
Office of Consumer Counsel  
1560 Broadway, Suite 200  
Denver, CO 80202

*Approved as to form:*



Gregory E. Bunker, #24111  
Senior Assistant Attorney General  
Stephen W. Southwick, #30389  
First Assistant Attorney General  
Office of the Attorney General  
1300 Broadway, 7<sup>th</sup> Floor  
Denver, CO 80203  
Telephone: (720) 508-6212/6214  
Gregory.Bunker@state.co.us  
Stephen.Southwick@state.co.us

Attorneys for the Colorado Office of Consumer  
Counsel

**Amended Stipulation and Agreement, Dated December 13, 2013  
Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC  
Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

**A M GAS TRANSFER CORP.**

*Approved as to form:*

By: /s/ Barton J. Levin

Barton J. Levin  
President  
A M Gas Transfer Corp.  
P.O. Box 7941  
Aspen, CO 81612-7941

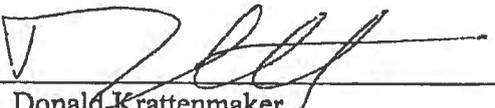
/s/ Mark T. Valentine

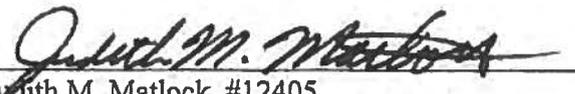
Richard L. Fanyo, #7238  
Richard L. Corbetta, #20766  
Mark T. Valentine, #29986  
Dufford & Brown, P.C.  
1700 Broadway, Suite 2100  
Denver, CO 80290-2102  
Telephone: (720) 508-6212/6214  
Fax: (303) 832-3804  
Rfanyo@duffordbrown.com  
Rcorbetta@duffordbrown.com  
Mvalentine@duffordbrown.com  
Attorneys for A M Gas Transfer Corp.

**Amended Stipulation and Agreement, Dated December 13, 2013**  
**Rocky Mountain Natural Gas LLC and SourceGas Distribution LLC**  
**Consolidated Proceeding Nos. 13A-0046G, 13AL-0067G and 13AL-0143G**

**SEMINOLE ENERGY SERVICES, LLC**

*Approved as to Form:*

By:   
Donald Krattenmaker  
Director of Commercial and Industrial  
Seminole Energy Services, LLC  
303 East 17<sup>th</sup> Avenue, Suite 850  
Denver, CO 80203

  
Judith M. Matlock, #12405  
Davis Graham & Stubbs LLP  
1550 17<sup>th</sup> Street, Suite 500  
Denver, CO 80202  
Telephone: (303) 892-7380  
Fax: (303) 893-1379  
Judith.matlock@dgsllaw.com

Counsel for Seminole Energy Services, LLC

**Rocky Mountain Natural Gas  
 Calculation of Revenue Deficiency  
 For the Adjusted Test Year**

Line No.	Description	(A)	(B)	(C)	(D)	(E)	References for Column (D)
1	Rate Base		\$90,489,391	\$90,893,973	\$90,526,478		Rebuttal Exhibit II, Rebuttal Schedule A, Line 8
<b>Cost of Capital and Capital Structure</b>							
2	Cost of Debt		5.178%	5.178%	5.178%		Rebuttal Exhibit IV, Rebuttal Schedule A, Column D, Line 1
3	Cost of Equity		11.50%	11.50%	10.60%		Rebuttal Exhibit IV, Rebuttal Schedule A, Column D, Line 2
4	Debt %		49.23%	49.23%	49.23%		Rebuttal Exhibit IV, Rebuttal Schedule A, Column C, Line 1
5	Equity %		50.77%	50.77%	50.77%		Rebuttal Exhibit IV, Rebuttal Schedule A, Column C, Line 2
6	Weighted Cost of Debt		2.55%	2.55%	2.55%		Rebuttal Exhibit IV, Rebuttal Schedule A, Column E, Line 1
7	Weighted Cost of Equity		5.84%	5.84%	5.38%		Rebuttal Exhibit IV, Rebuttal Schedule A, Column E, Line 2
8	Return on Rate Base		8.39%	8.39%	7.93%		Rebuttal Exhibit IV, Rebuttal Schedule A, Line 3
9	Earnings Required		\$7,589,913	\$7,623,848	\$7,179,388		(Line 1 x Line 8)
10	Net Operating Earnings		\$5,211,966	\$5,011,981	\$5,916,364		Rebuttal Exhibit I, Rebuttal Schedule D, Line 17 + Line 22
11	Deficiency / (Excess)		\$2,377,947	\$2,611,867	\$1,263,024		(Line 9 - Line 10)
12	Gross Up		1.613150	1.613150	1.613150		(Based on a Combined Federal and State Income Tax Rate of 38.01%)
13	Revenue Increase / (Decrease)		\$3,835,986	\$4,213,335	\$2,037,448		(Line 11 * Line 12)
14	Revenue Requirement		\$25,377,672	\$25,288,749	\$23,112,862		
<b>Settlement Adjustments</b>							
	ROE			(\$669,966)			
	SSIR Expense			(\$1,447,124)			
	Remove New Projects (Plant, CWIP, Depreciation)			(\$58,797)			
	Subtotal Adjustments			(\$2,175,887)			
	Settlement Revenue Requirement			\$23,112,862			
2014	RAM Credit			(\$2,223,512)			
	Net Increase (Decrease)			\$1,989,823			
							<u><u>(\$415,873)</u></u>

**Rocky Mountain Natural Gas LLC**  
**Calculation of Rates**  
**Adjusted Test Year Ended December 31, 2013**

Line No.	[A] Acct. No.	[B]	[C] Total Gas Utility Adjusted		[D] Storage		[E] Variable		[F] Transmission		[G] Variable	[H] Allocation Basis or Reference
			Fixed	Variable	Fixed	Variable	Fixed	Variable				
1		Total Cost of Service	23,112,862	1,982,430	0	20,608,304					522,127	
2		Classification of Fixed Storage Costs										
3		Deliverability (Withdrawal)	991,215									Equitable Method - 50 percent of Line 1
4		Capacity (Inventory)	991,215									Equitable Method - 50 percent of Line 1
5		Reclassification of Fixed Storage Costs to Transmission										
6		Deliverability	0	(594,729)		594,729						60 percent = 19,100/31,800, Exhibit EGF-6
7		Capacity	0	(165,203)		165,203						16.67 percent = 212,000/1,272,000 Exhibit EGF-6
8		Net Cost of Service	23,112,862	1,222,499	0	21,368,236					522,127	Line 1 + Line 6 + Line 7
9		Billing Determinants										
10		MDTQ - dekatherms/day				113,179						Exhibit EGF-9
11		Annual Throughput - dekatherms									9,153,584	Exhibit TJS-9
12		MDWQ - dekatherms/day		12,700								Exhibit EGF-9
13		Rates - Firm										
14		Reservation Charge - \$/dt/day/month		8.0216							15.7334	Line 1 / Line 10 / 12
15		Usage Charge - \$/dekatherm									0.0570	Line 1 / Line 11
16		Rates - Interruptible										
17		Usage Charge - \$/dekatherm		0.2639							0.5746	Line 14 / 30.4 + Line 15

Rocky Mountain Natural Gas LLC  
 Calculation of GRSA

	General Rate Schedule Adjustment (GRSA)	Amount	Reference
1	Test Year Revenue - Annualized and Normalized	\$ 21,151,866	Rebuttal Exhibit V, Schedule A, Column J, Line 10
2	Revenue Requirement	\$ 23,112,862	
3	Change from Current Revenue	\$ 1,960,996	Line 2 - Line 1
4	RAM Credit	\$ (2,453,321)	Exhibit 7, Page 1, Line 1
5	Net Increase from Current Revenue	\$ (492,325)	Line 3 + Line 4
6	Amortization of Rate Case Expense	\$ 181,667	Exhibit SLR-5
7	Total GRSA Recovery	\$ (310,658)	Line 5 + Line 6
8	Interim GRSA % Calculation	<u>-1.47%</u>	Line 7 ÷ Line 1
9	RAM Contribution to Interim GRSA	-11.60%	Line 4 ÷ Line 1, for Tracking Purposes Only
10	Calculation of GRSA for PUC No. 4 Tariff	<u>0.79%</u>	Line 6 ÷ Line 2

Rate Calculations		Current	Proposed	
11	GRS-1 Demand Charge	\$ 5.8846	\$ 5.7981	per Mcf of Contract Demand per month
12	Commodity Charge	\$ 1.6958	\$ 1.6709	Per Mcf delivered per Monthly Billing Period
13	FTS-1 Reservation Charge	\$ 4.6720	\$ 4.6033	per Mcf of MDTQ per month
14	Commodity Charge	\$ 0.6428	\$ 0.6334	per Mcf delivered per Monthly Billing Period
		<u>Proposed</u>	<u>Incl. GRSA</u>	
15	FTS Reservation Charge	\$ 15.7334	\$ 15.8571	per Dth of MDTQ per month
16	Commodity Charge	\$ 0.0570	\$ 0.0574	per Dth delivered per Monthly Billing Period
17	ITS Commodity Charge	\$ 0.5746	\$ 0.5791	per Dth delivered per Monthly Billing Period
18	NNS Reservation Charge	\$ 8.0216	\$ 8.0846	per Dth of MDWQ per month

Rocky Mountain Natural Gas LLC

Colo. PUC No. 3  
 Eighth Revised Sheet No. 8  
 Cancels Seventh Revised Sheet No. 8

**GENERAL RESALE SERVICE (GRS-1) – STATEMENT OF RATES**

Type of Charge	Tariff	Gas Cost Adjustment		Rate After
	Rate	Current 1/	Cumulative 2/	Adjustment
	\$	\$	\$	\$
<u>Demand Charge</u>				
Per Mcf of Contract Demand per Month 5/,6/	5.7981			5.7981
<u>Litigated Settlement Special Rate Surcharge (“LSSRS”) 4/</u>				
Per Mcf delivered per Monthly Billing Period 5/	0.4975			0.4975
<u>Commodity Charge</u>				
Per Mcf delivered per Monthly Billing Period	4.1346	0.3198	1.3710	5.5056
<u>Authorized Overruns</u>				
Per Mcf delivered per Monthly Billing Period	2.2384 3/, 4/			
<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	0.0763	1.7633	4.2270
Gas Cost Recovery Adjustment	---	0.2435	(0.3923)	(0.3923)
<b>Total</b>	<b><u>2.4637</u></b>	<b><u>0.3198</u></b>	<b><u>1.3710</u></b>	<b><u>3.8347</u></b>

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 Gas Daily’s 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.
- 5/ Rate Includes General Rate Schedule Adjustment (“GRSA”) applied pursuant to Section 7B of the General Terms and Conditions of this Tariff.
- 6/ Rate Includes System Safety and Integrity Rider (“SSIR”) applied pursuant to Section 7C of the General Terms and Conditions of this Tariff.

Colorado PUC E-Filings System

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or Authority No.

President  
 Title

Effective Date:

D

Rocky Mountain Natural Gas LLC

Colo. PUC No. 3  
 Eighth Revised Sheet No. 8A  
 Cancels Seventh Revised Sheet No. 8A

<b><u>GENERAL RESALE SERVICE (GRS-1) STATEMENT OF RATES</u></b>						
<b><u>Category Cost Determination</u></b>						
<u>Rate Schedule</u>	<u>Commodity Charge</u>	<u>Distribution Charge 4/</u>	<u>Upstream Pipeline Charge</u>	<u>Total Commodity Charge 1/</u>	<u>LSSRS 3/</u>	<u>Demand Charge 2/, 4/</u>
\$	\$	\$	\$	\$	\$	\$
GRS-1	3.5601	1.6709	0.2746	5.5056	0.4975	5.7981

D, I

1/ per Mcf delivered per Monthly Billing Period  
 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.  
 4/ Includes General Rate Schedule Adjustment ("GRSA") applied pursuant to Section 7B of the General Terms and Conditions of this Tariff.

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date:

Rocky Mountain Natural Gas LLC

Colo. PUC No. 3  
 First Revised Sheet No. 10  
 Cancels Original Sheet No. 10

<b>FIRM AND INTERRUPTIBLE TRANSPORTATION SERVICE (FTS-1 AND ITS-1) STATEMENT OF RATES</b>				
<u>Rate Schedule</u>	<u>Type of Service</u>	<u>Type of Charge</u>	<u>Maximum Rate 1/ \$</u>	<u>Minimum Rate 1/ \$</u>
FTS-1	Firm	<u>Reservation Charge</u> (Per Mcf of MDTQ per Month)	4.6033 4/,5/	0.3042
		<u>Commodity Charge</u> (Per Mcf delivered per Monthly Billing Period)	1.1309 3/, 4/	0.0325
		<u>Authorized Overruns</u> (Per Mcf delivered per Monthly Billing Period)	1.4310 3/, 4/	0.0425
		<u>Unauthorized Overruns</u> (Per Mcf in excess of Tolerance delivered per Monthly Billing Period)	6.0000 2/	
ITS-1	Interruptible	<u>Commodity Charge</u> (Per Mcf delivered per Monthly Billing Period)	1.1309 3/, 4/, 5/	0.03252
		<u>Unauthorized Overruns</u> (Per Mcf in excess of Tolerance delivered per Monthly Billing Period)	6.0000 2/	
Notes				
1/	Rates are stated in Mcf at a Pressure Base of 14.73 p.s.i.a.			
2/	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.			
3/	Rate includes LSSRS of \$0.4975, pursuant to Section 7A of the General Terms and Conditions of this Tariff.			
4/	Rate includes General Rate Schedule Adjustment ("GRSA") applied pursuant to Section 7B of the General Terms and Conditions of this Tariff.			
5/	Rate includes System Safety and Integrity Rider ("SSIR") applied pursuant to Section 7C of the General Terms and Conditions of this Tariff.			

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date:

Rocky Mountain Natural Gas LLC

Colo. PUC No. 3  
First Revised Sheet No. 69B  
Cancels Original Sheet No. 69B

GENERAL TERMS AND CONDITIONS

ii. The Company shall annually provide an attachment to its Annual Report to the Commission. The attachment shall identify the following:

- a. the original settlement amount allowed for recovery;
- b. total annual revenue recovered for the reported calendar year period;
- c. accumulated revenues recovered by year, as of the annual period being reported;
- d. total volumes sold or transported during the same calendar year period reported for the annual revenue recovery; and
- e. the settlement amount balance remaining to be recovered;

iii. The LSSRS shall terminate in the same month that full recovery of the entire settlement amount is completed. The Company shall file an advice letter to remove the LSSRS from rates on not less than one (1) day's notice. Any over- or under-recovered balance of the settlement amount remaining shall be debited or credited to the Company's Account 191.

iv. The LSSRS surcharge for the Company has been calculated to be \$0.4975 per Mcf. This calculation (pursuant to the Stipulation and Agreement contained in Docket No. 02A-522G, et al.) was based on the Remaining Balance, divided by the estimated total throughput on Company related to SourceGas Distribution LLC (SGD)-Western Slope Rate Area sales and transportation customers for the fourteen (14)-year period of recovery of the Remaining Balance. The total throughput on SGD is the sum total of the projected end-use SGD sales and transportation customer consumption, as estimated for each year of the fourteen (14)-year recovery period.

v. As the LSSRS pertains to transportation rates, if and when the Company discounts the rates applicable to service rendered under the transportation rate schedules contained in this effective Tariff, the LSSRS component shall be discounted prior to the discounting of any other component of the applicable maximum rate. The Company shall only attribute to the Settlement Amount the amounts actually collected pursuant to the application of the LSSRS. Company shall maintain sufficient books and records for the determination of all amounts actually collected, including any amounts collected on discounted transactions.

vi. The language of Company's LSSRS tariff provisions shall be consistent, in all aspects, to the language contained in the tariff of its sole wholesale customer, Western Slope rate area of SGD. In case of changes in tariff language concerning the LSSRS for SGD, similar changes shall be made concurrently for Rocky Mountain Natural Gas LLC. The LSSRS shall be collected only once from the end-use customers even though the LSSRS is flowed through both SGD and Rocky Mountain Natural Gas LLC.

I

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date:

Rocky Mountain Natural Gas LLC

Colo. PUC No. 3  
Original Sheet No. 69C

## GENERAL TERMS AND CONDITIONS

### 7B. GENERAL RATE SCHEDULE ADJUSTMENT

The Demand and Distribution charges for gas service calculated under the Company's GRS-1 Rate Schedule and maximum rate Reservation and Commodity charges for gas service calculated under FTS-1 and ITS-1 Rate Schedules shall be decreased by 1.47%. Said decrease shall not apply to charges determined by the Gas Cost Adjustment provision in Section 7 of the General Terms and Conditions or the Litigated Settlement Special Rate Surcharge provision in Section 7A of the General Terms and Conditions. Also, for the GRS-1 Rate Schedule, the GRSA shall not apply to the Base Gas Cost portion of the Commodity Charge.

### 7C. SYSTEM SAFETY AND INTEGRITY RIDER

7C.1 APPLICABILITY. Rate Schedules GRS-1, FTS-1 and ITS-1 are subject to a System Safety and Integrity Rider ("SSIR") designed to collect Eligible System Safety and Integrity Costs, as defined herein. The SSIR rates will be subject to annual changes to be effective on January 1 of each year for a period of four years from the first effective date, after which period of time the Company's SSIR rider shall expire unless the SSIR rider is reinstated upon Commission consideration of an application filed by the Company no later than six months prior to the expiration date. The SSIR rates to be applied to each Rate Schedule are as set forth on the statement of effective rates, charges and fees, Sheet Nos. 8 through 10 of this Tariff.

7C.2 ANNUAL FILINGS. Each proposed revision in the SSIR rates will be accomplished by filing an advice letter on November 1 of each year to take effect on the following January 1, provided, however, that the initial filing for 2014 will be made as soon as possible following approval of the SSIR in Docket No. 13A-0046G. The Company will include in its annual SSIR filing all pertinent information and supporting data related to Eligible System Safety and Integrity Costs, e.g., project description and scope, project costs, in-service date, etc. The Company will submit a report each year by April 1 detailing the Project costs incurred during the previous year. This report will explain how the Project costs were managed and any deviations between budgeted and actual costs. To the extent interested parties wish to challenge any of the activities or their respective costs, they can request that the Commission convene a hearing within ninety (90) days of the date the Company files its report. The Company will file the first such report on April 1, 2015.

#### 7C.3 DEFINITIONS.

- a. "Deferred SSIR Balance" shall be equal to the balance, positive or negative, of SSIR revenues at the end of the 12-month period for the year prior to the annual SSIR filing less the Eligible System Safety and Integrity Costs as projected by the Company for that 12-month period.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date:

Rocky Mountain Natural Gas LLC

Colo. PUC No. 3  
Original Sheet No. 69D

### GENERAL TERMS AND CONDITIONS

- b. "Eligible System Safety and Integrity Costs" shall mean (1) a return, at a percentage equal to the Company's projected weighted average cost of capital grossed up for taxes, on the projected increase in the month ending net plant in-service balances associated with the Projects for the following 12-month period in which the SSIR rates will be in effect, exclusive of all plant in-service included in the determination of the revenue requirements approved in the Company's last general rate case; (2) the plant-related ownership costs associated with such incremental plant investment, including depreciation, accumulated deferred income taxes, and all taxes including income taxes and property taxes; and (3) the projected operation and maintenance expenses related to the Projects for the following 12-month period in which the SSIR rates will be in effect. The return and income taxes and plant related costs associated with improvements or upgrades to facilities, made at the discretion of the Company and not specifically required by a statute or regulation, shall be excluded from Eligible System Safety and Integrity Costs.
- c. "System Safety and Integrity Projects" ("Projects") shall mean one or more of the following:
- (1) Projects in accordance with Code of Federal Regulations Title 49 (Transportation), Part 192 (Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards), Subpart O (Gas Transmission Pipeline Integrity Management), including projects in accordance with the Company's transmission integrity management program ("TIMP") and projects in accordance with State enforcement of Subpart O and the Company's TIMP;
  - (2) Projects in accordance with Code of Federal Regulations Title 49 (Transportation), Part 192 (Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards), Subpart P (Gas Distribution Pipeline Integrity Management), including projects in accordance with the Company's distribution integrity management program ("DIMP") and projects in accordance with State enforcement of Subpart P and the Company's DIMP; and
  - (3) Projects in accordance with final rules and regulations of the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration that become effective on or after the filing date of the Application requesting approval of this System Safety and Integrity Rider.

Projects shall be analyzed based upon objective criteria, such as, but not limited to: specific regulatory requirements, threat assessment, corrosion control analysis, pipeline vintage, pipeline material, pipeline design and class location, pipeline configuration and segmentation, pipeline system constraints, pipeline replacement history, population density, pipeline maintenance and internal inspection history, pipeline piggability, existence and reliability of pipeline asset and testing records, pipeline leakage and other incident history, subject matter expert knowledge, project timeframe, weather and climate constraints on the construction season, permitting constraints, probability of pipeline testing failures and dewatering constraints, service outage management, and pipeline source of supply and availability of alternate gas supply. As part of its analysis, the Company shall identify and describe the proposed projects that are for high-risk gas infrastructure by providing its risk assessment for each such project including, if applicable, the probability of failure, the consequences of failure for the project and how it prioritized the project for which it seeks recovery. The Company shall also provide the results of performance metrics measuring any reduction in incidents and safety-related events, as well as the overall effectiveness of the SSIR program, including any reduction in O&M expenses associated with pipeline integrity projects.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date:

Rocky Mountain Natural Gas LLC

Colo. PUC No. 3  
Original Sheet No. 69E

### GENERAL TERMS AND CONDITIONS

- d. "SSIR True-Up Amount" shall be equal to the difference, positive or negative, between the Eligible System Safety and Integrity Costs as projected for the 12-month period for the year prior to the annual SSIR filing and the actual Eligible System Safety and Integrity Costs incurred by the Company for that 12-month period.

#### 7C.4 SSIR ADJUSTMENT CALCULATION

- a. The System Safety and Integrity Rider shall be equal to the Eligible System Safety and Integrity Costs, plus or minus the SSIR True-Up Amount, plus or minus the Deferred SSIR Balance, divided by the total Contract Demand under Rate Schedule GRS-1 and FTS-1 (on-system), as follows:

$$SSIR = ((A \pm B \pm C) / D)$$

Where:

A = Eligible System Safety and Integrity Costs

B = SSIR True-Up Amount

C = Deferred SSIR Balance

D = Total Contract Demand under Rate Schedules GRS-1 and FTS-1 (on-system)

- b. The calculated rate shall be an adjustment to the Demand Charge under Rate Schedule GRS-1, the Reservation Charge under Rate Schedule FTS-1 and the Commodity Charge under Rate Schedule ITS-1.

#### 7C.5 SSIR ADJUSTMENT WITH CHANGES IN BASE RATES

Whenever the Company implements changes in base rates as a result of a final Commission order in a general rate case setting new rates based on approved revenue requirements, the Company shall simultaneously adjust the SSIR to remove all costs that have been included in base rates.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date:

Rocky Mountain Natural Gas LLC

Colorado P.U.C. Number 4  
Supersedes Colorado P.U.C. Number 3 in its entirety

Colorado Gas Tariff  
For  
NATURAL GAS SERVICE

AVAILABLE  
IN THE ENTIRE TERRITORY SERVED

By  
ROCKY MOUNTAIN NATURAL GAS LLC

Filed with the  
COLORADO PUBLIC UTILITIES COMMISSION

Communication concerning this Tariff should be directed to:

Rates and Regulatory  
Department  
Rocky Mountain Natural Gas LLC  
600 12th Street, Suite 300  
Golden, CO 80401

Regulatory Phone: 303-243-3401  
Website: [www.sourcegas.com](http://www.sourcegas.com)

Colorado PUC E- Filings System

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**Table of Contents**

<b>Description</b>	<b>Sheet Number</b>
Key to Symbols Indicating Revisions to Tariff Sheets .....	5
Glossary of Acronyms .....	6
Territory Served (System Map) .....	7
<b>Statement of Effective Rates, Charges and Fees</b>	
- Firm Transportation Service (FTS).....	8
- Interruptible Transportation Service (ITS) .....	8
- No-Notice Storage (NNS).....	9
- Interruptible Automatic Park and Loan (APAL) .....	9
- Interruptible Market Center Services (MCS).....	9
- Firm Transportation Service (Grandfathered Contracts) .....	10
- Interruptible Transportation Service (Grandfathered Contracts).....	10
<b>Rate Schedules</b>	
- Firm Transportation Service (FTS).....	11
- Interruptible Transportation Service (ITS) .....	32
- No-Notice Storage (NNS).....	41
- Interruptible Automatic Park and Loan (APAL) .....	55
- Interruptible Market Center Services (MCS).....	70

Advice Letter No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

<b>Table of Contents</b>	
(Continued)	
<b>Description</b>	<b>Sheet Number</b>
<b>General Terms and Conditions</b>	
1. Applicability.....	79
2. Definitions and Interpretive Matters .....	79
3. Conditions for Refusal or Discontinuance of Service.....	92
4. Creditworthiness, Related Deposits, and Other Credit Assurances .....	95
5. System Access Policy and Additional Facilities Policies and Payments .....	98
6. Billing and Payment.....	101
7. Measurement.....	106
8. Measurement Equipment.....	110
9. New Measurement Techniques .....	110
10. Calibration and Test of Meters .....	111
11. Correction of Metering Errors .....	112
12. Pressure and Delivery Conditions.....	113
13. Quality of Gas.....	114
14. Adjustment of Contract Entitlements Due to Change in BTU .....	118
15. Possession of, Title to, and Warranty of Gas .....	119
16. Electronic Bulletin Board (EBB) .....	120
17. Scheduling Principles for, and Determination of, Receipts and Deliveries.....	125
18. Nomination and Scheduling Procedures .....	126
19. Allocation of Capacity .....	138
20. Third Party Capacity.....	139

Advice Letter No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

<b>Table of Contents</b>	
(Continued)	
<b>Description</b>	<b>Sheet Number</b>
General Terms and Conditions (Continued)	
21. Rate Discounting .....	140
22. Revenue Adjustment Mechanism .....	141
23. Fuel, Lost and Unaccounted-For Gas (FL&U) Reimbursement Mechanism .....	145
24. System Safety and Integrity Rider .....	146
25. Other Cost Adjustments and Surcharges .....	149
26. Continuous Service .....	151
27. Limitations on Obligations .....	152
28. Liability .....	155
29. Operations by Transporter and Shippers and Imbalance Management .....	156
30. Operational Controls .....	161
31. Operational Purchases and/or Sales .....	170
32. Company Property .....	170
33. Operator-Owned Facilities .....	171
34. Inspection by Company .....	172
35. Relocation of Facilities .....	172
36. Disconnection for Dangerous Condition Found On Shipper's Premises .....	172
37. Liability .....	173
38. Remedies .....	173
39. Tariff Subject to Revision .....	174
40. Governmental Regulations (Duly Constituted Authorities) .....	174

Advice Letter No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

**Table of Contents**  
(Continued)

<b>Description</b>	<b>Sheet Number</b>
41. Alteration of Rules and Regulations .....	174
42. General and Specific Waters and Non-Waiver of Future Default.....	174
43. Notices .....	175
<b>Miscellaneous Forms</b>	
- Standard Form of Request for Service.....	176
- Form of Credit Application.....	178
- Form of Transportation Service Agreement .....	181
- Form of No-Notice Storage Agreement.....	188
- Form of Automatic Parking and Lending Agreement .....	192
- Form of Market Center Services Agreement.....	197
- Form of Agency Agreement .....	202

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

KEY SYMBOLS INDICATING REVISIONS TO TARIFF SHEETS

- R - to signify reduction in rate, charge or fee
- I - to signify increase in rate, charge or fee
- C - to signify changed regulation
- T - to signify a change in text but no change in regulation or rate
- N - to signify new rate or regulation
- D - to signify location where discontinued rate or regulation appeared
- M - material moved from or to another part of the tariff

As an alternative to the above symbols, change may be reflected in legislative format (additions underlined, deletions stricken through).

PARAGRAPH NUMBERING SEQUENCE

- 1
  - 1.1
    - a.
      - (1)
        - (i)

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

## GLOSSARY OF ACRONYMS

ADIQ - Available Daily Injection Quantity  
ADWQ - Available Daily Withdrawal Quantity  
ATC - Average Thermal Content of Gas in Storage  
BTU - British Thermal Unit  
Colorado PUC - Colorado Public Utilities Commission  
Dth - Dekatherm  
EBB - Electronic Bulletin Board  
EFM - Electronic Flow Measurement  
FL&U - Fuel, Lost, and Unaccounted-For Gas  
FTS - Firm Transportation Service  
GT&C - General Terms and Conditions  
ITS - Interruptible Transportation Service  
LSSRS - Litigated Settlement Special Rate Surcharge  
MAC - Maximum Available Storage Capacity  
MDDQ - Maximum Daily Delivery Quantity  
Mcf - Thousand Cubic Feet  
MCS - Market Center Services  
MCT - Mountain Clock Time  
MMBtu - One Million Btus  
MDIQ - Maximum Daily Injection Quantity  
MDRQ - Maximum Daily Receipt Quantity  
MDTQ - Maximum Daily Transportation Quantity  
MDWQ - Maximum Daily Withdrawal Quantity  
NNS - No-Notice Storage  
OBA - Operational Balancing Agreement  
p.s.i.a. - Pounds per Square Inch Absolute  
p.s.i.g. - Pounds per Square Inch Gauge  
RAM - Revenue Adjustment Mechanism  
SSIR - System Safety and Integrity Rider  
TTT - Title Tracking Transfer

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

### TERRITORY (SYSTEM MAP)



**Legend**

- ▲ Processing Plant
- ◆ Storage Field
- Read Junction
- RMNG Transmission Pipeline

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

STATEMENT OF RATES

Rate Schedule	Type of Service	Type of Charge	Total Rate	Maximum Rate /5	Minimum Rate
FTS	Firm Transportation	<u>Reservation Charge /1</u> (Per Dth of MDTQ per Monthly Billing Period)	\$17.6046	\$15.8571	\$0.00
		<u>Usage Charge /2</u> (Per Dth delivered per Monthly Billing Period)	\$0.0574	\$0.0574	\$0.0570
		<u>Authorized Overruns</u> (Per Dth delivered per Monthly Billing Period)	\$0.57426	\$0.57426	\$0.0570
		<u>Unauthorized Overruns /3</u> (Per Dth in excess of Tolerance delivered per Monthly Billing Period)	\$0.57426	\$0.57426	
ITS	Interruptible Transportation	<u>Usage Charge /4</u> (Per Dth delivered per Monthly Billing Period)	\$1.1065	\$0.5791	\$0.0570
		<u>Unauthorized Overruns /3</u> (Per Dth in excess of Tolerance delivered per Monthly Billing Period)	\$0.57426	\$0.57426	

Notes:

- /1 Billed Reservation Charge shall include the following charges and credits, as applicable:
 

Charge	Rate	Reference
LSSRS	\$3.5539	Section 25.d of the General Terms and Conditions
RAM	(\$1.8064)	Section 22 of the General Terms and Conditions
SSIR	\$0.0000	Section 23 of the General Terms and Conditions
- /2 South of Read Junction Charge may be added as described in Section 4.3 of the Firm Transportation Service Rate Schedule. Charge equal to (1) the difference between the allocated south of Read delivery quantities and the quantity scheduled and confirmed at the TransColorado-Olathe Point, multiplied by (2) the positive difference between the posted mid-point Gas Daily price for that Gas Day at El Paso-San Juan less the lowest of the Gas Daily prices at the CIG-Rockies or the NW- South of Green River price locations
- /3 Penalty charge is applied by the method specified in Section 4.2(g) of the Firm Transportation Service Rate Schedule or Section 4.2(c) of the Interruptible Transportation Service Rate Schedule in addition to the maximum Rate Schedule FTS Authorized Overrun Charge.
- /4 Billed Usage Charge shall include the following charge, as applicable:
 

Charge	Rate	Reference
LSSRS	\$0.5274	Section 25.d of the General Terms and Conditions
- /5 FTS and ITS Maximum Rates include GRSA of 0.79% referenced in Section 25.1 of the General Terms and Conditions.

Advice Letter No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

STATEMENT OF RATES

Continued

<u>Rate Schedule</u>	<u>Type of Service</u>	<u>Type of Charge</u>	<u>Maximum Rate/1</u>	<u>Minimum Rate</u>
NNS	No-Notice Storage	<u>Reservation Charge</u> (Per Dth of MDWQ per Monthly Billing Period)	\$8.0846	\$8.0216
		<u>Injection Charge</u> (Per Dth injected per Monthly Billing Period)	\$0.00	\$0.00
		<u>Withdrawal Charge</u> (Per Dth withdrawn per Monthly Billing Period)	\$0.00	\$0.00
APAL	Interruptible Automatic Park and Loan	<u>APAL Charge</u> (Per Dth of Imbalance Quantity per day)	\$0.2639	\$0.2639
MCS	Interruptible Market Center Services	<u>MCS Charge</u> (Per Dth of Parked or Loan Quantity)	\$0.2639	\$0.00
		<u>MCS Charge</u> (Per Dth of UnParked or Loan Payback Quantity)	\$0.2639	\$0.00
		<u>MCS Charge</u> (Per Dth Per Day of Accumulated Daily Park or Loan Quantity)	\$0.2639	\$0.00
Fuel/Loss Reimbursement Quantity		The Company shall be entitled to retain a percentage of all Therms of Gas received for transportation. The percentage shall be 1.87%.		
/1	NNS Maximum Rates include GRSA of 0.79% referenced in Section 25.1 of the General Terms and Conditions.			

Advice Letter No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

STATEMENT OF RATES

Continued

<u>Rate Schedule</u>	<u>Type of Service</u>	<u>Type of Charge</u>	<u>Total Rate</u>	<u>Maximum Rate/1</u>	<u>Minimum Rate/1</u>
FTS-1	Firm Transportation (Grandfathered Contracts)	<u>Reservation Charge</u> (Per Dth of MDTQ per Monthly Billing Period)	\$4.4075	\$4.4075	\$0.2870
		<u>Commodity Charge /2</u> (Per Dth delivered per Monthly Billing Period)	\$1.1338	\$0.6064	\$0.0307
		<u>Authorized Overruns</u> (Per Dth delivered per Monthly Billing Period)	\$1.4169	\$0.8895	\$0.0401
		<u>Unauthorized Overruns /3</u> (Per Dth in excess of Tolerance delivered per Monthly Billing Period)		\$5.6604	
ITS-1	Interruptible Transportation (Grandfathered Contracts)	<u>Commodity Charge /2</u> (Per Dth delivered per Monthly Billing Period)	\$1.1338	\$0.6064	\$0.0307
		<u>Unauthorized Overruns /3</u> (Per Dth in excess of Tolerance delivered per Monthly Billing Period)		\$5.6604	

Fuel/Loss Reimbursement Quantity      The Company shall be entitled to retain a percentage of all Therms of Gas received for transportation. The percentage shall be 3.67%.

Notes:

- /1 Rates are stated in Dth converted from Mcf at a pressure base of 14.73 p.s.i.a. using system average Thermal Content of 1,060 Btu. Actual billed rates will be based upon the actual Thermal Content of Shipper's Gas at Receipt Points into Transporter's system.
- /2 Billed Commodity Charge shall include the following charge, as applicable:
 

<u>Charge</u>	<u>Rate</u>	<u>Reference</u>
LSSRS	\$0.5274	Section 25.d of the General Terms and Conditions
- /3 Plus the highest spot gas price listed in Gas Daily's 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.

Advice Letter No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

FIRM TRANSPORTATION SERVICE

RATE SCHEDULE FTS

1. AVAILABILITY. This Rate Schedule is available for transportation of Gas through Transporter's facilities on a Firm basis for any Shipper, when:

1.1 The Shipper has requested to have Gas transported under this Rate Schedule to an On-System or Off-System Delivery Point(s) or Shipper has been allocated On-System Capacity in accordance with the provisions of the tariff of SourceGas Distribution LLC or its successor. Other than in association with the limited-term Partial Assignment addressed in this Rate Schedule, the Shipper shall submit a Transportation Service Request Form as set forth in this Tariff.

1.2 The Shipper and Transporter have executed an FTS Service Agreement in the form set forth in this Tariff under this Rate Schedule, or have executed a related limited-term Partial Assignment as provided for in Section 3.2 of this Rate Schedule.

1.3 AVAILABLE CAPACITY. Transporter has determined, through the use of its engineering analysis, that it will have available sufficient uncommitted Capacity to provide the Firm service requested by the Shipper without the addition by Transporter of new facilities or the expansion of the Capacity of Transporter's pipeline system, unless the Transporter has provided for the addition of facilities under a FTS Service Agreement or otherwise has waived this requirement in a not unduly discriminatory manner, or the Shipper has executed a Facilities Installation Agreement. In addition to the available mainline Capacity between Receipt and Delivery Points, Transporter shall determine that the contracted quantity specified at a Primary Receipt Point(s) or Primary Delivery Point(s) shall not exceed the available Firm Capacity at those points. Notwithstanding the foregoing, Firm Transportation Service to Delivery Points into the SourceGas Distribution LLC system shall be available only to SourceGas Distribution LLC, and transportation for the benefit of SourceGas Distribution LLC's End-Users shall be subject to limited-term Partial Assignment pursuant to the terms of this Tariff and to the tariff of SourceGas Distribution LLC.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 1.4 Shipper has met the creditworthiness requirements specified in Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of the GT&C of this Tariff.
- 1.5 By executing the FTS Service Agreement, or limited-term Partial Assignment thereof, Shipper certifies that (1) Shipper has title to, or a current contractual right to acquire such title to, the Gas to be transported by Transporter; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of Deliveries to Transporter; (3) Shipper has, or will have, entered into all arrangements necessary for the Delivery of Gas from Transporter and (4) any On-System Contract Assignee who has been assigned an FTS Service Agreement for a limited term pursuant to Section 3.2 of this Rate Schedule has a downstream transportation contract on the connected SourceGas Distribution LLC system prior to and contemporaneously with the commencement of service.
- 1.6 The minimum term for On-System Rate Schedule FTS Service Agreement(s) is one (1) year. The minimum term for Off-System Rate Schedule FTS Service Agreement(s) is one (1) month.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to the Firm transportation of Gas on the Transporter's system as defined in Section 2 of the GT&C of this Tariff. Such Transportation Service shall include forward-haul, back-haul and/or Transportation Service accomplished by means of exchange or displacement and shall include Transportation Service to On-System Delivery Points and/or to Off-System Delivery Points.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

a. With respect to Service Agreements providing for Transportation Service to On-System Delivery Points, no service to secondary Delivery Points may be nominated and scheduled for service. With respect to Service Agreements providing for Transportation Service to On-System Delivery Point(s), only service to the Primary Delivery Points as set forth in the Service Agreement may be Nominated and scheduled. For On-system Delivery Point(s) south of Read Junction on Transporter's pipeline system, unless otherwise posted on Transporter's EBB, for the period of December 1 through February 28 of each 12 month period, service only from Primary Receipt Point(s) may be nominated and scheduled.

2.2 The FTS Service Agreement shall state one or more MDRQ and MDDQ, and an MDTQ as those service entitlements are defined in the definitions contained at Section 2, Definitions and Interpretive Matters, of the GT&C of this Tariff.

2.3 Transporter shall receive from the Shipper, or for the account of the Shipper, at Receipt Points on the Transporter's system, for transportation under this Rate Schedule, daily quantities of Gas tendered for the account of the Shipper up to the Shipper's MDTQ, plus the Fuel, Lost and Unaccounted-for Gas ("FL&U") Reimbursement Quantity and other in-kind allowable deductions, as specified in the FTS Service Agreement between the Shipper and Transporter. Provided that Transporter shall in no circumstances be obligated to receive for the account of the Shipper quantities of Gas in excess of the Shipper's MDTQ, plus the FL&U Reimbursement Quantity and other allowable in-kind deductions:

a. Subject to the Scheduling Principles provided for at Section 17 of the GT&C of this Tariff, including the use of available Secondary Receipt Points when permitted under this Rate Schedule, Transporter shall Receive from the Shipper, or for the account of the Shipper, daily quantities of Gas up to the MDRQ plus the FL&U Reimbursement Quantity and other in-kind allowable deductions at each Primary Receipt Point(s) specified in the Firm Transportation Service Agreement and/or at available Secondary Receipt Points.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 14

2.4 Upon Receipt of Gas from the Shipper, or for the Shipper's account, Transporter shall, after a deduction for the FL&U Reimbursement Quantity and other in-kind allowable deductions, transport and Deliver for the account of the Shipper to an On-System or Off-System Delivery Point(s) the net quantities Received up to the Shipper's MDTQ daily quantities, as specified in the FTS Service Agreement between the Shipper and Transporter. Provided that Transporter shall in no circumstances be obligated to deliver for the account of the Shipper quantities of Gas in excess of the Shipper's MDTQ:

b. Subject to the Scheduling Principles provided for at Section 17 of the GT&C of this Tariff, including the use of available Secondary Delivery Points when permitted under this Rate Schedule, and subject to the operational and service limitations of Deliveries to On-System or Off-System Delivery Points provided for in Section 30, Operational Controls, of the GT&C of this Tariff, Transporter shall Deliver to the Shipper, or for the account of the Shipper, the net daily quantities of Gas so Received up to the MDDQ for Shipper at each Primary Delivery Point(s) specified in the Firm Transportation Service Agreement and/or at available Secondary Delivery Points.

2.5 AUTHORIZED OVERRUN SERVICE. Pursuant to this Rate Schedule, if on any Day that sufficient uncommitted Capacity on Transporter's system is available, the Shipper desires to transport Gas exceeding the Shipper's MDTQ applicable to a Delivery Point(s) or, in the aggregate at all Delivery Point(s), in excess of the Shipper's MDTQ, the Shipper may schedule such quantities pursuant to the Scheduling Principles provided for in Section 17 of the GT&C of this Tariff and Transporter may Confirm and Receive and Deliver such Confirmed Authorized Overrun Quantities. Authorized Overrun Service is interruptible and shall be billed at the rate(s) applicable to such service.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 2.6 UNAUTHORIZED OVERRUN SERVICE. Pursuant to this Rate Schedule, if on any Day the Shipper takes quantities in excess of (a) a daily quantity of Gas which was Nominated and Confirmed and which exceeds the MDDQ applicable at a Delivery Point(s), or (b) the level to which Deliveries have been curtailed for the Day, or (c) the aggregate of its MDTQ plus any Authorized Overrun Quantities for the Day, such quantities shall be considered Unauthorized Overrun Service and shall be billed at the rate(s) applicable to such service.
- 2.7 Notwithstanding the charges for Authorized and Unauthorized Overrun Service provided for in Section 4.2 (f) and (g) of this Rate Schedule, Transporter shall have the right to reduce Receipts or Deliveries of Gas in excess of the MDTQ at any time in its reasonable discretion and judgment, as necessary to protect its system and operations, including the continuation of service to other Shippers. During periods when applicable Operational Flow Orders are in effect, any overruns are subject to the provisions of Section 30, Operational Controls, of the GT&C of this Tariff.
- 2.8 RATES OF FLOW. Unless otherwise agreed, at each Point of Receipt, each Party shall use commercially reasonable efforts to tender or cause to be tendered Gas at ratable hourly rates. Unless otherwise agreed, at each Point of Delivery, each Party shall use commercially reasonable efforts to tender or cause to be tendered Gas at the hourly rates of flow as specified below. Shipper shall also use commercially reasonable efforts to tender or cause to be tendered Gas at daily rates of flow such that the net Receipt Quantities (Receipt Quantities after a deduction for the FL&U Reimbursement Quantity and other allowable in-kind deductions) and the Delivery Quantities are Balanced each Day.
- a. At each On-System Point of Delivery as listed in the Informational Postings section of Transporter's Electronic Bulletin Board ("EBB"), quantities tendered or caused to be tendered for Shipper's account shall be ratable as nearly as possible but in no event shall exceed 155% of 1/24th of Scheduled Quantities at such Point, subject to the conditions of Section (b) below.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

- b. At each Off-System Point of Delivery as listed in the Informational Postings section of Transporter's EBB, quantities tendered or caused to be tendered for Shipper's account each hour over the Gas Day shall not exceed 1/24<sup>th</sup> of Scheduled Quantities at such Point and shall be ratable over the Gas Day at such Point.
- c. When requested by Transporter, Shipper shall specify and provide to Transporter the Shipper's requested and expected hourly flow pattern pursuant to the procedure specified in Section 29, Operations by Transporter and Shippers and Imbalance Management, of the GT&C of this Tariff.

2.9 RELATED SERVICE ENTITLEMENTS.

- a. Shipper with primary Delivery Point(s) to On-System locations, as such Points are listed in the Informational Postings section of Transporter's EBB, will have related service entitlements.
- b. For SourceGas Distribution LLC as Shipper, upon execution of the Rate Schedule FTS Service Agreement as required in Section 1.2 of this Rate Schedule, SourceGas Distribution LLC shall also execute a Rate Schedule APAL Service Agreement and a Rate Schedule NNS Service Agreement to provide for Imbalance Management as described in Section 29.5 of the GT&C of this Tariff. Both such related Service Agreement(s) will have a term coterminous with the Rate Schedule FTS Service Agreement. The related Rate Schedule NNS service entitlements will be determined in association with the Primary Delivery Point(s) entitlement(s) to the applicable On-System Delivery Point(s) as such Point(s) are listed in the Informational Postings section of Transporter's EBB.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

2.9 RELATED SERVICE ENTITLEMENTS (Cont.).

- (1) For SourceGas Distribution LLC as Shipper, the Rate Schedule FTS, APAL and/or NNS service entitlement(s) will be listed in the Appendix(s) or Exhibit(s) to the applicable Service Agreement(s). In the SourceGas Distribution LLC's Rate Schedule FTS and Rate Schedule NNS Service Agreement(s), the Appendix(s) or Exhibit(s) will list the contract entitlements existing before any limited-term Partial Assignment. Transporter will make available to SourceGas Distribution LLC by administrative back-office process a notice of the adjusted contract entitlements to be used by SourceGas Distribution LLC for nominations, scheduling, invoicing and payment following the limited-term Partial Assignment processes.
- c. For a holder of the limited-term Partial Assignment as Shipper, the On-System Contract Assignee executing the limited-term Partial Assignment, as provided for in Section 3.2 of this Rate Schedule and as provided for in the tariff of SourceGas Distribution LLC, shall be deemed to have executed a Rate Schedule FTS Service Agreement, a Rate Schedule APAL Service Agreement, a Rate Schedule MCS Master Service Agreement to satisfy Section 5.1(i) of this Rate Schedule and, where applicable, a Rate Schedule NNS Service Agreement. The Rate Schedule APAL service, the Rate Schedule MCS Master Service Agreement and, as applicable, the Rate Schedule NNS service will provide for Imbalance Management as described in this Rate Schedule and in Section 29.5 of the GT&C of this Tariff. The related Rate Schedule NNS service entitlements will be determined in association with the Primary Delivery Point(s) entitlement(s) to the applicable On-System Delivery Point(s) as such Point(s) are listed in the Informational Postings section of Transporter's EBB.

- (1) For a holder of the limited-term Partial Assignment as Shipper, the Rate Schedule FTS, APAL and/or NNS service entitlement(s) will be listed in the Attachment 1 to the applicable limited-term Partial Assignment.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

d. Shippers receiving service under this Rate Schedule with Primary Delivery Point(s) to Off-System Delivery Point(s), as such Points are listed in the Informational Posting section of the Transporter's EBB, shall not be permitted to hold any related Rate Schedule NNS or Rate Schedule APAL Service Agreements.

2.10 Service under this Rate Schedule shall be provided on a not unduly discriminatory basis.

2.11 Contract Quantities (MDDQ, MDRQ, MDTQ) shall be stated in both Mcf and Dth on the FTS Service Agreement or the executed limited-term Partial Assignment thereof, as applicable. The Dth contract quantity shall be adjusted if the average thermal content of the Gas on the system changes such that, in Transporter's sole operational judgment, an adjustment is required so that the system is not adversely impacted. Such adjustment shall be made in accordance with the provisions of Section 14 of the GT&C of this Tariff.

2.12 Service under this Rate Schedule is subject to the provisions of this Rate Schedule, the GT&C of this Tariff, the terms of the Shipper's executed FTS Service Agreement with Transporter or the executed limited-term Partial Assignment thereof, as applicable, and any applicable Gas transportation rules of the Colorado PUC promulgated at 4 Code of Colorado Regulations 723-4. Transporter shall not be required to perform service under this Rate Schedule on behalf of any Shipper that fails to comply with any and all of said provisions.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

### 3. ASSIGNMENT PROVISIONS

3.1 The FTS Service Agreement shall be binding upon and inure to the benefit of any successor(s), substantially as an entirety, to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge its FTS Service Agreement rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign any of its right, title and interest without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

3.2 Specific Limited-Term Partial Assignment in Support of SourceGas Distribution LLC's End-Use Transportation Service Program.

a. Shipper(s) may take a limited-term Partial Assignment of firm transportation service under Rate Schedule FTS and related service under Rate Schedule APAL and, as applicable, Rate Schedule NNS as a direct SourceGas Distribution LLC End-User or for the benefit of one or more SourceGas Distribution LLC's End-User(s) under the SourceGas Distribution LLC's End-Use Transportation Service Program. Such Shippers shall contract with Transporter through the limited-term Partial Assignment process for the single or aggregated service entitlements.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- b. Transporter shall allow a limited term Partial Assignment of specified contract entitlements from SourceGas Distribution LLC to an On-System Contract Assignee. The Shipper and SourceGas Distribution LLC, with the consent of Transporter, shall execute the limited-term Partial Assignment. The SourceGas Distribution LLC End-User(s) benefiting from the limited-term Partial Assignment shall be listed in the assignment Exhibit(s). The terms of the assignment between SourceGas Distribution and the On-System Contract Assignee are governed by the Colorado PUC approved Tariff of SourceGas Distribution. Transporter shall receive from SourceGas Distribution LLC a copy of the executed limited-term Partial Assignment. The On-System Contract Assignee executing the limited-term Partial Assignment shall be deemed to have executed as Shipper on Transporter's system a Rate Schedule FTS Service Agreement, a Rate Schedule APAL Service Agreement and, where applicable, a Rate Schedule NNS Service Agreement as provided for in Section 2.9 of this Rate Schedule. Transporter will make available to SourceGas Distribution LLC by administrative back-office business process a notice of the adjusted contract entitlements to be used by SourceGas Distribution LLC for nominations, scheduling, invoicing and payment following the limited-term Partial Assignment(s).
- c. The On-System Contract Assignee as Shipper on Transporter's system will not be allowed to permanently re-designate a Primary Receipt Point or a Primary Delivery Point during the period of the limited-term Partial Assignment, although the Shipper shall be allowed to use Secondary Receipt Points as available and pursuant to the Scheduling Principles detailed in Section 17 of the GT&C of this Tariff.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- d. At the termination of the executed limited-term Partial Assignment, the limited-term Partial Assignment contract quantities shall be returned to SourceGas Distribution LLC and the notice which informed SourceGas Distribution LLC of the adjusted contract entitlements for nominations, scheduling, invoicing and payment as provided in Section 3.2(b) herein will be voided such that the revised SourceGas Distribution contract quantities reflect the contract quantities prior to the assignment.
- e. Transporter shall provide to SourceGas Distribution LLC and to the On-System Contract Assignee as Shipper on Transporter's system an administrative contract number to include in the Exhibit Attachment(s) to the limited-term Partial Assignment. Such administrative contract number shall be used by the On-System Contract Assignee as Shipper for nominations, scheduling, invoicing and payment for Rate Schedule FTS and the related service entitlements under Rate Schedule APAL and, where applicable, Rate Schedule NNS. During the term of the executed limited-term Partial Assignment, the On-System Contract Assignee shall comply with all provisions of this Tariff, and the Colorado PUC regulations as required in Section 2.12 of this Rate Schedule.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**4. RATES AND CHARGES FOR SERVICE**

**4.1 APPLICABLE BASIC RATES.** The applicable basic rates, including surcharges, for service under this Rate Schedule are set forth on the Statement of Rates in this Tariff, as revised from time to time.

- a. **MAXIMUM AND MINIMUM RATES.** Where a maximum rate and a minimum rate have been established with respect to an applicable basic rate, the Company shall charge the Shipper a rate that is no higher than the maximum rate and no lower than the minimum rate so established. The Company shall charge the maximum rate unless otherwise agreed to in writing with the Shipper. Any discounts from the applicable maximum rate shall be granted on a not unduly discriminatory basis.
- b. Shipper may elect to prepay its anticipated charges for service at any time.

**4.2 MONTHLY BILL.** Commencing with the first Monthly Billing Period in which the Shipper's FTS Service Agreement for service under this Rate Schedule is effective, or the On-System Contract Assignee's executed limited-term Partial Assignment is effective, and each Monthly Billing Period thereafter during the term of the Service Agreement or of the executed limited-term Partial Assignment, Transporter shall charge and the Shipper shall pay Transporter the sum of the following amounts:

- a. **RESERVATION CHARGE.** The monthly reservation charge shall be determined by multiplying (1) the applicable maximum rate(s) for Rate Schedule FTS set forth on the Statement of Rates in this Tariff as revised from time to time, or the discounted reservation rate if such has been granted in reference to the FTS Service Agreement; and (2) the contract MDTQ for the applicable month.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- b. **REVENUE ADJUSTMENT MECHANISM CREDIT.** The monthly Revenue Adjustment Mechanism Credit shall apply only to Service Agreements providing for On-System Transportation Service and shall be determined by multiplying (1) the applicable maximum revenue tracking adjustment rate(s) for Rate Schedule FTS set forth on the Statement of Rates in this Tariff as revised from time to time, unless a discounted reservation rate has been granted in reference to the FTS Service Agreement, in which case the revenue tracking adjustment rate shall be zero, and (2) the contract MDTQ for the applicable month. The components and derivation of the Revenue Adjustment Mechanism Credit are addressed in Section 22 of the GT&C of this Tariff.
- c. **LITIGATED SETTLEMENT SPECIAL RATE SURCHARGE.** The monthly Litigated Settlement Special Rate Surcharge shall be determined by multiplying (1) the applicable maximum LSSRS rate(s) for Rate Schedule FTS set forth on the Statement of Rates in this Tariff as revised from time to time, unless a discounted reservation rate has been granted in reference to the FTS Service Agreement, in which case the LSSRS rate shall be zero, and (2) the contract MDTQ for the applicable month. The derivation of the LSSRS rate is addressed in Section 25, Litigated Settlement Special Rate Surcharge, of the GT&C of this Tariff.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

d. **USAGE CHARGE.** The monthly usage charge shall be determined by multiplying (1) the applicable maximum rate for Rate Schedule FTS set forth on the Statement of Rates in this Tariff, as revised from time to time, or the discounted usage rate if such has been granted in reference to a grandfathered FTS-1 Service Agreement pursuant to Section 4.8 of this Rate Schedule, and (2) the quantity of Gas in Dth Delivered by the Company hereunder during the Monthly Billing Period to the Shipper or for the Shipper's account at any Delivery Point, less any quantities of Gas taken which are deemed as Authorized Overrun Quantities or Unauthorized Overrun Quantities pursuant to Section 2.5 and 2.6, respectively, of this Rate Schedule which will be billed under the provisions of Section 4.2(f) and (g), respectively, of this Rate Schedule.

e. **SYSTEM SAFETY AND INTEGRITY RIDER CHARGE, GENERAL RATE SCHEDULE ADJUSTMENT AND OTHER SURCHARGES.**

(i) With respect to Service Agreements providing for On-System Transportation Service, the monthly reservation charge assessed pursuant to Sections 4.2(a) of this Rate Schedule shall be adjusted to reflect recovery of the SSIR rate for Rate Schedule FTS set forth on the Statement of Rates in this Tariff, as revised from time to time. The components and derivation of the SSIR charge are addressed in Section 24, System Safety and Integrity Rider, of the GT&C of this Tariff.

(ii) **GENERAL RATE SCHEDULE ADJUSTMENT.** With respect to Service Agreements providing On-System and Off-System Transportation Service, the monthly Reservation Charge and Usage Charge assessed pursuant to Sections 4.2(a) and 4.2(d) of this Rate Schedule shall be adjusted to reflect recovery of the GRSA for Rate Schedule FTS set forth in the Statement of Rates in this Tariff, as revised from time to time. The percentage adjustment of the GRSA is addressed in Section 25.1 of the GT&C of this Tariff.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 25

- f. **AUTHORIZED OVERRUN CHARGES.** The monthly Authorized Overrun Quantity Charge shall be determined by multiplying (1) the applicable maximum authorized overrun rate for Rate Schedule FTS as stated on the Statement of Rates in this Tariff, as revised from time to time, or the discounted authorized overrun rate if such has been granted in reference to the FTS Service Agreement, and (2) the total quantity of Daily Authorized Overrun Gas Delivered by the Transporter hereunder during the Monthly Billing Period to the Shipper or for the Shipper's account at the applicable Delivery Point(s).
- g. **UNAUTHORIZED OVERRUN CHARGE.** This charge shall have both a penalty component and a service component. This charge shall be charged to Shipper with respect to Gas quantities specified in Section 2.6 of this Rate Schedule. All Unauthorized Overrun Quantities shall be subject to a service charge within the rate band established for the Authorized Overrun Quantity Charge as agreed to by the Transporter in writing on a not unduly discriminatory basis. Quantities of Daily Unauthorized Overrun Gas taken during the Monthly Billing Period that are less than the tolerance, or for which the required notice has not been given under Section 4.2(g)(1) of this Rate Schedule, shall be subject to the service charge. In addition to the service charge, unless waived by the Transporter on a not unduly discriminatory basis for a specified period for all shippers or by specific geographic segments of the pipeline, and subject to the limitation in Section 4.2(g)(1) of this Rate Schedule, quantities of Unauthorized Overrun Gas taken on any Day in excess of five percent (5%) over the quantities specified in Section 2.6 of this Rate Schedule ("the tolerance") shall be subject to an additional penalty charge equal to the applicable Rate Schedule FTS Unauthorized Overrun penalty rate for that Day set forth on the Statement of Rates of this Tariff, as revised from time to time. The monthly Unauthorized Overrun charge shall be the summation of the service charge and the penalty charges incurred for Daily Unauthorized Overrun service.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- (1) For those Shippers whose Deliveries are not measured by electronic measurement equipment, Transporter may only assess an Unauthorized Overrun Charge on Unauthorized Overrun Quantities received and/or delivered after the expiration of notice period provided by Transporter to the Shipper that the charge shall be assessed. The required notice period for such Shippers is twenty-four (24) hours; provided that Transporter may designate a shorter notice period if, in its sole and reasonable operational judgment, such is deemed necessary to protect its system.
- (2) During periods when applicable Operational Flow Orders are in effect, any overruns shall be subject to the provisions of Section 30, Operational Controls, of the GT&C of this Tariff. The penalty provided in such Operational Controls section shall be in addition to the Unauthorized Overrun charges herein.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 4.3 **SOUTH OF READ JUNCTION CHARGE:** As necessary to ensure the operations of the system, unless waived or otherwise posted in the Informational Postings section on Transporter's EBB, on any day between December 1 through February 28, inclusive, each On-System Shipper with a Primary Delivery Point south of Read Junction and a Primary Receipt Point at the TransColorado-Olathe Point must tender sufficient receipt quantities at TransColorado-Olathe Receipt Point to satisfy the final allocated delivery quantities at all On-System Delivery Points south of Read Junction. It is anticipated that such allocated quantities will be available within three (3) Business Days following date of physical flow. If a Shipper fails to adequately tender such receipt quantities, the Shipper shall be subject to a charge equal to (1) the difference between the allocated south of Read Junction delivery quantities and the quantity scheduled and confirmed from TransColorado-Olathe, multiplied by (2) the positive difference between the posted mid-point Gas Daily price for that Gas Day at El Paso-San Juan less the lowest of the Gas Daily prices at the CIG-Rockies or the NW- South of Green River price locations. Additionally, Transporter may post in the Informational Postings section on Transporter's EBB for any Day in the months of November, March and April that the Shipper must similarly tender sufficient receipt quantities at the TransColorado-Olathe Receipt Point or the Shipper shall be subject to charge described in this Section 4.3.
- 4.4 **LATE PAYMENT CHARGES.** Any amounts billed to a Shipper that are not paid timely shall be subject to the late payment charges described in Section 6.10 of the GT&C of this Tariff.
- 4.5 **THIRD PARTY CHARGES.** Shipper may, on a not unduly discriminatory basis, be required to pay to Transporter, if applicable, any charges for Third Party Capacity acquired by Transporter in accordance with Section 20 of the GT&C of this Tariff. In no event shall such charges for Third Party Capacity billed to Shipper exceed the amount incurred and paid by Transporter for the applicable Third Party Capacity or service.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 4.6 OTHER RATES, CHARGES AND FEES. Transporter shall add to the Shipper's monthly bill any other rates, charges, fees or assessments that the Transporter is authorized to charge the Shipper under this Tariff, including reimbursement of any banking fees related to insufficient payment of bills.
- 4.7 FORCE MAJEURE AND BILLING. In the event of a force majeure occurrence as defined in Section 27, Limitations on Obligations, of the GT&C of this Tariff, the Shipper shall not be relieved of its obligations to make payment of amounts then due or which become due hereunder.
- 4.8 PRE-EXISTING OFF-SYSTEM SERVICE AGREEMENTS. Notwithstanding any provision of this Tariff, Transporter shall continue to bill a Shipper receiving Off-System service under a Rate Schedule FTS Service Agreement on the effective date of this Tariff at the rates provided for either in the Service Agreement or in an associated Discounted Rate Agreement applicable to such service; provided, however, that (a) Transporter shall be permitted to convert the rates set forth in the Service Agreement or in an associated Discounted Rate Agreement from a volumetric basis to a thermal basis; (b) Transporter may not charge the monthly administrative fee provided for in Colorado PUC No. 3 even if provided for in the Discounted Rate Agreement and (c) Transporter shall terminate the Service Agreement and/or Discounted Rate Agreement at the earliest practicable date permitted by the agreement. The thermal conversion shall be evaluated on an annual basis coinciding with the anniversary date of the agreement.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

5. IMBALANCE MANAGEMENT

5.1 In order to facilitate Imbalance Management, Shippers under this Rate Schedule with Primary Delivery Point entitlements to an On-System Delivery Point(s), as such Point(s) will be posted in the Informational Posting section of Transporter's EBB, shall be required to (a) hold a Rate Schedule APAL Service Agreement, and (b) hold a Rate Schedule NNS Service Agreement to the extent such service is available at the Delivery Point(s) specified in the Shipper's Rate Schedule FTS Service Agreement or in the limited-term Partial Assignment.. Section 2.9 (Related Service Entitlements) and Section 3.2 (Limited-Term Partial Assignment) of this Rate Schedule describes the agreement execution process. The Imbalance quantity shall equal the difference between the allocated net quantities Received at all of the Shipper's Receipt Point(s) and the allocated Delivery Quantities Delivered to the Shipper's Delivery Point(s) ("Imbalance Quantities"). Any Imbalance Quantity on the On-System Shipper's Rate Schedule FTS Agreement shall be transferred first to the Rate Schedule NNS service (if available), then to the Rate Schedule APAL service.

- (i) For prior period adjustments related to a production month where the normal monthly closing cycle has been completed for an On-System Shipper, any imbalance resulting from a prior period adjustment will be transferred to a zero rate Rate Schedule MCS transaction request. The On-System Shipper must resolve any Parked or Loaned quantities on the zero rate Rate Schedule MCS transaction request within 60 days from the first day in the month the prior period adjustment is recorded. In the event the On-System Shipper has not resolved the prior period adjustment-related Rate Schedule MCS transaction request quantities by a transfer into or out of the Shipper's Rate Schedule NNS account, the quantities will be cashed-out using the Imbalance Management resolution prior-period pricing provisions of Section 29.5(e) of the GT&C of this Tariff.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

5.2 For all On-System and Off-System Shippers, in the event Transporter and Shipper are unable to resolve the Imbalance Quantities arising under the Rate Schedule FTS Service Agreement through the transfer and resolution of such quantities onto the Rate Schedule NNS and/or Rate Schedule APAL Service Agreements, the Imbalance Management resolution provisions of Section 29.5 of the GT&C shall apply.

6. FUEL, LOST AND UNACCOUNTED-FOR GAS ("FL&U") REIMBURSEMENT QUANTITY

6.1 Transporter shall be entitled to retain Gas from each Shipper hereunder equal to the FL&U Reimbursement Quantity as specified in this Tariff. Unless otherwise agreed to in writing, Shipper shall pay the applicable FL&U Reimbursement Quantity specified on the Statement of Rates of this Tariff. The FL&U Reimbursement Quantity shall be stated as a percentage of Gas Received by Transporter at the Receipt Point(s), excluding Gas quantities withdrawn from storage. Title to the FL&U Reimbursement Quantity shall rest in Transporter upon Receipt at the Receipt Point(s) at no cost and free and clear of all adverse claims.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or Authority No.

President  
Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

6.2 Transporter may recalculate and re-determine its FL&U Reimbursement Quantity at least once annually using the prior twelve months of available data based on actual experience, as adjusted for reasonable changes. Such redetermination shall be filed with the Colorado PUC in accordance with its Rules of Practice and Procedure promulgated at 4 Code of Colorado Regulations 723-1.

6.3 Transporter shall be entitled to make additional in-kind deductions of Gas received from a Shipper as allowed by this Tariff.

7. **COMMINGLING OF GAS.** Transporter shall have the unqualified right to commingle the Shipper's Gas with other Gas in the Company's pipeline system.

8. **DELEGATION.** By a contract ("Agency Agreement"), a Shipper may delegate to any third party ("Agent") responsibility for receiving invoices, notices, and confirmations, submitting Nominations, and/or performing other administrative duties required by the FTS Service Agreement, subject to Section 29.6, Agency Agreements, of the GT&C of this Tariff.

9. **GENERAL TERMS AND CONDITIONS.** The applicable General Terms and Conditions ("GT&C") of this Tariff are hereby incorporated in and made a part of this Rate Schedule. To the extent that said GT&C are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

INTERRUPTIBLE TRANSPORTATION SERVICE

RATE SCHEDULE ITS

1. AVAILABILITY. This Rate Schedule is available for transportation of Gas through Transporter's facilities on an Interruptible basis for specified Shippers, when:
  - 1.1 The Shipper has requested to have Gas transported under this Rate Schedule. Shipper shall submit a Transportation Service Request Form as set forth in this Tariff.
  - 1.2 The Shipper and Transporter have executed an ITS Service Agreement in the form set forth in this Tariff under this Rate Schedule within sixty (60) days of being tendered to the Shipper by Transporter, following Transporter's acceptance of the terms of the Shipper's request for service, as proposed by the Shipper or as modified by mutual agreement of the Shipper and Transporter.
  - 1.3 AVAILABLE CAPACITY. Transporter has determined, through the use of its engineering analysis, that it will have available sufficient uncommitted Capacity to provide the Interruptible service requested by the Shipper without the addition by Transporter of new facilities or the expansion of the Capacity of Transporter's pipeline system, unless the Transporter has waived this requirement in a not unduly discriminatory manner, or the Shipper has executed a Facilities Installation Agreement.
  - 1.4 Shipper has met the creditworthiness requirements specified in Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of the GT&C of this Tariff. For purposes of credit requirements, the ITS Service Agreement will list a maximum credit quantity and Transporter may limit Shipper's ability to schedule Gas if the maximum credit quantity has been exceeded. Transporter may require the Shipper to provide a service deposit or other form of performance assurance to Transporter as provided in Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of the GT&C of this Tariff.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 33

- 1.5 By executing the ITS Service Agreement, Shipper certifies that (1) Shipper has title to, or a current contractual right to acquire such title to, the Gas to be transported by Transporter; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of Deliveries to and from Transporter; and (3) Shipper shall not use such service where an interruption may adversely impact the requirements of human-needs end-use customers.
- 1.6 Transporter delivers Gas to Shipper, or for Shipper's Account, at a Point that is not an On-System Delivery Point, which On-System Points are listed on the Informational Postings section of Transporter's EBB.
- 1.7 Service under this Rate Schedule shall be made on an as-available basis, with priority of quantities scheduled pursuant to Section 17, Scheduling Principles, of the GT&C of this Tariff.

## 2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This Rate Schedule shall apply to the Interruptible transportation of Gas on Transporter's system as defined in Section 2.95 of the GT&C of this Tariff. Such Transportation Service shall include forward-haul, back-haul and/or Transportation Service accomplished by means of exchange or displacement to Off-System Delivery Points.
- 2.2 Service under this Rate Schedule shall be provided to the Shipper only to the extent that Capacity is available after Transporter has provided service (1) to Shippers under Firm Rate Schedules and (2) to those Shippers served under this Rate Schedule that have a higher scheduling priority as defined in Section 17, Scheduling Principles, of the GT&C of this Tariff, and, when applicable, Section 27, Limitations on Obligations, of the GT&C of this Tariff. The Shipper shall have no MDRQ, MDDQ or MDTQ under the ITS Service Agreement and all Receipt Points and Off-System Delivery Points are available for scheduling of Interruptible Transportation Service, provided, however, that Transporter may limit quantities to be scheduled based on the maximum credit quantity.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 2.3 On any Day that sufficient uncommitted Capacity is available, Transporter shall receive from the Shipper, or for the account of the Shipper, at Receipt Points on Transporter's system, for transportation under this Rate Schedule, daily quantities of Gas tendered for the account of the Shipper, plus the FL&U Gas Reimbursement Quantity and other allowable in-kind deductions, as specified in the ITS Service Agreement between the Shipper and Transporter.
- 2.4 Upon Receipt of Gas from the Shipper, or for the Shipper's account, Transporter shall, after a deduction for the FL&U Reimbursement Quantity and other allowable in-kind deductions, transport and Deliver for the account of the Shippers to an Off-System Delivery Point(s) the net quantities Received, as specified in the ITS Service Agreement between the Shipper and Transporter.
- 2.5 UNAUTHORIZED OVERRUN SERVICE. Pursuant to this Rate Schedule, if on any Day the Shipper takes quantities in excess of (a) a daily quantity of Gas which was Nominated and Confirmed at a Delivery Point(s), or (b) the level to which Deliveries have been curtailed for the Day, such quantities shall be considered Unauthorized Overrun Service and shall be billed at the rate(s) applicable to such service.
- 2.6 RATES OF FLOW. Unless otherwise agreed, at each Receipt Point(s) and/or Delivery Point(s), each Party shall use commercially reasonable efforts to tender, or cause to be tendered, Gas at reasonably uniform hourly and Daily rates of flow, and Shipper shall use commercially reasonable efforts to cause net Receipts (after deduction for FL&U Reimbursement Quantities and other allowable in-kind deductions) to equal deliveries.
- a. At each Delivery Point(s), and unless otherwise agreed in writing, quantities for Shipper's account shall not exceed in any hour 1/24th of Scheduled Quantities at such point.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

2.7 Service under this Rate Schedule is Interruptible and is subject to immediate Interruption by Transporter without notice, except as otherwise provided in this Tariff. Whenever circumstances permit, Transporter shall give the Shipper advance notice of Interruption of the service provided hereunder via Transporter's EBB, telephone, facsimile, e-mail or as otherwise agreed, and the Transporter shall take all actions necessary and within the Transporter's control to effectuate the Interruption of service (e.g., notify upstream and downstream Transporting Pipelines that Transporter shall not Confirm the transportation of the Shipper's Gas, etc.).

2.8 Service under this Rate Schedule shall be provided on a not unduly discriminatory basis.

2.9 Service under this Rate Schedule is subject to the provisions of this Rate Schedule, the GT&C of this Tariff, the terms of the Shipper's executed ITS Service Agreement with Transporter, and any applicable Gas transportation rules of the Colorado PUC promulgated at 4 Code of Colorado Regulations 723-4. Transporter shall not be required to perform service under this Rate Schedule on behalf of any Shipper that fails to comply with any and all of said provisions.

3. TERM OF ITS SERVICE AGREEMENT.

3.1 The minimum term for Rate Schedule ITS Service Agreements is one (1) month.

4. RATES AND CHARGES FOR SERVICE

4.1 APPLICABLE BASIC RATES. The applicable basic rates, including surcharges, for service under this Rate Schedule are set forth on the Statement of Rates in this Tariff, as revised from time to time.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- a. **MAXIMUM AND MINIMUM RATES.** Where a maximum rate and a minimum rate have been established with respect to an applicable basic rate, the Company shall charge the Shipper a rate that is no higher than the maximum rate and no lower than the minimum rate so established. The Company shall charge the maximum rate unless otherwise agreed to in writing with the Shipper. Any discounts from the applicable maximum rate shall be granted on a not unduly discriminatory basis.
- b. Shipper may elect to prepay its anticipated charges for service at any time.

4.2 **MONTHLY BILL.** Commencing with the first Monthly Billing Period in which the Shipper's ITS Service Agreement for service under this Rate Schedule is effective, and each Monthly Billing Period thereafter during the term of the Service Agreement, Transporter shall charge and the Shipper shall pay Transporter the sum of the following amounts:

- a. **USAGE CHARGE.** The monthly usage charge shall be determined by multiplying (1) the maximum rate for Rate Schedule ITS set forth on the Statement of Rates in this Tariff, as revised from time to time, or the discounted usage rate if such has been granted in reference to the ITS Service Agreement, and (2) the quantity of Gas in Dth Delivered by the Company hereunder during the Monthly Billing Period to the Shipper or for the Shipper's account at any Delivery Point, less any quantities of Gas taken which are deemed as Unauthorized Ovrerrun Quantities pursuant to Section 2.5 of this Rate Schedule which will be billed under the provisions of Section 4.2 (c) of this Rate Schedule.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 37

- b. **LITIGATED SETTLEMENT SPECIAL RATE SURCHARGE.** The monthly Litigated Settlement Special Rate Surcharge shall be determined by multiplying (1) the maximum LSSRS rate for Rate Schedule ITS set forth on the Statement of Rates in this Tariff as revised from time to time, unless a discounted usage rate has been granted in reference to the ITS Service Agreement, in which case the LSSRS rate shall be the agreed upon rate, and (2) the quantity of Gas in Dth Delivered by the Company hereunder during the Monthly Billing Period to the Shipper or for the Shipper's account at any Delivery Point. The derivation of the LSSRS rate is addressed in Section 25, Litigated Settlement Special Rate Surcharge, of the GT&C of this Tariff.
- c. **UNAUTHORIZED OVERRUN CHARGE.** This charge shall have both a penalty component and a service component. This charge shall be charged to Shipper with respect to Gas quantities specified in Section 2.5 of this Rate Schedule. All Unauthorized Overrun Quantities shall be subject to a service charge within the rate band established for the Rate Schedule FTS Authorized Overrun Charge as agreed to by Transporter in writing on a not unduly discriminatory basis. Quantities of Daily Unauthorized Overrun Gas taken during the Monthly Billing Period that are less than the tolerance, or for which the required notice has not been given under Section 4.2(c)(1) of this Rate Schedule, shall be subject to the service charge. In addition to the service charge, unless waived by the Transporter on a not unduly discriminatory basis for a specified period for all shippers or by specific geographic segments of the pipeline, and subject to the limitation in Section 4.2(c)(1) of this Rate Schedule, quantities of Unauthorized Overrun Gas taken on any Day in excess of five percent (5%) over the quantities specified in Section 2.5 of this Rate Schedule ("the tolerance") shall be subject to an additional penalty charge equal to the applicable Rate Schedule ITS Unauthorized Overrun penalty rate for that Day set forth on the Statement of Rates of this Tariff, as revised from time to time. The monthly Unauthorized Overrun charge shall be the summation of the service charge and the penalty charges incurred for Daily Unauthorized Overrun service.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

(1) For those Shippers whose Deliveries are not measured by electronic measurement equipment, Transporter may only assess an Unauthorized Overrun Charge on Unauthorized Overrun quantities received and/or delivered after the expiration of the notice period provided by Transporter to the Shipper that the charge will be assessed. The required notice period for such Shippers is twenty-four (24) hours; provided that Transporter may designate a shorter notice period if, in its sole and reasonable operational judgment, such is deemed necessary to protect its system.

(2) During periods when applicable Operational Flow Orders are in effect, any overruns shall be subject to the provisions of Section 30, Operational Controls, of the GT&C of this Tariff. The penalty provided in such Operational Controls section shall be in addition to the Unauthorized Overrun charges herein.

d. GENERAL RATE SCHEDULE ADJUSTMENT. With respect to Service Agreements providing Interruptible Transportation Service, the Usage Charge assessed pursuant to Sections 4.2(a) of this Rate Schedule shall be adjusted to reflect recovery of the GRSA for Rate Schedule ITS set forth in the Statement of Rates in this Tariff, as revised from time to time. The percentage adjustment of the GRSA is addressed in Section 25.1 of the GT&C of this Tariff.

4.3 LATE PAYMENT CHARGES. Any amounts billed to a Shipper that are not paid timely shall be subject to the late payment charges described in Section 6.10 of the GT&C of this Tariff.

4.4 THIRD PARTY CHARGES. Shipper may, on a not unduly discriminatory basis, be required to pay Transporter, if applicable, any charges incurred by Transporter from a third party in providing service to Shipper under this Rate Schedule. In no event shall such charges billed to Shipper exceed the amount incurred and paid by Transporter for the applicable service.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

4.5 OTHER RATES, CHARGES AND FEES.

Transporter shall add to the Shipper's monthly bill any other rates, charges, fees or assessments that the Transporter is authorized to charge the Shipper under this Tariff, including reimbursement of any banking fees related to insufficient payment of bills.

4.6 FORCE MAJEURE AND BILLING. In the event of a force majeure occurrence as defined in Section 27, Limitations on Obligations, of the GT&C of this Tariff, the Shipper shall not be relieved of its obligations to make payment of amounts then due or which become due hereunder.

4.7 PRE-EXISTING SERVICE AGREEMENTS. Notwithstanding any provision of this Tariff, Transporter shall continue to bill a Shipper receiving Off-System service under a Rate Schedule ITS Service Agreement on the effective date of this Tariff at the rates provided for either in the Service Agreement or in an associated Discounted Rate Agreement applicable to such service; provided, however, that (a) Transporter shall be permitted to convert the rates set forth in the Service Agreement or in an associated Discounted Rate Agreement from a volumetric basis to a thermal basis; (b) Transporter may not charge the monthly administrative fee provided for in Colorado PUC No. 3 even if provided for in the Discounted Rate Agreement; and (c) Transporter shall terminate the Service Agreement and/or Discounted Rate Agreement at the earliest practicable date permitted by the agreement. The thermal conversion shall be evaluated on an annual basis coinciding with the anniversary date of the agreement.

5. IMBALANCE MANAGEMENT

5.1 In the event Transporter and Shipper are unable to resolve the Imbalance Quantities arising under the Rate Schedule ITS Service Agreement, the Imbalance Management resolution provisions of Section 29.5 of the GT&C of this Tariff shall apply.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

6. FUEL, LOST AND UNACCOUNTED-FOR GAS ("FL&U") REIMBURSEMENT QUANTITY

6.1 Transporter shall be entitled to retain Gas from each Shipper hereunder equal to the FL&U Reimbursement Quantity as specified in this Tariff. Unless otherwise agreed to in writing, Shipper shall pay the applicable FL&U Reimbursement Quantity specified on the Statement of Rates of this Tariff. The FL&U Reimbursement Quantity will be stated as a percentage of Gas received by Transporter at the Receipt Point(s). Title to the FL&U Reimbursement Quantity shall rest in Transporter upon receipt at the Receipt Point(s) at no cost and free and clear of all adverse claims.

6.2 Transporter shall recalculate and re-determine its FL&U Reimbursement Quantity at least once annually using the prior twelve months of available data based on actual experience, as adjusted for reasonable changes. Such redetermination shall be filed with the Colorado PUC in accordance with its Rules of Practice and Procedure promulgated at 4 Code of Colorado Regulations 723-1.

6.3 Transporter shall be entitled to make additional in-kind deductions of Gas received from a Shipper as allowed by this Tariff.

7. COMMINGLING OF GAS. Transporter shall have the unqualified right to commingle the Shipper's Gas with other Gas in the Company's pipeline system.

8. DELEGATION. By a contract ("Agency Agreement"), a Shipper may delegate to any third party ("Agent") responsibility for submitting and receiving invoices, notices, and confirmations, submitting Nominations and/or performing other administrative duties required by this ITS Service Agreement, subject to Section 29.6, Agency Agreements, of the GT&C of this Tariff.

9. GENERAL TERMS AND CONDITIONS. The applicable General Terms and Conditions ("GT&C") of this Tariff are hereby incorporated in and made a part of this Rate Schedule. To the extent that said GT&C are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**RATE SCHEDULE NNS**

**FIRM NO NOTICE STORAGE SERVICE**

**1. AVAILABILITY.**

This Rate Schedule is available to and required of On-System Shippers that have executed a Rate Schedule FTS Service Agreement or a related limited-term Partial Assignment which lists one or more On-System Primary Delivery Point(s) specified on the Informational Postings section of Transporter's EBB as requiring a Rate Schedule NNS Service Agreement. Service under this Rate Schedule will be provided by Transporter on a Firm basis, when:

- a. The Shipper is an On-System Shipper under a Rate Schedule FTS Service Agreement and is required to maintain a Rate Schedule NNS Service Agreement, or Shipper has been allocated Firm storage Capacity and Firm injection and Firm withdrawal rights in accordance with the provisions of the tariff of SourceGas Distribution LLC or its successor.
- b. After considering the retained storage requirements necessary to operate Transporter's system, Transporter has determined that it has available uncommitted storage Capacity to provide the service allocated to or requested by the Shipper, without detriment to any other Firm service commitments.
- c. Shipper has executed a Rate Schedule NNS Service Agreement in the form of Service Agreement contained in this Tariff or has executed a related limited-term Partial Assignment thereof. The Shipper under the related limited-term Partial Assignment will be deemed to have executed a Rate Schedule NNS Service Agreement under this Tariff. Section 3.2 of Rate Schedule FTS in this Tariff describes the execution process for the related limited-term Partial Assignment.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- d. Shipper has met the creditworthiness requirements specified in Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of the GT&C of this Tariff.
- e. Service under this Rate Schedule is not available to Balance or otherwise support Off-System Rate Schedule FTS activity.
- f. Shipper holds Rate Schedule FTS Service Agreement or a related limited-term Partial Assignment sufficient to allow the Firm injection of storage Gas and the Firm withdrawal of storage Gas. The term of the Rate Schedule FTS Service Agreement(s) must be coterminous with the term of the Rate Schedule NNS Service Agreement. The Transporter will provide to the Shipper the associated and related administrative contract number for both the Rate Schedule FTS service and the Rate Schedule NNS service to be used in Transporter's back-office business processes including nominations, scheduling, invoicing and payment.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

## 2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule NNS shall apply to Firm Storage Service rendered by Transporter to Shipper under a Rate Schedule NNS Service Agreement and shall consist of defined storage rights including (1) a Maximum Available Storage Capacity ("MAC") to store Shipper's Gas in Place working inventory; (2) a Maximum Daily Withdrawal Quantity ("MDWQ"); (3) a Maximum Daily Injection Quantity ("MDIQ"); (4) a maximum Available Daily Withdrawal Quantity ("ADWQ") that is available on a variable scale between 165% of the MDWQ and zero at specified inventory Gas In Place levels as defined by the Storage Reservoir Inventory Performance Limits Chart provided on Transporter's EBB; and (5) a maximum Available Daily Injection Quantity ("ADIQ") that is available on a variable scale between the MDIQ and zero at specified inventory Gas in Place levels as defined by the Storage Reservoir Inventory Performance Limit Chart provided on Transporter's EBB. The Shipper's daily storage rights are dependent upon the amount of Gas In Place working inventory held for the Shipper's account in storage by Transporter and it shall be the Shipper's responsibility to maintain an amount of Shipper's Gas In Place working inventory level sufficient to satisfy the Shipper's needs. Shipper shall hold Transporter harmless and shall indemnify Transporter for costs or damages which may directly or indirectly arise out of or which relate to Shipper's failure to maintain a sufficient quantity of Gas In Place in storage inventory to satisfy its needs.

- a. Shipper's Rate Schedule NNS Service Agreement rights as detailed in the Rate Schedule NNS Service Agreement shall be stated in both Mcf at 14.73 p.s.i.a. and Dth. Transporter shall have the right to adjust the Dth storage rights quantity if there is a material change, in Transporter's sole and reasonable operational judgment, in the average thermal content of Gas in storage ("ATC") or the heating value of Gas on the pipeline system, as provided for in the Section 14 of the GT&C of this Tariff.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

2.2 Unless otherwise posted on Transporter's EBB, due to operational limitations, in Transporter's sole and reasonable judgment, no nominated withdrawal will be allowed during approximately the months of May through September of each year and load-following withdrawals will be limited during these same periods to quantities made available by offsetting injections associated with other Shippers or with the Transporter's retained storage.

2.3 Shipper may exercise its withdrawals from storage and may exercise its injections into storage by one of two alternative Tariff processes; the nominations and scheduling process established in Section 18 of the GT&C of this Tariff or the no notice service process established in this Rate Schedule. If the Shipper uses the scheduling procedures set forth in Section 18 of the GT&C of this Tariff, Shipper shall Nominate Gas to and from the storage injection and withdrawal location point and/or, alternatively, Transporter shall make Deliveries to and from storage on a no-notice basis sufficient to clear prior day Rate Schedule APAL accumulated quantities or to balance the Receipts and Deliveries of Shipper's Rate Schedule FTS On-System activity.

a. If a nomination to the storage injection or withdrawal point is made and the Nomination is confirmed, such nominated quantity shall be assumed the first Gas injected or withdrawn from the Shipper's storage account for the Gas Day. The next Gas assumed to be injected or withdrawn from the Shipper's storage account shall be the clearing of prior Days' Parked or Loaned quantities on the Shipper's Rate Schedule APAL Service Agreement. The next Gas assumed to be injected or withdrawn from the Shipper's storage account shall be the Imbalance Quantities for the current Gas Day, subject to the storage entitlements of each Shipper. If storage injection or withdrawal nominations and confirmations are made, the net injections or net withdrawals of the combined net scheduled quantities and no-notice quantities shall be used to invoice the usage commodity injection or withdrawal charge as provided in Section 4.2 of this Rate Schedule.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- b. Each Day, No-Notice injection shall be made by Transporter for Shipper's account up to the ADIQ level to clear all or any part of the prior Day's Rate Schedule APAL accumulated Parked quantities and/or the sum of the allocated daily amount of Shipper's Receipts, net of FL&U, that exceed the sum of the allocated daily amount of Shipper's Deliveries (Imbalance Quantities - Pack) in total for Shipper's FTS Service Agreement, so long as the Shipper's MAC has not been exceeded. The Shipper's Gas in Place inventory account shall be adjusted to reflect such injection. If the ADIQ or MAC has been exceeded, then the APAL accumulated quantities and/or the Imbalance Quantities not injected on a no-notice basis pursuant to this Section of the Rate Schedule shall be accounted-for under the Shipper's Rate Schedule APAL service.
- c. Notwithstanding the provisions of Section 2.2 of this Rate Schedule, each Day, No-Notice withdrawal shall be made by Transporter for Shipper's account up to the ADWQ level to clear all or any part of the prior Day's Rate Schedule APAL accumulated Loaned quantities and/or the sum of the allocated daily amount of Shipper's Receipts that exceed the sum of the allocated daily amount of Shipper's Deliveries (Imbalance Quantities - Draft) in total for Shipper's Rate Schedule FTS transportation services, so long as the Gas in Place remains equal to or above zero. If the Shipper's Gas in Place falls below zero, the no-notice Withdrawal Quantity shall be limited such that the Gas in Place cannot be less than zero. If the ADWQ has been exceeded, then the Imbalance Quantities not withdrawn on a no-notice basis pursuant to this section shall be accounted-for under the Shipper's Rate Schedule APAL service.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 46

- d. If a nominated and confirmed scheduled quantity cannot be accommodated due to an after-the-fact change in the Shipper's storage limits relative to MAC, ADIQ and ADWQ following the final allocation of Gas quantities (generally available in three (3) Business Days), the scheduled quantity shall be tested against any load-following no notice activity to determine if any overrun activity relative to the Shipper's MAC, ADIQ and ADWQ has occurred. If such an overrun(s) has occurred, the nominated quantity shall be reduced or offset by clearing the excess quantity to the Rate Schedule APAL account to eliminate the overrun(s).

2.4 ADWQ Limits, ADIQ Limits and Compliance with Storage Reservoir Inventory Performance Limit Chart

- a. The Storage Reservoir Inventory Performance Limit Chart is shown on the Transporter's EBB. The supporting tables are stated in Section 2.4(b) below. The Storage Reservoir Inventory Performance Limit Chart details the required Gas in Place working Gas inventory limits at various points in time for each Shipper.
- b. The Storage inventory requirements are provided below. The maximum inventory plan and the minimum inventory plan define the upper and lower range in which the Rate Schedule NNS must operate over the twelve month period and over the injection and withdrawal seasons:

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer  
President  
Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 47

(i) Each individual Shipper's ADIQ and ADWQ shall be determined by the ratio of the Shipper's MAC as defined in the Shipper's Rate Schedule NNS Service Agreement stated as a percentage of the 1,060,000 Dth total MAC for all Shippers under this Rate Schedule. To determine the individual Shipper's ADIQ and ADWQ within the Inventory plan, Shipper shall multiply such computed Shipper specific percentage by the ADIQ and ADWQ at the various Gas in Place levels for all Shippers as described herein.

(ii) Inventory Plan, including ADIQ and ADWQ.

For the period December 1 through the end of February, inclusive, of each 12 month period, each Shipper must have a minimum required end-of-injection-season Gas in Place equal to that Shipper's proportionate percentage share of 811,000 Dth. This minimum end-of-injection-season Gas in Place for each Shipper shall be a whole number and shall be computed by (1) by dividing Shipper's MAC by 1,060,000 Dth and (2) multiplying that computed percentage by 811,000 Dth.

For the period April 30 through May 15, inclusive, of each year, each Shipper must have reduced its Gas in Place to equal a level no greater than 10% of Shipper's MAC but in no event less than zero.

ADWQ FORMULA: For the period March 1 through March 31, inclusive, of each year, the Shipper's ADWQ shall equal 165% of the Shipper's MDWQ. For the remainder of the twelve month period, the Shipper's ADWQ shall equal the Shipper's MDWQ, subject to having sufficient Gas in Place to allow such withdrawals.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

ADIQ FORMULA: Subject to the storage limitations described herein, the ADIQ shall vary as Gas in Place varies as follows:			
Gas in Place (GIP) as a % of MAC	Shipper Percentage(SP)	Total ADIQ	Shipper ADIQ
0-60%	Shipper MAC/1,060,000	8480	8480*SP
60.1-70%	Shipper MAC/1,060,000	5088	5088*SP
70.1-90%	Shipper MAC/1,060,000	3816	3816*SP
90.1-100%	Shipper MAC/1,060,000	2544	2544*SP

c. The ADIQ formula details the change in available firm injection quantity at various levels of working Gas inventory. The Shipper's ability to inject gas into storage shall be changed pursuant to the ADIQ formula detailed herein depending on the Shipper's Gas in Place.

d. Shipper shall not exceed the Storage Reservoir Inventory Performance Limit Plan as provided in Section 2.4.b of this Rate Schedule. If the Shipper exceeds the limits, Transporter shall seek Shipper's immediate cooperation to bring Shipper's Gas in Place working Gas storage inventory into compliance with the limit(s), if necessary. Transporter shall issue Shipper-specific Operational Flow Orders pursuant to Section 30, Operational Controls, of the GT&C of this Tariff to bring the Gas in Place working storage inventory level into compliance with the Limit.

Advice Letter No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 49

- e. By the end of each Withdrawal Period between the dates of May 1 to May 15 of each year, Shipper shall have reduced its Gas in Place working Gas storage Inventory to a level equal to no more than 10 percent of the Shipper's MAC ("required end of Withdrawal Period Gas in Place"). If Transporter determines, in its sole and reasonable judgment, that it is able to offer a higher end of period level for a given annual storage cycle, Transporter may post the more flexible operating condition on its EBB and may specify the higher end of Withdrawal Period Gas in Place level the Shipper may maintain at the end of said Withdrawal Period. By the end of each Injection Period by December 1 of each year, Shipper shall have injected sufficient Gas such that Shipper's Gas in Place working Gas storage inventory is at a level no less than 76.5% of the Shipper's MAC ("required end of Injection Period Gas in Place").
- f. Periodically, as primarily influenced by semi-annual bottom-hole shut-in tests, Transporter may evaluate its storage reservoir to determine if, in its sole and reasonable judgment, the MAC, MDIQ, MDWQ contract entitlements, and/or the Storage Reservoir Inventory Performance Limits Plan may be changed. If so required as a result of ongoing storage field operating performance, Transporter may reduce any of such contract entitlements at any one time by no greater than 10%, unless a force majeure event requires additional change in contract rights.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 50

- 2.5 Subject to operational limitations, including operational restrictions described in Section 2.2 of this Rate Schedule, Shipper may withdraw during the Injection Period and may inject during the Withdrawal Period if the storage inventory limits and the Shipper's contract entitlements so allow.
- 2.6 At the end of the Shipper's firm NNS Service Agreement term, Shipper must have withdrawn 100% of all Gas in Place and the Shipper must operate within the Inventory Limits and the ADWQ and ADIQ charts to allow such withdrawals by the contract termination date. If Shipper has not withdrawn or otherwise transferred such quantities at the end of the term of the Rate Schedule NNS Service Agreement, the Gas in Place may be transferred to Transporter's Retained Storage Account at a mutually agreeable price if Transporter's Retained Storage Account so allows or may be withdrawn by Transporter and retained by Transporter as its sole property at no cost and free and clear of any and all adverse claims.
- 2.7 **AUTHORIZED AND UNAUTHORIZED OVERRUN SERVICE PROHIBITED.** Neither authorized nor unauthorized overrun service shall be available under this Rate Schedule. Shipper may use Rate Schedule MCS to meet its service requirements.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer  
President  
Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

2.8 TRANSFER OF GAS IN PLACE. A Shipper may sell Gas in Place to Transporter at any time if Transporter has need of the Gas in Place to support system operations as provided in Section 31, Operational Purchases and/or Sales, of the GT&C of this Tariff. Shipper may also sell and transfer Gas in Place at any time to any other Rate Schedule NNS Shippers, on a prospective basis, pursuant to their Rate Schedule NNS Service Agreement and to this Rate Schedule, provided that:

- a. The selling Shipper has title to the Gas in Place.
- b. The selling Shipper has all necessary authority to sell the Gas in Place.
- c. The sale of the Gas in Place to the purchasing Shipper will not cause the purchasing Shipper to exceed the Storage Maximum Reservoir Inventory Limit of the purchasing Shipper's MAC.
- d. Both the Selling Shipper and the Purchasing Shipper submit a notification by written or electronic means of the proposed transfer in place to Transporter in accordance with the normal nomination deadlines, with such notification reciting compliance with this Section 2.8 of Rate Schedule NNS and providing the effective date, the quantity of Gas to be transferred in place, the name of the counterparty and the counterparty's NNS Service Agreement number. Upon receipt of such notification, Transporter shall confirm the Gas in Place of both parties is sufficient to honor the Transfer in Place and that the transfer does not adversely impact system operations.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

### 3. ASSIGNMENT PROVISIONS

- 3.1 The Rate Schedule NNS Service Agreement shall be binding upon and inure to the benefit of any successor(s), substantially as an entirety, to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge its Rate Schedule NNS Service Agreement rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign any of its right, title and interest without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.
- 3.2 Specific Limited-Term Partial Assignment in Support of the SourceGas Distribution LLC's End-Use Transportation Service Program.
- a. Transporter shall allow a limited-term Partial Assignment of specified contract entitlements from SourceGas Distribution LLC to an On-System Contract Assignee. The terms of the assignment between SourceGas Distribution and the On-System Contract Assignee are governed by the Colorado PUC approved tariff of SourceGas Distribution. The provisions and requirements associated with the related limited-term Partial Assignment for this Rate Schedule NNS are described in Section 3.2 of Rate Schedule FTS.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 53

4. STORAGE SERVICE CHARGE.

4.1 APPLICABLE BASIC RATES. The applicable basic rates for service under this Rate Schedule NNS are set forth on the Statement of Rates in this Tariff as revised from time to time.

- a. Rate Schedule NNS is not discountable.
- b. Shipper may elect to prepay its anticipated charges for service at any time.

4.2 MONTHLY BILL. Commencing with the first Monthly Billing Period in which the Shipper's NNS Service Agreement for service under this Rate Schedule is effective, and each Monthly Billing Period thereafter during the term of the Service Agreement, Transporter shall charge and the Shipper shall pay Transporter the sum of the following amounts:

a. FIRM STORAGE RESERVATION CHARGE. Each Month, Shipper shall be charged an amount obtained by multiplying the Firm Storage Reservation Charge as set forth in the Rate Schedule NNS Service Agreement by the Shipper's MDWQ as set forth in that agreement.

a. USAGE CHARGE. Each Month, Shipper shall pay the following usage charges, as appropriate:

(1) Quantity Injection Charge – The Quantity Injection Charge shall be equal to (1) the amount of the daily net injection quantities, multiplied by (2) the Injection Usage Rate set forth in the Rate Schedule NNS Service Agreement.

(2) Quantity Withdrawal Charge – The Quantity Withdrawal Charge shall be equal to (1) the amount of the daily net withdrawal quantities, multiplied by (2) the Withdrawal Usage Rate set forth in the Rate Schedule NNS Service Agreement.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 54

4.3 OTHER RATES, CHARGES and FEES. Transporter shall add to the Shipper's monthly bill any other rates, charges, fees or assessments that the Transporter is authorized to charge the Shipper under this Tariff, including reimbursement of any banking fees related to insufficient payment of bills.

4.4 FORCE MAJEURE AND BILLING. In the event of a force majeure occurrence as defined in Section 27, Limitations on Obligations, of the GT&C of this Tariff, the Shipper shall not be relieved of its obligations to make payment of amounts then due or which become due hereunder.

5. COMMINGLING OF GAS. Transporter shall have the unqualified right to commingle the Shipper's gas with other gas in the Transporter's storage field.

6. DELEGATION. By a contract ("Agency Agreement") a Shipper may delegate to any third party ("Agent") responsibility for receiving invoices, notices, and confirmations, submitting nominations and/or performing other administrative duties required by the NNS Service Agreement, subject to Section 29.6, Agency Agreements, of the GT&C of this Tariff.

7. GENERAL TERMS AND CONDITIONS.

The applicable General Terms and Conditions ("GT&C") of this Tariff, except as modified in the Agreement, are hereby incorporated in and made a part of this Rate Schedule. To the extent that said GT&C are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

RATE SCHEDULE APAL

INTERRUPTIBLE AUTOMATIC PARK AND LOAN LOAD-FOLLOWING SERVICE

1. AVAILABILITY

1.1 This Rate Schedule is available to and required of an On-System Shipper that has executed a Rate Schedule FTS Service Agreement or a related limited-term Partial Assignment thereof. The service provides for the Interruptible Automatic Park and Loan service on a load-following basis, subject to available operational flexibility and Capacity, when Shipper requires Rate Schedule APAL Service to Balance its On-System Rate Schedule FTS Receipts of Gas and Deliveries of Gas, and when:

- a. Transporter has the operational flexibility to provide the Interruptible Rate Schedule APAL Service without detriment or disadvantage to system operational needs and to its Shippers using other Tariff services.
- b. Shipper has executed a Rate Schedule APAL Service Agreement (“APAL Service Agreement”) using the form of Service Agreement contained in this Tariff or Shipper has been deemed to have executed a Rate Schedule APAL Service Agreement by execution of a related limited-term Partial Assignment. Section 3.2 of Rate Schedule FTS describes the execution process for the related limited-term Partial Assignment.
- c. Shipper has met the creditworthiness conditions specified in Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of the GT&C of this Tariff. To determine needed credit coverage, the highest monthly accumulated net daily Imbalance Quantities transferred to a Rate Schedule APAL account for the Shipper times twelve times the latest average annual cash out price shall be used, if available, or Transporter may otherwise establish a commercially reasonable credit limit. Transporter may immediately invoice Shipper to Cash Out any Rate Schedule APAL quantities which exceed the credit limit.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 56

## 2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule APAL shall apply to the Automatic Park and Loan Service rendered by the Transporter to Shipper on an Interruptible basis subject to the limitations set forth in the Rate Schedule APAL Service Agreement, this Rate Schedule APAL and the GT&C of this Tariff.

- a. Rate Schedule APAL service is subject to Interruption at any time and such Interruptions may be in effect for extended periods of time. Interruptions may include decreasing, temporarily suspending or discontinuing the Receipt or Delivery of Rate Schedule APAL Gas if Transporter, in Transporter's sole and reasonable judgment, determines that such action is necessary to maintain system integrity or when a higher priority service so requires. Upon the determination that the Rate Schedule APAL service cannot be supported due to operational reasons, Transporter shall post in the Informational Notices section on Transporter's EBB no later than the timely cycle nomination deadline to be effective the next Gas Day. Transporter shall post a related notice when the Rate Schedule APAL service shall be reinstated.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

b. APAL Park or Loan quantities shall result from the difference between allocated Receipt and Delivery Quantities (“Imbalance Quantities”; as defined in Section 2.38 of the GT&C of this Tariff) applicable to the Shipper’s Rate Schedule FTS and NNS Service Agreement(s), provided however, that imbalance quantities that result from prior period adjustments shall be resolved as provided for in Section 5.1(i) of Rate Schedule FTS. Generally, Imbalance Quantities for the production month shall be determined in three (3) Business Days as a result of the expected Gas allocation business processes. The related Rate Schedule FTS and/or NNS Service Agreement, if available to a Shipper, shall be used to first balance and resolve any APAL quantities from a previous Gas Day and then to balance quantities for the current Gas Day before the use of the Rate Schedule APAL service shall be permitted. If the allocated Receipts exceed allocated Deliveries (“Imbalance Quantities - Pack”), the Imbalance Quantities will be Parked on the System. If the allocated Deliveries exceed allocated Receipts (“Imbalance Quantities - Draft”) the Imbalance Quantities will be Loaned on the system. The Imbalance Quantities for each Day following allocation under all Shipper Transportation Service Agreements shall be accumulated and netted and shall be transferred from the FTS Service Agreement to the NNS Service Agreement, if applicable, then to the APAL account (unless APAL has been suspended as set forth below) and will be balanced as one quantity each Day at the Park Point and/or Loan Point designated for the period. The individual accumulated daily Park or Loan balance from the prior Gas Day shall be cleared each Day first through the current Gas Day Rate Schedule FTS activity and next through the Rate Schedule NNS storage account if it is available, and if not so cleared shall be accumulated over the Month into a net accumulated Park or Loan position under the Rate Schedule APAL Service Agreement.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 58

(i) The Shipper, after first providing adequate documentation, may request waiver of Rate Schedule APAL charges (1) when the allocation of quantities for the production month occurs after the expected three day allocation process but before the production month is closed on or about the twelfth business Day of the month and (2) where such later allocated quantities result in material Rate Schedule APAL charges outside of the Shipper's control and caused by the allocation process. Transporter will consider such waiver and if Transporter grants such a waiver, the waiver will be granted in a not unduly discriminatory manner.

2.2 APAL service hereunder is only available at Transporter's designated APAL Park Points or Loan Points.

a. Transporter shall identify and list under Transporter's informational postings on Transporter's EBB the Park Points and Loan Points to be effective for Rate Schedule APAL services.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 59

2.3 Park and Loan Services available under this Rate Schedule include:

- a. Park Service – Park Service shall consist of the daily allocation and quantification of a net Imbalance Quantity(s) due Shipper from Transporter under an On-System Rate Schedule FTS Service Agreement(s), the transfer of such quantity(s) to the Rate Schedule APAL Service Agreement, the Park of such quantity(s) to the designated Park Point, the holding of such quantity(s) for Shipper’s account, and the Un-parking of the Parked quantity(s) to Shipper by Transporter from the designated Park Point. Quantities Parked may also be resolved by the transfer procedures or Cash Out procedures as provided in Section 29.5, Imbalance Management, of the GT&C of this Tariff.
  
- b. Loan Service – Loan Service shall consist of the daily allocation and quantification of a net Imbalance Quantity(s) due Transporter from Shipper under an On-System Rate Schedule FTS Service Agreement(s), the transfer of such quantity(s) to the Rate Schedule APAL Service Agreement, the Loan of such quantity(s) to the designated Loan Point, the holding of such quantity(s) for Shipper’s account, and Shipper’s Payback of the Loaned quantity(s) to Transporter from the designated Loan Point. Quantities Loaned may also be resolved by transfer procedures or the Cash Out procedures as provided in Section 29.5, Imbalance Management, of the GT&C of this Tariff.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

2.4 Service rendered under an APAL Service Agreement under this Rate Schedule shall be provided for a minimum one (1) year term. The term shall be provided in the Agreement executed between Transporter and Shipper and must be coterminous with the longest term of a currently-effective On-System Rate Schedule FTS Service Agreement executed by Shipper.

2.5 In the event that Park Quantities have not been returned to the Shipper or Loan Quantities have not been returned to Transporter at the termination date of the Rate Schedule APAL Service Agreement, Transporter and Shipper may mutually agree to an extended time frame and/or modified terms to resolve the Park or Loan Quantities, provided however such resolution shall be transferred to and accomplished through a Rate Schedule MCS Master Service Agreement and Transaction Request. By executing a new MCS Transaction Request to permit the transfer of Rate Schedule APAL quantities, Shipper shall use such Transaction Request to payback Loan Quantities or Transporter to return such Park Quantities.

- a. In the event any Parked Quantity has not been redelivered to Shipper by the Transaction Request termination date and no mutually agreed extension or transfer has occurred, the Parked Quantity shall become the property of the Transporter at no cost to Transporter free and clear of any and all adverse claims.
- b. In the event any Loan Quantity has not been redelivered to Transporter by the Transaction Request termination date and no mutually agreed extension or transfer has occurred, the Loan Quantity shall be cashed out at the highest Cash Out price (using the Cash Out indices defined in Section 29.5 of the GT&C of this Tariff) of the following and shall be invoiced at the next billing cycle.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- (1) The Daily Cash Out Index Price on the date(s) the Loan occurred.
- (2) The Daily Cash Out Index Price on the termination date of the Rate Schedule APAL Transaction Request.
- (3) The Daily Cash Out Index Price on the date Transporter made replacement purchases for the Loan amount.
- (4) The average Daily Cash Out Index Price for the Month in which the Loan occurred.
- (5) The average Daily Cash Out Index Price for the Month in which the Rate Schedule APAL Agreement terminated.

### 3. ASSIGNMENT PROVISIONS

3.1 The Rate Schedule APAL Service Agreement shall be binding upon and inure to the benefit of any successor(s), substantially as an entirety, to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge its Rate Schedule APAL Service Agreement rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign any of its right, title and interest without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

3.2 Specific limited-term Partial Assignment in Support of the SourceGas Distribution LLC's End-Use Transportation Service Program.

- a. Transporter shall allow a limited-term Partial Assignment of specified contract entitlements from SourceGas Distribution LLC to an "On-System Contract Assignee". The terms of the assignment between SourceGas Distribution and the On-System Contract Assignee are governed by the Colorado PUC approved Tariff of SourceGas Distribution. The provisions and requirements associated with the related limited-term Partial Assignment for service under Rate Schedule APAL are described in Section 3.2 of Rate Schedule FTS.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

#### 4. AUTOMATIC PARK AND LOAN SERVICE CHARGES

4.1 APPLICABLE BASIC RATES. The applicable basic rates, including surcharges, for services under this Rate Schedule are set forth on the Statement of Rates in this Tariff, as revised from time to time.

- a. Rate Schedule APAL is not discountable.
- b. Shipper may elect to pre-pay its anticipated charges for service at any time.

4.2 The minimum daily service charge shall not be zero, unless Transporter has waived one or more of the daily charges, including as required by Section 4.5 of this Rate Schedule. The maximum daily service charge shall be determined by operating conditions and by tiers.

- a. Unless a Critical Condition Alert has been issued, a system OFO has been issued or unless a Shipper specific OFO has been issued, to the extent the end-of-day accumulated Park or Loan Quantity, as determined after allocations, is less than or equal to 10% of the total daily allocated deliveries under all of the Shipper's FTS Service Agreement(s) for such Gas Day, 10% of the Rate Schedule APAL rate as stated on the Statement of Rates tariff sheet shall be multiplied by and applied to the accumulated end-of-day net Rate Schedule APAL quantity.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- b. Unless a Critical Condition Alert has been issued, a system OFO has been issued or unless a Shipper specific OFO has been issued, to the extent the end-of-day accumulated Park or Loan Quantity, as determined after allocations, is greater than 10% of the total daily allocated deliveries under all of the Shipper's FTS Service Agreement(s) for such Gas Day, the charge shall be equal to the sum of two charge tiers as follows: (Tier 1) 10% of the Rate Schedule APAL rate as stated on the Statement of Rates tariff sheet shall be multiplied by and applied to the end-of-day accumulated Park or Loan quantity equal to 10% of the total daily allocated deliveries under all of the Shipper's FTS Service Agreement(s) for such Gas Day and (Tier 2) 100% of the Rate Schedule APAL rate as stated on the Statement of Rates tariff sheet shall be multiplied by and applied to the accumulated end-of-day net Rate Schedule APAL quantity above the quantities charged in Tier 1 above.
- c. If a Critical Condition Alert has been issued, if a system OFO has been issued or if a Shipper specific OFO has been issued, to the extent the end-of-day accumulated Park or Loan Quantity, as determined after allocations, is less than or equal to 10% of the total daily allocated deliveries under all of the Shipper's FTS Service Agreement(s) for such Gas Day, 100% of the Rate Schedule APAL rate as stated on the Statement of Rates tariff sheet shall be multiplied by and applied to the accumulated end-of-day net Rate Schedule APAL quantity.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 64

d. If a Critical Condition Alert has been issued, if a system OFO has been issued or if a Shipper specific OFO has been issued, to the extent the end-of-day accumulated Park or Loan Quantity, as determined after allocations, is greater than 10% of the total daily allocated deliveries under all of the Shipper's FTS Service Agreement(s) for such Gas Day, 150% of the Rate Schedule APAL rate as stated on the Statement of Rates tariff sheet shall be multiplied by and applied to the accumulated end-of-day net Rate Schedule APAL quantity, unless Transporter has posted a specific APAL OFO requirement, in which case the Rate Schedule APAL daily Park and/or Loan allocated quantities for each Shipper for such Gas Day shall be cashed out at the highest (for Loans) or lowest (for Parks) of the mid-point Gas Daily index price for that Gas Day using the price at the CIG-Rockies location, the NW-Southwest of Green River location or the El Paso-San Juan pricing location.

4.3 Any surcharges that may be applicable to this Rate Schedule shall be noted on the Statement of Rates Tariff sheet(s).

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

4.4 OVERRUN CHARGES. No Authorized or Unauthorized Overrun charges are applicable to this Rate Schedule.

4.5 (i) If on any Day Transporter has suspended the availability of the Rate Schedule APAL service, the daily charge on the total accumulated Park or Loan Quantity for that Day shall be \$0.000, unless otherwise agreed. (ii) If on any Day, Transporter has issued a Critical Day Notice where Transporter declares a low line pack condition, the daily charge on the accumulated Park Quantity, if any, for that day shall be zero unless Transporter has posted or e-mailed a notice that Rate Schedule APAL rate waivers shall not be applicable during the critical event. (iii) If on any Day Transporter has issued a Critical Day Notice where Transporter declares a high line pack condition, the daily charge on the accumulated Loan Quantity, if any, for that day shall be zero unless Transporter has posted or e-mailed a notice that Rate Schedule APAL rate waivers shall not be applicable during the critical event.

4.6 OTHER RATES, CHARGES and FEES. Transporter shall add to the Shipper's monthly bill any other rates, charges, fees or assessments that the Transporter is authorized to charge the Shipper under this Tariff, including reimbursement of any banking fees related to insufficient payment of bills.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 66

4.7 FORCE MAJEURE AND BILLING. In the event of a force majeure occurrence as defined in Section 27, Limitations on Obligations, of the GT&C of this Tariff, the Shipper shall not be relieved of its obligations to make payment of amounts then due or which become due hereunder.

5. BALANCING AND RESOLUTION OF RATE SCHEDULE APAL QUANTITIES

5.1 Shippers are expected to balance and match their Rate Schedule FTS and NNS Receipts and Deliveries as nearly as possible each Day and to further take action to cause any APAL balance to approach zero at the end of each calendar month. Shipper and Transporter shall take the listed actions to facilitate such monthly clearing of APAL balances.

- a. Transporter shall provide each Rate Schedule APAL Shipper with daily and accumulated Rate Schedule APAL balances following allocation of Receipt and Delivery Points, determination of Imbalance Quantities and transfer of such quantities to the Rate Schedule APAL Service Agreement.
- b. Each Day that allocated quantities become available to Shippers (generally three (3) Business Days after flow), Transporter shall determine whether the cumulative Rate Schedule APAL balance for each Shipper can be cleared against that Shipper's Rate Schedule FTS Imbalance Quantity, if any, or cleared into that Shipper's Rate Schedule NNS Service Agreement, if available, and each day Transporter shall make such clearing transfers for the Shipper's account if possible so long as the Shipper's MAC, ADIQ or ADWQ has not been exceeded on any Day as also addressed in Rate Schedule NNS.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

c. In the event Shipper has been unable to reduce (move towards a zero position) accumulated Rate Schedule APAL Park or Loan quantities from the end of one calendar month to the end of the next calendar month, the Shipper must resolve the unchanged Rate Schedule APAL Park or Loan quantity by one of two alternative means. For purposes of this provision, Park Quantities and Loan Quantities will be reviewed independently. For example, a change from an end-of-month Park position to an end-of-month Loan position (or vice versa) will be considered a reduction in Rate Schedule APAL quantities. If the Shipper does not indicate to Transporter which of the two alternative means has been selected, the Shipper will be deemed to have requested the second alternative means of resolving the unchanged Park or Loan Quantity. The two alternative means are (1) the Shipper may transfer of the end of month unchanged accumulated quantities to a maximum rate, Rate Schedule MCS Service Agreement (the Shipper also must complete a related specific Rate Schedule MCS Transaction Request) and such transfer must take place on or after the ninth (9<sup>th</sup>) Business Day when such end of month Rate Schedule APAL quantities are available. Transporter shall honor the Shipper's request if the circumstances permit; provided that Transporter has not required Shipper to cash-out or otherwise resolve such quantities as addressed in Section 30, Operational Controls, of the GT&C of this Tariff; or (2) The Shipper may request that Transporter Cash-Out the unchanged Rate Schedule Park or Loan quantity. If the Shipper requests such Cash-Out of the unchanged Park or Loan quantity, the Cash-out will occur on the twelfth (12<sup>th</sup>) business day and the following Cash-Out prices will apply:

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- (1) For Unchanged Park Quantities: Using the average first of month price, computed by averaging the first of month price from Inside FERC's Gas Market Report relative to the CIG Rockies, NW Rockies, El Paso San Juan and Questar Rockies locations, the lowest of two monthly prices will be selected and 75% of the lowest of those two monthly prices will be used in the Cash-Out process. The two months compared will be the month the APAL Park quantity was unchanged and the month the Cash-Out occurred.
- (2) For Unchanged Loan Quantities: Using the average first of month price, computed by averaging the first of month price from Inside FERC's Gas Market Report relative to the CIG Rockies, NW Rockies, El Paso San Juan and Questar Rockies locations, the highest of two monthly prices will be selected and 125% of the highest of those two monthly price will be used in the Cash-Out process. The two months compared will be the month the APAL Loan quantity was unchanged and the month the Cash-Out occurred.

d. If a nominated and confirmed scheduled quantity cannot be accommodated due to an after-the-fact change in the Shipper's storage limits relative to MAC, ADIQ and ADWQ following the final allocation of Gas quantities (generally available in three (3) Business Days), the scheduled quantity shall be measured against any load-following no-notice activity to determine if any overrun activity relative to the Shipper's MAC, ADIQ and ADWQ has occurred. If such an overrun(s) has occurred, the nominated quantity shall be reduced or offset by clearing the excess quantity to the Rate Schedule APAL account to eliminate the overrun(s).

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or Authority No.

President  
Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

6. SCHEDULING AND INTERRUPTION OF RATE SCHEDULE APAL SERVICE

6.1 Shipper shall not be required to nominate Rate Schedule APAL service under this Rate Schedule in accordance with the nomination procedures of the GT&C. Rate Schedule APAL Service shall be a load following service whereby Park and Loan quantities shall be automatically recorded for the Shipper's account as described in this Rate Schedule so long as Transporter has not suspended the availability of the Rate Schedule APAL service.

6.2 If Rate Schedule APAL service is to be interrupted in a Critical Operating Condition on one or more segments of the pipeline, Transporter shall post on its EBB the particulars related to the interruption, including areas impacted by such interruption. If the Rate Schedule APAL service is interrupted in whole or in part such that the Imbalance Quantities on the Shipper's Rate Schedule FTS or NNS Service Agreement(s) may not be transferred to the Rate Schedule APAL account(s), the Imbalance Quantities on the Shipper's Rate Schedule FTS Service Agreements shall be resolved through the Imbalance Management provisions of the GT&C of this Tariff.

7. COMMINGLING OF GAS. Transporter shall have the unqualified right to commingle the Shipper's gas with other Gas on the Transporter's system.

8. DELEGATION. By a contract ("Agency Agreement") a Shipper may delegate to any third party ("Agent") the responsibility for receiving invoices and, notices and confirmations, and/or performing other administrative duties required by the Rate Schedule APAL Service Agreement, subject to the conditions outlined in Section 29.6, Agency Agreement, of the GT&C of this Tariff.

9. GENERAL TERMS AND CONDITIONS.

The applicable General Terms and Conditions ("GT&C") of this Tariff are hereby incorporated and made part of this Rate Schedule. To the extent that said GT&C are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**RATE SCHEDULE MCS**

**INTERRUPTIBLE MARKET CENTER SERVICE**

**1. AVAILABILITY**

1.1 This Rate Schedule is available to any Shipper and provides for Interruptible Gas Parking, Gas Lending, Gas Wheeling and Title Tracking Transfer (“TTT”) Services at and/or between a Park Point and Loan Point, subject to available operational flexibility and Capacity, when Shipper desires Parking, Lending, Wheeling and/or TTT Service, and when:

- a. Transporter has the operational flexibility to provide the Interruptible Rate Schedule MCS Service without detriment or disadvantage to system operational needs and to its Shippers using other Tariff services.
- b. Shipper has executed a Master Rate Schedule MCS Service Agreement (“MCS Master Agreement”) using the form of Service Agreement contained in this Tariff.
- c. Shipper has made a Rate Schedule MCS Transaction Request (“MCS Transaction Request” or “Transaction Request”) in the form included in this Tariff which request, upon acceptance by Transporter, is attached as an exhibit attachment to the Rate Schedule MCS Master Agreement. Park Transaction Requests must be entered into separately from Loan Transaction Requests. No single Transaction Request may provide for both Park activity and Loan activity.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- d. Shipper has met the creditworthiness conditions specified in Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of the GT&C of this Tariff for the financial obligations of the Transaction Request quantities. For purposes of credit requirements, the Rate Schedule MCS Master Agreement shall list a Maximum Credit quantity and Transporter may limit Shipper's ability to schedule Parked Gas or Loaned Gas if the maximum credit quantity has been exceeded. Transporter may require the Shipper to provide a service deposit or other credit assurance to Transporter as provided in Section 4, Creditworthiness and Service Deposits, of the GT&C of this Tariff.
  
- e. After request and upon approval of Transporter, Shipper may transfer Rate Schedule APAL quantities, Rate Schedule FTS Imbalance Quantities (for Off-System Shippers or for On-System Shippers in the event that Rate Schedule APAL has been suspended) or Rate Schedule NNS excess Gas In Place quantities (including as may be required by an Operational Flow Order) to a Rate Schedule MCS Transaction Request. As provided for in Section 5.1(i) of Rate Schedule FTS, Imbalance Quantities resulting from prior period adjustments will be transferred to a zero rate Rate Schedule MCS transaction request.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 72

## 2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule shall apply to Parking, Loaning, Wheeling and TTT service rendered by the Transporter to Shipper on an Interruptible basis subject to the limitations set forth in the Rate Schedule MCS Master Agreement, the MCS Transaction Request, this MCS Rate Schedule and the GT&C of this Tariff.

- a. Parking, Loaning and Wheeling Service is subject to Interruption at any time and such Interruptions may be in effect for extended periods of time. Interruptions may include decreasing, temporarily suspending or discontinuing the Receipt or Delivery of Rate Schedule MCS Gas if Transporter, in Transporter's sole and reasonable judgment, determines that such action is necessary to maintain system integrity or when a higher priority service so requires.
- b. The Rate Schedule MCS Master Agreement shall state a total quantity that may be Parked or Loaned at any one time under the sum total of all Rate Schedule MCS Transaction Requests.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

c. Each Rate Schedule MCS Transaction Request shall state a maximum and minimum Daily Park Quantity or a maximum and minimum Daily Loan Quantity associated with such request, the maximum and minimum Total Accumulated Park Quantity or Total Accumulated Loan Quantity, the maximum and minimum daily Unpark Quantity or Loan Redelivery Quantity, the term, timing and duration of the Park or Loan, the Park Point or the Loan Point and the Unpark Point or the Loan Redelivery Point and the rate(s) for each request.

2.2 All Park Points or Loan Points eligible for Rate Schedule MCS Service shall be listed in the Informational Postings section of Transporter's EBB.

2.3 Parking, Loaning, Wheeling and TTT Services available under this Rate Schedule include:

a. Parking Service – Parking Service shall consist of (1) the Receipt of Gas by Transporter (when Nominated by a Shipper) at a Park Point, the holding of the Parked Quantity for the Shipper's account for a specified period of time and (2) the Un-parking (when Nominated by Shipper) of the Parked Quantities to Shipper by Transporter at the original Park Point, including treating the un-parking as a nominated delivery on a Transportation Service Agreement.

b. Loaning Service – Loaning Service shall consist of, the advancement of Gas by Transporter (when Nominated by a Shipper) at a Loan Point, for the Shipper's account for a specified period of time and, the Loan Payback or Loan Redelivery (when Nominated by Shipper) of the Loan Quantity(s) to Transporter by Shipper at the original Loan Point, including treating the Loan Payback or Loan Redelivery as a nominated receipt on a Transportation Service Agreement.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- c. Wheeling Service – Wheeling Service shall allow the Unparked or Loan Redelivery Quantity to occur at a system location other than the original Park Point or Loan Point, by exchange or displacement and subject to operational flexibility, as detailed in the Transaction Request. The Wheeling Service must be agreed to at the time of the initial request and any later request to use a system location other than the original Park Point or Loan Point shall be considered Transportation and must be accomplished by Nomination and scheduling under a Rate Schedule FTS or ITS Service Agreement.
- d. TTT Service – TTT Service shall consist of the transfer of Parked or Loaned Quantities between Rate Schedule MCS Shippers from one Shipper’s MCS Transaction Request account to another Shipper’s Rate Schedule MCS Transaction Request account, prior to the time the quantities are Unparked or Redelivered.

2.4 Service rendered under a Rate Schedule MCS Transaction Request under this Rate Schedule shall be provided for a minimum one (1) Day term.

- a. The Rate Schedule MCS Master Agreement term shall be set forth in the Rate Schedule MCS Master Agreement.
- b. The term of each MCS Transaction shall also be set for the in each Rate Schedule MCS Transaction Request.

2.5 In the event that Park Quantities have not been returned to the Shipper or Loan Quantities have not been returned to Transporter at the termination date of the Rate Schedule MCS Transaction Request, Transporter and Shipper may mutually agree to an extended time frame and/or modified terms including the rate(s), by executing a new Rate Schedule MCS Transaction Request to permit Shipper to payback or Transporter to return such quantities.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

- a. In the event any Parked Quantity has not been redelivered to Shipper by the Transaction Request termination date and no mutually agreed extension has occurred, the Parked Quantity shall become the property of the Transporter at no cost to Transporter free and clear of any and all adverse claims.
- b. In the event any Loan Quantity has not been redelivered to Transporter by the Transaction Request termination date and no mutually agreed extension has occurred, the Loan Quantity shall be cashed out at the highest of the following and shall be invoiced at the next billing cycle. The locations included in the Daily Cash Out Index are defined in Section 29.5, Imbalance Management, of the GT&C of this Tariff:
  - (1) The Daily Cash Out Index Price on the date(s) the Loan occurred.
  - (2) The Daily Cash Out Index Price on the termination date of the Rate Schedule MCS Transaction Request.
  - (3) The Daily Cash Out Index Price on the date Transporter made replacement purchases for the Loan amount.
  - (4) The average Daily Cash Out Index Price for the Month in which the Loan occurred.
  - (5) The average Daily Cash Out Index Price for the Month in which the Rate Schedule MCS Transaction Request terminated.

**3. MARKET CENTER SERVICES CHARGES**

**3.1 APPLICABLE BASIC RATES** - The applicable basic rates, including surcharges, for services under this Rate Schedule are set forth on the Statement of Rates of this Tariff, as revised from time to time.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

a. The rate(s) may be selectively discounted between the stated maximum and minimum rate(s) on a not unduly discriminatory basis. Any discounted rate(s) shall be above the minimum rate(s) and below the maximum rate(s) and shall be stated in the Rate Schedule MCS Transaction Request and effective upon acceptance by Transporter.

b. Shipper may elect to prepay the anticipated charges for service under this Rate Schedule at any time.

3.2 The maximum daily service charge may have up to three rate components. Each component may be discounted to zero but the sum of the three components for any Day shall not be less than the minimum rate. The daily charges may include:

a. A Daily Charge for the amount Parked or Loaned on that Day.

b. A Daily Charge for the amount Unparked or Loan Payback or Redelivery (including amounts transferred to another Shipper under the TTT feature of this Rate Schedule) on that Day.

c. A Daily Charge for the Accumulated Total Park Quantity or Accumulated Total Loan Quantity as determined at the end of each Gas Day at each Park Point or Loan Point for Shipper's account. Separate quantities resulting from separate Parking Transaction Requests and Loan Transaction Requests shall not be netted in determining this charge.

3.3 Surcharges that may be applicable to this Rate Schedule are set forth on the Statement of Rates of this Tariff.

3.4 FL&U shall not be assessed with respect to service rendered under this Rate Schedule.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 77

3.5 Shipper shall not redeliver more than the quantity Loaned and shall not unpark more than the quantity Parked under the Rate Schedule MCS Transaction Request.

3.6 If on any Day Transporter cannot accept a nomination for an Unpark Quantity or a Loan Redelivery Quantity, the daily charge on the Total Accumulated Park Quantity or Total Accumulated Loan Quantity for that Day shall be \$0.000, unless otherwise agreed. Further, the term of the Rate Schedule MCS Transaction Request may be extended Day-for-Day by the number of Days for which such Unpark Nominations or Loan Redelivery Nominations were not accepted, if such extension has been mutually agreed.

4. SCHEDULING OF MCS SERVICE.

4.1 Shipper shall nominate Rate Schedule MCS service under this Rate Schedule in accordance with the Nomination procedures set forth in Section 18, Nomination and Scheduling Procedures, of the GT&C of this Tariff. Rate Schedule MCS service shall be the last quantities scheduled on the system and shall be scheduled in priority by total revenue over the term of the Rate Schedule MCS Transaction Request.

4.2 Transporter may, but is not required to, post on its EBB, by nine (9) a.m., MCT, the amount of available Parking or Loan Rate Schedule MCS quantities. If Transaction Requests for the Day exceed the amount of posted Rate Schedule MCS availability, the requests shall be filled and scheduled proportionally in accordance with Section 17, Scheduling Principles of the GT&C of this Tariff.

5. COMMINGLING OF GAS. Transporter shall have the unqualified right to commingle the Shipper's gas with other gas in the Transporter's system and storage field.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 78

6. DELEGATION. By a contract ("Agency Agreement") a Shipper may delegate to any third party ("Agent") the responsibility for receiving and paying invoices, notices, and confirmations, and/or performing other administrative duties required by the MCS Service Agreement, subject to the conditions outlined in Section 29.6, Agency Agreements, of the GT&C of this Tariff.
7. GENERAL TERMS AND CONDITIONS: The applicable General Terms and Conditions ("GT&C") of this Tariff, except as modified in the Agreement, are hereby incorporated in and made a part of this Rate Schedule. To the extent that said GT&C are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

## GENERAL TERMS AND CONDITIONS

1. **APPLICABILITY.** The following General Terms and Conditions (“GT&C”) set forth the rules and regulations under which Gas service is supplied and govern all Rate Schedules for service provided by the Company (“Transporter”). These GT&C are subject to termination, change or modification in whole or in part at any time as allowed by the rules of the Colorado PUC or as required by law.
2. **DEFINITIONS AND INTERPRETIVE MATTERS.** The following terms shall have the meanings defined below:
  - 2.1 “Accumulated Balances” means the sum of Daily Park or Loan quantities.
  - 2.2 “Agent” or “Agency” means a person or Party that has agency authority to act for a Shipper by performing administrative duties such as receiving invoices, paying invoices, receiving notices and confirmations, nominating, scheduling, or other administrative duties required by the provisions of this Tariff.
  - 2.3 “Authorized Overrun Quantity” means the following: A Shipper’s total Firm activity under a Transportation Service Agreement is limited to the Shipper’s MDTQ under such Agreement. In total, Shipper may nominate and tender and Transporter may confirm and receive quantities which exceed the Shipper’s MDTQ. Such Confirmed quantities which exceed Shipper’s MDTQ shall be considered as Authorized Overrun Quantities and shall be transported on an Interruptible basis.
  - 2.4 “Available Daily Injection Quantity” or “ADIQ” means the quantity determined by the percentage of Maximum Daily Injection Quantity (“MDIQ”) available for injection by Shipper on any Day and that Transporter may be required to inject into storage on a Firm basis. ADIQ is a function of Shipper’s percent of Maximum Available Storage Capacity (“MAC”) and Gas in Place currently in storage on that Day expressed as a whole number.
  - 2.5 “Available Daily Withdrawal Quantity” or “ADWQ” means the quantity determined by the percentage of Maximum Daily Withdrawal Quantity (“MDWQ”) available to Shipper on any Day and that Transporter may be required to withdraw from storage on a Firm basis. ADWQ is a function of Shipper’s percent of Maximum Available Storage Capacity (“MAC”) and Gas in Place currently in storage on that Day expressed as a whole number.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 80

- 2.6 “Average Thermal Content of Gas in Storage” or “ATC” means the number determined by dividing the Dth by the volume in Mcf injected in the Transporter’s storage field, excluding cushion Gas, at the point in time the calculation is performed. The ATC shall be assumed to be 1,060 Btus per cubic foot for purposes of assigning MAC, MDIQ and MDWQ in the storage Service Agreement.
- 2.7 “Balance” and “Balancing” means a Shipper’s obligation to cause its Deliveries of Gas to equal its net Receipts, with due consideration given to the FL&U Reimbursement Quantity(s) and other allowable in-kind deductions.
- 2.8 “British Thermal Unit” or “Btu” means the amount of energy or heat required to increase the temperature of one (1) pound of water one (1) degree Fahrenheit at fifty-nine (59) degrees Fahrenheit.
- 2.9 “Bump” or “Bumping” means the reduction of a previously scheduled and confirmed Interruptible Transportation Quantity to permit Transporter to schedule and confirm a Firm Transportation Nomination which has a higher priority and which was submitted as an evening or Intra-Day 1 Cycle Nomination. In the event that a rate discount is granted that affects previously scheduled quantities, “Bumping” also shall mean the reduction of a Firm Transportation Quantity previously scheduled and confirmed to permit Transporter to schedule and confirm an Intra-Day Nomination that has a higher priority, including a higher priority due to a higher rate level as described in Section 17, Scheduling Principles, of the GT&C of this Tariff.
- 2.10 “Business Day” means Monday, Tuesday, Wednesday, Thursday and Friday, excluding Federal Bank Holidays.
- 2.11 “Capacity” means the quantity and/or volume of Gas which Transporter’s facilities, or any particular segment thereof, can accommodate as determined by the Company in its reasonable judgment, based on then-current operating conditions.
- 2.12 “Cash Out Index Price” means the price as provided in Section 29.5, Imbalance Management, of these GT&C, at which Imbalance Quantities will be resolved by cashing out such quantities.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 2.13 "Colorado PUC" or "Colorado Public Utilities Commission" means the Public Utilities Commission of the State of Colorado and any other governmental body or bodies succeeding to, lawfully exercising, or superseding, any powers of said commission.
- 2.14 "Company" means Rocky Mountain Natural Gas LLC. Additionally, the term "Transporter" is used interchangeably with "Company" throughout this Tariff.
- 2.15 "Company-Used Gas" means the quantity of Gas used by Transporter as Fuel (to fuel compressor stations, dehydration equipment, Gas shrinkage through processing plants and Fuel used in any other system facilities) and for other purposes in its Gas operations. Additionally, the term "Fuel" is used interchangeably with "Company-Used Gas" throughout this Tariff.
- 2.16 "Confirmation" means the verification of the Confirmed Quantity by the Confirming Parties.
- 2.17 "Confirmed Nomination" or "Confirmed Quantity" means the final result of the Confirmation process and is the quantity of Gas stated in Dth, which has been determined as authorized to flow on a specified Gas Day at a specified Receipt Point or Delivery Point on behalf of a Shipper or Shippers. More specifically, the Confirmed Nomination or Confirmed Quantity is that quantity of Gas which Transporter has scheduled prior to the Day of Gas flow for Nominations other than Intra-Day Nominations, or on the Day of Gas flow for Intra-Day Nominations, to be (1) Delivered to the Shipper on a particular Day at a specified Delivery Point(s) or (2) transported for a Shipper on a particular Day from a specified Receipt Point(s) to a specified Delivery Point(s).
- 2.18 "Critical Notices" means those notices posted on Transporter's EBB which provide information with respect to conditions on Transporter's system that affect Shipper requirements, scheduling or adversely affect scheduled Gas flow.
- 2.19 "Critical Operating Condition" means that Day or Days for which Transporter has posted a Critical Notice(s) on its EBB.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 2.20 "Cubic Foot of Gas" means, for the purpose of determining Gas volumes, the amount of Gas necessary to fill one cubic foot of space when the Gas temperature is at, or corrected to, sixty (60) degrees Fahrenheit, and the Gas pressure is either (1) the usual prevailing pressure at the meter, or (2) corrected to 14.73 p.s.i.a.
- 2.21 "Curtailement" means the reduction in Gas quantities Received from and/or Delivered to a Shipper(s) due to an Imbalance between the quantity of Gas Shipper was confirmed to give to Transporter at the Receipt Point and in the quantity of Gas Transporter was confirmed to Deliver to Shipper at the Delivery Point(s), or due to operational constraints affecting the Capacity of Transporter's system, including the third-party Capacity of a Interconnecting Pipeline.
- 2.22 "Customer" means a Shipper.
- 2.23 "Day" means a period of twenty-four (24) consecutive hours beginning and ending at eight o'clock (8:00) a.m., Mountain Clock Time ("MCT").
- 2.24 "Deliver", "Delivered", or "Delivery" means the tender of a quantity of Gas by Transporter to Shipper or for a Shipper's account or to a third party for Shipper's account under an Agreement.
- 2.25 "Delivery Quantity" means the quantity, expressed in Dth, of Gas Delivered by Transporter at the Delivery Point(s) for the account of Shipper.
- 2.26 "Delivery Point(s)" has the same meaning as "Point of Delivery" defined herein below.
- 2.27 "Discounted Rate Agreement(s)" means a letter or form defining the discounted rate(s) for service and the associated term of such discounted rate(s) which rate(s) and term has been agreed to by the Shipper and the Transporter under a Rate Schedule in this Tariff and which letter or form will be appended to the applicable Service Agreement(s).

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 83

2.28 "Dth" or "Dekatherm" means the quantity of heat energy which is equivalent to 1,000,000 British Thermal Units (MMBtu). One Dth of Gas shall mean the quantity of Gas which contains one Dth of heat energy, and will be reported on a dry MMBtu or Dth basis. Dth is the standard quantity unit for Nominations, Confirmation and Scheduled quantities in this Tariff and with most interconnecting Party(s). As used in this Tariff, related Service Agreements, statement and invoices, MMBtu and Dth are synonymous.

2.29 "EBB" or "Electronic Bulletin Board" means the Company web site which displays and provides certain of Transporter's data, including notices, Receipt and Delivery Point listings and point catalogs, and this Tariff, to Shippers and Interconnecting Party(s).

2.30 "EFM" or "Electronic Flow Measurement" means equipment installed on a meter, allowing electronic communication to capture measurement data.

2.31 "End-User" means the party who ultimately consumes the Gas.

2.32 "Firm" means service that is subject to Curtailment as provided for in this Tariff, but that is not subject to Interruption as provided for in this Tariff.

2.33 "Fuel" has the same meaning as "Company-Used Gas" in this Tariff.

2.34 "Fuel, Lost, and Unaccounted-For Gas Reimbursement Quantity" or "FL&U Reimbursement Quantity" means that quantity of Gas deducted from the quantities received from a Shipper which quantity is retained by Transporter as compensation and reimbursement for Company-Used Gas consumed in system operations and for Lost and Unaccounted-for Gas. The Fuel component of this quantity is defined in Sections 2.15 and 2.32 of these GT&C. The Lost and Unaccounted-for Gas component of this quantity is the difference between the sum of all input quantities of Gas Received into Transporter's system and the sum of all output quantities of Gas Delivered from Transporter's system, which difference shall exclude Company-Used Gas and shall include, but not be limited to, Gas vented and lost as a result of an event of force majeure.

2.35 "Gas" or "Natural Gas" means any mixture of combustible hydrocarbons or of hydrocarbons and non-combustible Gas, in a gaseous state, consisting essentially of methane.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

- 2.36 "Gas in Place" means the aggregate quantity of working Gas storage inventory that a Shipper has stored in Transporter's storage field(s).
- 2.37 "Gross Dry Heating Value" means the number of Btus produced by complete combustion, at a constant pressure, of the amount of Gas which would occupy a volume of one (1) cubic foot at a temperature of sixty (60) degrees Fahrenheit on a dry basis and at a pressure of 14.73 p.s.i.a. with air of the same temperature and pressure as the Gas, when the products of combustion are cooled to the initial temperature of the Gas and air, and when the water formed by combustion has condensed to the liquid state.
- 2.38 "Hour" means the sixty (60) minute period beginning at the top of the hour of the Day and ending at the top of the next hour (i.e. hour 1 starts at 8:00 a.m., MCT, and ends at 8:59 a.m., MCT).
- 2.39 "Imbalance" or "Imbalance Quantities" means the difference between the amount of net Gas Received by the Transporter from a Shipper (with due regard given to the FL&U Reimbursement Quantity and other allowable in-kind deductions) or for a Shipper's account for transportation under this Tariff and the amount of Gas Delivered by Transporter to the Shipper or for the Shipper's account, as generally determined following the daily and monthly accounting allocation processes.
- 2.40 "Injection Period" means the period commencing May 1 of any year and continuing through October 31 of such year.
- 2.41 "Intra-Day" means any Nominated, Confirmed or Scheduled quantities submitted outside of the Timely cycle.
- 2.42 "Interconnecting Pipeline" or "Interconnecting Party" means the Party or such Party's designees that is responsible for the operations of a Gas system which interconnects with Transporter's pipeline system and is responsible for verifying Nominations and/or scheduling Gas flow at such points of interconnection. An Interconnecting Party is also a Confirming Party.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 2.43 "Interruptible" means that the Transporter has the right, except as may otherwise be specifically provided for in this Tariff, to stop at any time, in whole or in part, Receipts from or Deliveries of Gas (1) to a Firm service Shipper for Authorized Overrun Quantities or Unauthorized Overrun Quantities; (2) to an Interruptible service Shipper, due to the need to serve a higher priority quantity as defined in Section 17, Scheduling Principles, of these GT&C of this Tariff; and/or (3) for any other reason.
- 2.44 "Interruption" or "Interrupt" means the act of stopping, in whole or in part, Receipts from or Deliveries (1) to a Firm Shipper for Authorized Overrun Quantities or Unauthorized Overrun Quantities; (2) to an Interruptible service Shipper due to the need to serve a higher priority quantity as defined in Section 17, Scheduling Principles, of these GT&C of this Tariff and/or (3) for any other reason.
- 2.45 "Inventory Plan" means the maximum and minimum levels of storage inventory, which may be held in Transporter's storage field at any given time.
- 2.46 "Loan", "Loaned", or "Lending" means Transporter's advancement of quantities of Gas to a Shipper from Transporter's line pack assets at a Loan Point pursuant to Rate Schedule APAL and/or Rate Schedule MCS.
- 2.47 "Loan Payback" or "Loan Redelivery" means the Receipt of Gas to a Shipper's Lending account from a Rate Schedule APAL Service Agreement of the Shipper or from the Rate Schedule APAL Service Agreement of another Shipper.
- 2.48 "Loan Point" means a nomination point determined by Transporter at which quantities may be Loaned pursuant to a Rate Schedule APAL or Rate Schedule MCS Agreement. Such points will be posted on Transporter's EBB under the Non-Critical Notices section.
- 2.49 "Loan Quantity" or "Loaned Quantity" means the quantity of Gas, expressed in Dth per Day, advanced to Shipper from Transporter's line pack assets at a Loan Point pursuant to Rate Schedule APAL or Rate Schedule MCS.
- 2.50 "Maximum Available Storage Capacity" ("MAC") means the maximum quantity of cumulative Gas (expressed in Dth) that Transporter is required and able to accept under Rate Schedule NNS for injection into storage at any time.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or Authority No.

President  
Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 86

2.51 "Maximum Daily Delivery Quantity" ("MDDQ") means the maximum quantity of Gas, net of allowable deductions, which the Shipper is entitled to receive from the Transporter at a specific Primary Delivery Point on any Day that service to the Shipper is not Interrupted and Capacity at that Point is not subject to Curtailment; provided, however, that the sum of the Shipper's MDDQ(s) shall not be in excess of the Shipper's MDTQ. The MDDQ for a Shipper is specified in the Rate Schedule FTS Service Agreement or in the related limited-term Partial Assignment.

2.52 "Maximum Daily Injection Quantity" ("MDIQ") means the maximum quantity of Gas, net of any storage FL&U Reimbursement Quantity, that a Shipper can inject into Transporter's storage field(s) on a firm basis. The Maximum Daily Injection Quantity is available only at certain levels of Gas in Place as defined by the NNS Rate Schedule.

2.53 "Maximum Daily Receipt Quantity" ("MDRQ") means the maximum quantity of Gas which the Shipper is entitled to tender to the Transporter at a specified Primary Receipt Point(s) on any Day that service to the Shipper is not Interrupted and Capacity at that Point is not subject to Curtailment; provided however that the sum of the Shipper's MDRQ shall not be in excess of the Shipper's MDTQ.

2.54 "Maximum Daily Transportation Quantity" ("MDTQ") means the maximum aggregate quantity of Gas, net of allowable deductions, which the Shipper is entitled to tender to the Company for the account of the Shipper at all Primary Receipt Point(s) on any Day that Capacity at such Points is not subject to Curtailment, the maximum aggregate path capacity which the Shipper is entitled to use to transport Received quantities and the maximum quantity of Gas which the Shipper is entitled to Receive from the Transporter at a specified Primary Delivery Point on any Day that service to the Shipper is not Interrupted and Capacity at that Point is not subject to Curtailment. The MDTQ is the sum of all MDDQ(s) for a Shipper and is specified in the applicable Service Agreement(s) or in the related limited-term Partial Assignment.

2.55 "Maximum Daily Withdrawal Quantity" ("MDWQ") means the maximum quantity of Gas the Shipper can withdraw from Transporter's storage field(s) on a Firm basis on a Day. The Maximum Daily Withdrawal Quantity is available only at certain levels of Gas in Place in Rate Schedule NNS of this Tariff.

2.56 "Mcf" means one thousand (1,000) cubic feet of Gas.

2.57 "MCT" means Mountain Clock Time.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 2.58 “MMBtu” means one million Btus. One Dth is equal to one MMBtu.
- 2.59 “Month” means a period beginning at eight o’clock (8:00) a.m., MCT, on the first Day of the calendar month and ending at the same time on the first Day of the next succeeding calendar month.
- 2.60 “Monthly Billing Period” means a calendar month; provided that the period between any two readings of a Shipper’s meter(s) may not strictly correspond to such calendar month.
- 2.61 “Nomination” or “Nominate” means a request by a Shipper submitted to Transporter for a prospective Transportation or storage transaction under an executed Service Agreement.
- 2.62 “Nominating Party” means a Shipper or Shipper’s Agent authorized to submit Nominations to Transporter pursuant to Shipper’s executed Service Agreement(s).
- 2.63 “Off-System Delivery Point” means a Delivery Point where Gas is being transported by Transporter through its system to an Interconnecting Party. Off-System Delivery Points exclude all SourceGas Distribution LLC Delivery Points. Off-System Delivery Points are defined in and listed in the Informational Postings section of Transporter’s EBB.
- 2.64 “On-System Contract Assignee” means a person, firm, corporation or other entity taking delivery of Gas transported on Transporter’s system for further transportation on the SourceGas Distribution LLC’s distribution system where SourceGas Distribution LLC has partially assigned its Service Agreement(s) to the assignee for a limited term. The On-System Contract Assignee shall have executed the limited-term Partial Assignment for the benefit of itself or one or more End-Users under the SourceGas Distribution LLC’s End-Use Transportation Program.
- 2.65 “On-System Delivery Point” means a Delivery Point where Gas is being transported by Transporter through its system to a SourceGas Distribution LLC owned and/or operated Delivery Point, except that for the Bachelor Gulch Delivery Point it means a Delivery Point where Gas is being transported by Transporter through its system and the Public Service Company of Colorado system to the SourceGas Distribution LLC owned and/or operated Delivery Point. On-System Delivery Point(s) are defined in and listed in the Informational Postings section of Transporter’s EBB.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer  
President  
Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 88

- 2.66 “Operational Balancing Agreement” or “OBA” means an agreement executed between Transporter and an Interconnecting Party which specifies the procedures to manage and resolve operating variances at an interconnect.
- 2.67 “Operator” or “Point Operator” means a Party that controls and is responsible for the operation of a physical Gas facility through which gas flows into or out of Transporter’s system at a Point of Delivery or Receipt on Transporter’s system.
- 2.68 “Overrun Capacity” or “Overrun Quantities” means the use of Capacity on Transporter’s system that is greater than the Shipper’s contract entitlements.
- 2.69 “Park”, “Parked” or “Parking” means acceptance by Transporter of quantities of Gas tendered by Shipper at a Park Point for Delivery pursuant to Rate Schedule APAL or Rate Schedule MCS.
- 2.70 “Park Point” means a nomination point determined by Transporter at which quantities may be Parked pursuant to a Rate Schedule APAL or Rate Schedule MCS Agreement. Such points will be posted on Transporter’s EBB under the Non-Critical Notices section.
- 2.71 “Park Quantity” or “Parked Quantity” means the quantity of Gas, expressed in Dth per Day, tendered by Shipper at a Park Point pursuant to Rate Schedule APAL or Rate Schedule MCS.
- 2.72 “Party” means, depending upon the context, the Transporter, a Shipper, an End-User , a Point Operator and/or an Interconnecting Party.
- 2.73 “Point of Delivery” or “Delivery Point” means the point of connection between the facilities of the Company and facilities of another Party at which the Gas leaves the outlet side of measuring equipment or main of the Company and enters the facilities of the other Party, or an otherwise agreed upon point.
- 2.74 “Point of Delivery Quantity” or “Delivery Point Quantity” means the maximum quantity of Gas, expressed in Dth per Day, which Transporter shall be obligated under a Transportation Service Agreement to Deliver to Shipper, or for Shipper’s account at a Point of Delivery.
- 2.75 “Point of Injection” means that Point where Transporter accepts and injects Gas into Transporter’s storage field for the account of Shipper.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

- 2.76 "Point of Receipt" or "Receipt Point" means the Point(s) at which the upstream facilities of a Party are connected with the Company's facilities and at which the Gas quantities flowing into the Company's facilities are measured, or an otherwise agreed upon point.
- 2.77 "Point of Receipt Quantity" or "Receipt Point Quantity" means the maximum quantity of Gas, expressed in Dth per Day, which the Shipper is permitted under a Transportation Service Agreement to tender to Transporter at a Point of Receipt.
- 2.78 "Point of Withdrawal" means that point where Transporter withdraws Gas from Transporter's storage field for the account of the Shipper.
- 2.79 "Point Operator" has the same meaning as "Operator".
- 2.80 "Primary Capacity" means the transmission system Capacity on and along any portion of the Primary Receipt Point, primary path, or Primary Delivery Point reserved for the Shipper under a Firm Transportation Service Agreement. On any pipeline Segment, primary path capacity is limited by the Primary Point of Receipt quantity upstream of such segment and the Primary Point of Delivery Quantity downstream of such segment, whichever is less.
- 2.81 "Primary Delivery Point" means, with respect to a particular Shipper, a Delivery Point on the Company's system listed in the Service Agreement executed by the Transporter and the Shipper, or in the related limited-term Partial Assignment.
- 2.82 "Primary Point(s)" means those point(s) of Receipt and Delivery specified in the Firm Transportation Agreement as Point(s) where Shipper is entitled to Firm Service.
- 2.83 "Primary Receipt Point" means, with respect to a particular Shipper, a Receipt Point on the Company's system listed in the Service Agreement executed by the Transporter and the Shipper, or in the related limited-term Partial Assignment.
- 2.84 "p.s.i.a." means pounds per square inch absolute.
- 2.85 "p.s.i.g." means pounds per square inch gauge.
- 2.86 "Receipt Quantities" means all quantities expressed in Dth of Gas received by Transporter at the Point(s) of Receipt for the account of the Shipper.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 2.87 "Receive", "Received", or "Receipt" means the tender of a quantity of Gas by a Shipper (or by an entity for Shipper's account) to Transporter for transportation under an Agreement.
- 2.88 "Quantity" means all quantities expressed in Dth of Gas Received or Delivered by Transporter for the account of the Shipper.
- 2.89 "Scheduled Quantity" means the quantity of Gas Transporter has determined it can Transport, based on a Shipper's nomination, from a specific Point of Receipt to a specific Point of Delivery on a designated Day subject to Transporter's available transportation system Capacity. Such quantities shall be determined in accordance with Section 17, Scheduling Principles for, and Determination of, Receipts and Deliveries, of the GT&C of this Tariff and are subject to a final Confirmation by Transporter.
- 2.90 "Secondary Capacity" means Capacity other than the primary Capacity under a Firm Transportation Agreement used when Shipper Nominates service at points or paths outside of the Primary Receipt to Delivery Contract Path. The Primary Receipt to Delivery Contract Path means the path through and from a Primary Point of Receipt to and through a Primary Point of Delivery.
- 2.91 "Secondary Point(s)" means those Point(s) of Receipt and Delivery which are not specified in the Firm Transportation Service Agreement as Primary Points and where Shipper is entitled to Nominate Gas quantities for Receipt or Delivery. The availability of Secondary Points is as defined in the Rate Schedules.
- 2.92 "Secondary Delivery Point" means, with respect to a particular Shipper, an available Off-System Delivery Point on the Transporter's system other than the Primary Delivery Points that are listed in the Service Agreement executed by the Transporter and the Shipper, or in the related limited-term Partial Assignment.
- 2.93 "Secondary Receipt Point" means, with respect to a particular Shipper, an available Receipt Point on the Company's system other than the Primary Receipt Points that are listed in the Service Agreement executed by the Company and the Shipper, or in the related limited-term Partial Assignment.
- 2.94 "Segment" means a portion of the transmission system between a defined upstream point and a defined downstream point.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

- 2.95 "Service Agreement" or "Agreement" means a written agreement, or limited-term Partial Assignment thereof where applicable, and any exhibits, attachments and/or amendments thereto, for, or related to, Gas service, which is executed by the Company and a Shipper.
- 2.96 "Shipper" means that Party that has executed a Service Agreement or a limited-term Partial Assignment has been executed providing for service under a Rate Schedule included within this Tariff.
- 2.97 "Storage Service" means the acceptance by Transporter of Gas tendered by Shipper at the Point of Injection, the injection of such Gas for storage for Shipper's account, the inventorying of such Gas in Place in Transporter's storage field, and the withdrawal of such Gas for Shipper's account at the Point of Withdrawal.
- 2.98 "Tender" or "Tendered" means making Gas available in accordance with the provisions of this Tariff and Shipper's Transportation Service Agreement.
- 2.99 "Thermal Content" when applied to any volume of Gas means the aggregate number of Btus contained in such volume. The thermal content is that amount determined by multiplying the Gross Dry Heating Value by the volume of Gas in cubic feet.
- 2.100 "Third Party Charges" means amounts paid to a Party other than Transporter.
- 2.101 "Timely" means any Nominated, Confirmed or Scheduled quantities submitted in the first scheduling cycle of each Day.
- 2.102 "Transportation Service" or "Transportation" means the acceptance by Transporter of Gas tendered by a Shipper to the Company's pipeline system at a Receipt Point(s), and direct, displacement, backhaul or exchange delivery to the Shipper, or other methods of transportation for the Shipper's account, at a Delivery Point.
- 2.103 "Transporter" means Rocky Mountain Natural Gas LLC. Additionally, the term "the Company" is used interchangeably with "Transporter" throughout this Tariff.
- 2.104 "Transporting Pipeline" or "Interconnecting Pipeline" means any interstate or intrastate pipeline delivering transportation Gas to the Primary Receipt Points(s) or taking Gas from the Primary Delivery Points(s) or Secondary Delivery Point(s). A Transporting Pipeline may include facilities owned by the Company, an affiliate of the Company, or an unaffiliated entity.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

- 2.105 "Unauthorized Overrun" means the Transportation of quantities in excess of Shipper's contract entitlement under a Rate Schedule FTS or ITS Service Agreement that has not been authorized by Transporter as a Confirmed Quantity.
- 2.106 "Unpark" means the Delivery of Gas from a Shipper's Parking account to a Service Agreement of the Shipper or to the Service Agreement of another Shipper.
- 2.107 "Upstream Party" means the Party delivering Gas to Transporter at a Receipt Point as identified by Shipper's Nomination.
- 2.108 "Withdrawal Period" means the period commencing on November 1 of any year continuing through April 30 of the following year.
- 2.109 "Withdrawal Quantity" is that quantity of Gas Delivered from storage by Transporter for Shipper's account.

3. CONDITIONS FOR REFUSAL OR DISCONTINUANCE OF SERVICE

3.1 Transporter may terminate a Service Agreement or otherwise refuse to provide service under this Tariff to a Shipper or applicant for service for any of the following reasons:

- a. Subject to the notice requirement set forth below, the Shipper or applicant for service has an outstanding unpaid bill with the Transporter. Transporter may elect to resume Service when the Shipper satisfies any credit requirements imposed by the Transporter, and pays the outstanding bill in full or enters into a satisfactory written payment arrangement. In the event the amount is in dispute, the Transporter may require the Shipper to make a special deposit in the amount of the disputed amount, and service will be rendered promptly. Upon settlement of the dispute, any amount owed the Shipper will be promptly refunded.

(1) Transporter shall provide to Shipper ten (10) Days' notice after a bill becomes delinquent that service may be discontinued unless full payment is received or unless another payment arrangement has been made. Transporter may discontinue service for unpaid bills at any time after the conclusion of such notice period.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

- b. The Shipper's or applicant's credit history indicates a significant probability that the Shipper or applicant will not pay (1) its bills for service provided by the Transporter, (2) its bills for any penalty charges or fees, and/or (3) any bills for any fees and charges related to Imbalance Quantities or Imbalance Management and the applicant or Shipper has not complied with the performance assurance requirements imposed by Transporter in accordance with Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of these GT&C.
- c. The failure by the Shipper or applicant to satisfy Company's credit requirement or to post a deposit as required under Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of these GT&C.
- d. The Company determines, in its best judgment, (1) that it does not have adequate facilities to render the service and the Shipper has declined to make an additional facilities payment as provided in Section 5 of these GT&C, or (2) the requested service is of a character that is likely to adversely affect the existing Firm service of another Shipper.
- e. The existence of a dangerous condition on or about the Shipper's facilities, as determined by Transporter.
- f. The Shipper causes, permits, or benefits from an unauthorized use, interference with, or a diversion of service on or about the Shipper's facilities, after documentation and notification to the Shipper.
- g. The Shipper is responsible for a misuse of Gas which causes or may cause an unsatisfactory condition affecting the quality, safety, health or continuity of service to the Shipper or other parties.
- h. Failure by the Shipper to comply with the terms and conditions of its Service Agreement(s), with any of these GT&C, or with applicable approved Rate Schedules, as amended from time to time.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

i. Failure by the Shipper to comply with Operational Flow Orders (including Curtailment orders) issued by the Transporter.

j. Obtaining service by subterfuge.

k. After notification by the Transporter and during normal working hours (except in an emergency), the Shipper or applicant for service refuses to allow authorized Company personnel to examine, inspect, maintain, repair, upgrade or replace the piping and other equipment relating to Transporter's service; ascertaining connected loads; and in one of the following situations:

- (1)Transporter is responding to a request for service;
- (2)Transporter has reasonable knowledge of a safety problem on the premises and has documented that knowledge; or
- (3)Transporter is obligated under this Tariff to perform a service (such as switching out a meter), or complete an inspection where the service or inspection requires that the Company representative be on the premises.

l. Tampering with or destroying Transporter's facilities, in which case Transporter may charge for repairs or replacements or corrections associated with such tampering ; or

m. Any other reason where authority is specifically granted by Colorado statute or rule of the Colorado PUC.

3.2 Discontinuance with respect to On-System Transportation Service shall not be during a period which may endanger health because of such factors as weather extremes, although discontinuance may occur at the first date the weather extremes alleviate.

3.3 Conditions Not Sufficient for Discontinuance of Service. The following conditions are not to be considered sufficient cause to discontinue service:

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

a. Failure to pay for services not governed by this Tariff or otherwise regulated by the Colorado PUC.

b. Failure of the Shipper to pay any or all of a bill which is in dispute, provided that the Shipper pays that portion of the bill which is not in dispute.

c. There is money owed as a result of the Company's meter reading error or billing error and the Shipper enters into and complies with a written payment arrangement.

3.4 Transfer or Netting of Account Balances. In the event of discontinuance of service, Transporter may transfer or net any unpaid balance to another account of the Shipper. If a Shipper has an unpaid bill for service provided by Transporter in Colorado, Transporter may transfer the unpaid balance to any successive service account opened by the Shipper for the same or different class of service, and Transporter may discontinue service, after proper notice, for the nonpayment of the transferred amount.

4. CREDITWORTHINESS, RELATED DEPOSITS, AND OTHER CREDIT ASSURANCES

4.1 Transporter shall not be required to commence service or to continue to perform service under this Tariff for any Shipper who fails to demonstrate creditworthiness as reasonably determined by Transporter. Transporter's determination of creditworthiness shall be based upon a review of Shipper's financial statements, bank references, trade references, placement on any credit-watch lists, trend analysis of financial ratios, any bankruptcy, insolvency, liquidation or debt reduction proceedings, and such information relating to Shipper's financial status, financial obligations including any recently filed substantial litigation, payment history and other relevant factors as may be necessary to satisfy Transporter that Shipper is creditworthy.

4.2 Upon Shipper's request, Transporter shall provide a written explanation of any credit limitation applied to Shipper.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

4.3 Transporter may permit another entity, such as a corporate parent or affiliated company of the Shipper, (a) to guarantee the Shipper's obligations in writing using said entity's credit quality factors, (b) to prepay at the entity's election the Shipper's estimated bills for the next six months, (c) to guarantee the Shipper's obligations by issuance of an irrevocable letter of credit, or (d) to guarantee the Shipper's obligations by an acceptable cash deposit.

4.4 REQUIREMENT OF DEPOSIT OR OTHER CREDIT ASSURANCE. In accordance with the authorization granted by the Colorado PUC, Transporter may require any Shipper that fails to provide adequate evidence of creditworthiness to pay to Transporter a cash deposit, or to provide a letter of credit or other agreed upon corporate guarantee. Shipper shall be required to guarantee the payment in an amount equal to six (6) months of estimated average bills applicable to the service provided to Shipper; provided that the Transporter may waive or modify the requirement on a non-discriminatory basis that evidence of creditworthiness be provided where the Shipper's bill payment history with Transporter makes the credit risk acceptable in Transporter's sole judgment. Transporter may require additional credit assurance in association with system expansion projects. A deposit or other credit assurance also will be required if (1) the Shipper has any outstanding but undisputed invoices for past service or (2) the Shipper has had two delinquent or untimely payments in the previous twelve (12) month period. The Company may, either at the time of the request for service, or at any time thereafter upon a minimum of five (5) Days' written notice, request such a deposit or other credit assurance from Shipper. The credit assurances required by this Section are in addition to any credit assurances required from a Shipper in connection with the installation of additional facilities under Section 5, System Access Policy and Additional Facilities Policies and Payments, of these GT&C. To satisfy the required credit assurance in whole or in part, at Transporter's sole election, Shipper may be allowed to provide to Transporter a secured interest in Rate Schedule NNS Gas In Place storage inventory.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

4.5 CALCULATION OF AMOUNT OF DEPOSITS OR OTHER CREDIT ASSURANCE. The amount of a required security deposit or other credit assurance shall not exceed the amount of an estimated six (6) months' bill of the Shipper, except for instances associated with new facilities or system expansion, in which case Transporter may require additional credit assurance. For purposes of establishing deposits or other credit assurance and estimating monthly bills, the Transporter shall take into account factors relevant to the Shipper including but not limited to the term of the Service Agreement, the level of contract entitlements under the Service Agreement, the level of volumes transported by Shipper on Transporter's System, past consumption history of the applicable End-User, if any, service history of comparable companies and any applicable provisions of this Tariff and of the rules and regulation of the Colorado PUC. Transporter may estimate anticipated Imbalance Quantities including possible Cash Out of such quantities in estimating such bills. Transporter may estimate Parking and Lending quantities including an estimate of possible Cash Out requirements related to such Parking and Lending quantities. Transporter may require an increased deposit or other credit assurance from the Shipper if it is determined subsequent to the original deposit request that the estimate, upon which the original deposit amount was based, for whatever reason, was low.

4.6 REMITTANCE OF DEPOSITS OR OTHER CREDIT ASSURANCE. When it becomes necessary for Transporter to demand a deposit or other credit assurance, or an increased deposit or other increased credit assurance, Transporter may require the Shipper to pay the full cash deposit or other credit assurance prior to service commencing or continuing. Alternatively, Transporter may accept any acceptable credit assurance, including but not limited to a guarantor, a prepayment of estimated bills, a surety bond or letter of credit in lieu of a deposit. Failure to provide the required security deposit or other credit assurance shall subject the Shipper to suspension and/or termination of service.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

4.7 DISPOSITION OF CASH DEPOSIT OR OTHER CREDIT ASSURANCE.

- a. Transporter may refund a cash deposit or other credit assurance to a Shipper at any time that the Company determines, in its sole discretion, that the deposit is no longer necessary to provide adequate assurance that the Shipper's bills will be paid.
- b. Upon termination of a Service Agreement, Transporter shall refund the amount of the cash deposit or other credit assurance less the amount of any unpaid bills due Transporter. If the Transporter cannot return the deposit due to a lack of knowledge of the Shipper's whereabouts, the Transporter may retain the cash deposit subject to the escheatment laws of the State of Colorado and any applicable regulations of the Colorado PUC.
- c. Unless otherwise agreed to by the Transporter in writing, cash deposits or other credit assurance shall not be transferable from one Shipper to another Shipper.

4.8 RETAINING REFUNDS. Transporter may retain any required rate or service refunds as partial credit assurance.

5. SYSTEM ACCESS POLICY AND ADDITIONAL FACILITIES POLICIES AND PAYMENTS

5.1 Transporter will provide access to its system in a manner that is not unduly discriminatory.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 5.2 Transporter will determine the facilities, if any, which are necessary to provide access to its system. The nature, extent, and timing of the addition of required facilities shall be determined in the Company's reasonable discretion, subject to the requirement that the addition of facilities can be reasonably and safely accomplished without adversely impacting the existing Firm service of another Shipper, subject to the conditions set forth in this Section of the GT&C. Except as otherwise provided in this Tariff, or as otherwise agreed to in writing by Transporter and a Shipper, the Company will install, assume ownership of, and provide maintenance for, all facilities added to provide access to its system.
- 5.3 Transporter under no circumstances shall be obligated to add any facilities or to expand the Capacity of its pipeline system in any manner in order to provide service under this Tariff; however, Transporter is willing to add facilities upon request of a Shipper or an applicant for service, subject to full cost reimbursement by said Shipper or applicant for service, whenever such facilities are deemed, in Transporter's reasonable judgment, to be economically, operationally and technically feasible, subject to the following conditions:
- a. Transporter has received acceptable assurances of the financial reliability of the Shipper or the applicant(s) for service requesting the additional facilities. Transporter and Shipper may mutually agree to enter into an agreement to provide for an Aid in Construction to provide, in whole or in part, a measure of financial assurance to Transporter.
  - b. When Transporter agrees with the Shipper(s) or the applicant(s) for service to construct or acquire new facilities, in order to provide service to the Shipper(s) or applicant(s) for service, Transporter shall require Shipper or applicant(s) for service to agree to one or more of the following provisions:
    - (i) To make a facilities reimbursement payment, including, if requested by Transporter, a gross-up for applicable state and federal income tax expense associated with such facilities; and/or

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- (ii) To pay for the additional facilities in one lump sum payment, or in installment payments as agreed, to be completed no later than the expiration of the initial term of the Service Agreement, as negotiated by the parties; and/or
- (iii) To agree to a reimbursement schedule setting forth the terms, rates and conditions for reimbursement for the additional facilities charge, including an obligation to reimburse Transporter, upon demand, for any unauthorized capital charges, under a lump sum or agreed upon amortization schedule, which may remain if the Transporter's service to the Shipper or the applicant(s) for service is terminated prior to the end of the amortization period; and/or
- (iv) To agree to a Service Agreement(s) where the Shipper's commitments, including term, contract quantity and charges for service, provide an adequate economic basis for the connection and related facilities or otherwise create commercial opportunities or other benefits for Transporter's operations such that Transporter reasonably determines that it is appropriate for the costs to be borne in Transporter's general system costs for rate making purposes.

5.4 If the Transporter, in its reasonable judgment, agrees in writing that a Shipper(s) or an applicant(s) for service can satisfactorily install, operate and maintain any measuring equipment which the Shipper or the applicant for service desires to install, maintain or operate, pursuant to the specifications set forth in these GT&C, Transporter shall not be obligated to install such measuring equipment and the Shipper or the applicant for service shall be relieved of any obligation to reimburse the Transporter for the costs related thereto.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

6. BILLING AND PAYMENT

6.1 BILLING PERIOD. Bills will be rendered by Transporter on or about the twelfth (12<sup>th</sup>) Business Day following the conclusion of each Monthly Billing Period. Bills can be made available, at Transporter's election, by posting of the bills on the EBB or by other electronic means, or by regular mail. All bills for service shall be rendered at the applicable maximum Rates shown on the Statement of Rates in this Tariff, unless otherwise agreed in the Service Agreement, or in a Discounted Rate Agreement applicable to the Service Agreement. Bills or invoices shall be due and payable on the due date shown on the bill, which shall be no earlier than ten (10) Days subsequent to the issuance of the bills. Bills not paid within twenty-five (25) Days of said bill issuance date shall be considered delinquent and subject to a late payment charge.

a. As determined on a not-unduly discriminatory basis, Transporter may issue an out-of-cycle invoice to bill a Shipper at any time during the Month if the Shipper has exceeded the credit assurance limit.

6.2 SHIPPER OBLIGATIONS CONCERNING METER READINGS AND OTHER BILLING INFORMATION.

a. When information necessary for billing purposes is in the control of the Shipper, such information shall be made available to Transporter by the Shipper on or before the eighth (8<sup>th</sup>) Business Day of the Month following the Month which most closely corresponds to the Monthly Billing Period in which the service was provided.

b. Where Shipper operates the measurement facilities and such facilities include EFM equipment or where a third party tenders Gas for the account of Shipper, Shipper or its Agent shall electronically submit to Transporter on or before 8:00 a.m. MCT of each Day the dry Dth and Btu of Gas received by Transporter at the Point(s) of Receipt during the preceding Day.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

6.3 ESTIMATED AND/OR PARTIAL BILLS.

- a. Transporter may estimate the Shipper's service quantities for a Monthly Billing Period, and bill accordingly, under estimating procedures established by the Transporter, in any situation where Transporter cannot ascertain, with reasonable certainty, the Shipper's actual service quantities for the Monthly Billing Period. Transporter may use check measurement data, scheduled quantities, or other data sources to estimate service quantities on bills until actual data is available.
- b. When Transporter issues a billing based on estimated usage, it will maintain accurate records concerning such estimates, indicate on the bill that the usage was estimated, and make any appropriate adjustments upon subsequent receipt of actual service quantities that differ from the estimated service quantities underlying the estimated bill. A bill based upon service quantities provided by the Shipper shall not be deemed to be an estimated bill for purposes of this provision.
- c. Transporter may invoice for reservation charges or other fixed charges and fees in circumstances where actual usage data and/or imbalance quantities are not fully available at the billing invoice date due to computer or other data issues and Transporter elects to issue a partial bill in lieu of an estimated bill. In such cases, Transporter will include the charges for estimated or actual usage on a subsequent bill.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

6.4 CONTENTS OF BILL. Among other information, the Shipper's bill will show the service type; the contract number; the receipt and/or delivery quantity transported or stored or otherwise served during the Monthly Billing Period for which the bill is rendered, if applicable; Dth billing data, as applicable; the date of the bill; contract entitlements as appropriate and as used for billing; the amount of total tax due, if any; the amount of any additional charges; installment payments, and other utility charges authorized by this Tariff or Colorado PUC rule; and the net amount of the bill. Where necessary information is available, the Shipper's Imbalance Quantity statement will be rendered with the bill or invoice and any Cash Out balance will also be billed in an accompanying invoice. Bills provided to Transportation Service Shippers also will show the unit billing rate for each service charge type as provided for in the Rate Schedules of this Tariff and will display the amount of FL&U reimbursement quantity associated with each rate schedule. As available from Transporter from time to time, the current bill may also report any outstanding balances including balance by invoice number.

6.5 ADJUSTED BILLS.

- a. All adjusted bills shall show adjusted charges due from the Shipper and/or the credit due to the Shipper for amounts paid, or shall show the balance due and payable. A credit may be applied against subsequent billings
- b. UNDER-BILLING. In the event of under-billings not provided for under Section 6.11 of these GT&C and caused by a change in data from an interconnecting pipeline or Operator, the Transporter may charge for the period during which the under-billing occurred, with such period not exceeding the bill adjustment period established in the Tariff of the applicable interconnecting pipeline or Operator, if any, unless otherwise agreed to in writing by Transporter and Shipper. Shipper may agree to pay the under-billing in a lump-sum or over a period equal in length to the period in which the under-billing lasted, and such under-billing shall not be subject to interest.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

c. **OVER-BILLING.** In the event of over-billings not provided for under Section 6.11 of these GT&C and caused by a change in data from an interconnecting pipeline or Operator, Transporter shall refund for the period during which the over-billing occurred, with such period not exceeding the bill adjustment period established in the Tariff of the interconnecting pipeline or Operator, if any, unless otherwise agreed to in writing by Transporter and Shipper. The Shipper may elect to receive the refund as a credit to future billings or as a one-time lump-sum payment and such over-billing shall not be subject to interest.

**6.6 PARTIAL PAYMENTS FOR REASONS OTHER THAN DISPUTED BILLS.** Unless otherwise agreed-to by Transporter in writing, the Shipper shall remit payment in full, and shall reimburse Transporter for any amount billed. If, despite this requirement, a Shipper makes a partial payment on the bill, the Transporter shall credit the partial payment to the oldest outstanding balance(s) due from Shipper until the payment allocation is exhausted. In the event that Shipper fails to pay undisputed bills in full by the due date, Shipper may be subject to discontinuance of service under Section 3, Conditions for Refusal or Discontinuance of Service, of these GT&C or to a deposit request or additional deposit request or other credit assurances under Section 4, Creditworthiness, Related Deposits, and Other Credit Assurances, of these GT&C.

**6.7 DISPUTED BILLS.**

a. When the Shipper advises the Transporter prior to the proposed date for discontinuance that all or any part of a bill is in dispute by both e-mail and regular mail, the Shipper shall clearly state why the discontinuance of service is invalid. The Transporter shall record the date, time, and place that the Shipper gave notice of a dispute and postpone discontinuing service until a prompt and full investigation is completed.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

b. Transporter and the Shipper shall attempt to informally resolve the dispute to their mutual satisfaction. The Shipper shall advise the Transporter that a bill is in dispute in any reasonable manner, including but not limited to, mailed written notice, notice in person, notice by telephone, through pre-arranged meetings, formal or informal hearings or on-site visits with Transporter's personnel. In the event the dispute is not informally resolved, the Transporter shall advise the Shipper of the formal and informal procedures available before the Colorado PUC. Discontinuance of service shall occur after any required notice has been given to the Shipper.

6.8 ACCESS TO BOOKS. Transporter and the Shipper shall have the right to examine at reasonable times those books, records and charts of the other to the extent necessary to verify the accuracy of any billing statement, charge or computation made under or pursuant to any of the provisions of this Tariff.

6.9 BILLS AND FAILURE TO RECEIVE BILLS. Upon request, the Transporter shall advise the Shipper of its approximate billing date each Month. Failure to receive a bill shall not relieve the Shipper of its obligation to make payment as provided in this Tariff.

6.10 LATE CHARGES. Should Transporter fail to receive all invoiced amounts when due, Shipper shall pay Transporter a late charge on the unpaid and undisputed balance. Such late charge shall be billed at the stated interest rate approved annually by the Colorado PUC multiplied by the unpaid amount on a bill. Transporter may elect to waive late charges in a manner that is not unduly discriminatory.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

6.11 CORRECTIONS. The time period for Shipper to notify Transporter or Transporter to notify Shipper of required corrections to a bill, or to invoice or statement data shall be six (6) months from the date of the initial bill with a three (3) month rebuttal period. Except as provided in Section 6.5 of these GT&C, corrections will be limited to the six (6) production months immediately preceding the last day of the Monthly Billing Period applicable to the contested bill. This limitation does not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact, and this limitation shall not diminish the Party(s) other obligations or contractual rights. If there is a deliberate omission or misrepresentation of fact, there will be no time limit on correction of the bill. If there has been a mutual mistake of fact, no corrections will be made for an invoice error unless the Party gives notice thereof within twelve (12) months after the error was committed.

6.12 PREPAYMENT OF CHARGES. Upon a firm Shipper's election, such Shipper may, at any time, prepay estimated charges under the Agreement(s). If the Shipper elects to prepay such charges and the Agreement is subsequently discontinued or terminated in accordance with the terms of the Agreement and this Tariff, Transporter shall refund to the Shipper any portion of the prepayment which applies to the post-termination period so long as the prepayment has not been applied against any amounts owed to Transporter. Transporter shall submit to Shipper a reconciliation of application of prepayment amounts.

6.13 RETAINING REFUNDS. Transporter may retain any required rate or service refunds to offset any unpaid bills.

7. MEASUREMENT

7.1 MEASUREMENT STANDARDS. All meters (including Ultrasonic, orifice, turbine, rotary and diaphragm type) shall be installed in accordance with the following standards, where applicable:

- a. Measurement of Gas by Multipath Ultrasonic Meters – AGA 9;
- b. Orifice Metering of Natural Gas – AGA 3; Parts 1-4;

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- c. Orifice Metering of Natural Gas – Natural Gas Applications – AGA 3; Part 3;
- d. Measurement of Gas by Turbine Meters – AGA 8;
- e. Compressibility and Super-compressibility for Natural Gas and other Hydrocarbon Gases – AGA 8;
- f. Table of Physical Constants of Paraffin Hydrocarbons and other Components of Natural Gas – GPA 2145;
- g. Flow Measurement Using Electronic Metering Systems – Section 1 Electronic;
- h. Gas Measurement – API 21.1;
- i. Rotary-Type Gas Displacement Meters – AGA 7 and ANSI B109;
- j. Diaphragm-Type Gas Displacement Meters – AGA 7 and ANSI B109.

7.2 UNIT OF MEASUREMENT AND METERING BASE. The volumetric measurement base shall be one (1) Cubic Foot of Gas at a pressure base of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 p.s.i.a.), at a temperature base of sixty degrees Fahrenheit (60°F), and without adjustment for water vapor except as described in Section 7.5(b) of these GT&C.

7.3 ATMOSPHERIC PRESSURE. For the purpose of measurement, calculations, and meter calibration, the average absolute atmospheric (barometric) pressure shall be based on the actual elevation of each Point of measurement irrespective of variations in natural atmospheric pressure from time-to-time.

7.4 TEMPERATURE. The temperature of the Gas shall be determined at the Points of measurement by means of a properly installed recording thermometer or continuous electronic temperature transducer, or temperature-compensated meter.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

7.5 DETERMINATION OF GAS COMPOSITION, TOTAL HEATING VALUE AND SPECIFIC GRAVITY.

- a. The Thermal (Total Energy) Content shall be the number of Btus per Cubic Foot of Gas at the base condition of 14.73 p.s.i.a. and 60°F dry. The Btu value will be determined utilizing the complete actual composition of the Gas according to the methods in GPA Standard 2172-02, titled "Calculation of Gross Heating Value, Relative Density and Compressibility Factor for Natural Gas Mixtures from Compositional Analysis," and corrected to the base conditions. For reporting purposes, Btu conversion factors will be reported to not less than three (3) decimal places and pressure base conversion factors will be reported to not less than six (6) decimal places. For calculation purposes, not less than six (6) decimal places will be used for both conversion factors.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

b. The Gas composition, Heating Value and specific gravity of the Gas may be determined by spot samples, continuous samples, or an on-line chromatograph. In the event a continuous Gas sampling device is used, intervals mutually agreed upon should not be less than once every Month. For conventional chart measurement, the arithmetical average of the Gas composition, hourly heating value and specific gravity recorded during periods of flow each Day by an on-line chromatograph, if installed, shall be considered as the Heating Value and specific gravity of the Gas Delivered during each Day. In the event electronic flow computer measurement is used, the determination of Total Heating Value and specific gravity from a chromatograph shall input continuously into the EFM for volume calculations. Such inputs also may be used in the measurement system to recalculate volume and energy at other meters subjected to the same Gas quality. In the event a continuous Gas sampler is installed, then the Heating Value and specific gravity shall be determined in the laboratory by chromatograph. Such determinations shall be considered as the Heating Value and specific gravity of all Gas Delivered during the applicable period of sampling. All Heating Value and specific gravity determinations made with a chromatograph shall use physical Gas constants for Gas compounds as outlined in GPA Standard 2145-00, Rev 2 Table of Physical Constants of Paraffin Hydrocarbons and Other Components of Natural Gas, with any subsequent amendments or revisions which Company may adopt in exercise of its reasonable judgment. The calculations (for Btu) shall be based on dry Gas if the Gas at the measurement Points contains less than seven (7) pounds of water per MMcf. If the Gas at the measurement Points contains more than seven (7) pounds of water per MMcf, the Btu value may be corrected for the water vapor of the flowing Gas based upon actual flowing conditions.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

8. **MEASUREMENT EQUIPMENT.** Unless otherwise agreed upon, Transporter will install, maintain and operate or cause to be installed, maintained and operated, measuring stations equipped with flow meters and other necessary metering and measuring equipment by which the quantities of Gas received and equivalent quantities delivered hereunder shall be determined. Shipper may install check measuring equipment at its own cost and expense; provided such equipment shall be so installed as not to interfere with the operations of Transporter. Transporter and Shipper, in the presence of each other, shall have access to the other's measuring equipment at all reasonable times but the reading, calibrating and adjusting of electronic computer components and/or mechanical recording instruments thereof and the changing of charts shall be done only by the equipment owner or such owner's representative, unless another party is otherwise mutually agreed upon to perform the foregoing activities. Both Transporter and Shipper shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment; provided, however, failure of either Transporter or Shipper to witness such an operation shall not affect the validity of such operation in any way. The records from such measuring equipment shall remain the property of its owner, but upon request, each will submit within ten (10) Days to the other its records and charts, together with calculations therefrom, for inspection. The measurement equipment of Shipper shall be for check purposes only and, except as expressly provided herein, shall not be used in the measurement of Gas for purposes hereof.
9. **NEW MEASUREMENT TECHNIQUES.** If, at any time, a new method or technique is developed with respect to Gas measurement or the determination of the factors used in such Gas measurement, such new method or technique may be substituted by Transporter in exercise of its reasonable judgment. Transporter shall promptly inform all Shippers of any new techniques adopted.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

## 10. CALIBRATION AND TEST OF METERS

### 10.1 Testing:

- a. The accuracy of all measuring equipment shall be verified by Transporter with meter testing equipment on site at reasonable intervals, and if requested, in the presence of representatives of Shipper, but neither Shipper nor Transporter shall be required to verify the accuracy of such equipment more frequently than once in any thirty (30) Day period. If either Party at any time desires a special test of any measuring equipment, it will promptly notify the other, and the Party(s) shall then cooperate to secure a prompt verification of the accuracy of such equipment.
- b. Calibration and testing shall include: (1) verification of configuration; (2) verification of the accuracy of pressure transducers using certified deadweights or certified high accuracy gauges; (3) verification of temperature transducers using a high accuracy digital thermometer; (4) verification of the accuracy of the differential transducer using certified dead weights or certified high accuracy gauges for orifice meters; (5) verification of the rotor spin times for turbine meters; and (6) verification of the speed of sound for ultrasonic meters.

### 10.2 Meter Testing Equipment – Transducers on meters shall be tested using certified dead weights or high accuracy certified gauges, as applicable.

- a. At least once every three years, all devices used to test and/or calibrate any custody transfer measurement equipment shall be recertified at a Company approved laboratory.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- b. All devices used to test and/or calibrate any custody transfer measurement equipment shall be recertified at a Company-approved laboratory that, at a minimum, meets the National Institute of Standards and Technology specifications or tested against an industry standard at least annually during the interim two years between laboratory certifications as provided for in subsection (a) above.
- c. At least annually, all devices used as secondary standards shall be recertified at a Company-approved laboratory that, at a minimum, meets the National Institute of Standards and Technology specifications verifying that the accuracy of the device meets the industry secondary reference standards and that the device meets the appropriate standards of the National Institute of Standards and Technology.

10.3 Where applicable, adjustments to meters shall be made as required by the Colorado PUC's Rules Regulating Gas Utilities and Pipeline Operators.

11. CORRECTION OF METERING ERRORS. If, upon any test, any measuring equipment operated by the Company is found to be inaccurate, such equipment shall be adjusted immediately to measure accurately. If, upon any test, the measuring equipment in the aggregate is found to be inaccurate by two percent (2%) or more at a recording corresponding to the average hourly rate of Gas flow for the period since the last preceding test, any payments based thereon shall be corrected at the rate of such inaccuracy for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one-half (1/2) of the time elapsed since the date of the last test. Measurement data corrections should be processed within six (6) Months of the production Month with a three (3) Month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

11.1 FAILURE OF MEASURING EQUIPMENT. In the event any measuring equipment is out of service, or is found registering inaccurately and the error is not determinable by test, or by previous recordings, Receipts or Deliveries through such equipment shall be estimated and agreed to by the Parties upon the first of the following methods which is feasible, but in no event for a period longer than six (6) months prior to the date the meter was removed from service for testing, unless otherwise agreed to by the parties:

- a. By correcting the error if the percentage of error is ascertainable by calibration, special test, or mathematical calculation, or if this approach is not feasible:
- b. By using the registration of any check meter or meters, if installed and accurately registering; or if neither approach is feasible, then,
- c. By estimating the quantity of Receipt or Delivery based on Receipts or Deliveries during preceding periods under similar conditions when the measuring equipment was registering accurately.

11.2 PRESERVATION OF RECORDS. Shipper and Company shall preserve for a period of at least three (3) Years, or for such longer period as may be required by appropriate authority, all test data, charts, applicable EFM data and other similar records.

## 12. PRESSURE AND DELIVERY CONDITIONS

12.1 RECEIPT POINT PRESSURE. Shipper shall tender Gas to Transporter at the pressure prevailing in Company's System at the Receipt Point, sufficient to enter Transporter's system but in no event at a pressure in excess of the maximum pressure specified for that Receipt Point as stated either in the Service Agreement(s) or posted in the Informational Postings section of Transporter's EBB.

12.2 DELIVERY POINT PRESSURE. Transporter shall Deliver Gas to Shipper at the Delivery Point at the pressure available in Company's pipeline at such point or as stated in a Service Agreement(s).

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

12.3 MUTUAL AGREEMENT. If mutually agreed upon in the Agreement, Transporter may make minimum and/or maximum Receipt Point and/or Delivery Point pressure commitments to Shipper on a basis that is not unduly discriminatory, provided there is no adverse effect on Transporter's system. Transporter will not enter into a minimum and/or maximum Receipt Point or Delivery Point pressure that will render it unable to meet its existing firm obligations.

13. QUALITY OF GAS. All Gas received by Company shall conform to the following specifications:

13.1 HEAT CONTENT. The Gas Delivered at each Receipt and Delivery Point shall contain a Gross Heating Value of not less than nine hundred fifty (950) Btus per cubic foot nor more than 1150 Btu per cubic foot at a base pressure of 14.73 p.s.i.a. and a base temperature of 60°F.

13.2 FREEDOM FROM OBJECTIONABLE MATTER. Except as provided in Section 13.4 below, the Gas which Company Delivers to Shipper and the Gas which Shipper Delivers to Company for transport shall comply with the following requirements:

- a. Shall be commercially free from dust, gums, gum-forming constituents, dirt, impurities or other solid or liquid matter that might cause injury to or interference with proper operation of the pipelines, regulators, meters, or other equipment of Company;
- b. Shall not contain more than 0.25 grain of hydrogen sulfide per one hundred (100) cubic feet of Gas;
- c. Shall not contain more than five (5) grains of total sulfur (including the sulfur in any hydrogen sulfide and mercaptans) per one hundred (100) cubic feet;
- d. Shall not contain more than one (1) grain of mercaptans per one hundred (100) cubic feet;

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

- e. Shall not at any time have an oxygen content in excess of ten parts per million (10 ppm) by volume, and the parties hereto shall make every reasonable effort to keep the Gas free of oxygen;
- f. Shall be Delivered at a temperature not in excess of one hundred twenty degrees Fahrenheit (120°F) or less than twenty degrees Fahrenheit (20°F). However, if the Company is required to dehydrate the Gas at the Receipt Point, then the temperature of such Gas shall not exceed ninety degrees Fahrenheit (90°F);
- g. Shall not contain water vapor in excess of seven (7) pounds per million cubic feet of Gas from any individual receipt point on an absolute basis;
- h. Shall not contain a Hydrocarbon Dew Point exceeding twenty five degrees Fahrenheit (25°F) at pressure between 100 p.s.i.a. and the maximum available operating pressures of Company's pipeline, as calculated from the Gas composition from any single Receipt Point; and
- i. Shall not contain inert substances (carbon dioxide, nitrogen, helium or any other diluent compound) of more than five percent (5%) by volume of which not more than three percent (3%) by volume shall be carbon dioxide.

13.3 TOXIC AND HAZARDOUS SUBSTANCES. Shipper agrees to supply or cause its designee to supply to Transporter upon demand, at any time and from time-to-time, a sample of liquids removed from the Gas stream at any Receipt Point for analysis at a laboratory of Transporter's choosing. If at any time substances or chemicals that Transporter deems hazardous and/or in any way unsafe for transportation are found in the liquid samples supplied to Transporter by Shipper, Transporter may in its sole discretion immediately cease the Receipt of such Gas and any associated liquids through its facilities. Upon proof that such toxic or hazardous substances are no longer present at levels deemed unsafe by Transporter, Transporter shall restore service to Shipper at the affected Receipt Point.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

13.4 NON-CONFORMING GAS.

- a. Waiver of Quality Specifications at Receipt Points. Transporter, in its reasonable discretion and judgment, may waive, on a non-discriminatory basis, the Gas quality specifications at any Receipt Point to accept Gas that does not conform to the quality specifications set forth in this section, if Transporter determines that such acceptance will not interfere with Transporter's ability to: (1) maintain prudent and safe operation of part or all of Transporter's pipeline System, (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to tender Gas for delivery to a downstream pipeline or end-user.
  
- b. Waiver of Quality Specifications at Delivery Points. Transporter, in its reasonable discretion and judgment, may waive, on a not unduly discriminatory basis, the Gas quality specifications at any Delivery Point other than On-System Delivery Points to deliver Gas that does not conform to the quality specifications set forth in this Section, if Transporter determines that such acceptance will not interfere with Transporter's ability to: (1) maintain prudent and safe operation of part or all of Transporter's pipeline system; (2) ensure that such Gas does not adversely affect Transporter's ability to provide service to others, and (3) ensure that such Gas does not adversely affect Transporter's ability to tender Gas for delivery to a downstream pipeline or end-user. With respect to On-System Delivery Points, Transporter may waive Gas quality specifications to permit deliveries of non-specification Gas only if (a) all of the criteria previously listed in this paragraph are met, and (b) all Shippers that will be affected by the waiver consent to the waiver in writing.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

c. Notwithstanding the provisions above, Transporter shall not be required to receive Gas at any Receipt Point which is of a quality inferior to that required by Transporter as set forth in this Tariff or to Receive Gas that may be rejected by a connecting pipeline or third party at any Delivery Point. In such circumstances and as allowed by the applicable Rate Schedule under which service is being provided and the scheduling processes in Section 18, Nomination and Scheduling Procedures, of these GT&C, Shipper shall have the option to nominate service at other Secondary Points, subject to Capacity availability. Transporter shall not be liable to Shipper, a connecting pipeline or any third party for any damages incurred as a result of Transporter's refusal to receive Gas as a result of this Section 13.

13.5 FAILURE TO MEET SPECIFICATIONS. Should any Gas tendered by Shipper to Transporter hereunder fail at any time to conform to any of the specifications of this section, Transporter shall notify the responsible Shipper of any such failure, and Transporter may suspend all or a portion of the Receipt of any such Gas which may jeopardize Transporter's ability to meet its obligations to its other Shippers or that may endanger the safe operation and integrity of Transporter's System. Transporter shall be relieved of its obligations hereunder to the extent of rightful suspension for the duration of such time as such off-specification Gas tendered by such Shipper does not meet the specifications; provided, however, such suspension by Company shall not relieve Shipper of its payment obligations under this Tariff. Upon receipt of notice by Transporter, Shipper shall, at its expense, make a diligent effort to correct such failure by treatment, cooling, or dehydration consistent with prudent operation so as to tender Gas conforming to the above specifications.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

13.6 The Transporter reserves the right to extract or retain, or permit the extraction of, gasoline, hydrocarbon liquids or any other substance whatsoever from, or to otherwise process or treat or cause to be processed or treated (without impairing its merchantability), the Natural Gas received from Shippers for transportation under this Tariff, provided however Transporter will Deliver to Shipper thermally equivalent quantities equal to Receipt quantities less the FL&U Reimbursement Quantity, unless otherwise agreed to in writing by Shipper. Title to all extracted liquid and liquefiable hydrocarbons and other products, including any methane lost or removed in the extraction process or required for fuel, shall pass to the Transporter, unless otherwise agreed to in writing by Transporter, at no cost, and the Shipper shall hold the Transporter harmless and free and clear of adverse claims with respect to the same. On a basis that is not unduly discriminatory, Transporter may enter into an agreement with a Shipper(s) or other Party which provides for processing fees or for the disposition of revenues generated by the sale of any extracted liquids and liquefiable hydrocarbons or other products extracted from Gas transported under this Tariff.

13.7 COMMINGLING. Gas Delivered by Shipper will be commingled with the Gas of other Shippers in the System. Accordingly, Shipper's Gas shall be subject to such changes in Thermal Content and other specifications as may result from such commingling.

14. ADJUSTMENT OF CONTRACT ENTITLEMENTS DUE TO CHANGE IN BTU. Transporter and Shipper have agreed to contract entitlement(s) as stated in the Shipper's Service Agreements in Mcf and Dth under Rate Schedules FTS and NNS. The conversion of such entitlement(s) from Mcf to Dth is based upon an assumed average Thermal Content of Gas Received on and Delivered from the pipeline. Should the average Thermal Content of Gas change by more than 20 Btu as determined by Transporter no more than once annually, Transporter may adjust the Dth contract entitlements set forth in said Service Agreements accordingly to prevent the pipeline system from being overcommitted on a thermal basis. A corresponding rate adjustment may be filed with the Colorado PUC.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

15. POSSESSION OF, TITLE TO, AND WARRANTY OF GAS

15.1 POSSESSION OF GAS. Shipper shall be deemed to be in exclusive control and possession of Gas to be transported under this Tariff until such has been Received by Transporter at the Receipt Point(s). Transporter shall be deemed to be in possession of the Gas Delivered by the Shipper only from the time it is Received by Transporter for transportation at the Receipt Point(s) until it is Delivered to the Shipper at the Delivery Point(s). The Shipper shall be deemed to be in possession of such Gas prior to such Receipt and after such Delivery. Transporter shall have no responsibility with respect to such Gas before Receipt by it or after Delivery to the Shipper. The Shipper shall have no responsibility with respect to such Gas while it is deemed to be in Transporter's possession.

15.2 TITLE TO GAS. With the exception of the quantities retained by the Transporter for the FL&U Reimbursement Quantity and other allowable in-kind deductions, and except as provided in Section 13.6 of these GT&C, title, or the right to acquire title, to all Gas Delivered by the Shipper to Transporter for Transportation under this Tariff shall be held by the Shipper. Except as provided in this Tariff, Transporter shall not take title to the Gas transported or stored pursuant to a Service Agreement.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

15.3 WARRANTY OF GAS. The Shipper warrants that Gas received by the Transporter at a Receipt Point(s) for Shipper's account for transportation under this Tariff is free and clear of all liens, encumbrances, and claims whatsoever. By tendering Gas to the Transporter for transportation, the Shipper further warrants and represents that it will pay and satisfy, or make provision for the payment and satisfaction of, any taxes now and hereafter assessed upon the Gas so tendered as well as all claims of every nature whatsoever in, to, or in respect of Gas, Delivered or Received by it; and the Shipper agrees to defend at its cost and, when notified by Transporter, to indemnify, and defend if requested by Transporter, Transporter against all suits, judgments, liens, encumbrances, claims, demands, causes of action, costs, losses, and expenses, including reasonable attorneys' fees, arising out of or in any way connected to the Gas Delivered to Transporter. Transporter assumes no obligation whatsoever to any royalty owner or to the owner of any other interest of any kind in any Gas Delivered at the Point(s) of Receipt, and the Shipper shall pay all such royalties or other interests upon or with respect to such Gas. Transporter agrees to indemnify and hold harmless the Shipper against any loss or cost incurred by the Shipper on account of liens, encumbrances or claims resulting from any possession or Transportation Service by the Transporter.

16. ELECTRONIC BULLETIN BOARD (EBB).

16.1 DESCRIPTION OF EBB.

- a. Transporter maintains a web site, known as Transporter's EBB, which is available for use by Shippers and other interested parties upon request. The EBB has both secure and non-secure regions. Information of a general nature is included in the non-secure region, whereas confidential, Shipper-specific data is accessible only through the secure region which requires a logon identification and password. Daily back-up records of information displayed or entered through these web pages are archived and non-secure information is accessible to Shippers on a non-discriminatory basis. The data will be kept for a three (3) year period, inclusive of both current and archived data.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

b. The non-secure information is primarily comprised of Informational Postings, including listings of On-System and Off-System Delivery Points. Transporter, at its sole option, may add informational sections to these web pages in order to facilitate timely and complete communications with Shippers. The secure region provides access to nomination, confirmation, allocation and related Gas imbalance quantities and billing data. Logon identifications and passwords required to enter the secure region of the EBB may be obtained per the procedures outlined in Section 16.2 of these GT&C.

(1) INFORMATIONAL POSTINGS AND PLANNING TOOLS. The types of information available through the Informational Postings section of the EBB may include: (a) a copy of Transporter's current Tariff; (b) information on construction and maintenance projects impacting Capacity; (c) Imbalance Quantities including those available for transfer or trading among Shippers prior to Cash Out; (d) Firm and Interruptible rates and FL&U reimbursement percentages; (e) a catalog of currently active Receipt and Delivery Points delineated by On-System and Off-System categories and indicating which Point is available to which Rate Schedule; (f) minimum or maximum pressures at Point(s); and (g) general announcements and procedures, including notice of Critical Operating Conditions and Operational Flow Orders.

(2) NOMINATIONS. This feature allows for submittal of all Nominations for service under Rate Schedules in this Tariff, as applicable.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- (3) **GAS QUANTITY INQUIRY.** This feature provides access to reports detailing quantities of total Gas flows and allocated flows, by Point and identifier level for contracted point(s). The timing for reporting daily operational allocations after the Gas has flowed is typically within two (2) or three (3) Business Days after the end of the Gas Day. If the best available data for reporting daily operational allocations is the Scheduled Quantity, that quantity should be used for the daily operational allocation.
- (4) **CONTRACT REQUEST PROCESSING.** Potential Shippers must submit requests for new agreements to Transporter, using the Standard Form of Request for Service provided in this Tariff.
- (5) **IMBALANCE TRADING OR TRANSFER.** This feature provides information of Imbalance Quantities available for trade and/or Park or Loan Quantities available for transfer. If the EBB feature is enabled, Shippers can submit requests for or offers to trade or transfer, subject to Transporter approval.

16.2 **ACCESS TO EBB.** "Subscribers" are Shippers and other interested parties who obtain access to the interactive transactional web pages by contacting a representative of Transporter's Shipper Services department. Logon identifications, passwords and access instructions will be supplied upon request under the EBB access agreement and under the following terms and conditions as set forth in Sections 16.3 through 16.13, below. The Internet address for the EBB is <http://pipelines.sourcegas.com>. Subscribers must execute the EBB access agreement and individual user agreement forms or Transporter may deny the Party access to the EBB.

16.3 **AUTHORITY.** Users of the EBB shall be deemed to have agreed and admitted that any employee permitted by Subscriber to access the EBB shall have the legal authority to act on behalf of Subscriber in performing any functions, including those functions which are available presently and those functions which become available at a later date.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- 16.4 **INSTALLATION.** Each Subscriber shall purchase and ensure that lawful installation of the designated commercially available Internet browser software occurs for each computer from where the EBB is accessed.
- 16.5 **CONFIDENTIALITY.** Certain information contained on the EBB is confidential. A Subscriber shall not reproduce, disclose or otherwise make available confidential information contained therein to any other company, corporation, individual, or partnership.
- 16.6 **RELIANCE BY TRANSPORTER.** Transporter may act, and shall be fully protected by a Subscriber in acting, in reliance upon any acts or things done or performed by Subscriber's employees or designated agents on behalf of Subscriber and in respect to all matters conducted through this EBB. Transporter may correct errors in information entered into this EBB by a Subscriber promptly after receiving notice of the corrections or may require Subscribers to enter the corrections directly into this EBB.
- 16.7 **ACCESS TO CONFIDENTIAL INFORMATION.** Should a Subscriber require access to confidential information (such as Points, Nominations, Gas quantities, Service Agreements, or other Shipper-specific information deemed to be of a confidential nature requiring controlled access), Transporter will require the Subscriber to provide fully completed EBB forms and may require a written request and officer level approval, or other delegated authority, for issuance of a company-level computer access (logon) identification code and password. Upon receipt of such request, Transporter will endeavor return of a confidential logon code and password within one (1) business week.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

16.8 LOGON. A Subscriber's logon identification and password are confidential and are used to identify that Subscriber. A Subscriber shall keep its logon and password confidential. A Subscriber will ensure that only authorized employees and agents of Subscriber will be given Subscriber's logon and password and only these authorized persons will be permitted to access the EBB on Subscriber's behalf. A Subscriber and the Subscriber's employees and agents will not disclose the Subscriber's logon and password to anyone. To ensure such confidentiality is not breached, requests from Subscriber employees or agents for information regarding Subscriber logon identification and password made subsequent to issuance of the original logon identification and password may not be honored without receipt by Transporter of additional authorization from Subscriber. Subscriber shall be responsible for and accepts liability for any security breach that is traced to Subscriber's logon identification and password.

16.9 BREACH OF SECURITY. A Subscriber shall promptly notify Transporter if there is any indication that a security breach has occurred with regard to Subscriber's logon identification and password. This includes, but is not limited to: (a) loss of confidentiality of logon identification and password; (b) termination of employment of any authorized employee; or (c) loss of authority to access the EBB by any authorized employee. Such notification shall be made to Transporter's Shipper Services department.

16.10 LIMITATION TO ACCESS. A Subscriber may attempt to access only that data for which Subscriber has authorization. A Subscriber shall provide supporting legal documentation prior to being given access to data of other subsidiaries, affiliates, or companies for whom it has an agency relationship. Section 29.6 of these GT&C addresses the requirements for agency agreements.

16.11 LIMITS OF RESPONSIBILITY. Transporter shall not be responsible for an omission or failure by Transporter to act or perform any duty requested by a function accessed via the EBB if such omission or failure to act is caused by or related to data lost in the transmission of such data from Subscriber's to Transporter's computer system, power failures, failure of backup systems, or any other event beyond the reasonable control of Transporter.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

16.12 RESERVATIONS. Transporter reserves the right to add, modify or terminate EBB functions at any time subject to compliance with Colorado PUC regulations.

16.13 AGREEMENT. Any Subscriber that is not a Shipper under one of the Rate Schedules of this Tariff, but that has an operating interest, will be required, as a precondition of access to the EBB, to sign an agreement with Transporter pursuant to which the Subscriber agrees to be bound by the provisions of this Section.

17. SCHEDULING PRINCIPLES FOR, AND DETERMINATION OF, RECEIPTS AND DELIVERIES.

17.1 Shippers with primary rights to On-System Delivery Point(s) under a Service Agreement may not nominate or schedule Gas on such Service Agreement to Secondary Delivery Points.

17.2 The order for scheduling Gas quantities shall be as follows, with the point of restriction to be reviewed for primary or alternate/secondary rights both on a point and path basis progressively evaluating the point(s) of restriction from Receipt Point to path to Delivery Point. In addition to such scheduled quantities, Transporter will process unscheduled quantities under Rate Schedule NNS and APAL as provided in the associated Rate Schedule.

- a. Rate Schedule FTS at Primary Points and/or Primary paths, depending on the point of restriction at any point(s) or on any path(s) (scheduled pro rata based on Nominations);
- b. Transporter's operational purchases and sales and injection or withdrawal of Transporter's retained storage inventory.
- c. Rate Schedule FTS at Secondary Receipt Point(s), at Secondary path and/or at Secondary Delivery Point(s), depending on the point of restriction at any Point(s) or on any path(s) (scheduled pro rata based on highest daily reservation rate to lowest daily reservation rate where daily reservation rate equals monthly rate multiplied by 12 and divided by 365 rounded to the fourth decimal place, i.e. divided by 30.4167);

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- d. Rate Schedule ITS (scheduled pro rata based on highest daily rate to lowest daily rate);
- e. Rate Schedule FTS authorized overruns (scheduled pro rata based on highest daily rate to lowest daily rate);
- f. Rate Schedule MCS service (scheduled pro rata based on highest transaction value to lowest transaction value).

#### 18. NOMINATION AND SCHEDULING PROCEDURES

18.1 NOMINATION PROCEDURES AND DEADLINES. If a Shipper desires transportation or storage service under this Tariff, on any Day, the Shipper shall comply with the following Nomination procedures. Nominating Parties will submit Nominations to Transporter in accordance with the procedures and conditions set forth in this Section 18. Any Nominations received after a Nomination deadline will be scheduled after Nominations received before that Nomination deadline. All Nominations must be submitted electronically, unless an alternate method is expressly pre-authorized by Transporter. Transporter reserves the right to waive the deadline specified herein as posted on Transporter's EBB, provided that no Shipper will be disadvantaged by such waiver.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or Authority No.

President  
Title

Effective Date: June 1, 2014

a. Nomination Communications.

- (1) Transporter shall accept Nominations twenty-four (24) hours a Day via electronic communication. Transporter's EBB will contain after-hours and emergency contacts in the event communication is required beyond normal business hours.
- (2) Shipper shall provide to Transporter the appropriate after-hours and emergency contacts for Shipper.
- (3) Transporter shall not be liable to Shipper under any circumstances for any damages or losses that may occur as a result of Transporter's inability to communicate with Shipper.

b. Nomination Data Elements.

- (1) Submitted Nominations are original Nominations. If the Shipper desires to change such Nomination, original Nominations should be overwritten with replacement Nominations. When a Nomination for a date range is received, each Day within that range is an original Nomination. When a subsequent Nomination is received for one or more Days within that range, the previous Nomination is superseded by the subsequent Nomination only to the extent of the Days specified. The Days of the previous Nomination outside of the range of the subsequent Nomination are unaffected. Nominations have a prospective effect only.
- (2) Certain Nomination data elements are identified as "key" fields and define the basis of a unique Nomination record. Changes to non-key data elements will cause a previous Nomination containing the same key elements to be replaced. Data elements shall conform to the requirements of general industry data dictionary standards.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

- (3) Transporter's key Nomination data fields are composed of: (1) Shipper name and business party identifier, (2) transaction type, (3) upstream or downstream Party(s), (4) service requestor contract number (to include type of service indicator), (5) the daily quantity of Gas in Dth to be received by the Company (including the Shipper's Transportation Quantities), (6) Daily Authorized Overrun Quantities, which may be, but are not required to be, Nominated as a separate transaction, (7) any Unpark or Loan Payback quantities, (8) the FL&U Reimbursement Quantity at each specified Receipt Point, (9) Receipt Points, (10) the Daily quantity of Gas in Dth to be Delivered by the Company at each specified Delivery Point on the desired Day, (11) Shipper defined beginning and ending dates, and (12) upstream and downstream pipeline contract and/or business party numbers, if applicable. For the nomination data fields to be successfully entered, the total receipt nominations less the FL&U Reimbursement Quantity and other in-kind deductions must equal the equivalent Dth quantity of delivery Nominations.
- (4) Nominations must specify a beginning and ending date. Such dates must be no earlier than the effective date and no later than the termination date of the Service Agreement. Each Day, all Nominations for the next Day which have been received by Transporter at or prior to the Nomination deadline shall be processed pursuant to the GT&C of this Tariff.
- (5) All Nominations, including Intra-Day Nominations, shall be based on a Daily quantity. Intra-Day Nominations shall include an effective date and cycle. The Interconnected Parties shall agree on the hourly flows of the Intra-Day Nomination, as needed.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

c. Timing of Nominations and Confirmations. Transporter will support the industry standard four (4) nomination cycles.

(1) First of the Month Service. The Shipper submits a Nomination by 10:30 a.m., Mountain Clock Time ("MCT"), and such Nomination shall be received by Transporter by 10:45 a.m., MCT, one (1) Business Day prior to the first Day of the Month.

(2) Next Day Service (also known as the Timely Nomination Cycle). The Day before the Shipper desires to receive service, the Shipper submits a Nomination by 10:30 a.m., MCT; and such Nomination shall be received by the Company by 10:45 a.m., MCT; 12:30 p.m. for receipt of Confirmations by Transporter from upstream and downstream parties: 2:30 p.m. for Transporter to provide Confirmed Quantities to affected shippers and point operators, and to provide Confirmed Quantities to Bumped parties. Gas flow period is one Gas Day which begins at 8:00 a.m. MCT the Day following Confirmations of the Nominations.

(3) Intra-Day Nomination Requirements. For services that provide for Intra-Day Nomination and scheduling, there is no limitation as to the number of Intra-Day Nominations (i.e. line items) which a Shipper may submit at any one standard nomination cycle or in total across all standard Nomination cycles. Intra-Day Nominations are to be submitted in full-Day quantities. Firm Intra-Day Nominations shall be scheduled ahead of previously scheduled Interruptible Nominations in the evening and Intra-Day 1 Cycles. Application of this provision will result in such Interruptible Nominations being Bumped.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

(4) When a previously confirmed and scheduled quantity is altered, notification of such alteration should be provided to all of the following parties that are affected: (1) confirmation requester, (2) confirming upstream or downstream Party, and (3) service requester or their agent.

(5) Intra-Day Nominations shall be considered complete upon Transporter's receipt of a valid Nomination and the corresponding up and/or downstream confirmations.

(6) Each Day, a Shipper may submit Intra-Day nomination(s).

(7) Intra-Day Nominations cannot cause a Shipper to exceed its MDTQ.

(8) Intra-Day Nominations may be used to request increases or decreases in total flow, changes to Receipt Points or changes to Delivery Points of scheduled Gas.

(9) Intra-Day service nominations may be accepted at "qualified points" only. The criteria for a Receipt Point or Delivery Point to qualify as a "qualified point" are as follows:

- (i) Electronic flow measurement availability with communications capability to the Company's measurement system;
- (ii) Location capable of flow adjustment verifiable by the Company and upstream and downstream Transporting Pipelines;
- (iii) 24 hour telephone contact for upstream and downstream Transporting Pipelines;

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

(iv) The Shipper must advise upstream and downstream Transporting Pipelines to contact the Company.

The Company may refuse to Confirm an Intra-Day Nomination relative to a qualified point if the Nomination requires Confirmation from an upstream or downstream Interconnecting Pipeline(s) that is not providing Timely Confirmations.

(10) Evening Nomination Cycle. For Evening Nomination Cycle service the Shipper submits a Nomination after 10:30 a.m., MCT, but before 5:00 p.m., MCT, the Day before the Shipper desires service; 6:00 p.m., MCT, for receipt of completed confirmations by Transporter from upstream and downstream Parties, 8:00 p.m., MCT, for Transporter to provide Scheduled Quantities to affected Shippers and Point Operators and to provide Scheduled Quantities to Bumped parties. Scheduled Quantities resulting from Evening Cycle Nominations are effective for Gas flow beginning at 8:00 a.m. MCT the Day following Confirmations of the Nominations.

(11) Intra-Day 1 Nomination Cycle: 9:00 a.m., MCT, for receipt of Nominations by Transporter; 10:00 a.m., MCT, for receipt of completed Confirmations by Transporter from upstream and downstream parties; 12:00 noon, MCT, for Transporter to provide Scheduled Quantities to affected Shippers and Point Operators and to provide scheduled quantities to Bumped parties. Scheduled Quantities resulting from Intra-Day 1 Nominations are effective at 4:00 p.m. MCT on the Gas Day.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

(12) Intra-Day 2 Nomination Cycle: 4:00 p.m., MCT, for receipt of Nominations by Transporter; 5:00 p.m., MCT, for receipt of completed Confirmations by Transporter from upstream and downstream parties; 7:00 pm, MCT, for Transporter to provide Scheduled Quantities to affected Shippers and Point Operators and to provide Scheduled Quantities to Bumped parties. Scheduled Quantities resulting from intra-Day 2 Nominations are effective at 8:00 p.m., MCT, on the Gas Day.

(13) Chart Depicting Scheduling Cycles (all times shown in MCT):

Gas Day affected by Intra-Day Nomination begins	Timely for Next Gas Day	Evening for Next Gas Day	Intra-Day 1 for Current Gas Day	Intra-Day 2 for Current Gas Day
Nom Period Ends	10:30 a.m.	5:00 p.m.	9:00 a.m.	4:00 p.m.
Noms received by Transporter	10:45 a.m.	5:15 p.m.	9:15 a.m.	4:15 p.m.
Completion of Upstream and Downstream interconnect Confirmations	12:30 p.m.	6:00 p.m.	10:00 a.m.	5:00 p.m.
Posting of Report of Confirmed Noms and Notice to Bumped Parties	2:30 p.m.	8:00 p.m.	12:00 noon	7:00 p.m.
Nomination Effective Time	8:00 a.m.	8:00 a.m.	4:00 p. m.	8:00 p.m.

Advice Letter No.

Decision or Authority No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Effective Date: June 1, 2014

- d. Content of Nominations. The Shipper shall include in any Nomination the key Nominations fields included in Section 18.1.b.3. of this GT&C including: (1) the daily quantity of Gas to be received by the Company (including the Shipper's transportation volumes), (2) daily overrun volumes, which may be but are not required to be, Nominated as a separate transaction, (3) the FL&U Reimbursement Quantity at each specified Receipt Point, (4) Receipt Points (Primary and/or Secondary), (5) the daily quantity to be Delivered by the Company at each specified Delivery Point (Primary and/or Secondary) on the desired Day, (6) Shipper defined beginning and ending dates, and (9) upstream and downstream pipeline contract and/or business party numbers, if applicable. The total receipt Nominations less the FL&U Reimbursement Quantity and other deductions must equal the equivalent thermal quantity of delivery nominations.
- e. Nominations Flow Rate and Rollover Options. All nominations, including Intra-Day Nominations, shall be based on daily quantity, thus, an Intra-Day nominator need not submit an hourly Nomination, although from time to time Transporter may ask Shipper for an hourly profile estimate to be used to augment system operations and planning. Intra-Day Nominations shall include an effective date. The interconnected Transporting Pipelines will agree on the hourly flow of the Intra-Day Nominations, if not otherwise addressed in the Service Agreement or the Company's Tariff. All Nominations, excluding Intra-Day Nominations, have rollover options. Specifically, Shippers have the ability to Nominate for several Days or for an entire Month, provided the Nomination begin and end dates are within the term of the Shipper's Service Agreement. Intra-Day Nominations do not rollover and they do not replace the remainder of a standing Nomination.
- f. Confirmation of Nominations Received. The Shipper is obligated to view Confirmed Nominated quantities by accessing Shipper's account on Transporter's EBB.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

- g. Confirmation by Interconnecting Party(s). The Transporter will initiate Confirmation of all Nominations with upstream and downstream interconnecting Party(s) with the caveat that the Company may relieve the obligation of interconnecting Party(s) to send a Confirmation. The Company shall receive Confirmations for first of the Month and next Day service from all upstream and downstream interconnecting Party(s) by 12:30 p.m., MCT, on the Day Nominations are due. The Company shall receive Confirmations for Intra-Day service from all upstream and downstream interconnecting Parties as provided for in the Section 18.1(c)(2) of these GT&C.
- h. Confirmed and Scheduled Quantities. The Transporter will schedule Gas flow quantities on a daily basis consistent with the priorities established in Section 17, Scheduling Principles for, and Determination of, Receipts and Deliveries, of the GT&C of this Tariff. The Company shall provide Scheduled Quantities for first of Month and next Day nominations by 2:30 p.m., MCT, on the Day before Gas flow to the Shipper and Point Operator. By the end of each Gas Day, the Company shall make available to the Shipper information containing scheduled quantities, including scheduled Intra-Day nominations and any other scheduling changes. For evening and Intra-Day 1 scheduling cycles, previously Confirmed quantities may be Bumped by a transaction of higher scheduling priority, as provided for in Section 18.3 of these GT&C. An Intra-Day 2 service Nomination for Interruptible services will not be Confirmed if it would curtail Gas that is already flowing, regardless of the rate schedule the Gas is flowing under.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

- i. **Inaccurate Nominations.** Based upon the information that the Company has available concerning the quantity of Gas actually Received from and Delivered to the Shipper, or for the Shipper's account, if actual Receipts or Deliveries on any Day are more than five (5) percent over or under Nominations, or if actual Receipts differ from actual Deliveries on any Day by more than five (5) percent, Transporter may, by means of the telephone, electronic mail message or Company's EBB, notify the Shipper that it has twelve (12) hours in which to bring actual Receipts or Deliveries and Nominations more closely into agreement; provided that Transporter shall issue said notice within a reasonable period after the inaccurate Nomination condition becomes evident to the Transporter, but no later than two (2) hours before the last Intra-Day Nomination deadline established in the tariff(s) of interconnecting Party(s). In said notice, the Transporter shall inform the Shipper whether actual net Receipts need to be equal to or greater than actual Deliveries, or actual Deliveries need to be equal to or greater than actual net Receipts. Notwithstanding any provision of the Rate Schedules and these GT&C of this Tariff, a Shipper receiving notice under this paragraph will be permitted to submit an Intra-Day Nomination to the Transporter on or before the deadline for the last Intra-Day Nomination permitted in the tariff(s) of interconnecting Party(s) and the Transporter shall process and schedule said Nomination; provided that the Nomination is submitted for the purpose of complying with the directive contained within the notice provided to said Shipper. If the discrepancy is not brought within the five (5) percent tolerance within twelve (12) hours, the Transporter may adjust deliveries to compensate for the inaccurate Nominations. The action allowed by this paragraph is in addition to the Company's right to assess Authorized Overrun Quantity charges or Unauthorized Overrun Quantity charges, or any Imbalance charges, pursuant to the terms of this Tariff.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 136

18.2 DELIVERY OF GAS. Based upon the daily quantity scheduled and such information as Transporter has available concerning the quantity of Gas actually Received, and subject to Section 27, Limitations on Obligations, of these GT&C, Transporter shall make daily Deliveries of the Shipper's Confirmed Nominations quantity. Both Shipper and Transporter shall make every best commercial effort to make certain the Daily Deliveries of Gas at the Delivery Point(s) shall be approximately equal to Daily Receipts of Gas by the Transporter at Receipt Point(s) for transportation, less the FL&U Reimbursement Quantity and any other allowable in-kind deductions.

18.3 For purposes of billing a Shipper, the order of services through a particular Delivery Point on any Gas Day, unless otherwise determined under Section 18.4 of these GT&C, will be:

- a. Nominated Rate Schedule FTS;
- b. Rate Schedule NNS, when quantities are nominated and scheduled;
- c. Transfer of prior Gas Day accumulated APAL quantities to Shipper's Rate Schedule NNS account.
- d. Rate Schedule NNS, when quantities are not nominated and scheduled;
- e. Nominated Rate Schedule ITS;
- f. Authorized overrun deliveries;
- g. Rate Schedule MCS;
- h. Rate Schedule APAL for the current Gas Day; and
- i. Unauthorized overrun deliveries.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

18.4 The allocation of Gas quantities through any Receipt Point or Delivery Point will be the allocation supplied by the interconnecting pipeline or Operator, or, if none, as reported by the Point Operator of the delivering facilities, or, if not so reported, then according to the above listed order and the following formula. It is expected that under normal business and computer processes the allocation of Gas quantities will be available in three (3) Business Days following the date of physical flow.

- a. Gas will be allocated first to Firm services through the point, up to the daily Nomination. If insufficient Gas is available to satisfy Firm Nominations, the available Gas will be allocated pro rata based on Firm Nominations;
- b. Any remaining quantities will be allocated pro rata to Rate Schedule ITS based on Confirmed Nominations.

Except as to those Receipt Points or Delivery Points for which an Operational Balancing Agreement is in effect, the Company may enter into mutually acceptable pre-determined allocation agreements with upstream or downstream interconnecting Parties to accommodate allocation methodologies different from those outlined in this section. The allocation methodology types which the Parties may agree upon are ranked, pro rata, percentage and swing; provided that only one methodology shall be applied during an allocation period. If the Parties cannot agree upon an allocation methodology, flows will be allocated pro rata based upon Confirmed Nominations. The Party responsible for custody transfer (the Party performing the measurement function) may provide the allocation. The upstream interconnecting Party(s) providing the point confirmation may submit the pre-determined allocation to the allocating Party after or during Confirmation and before the start of the Day.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 138

## 19. ALLOCATION OF CAPACITY

- 19.1 Capacity availability is determined by using Company's engineering analysis.
- 19.2 The Company may, but is not obligated to, list available point and/or path segment Capacity on its EBB.
- 19.3 At the date of implementation of the Colorado PUC Tariff No. 4, the available Capacity required to meet the On-System demand behind the of SourceGas Distribution LLC system shall be assigned to that company. SourceGas Distribution LLC shall make limited-term Partial Assignments of such Capacity pursuant to its tariff to a Shipper(s). Except as otherwise provided in this Tariff, any unsubscribed Off-System Capacity shall be made available to any Shipper or applicant for Transportation Service meeting the requirements of the applicable rate schedule on a highest economic value, first-come, first-served basis.
- 19.4 New Service Requests. Transporter may grant requests for Off-System service under Rate Schedules FTS and ITS, in a manner that is not unduly discriminatory, within the following time periods and subject to the listed conditions so long as no facility modifications are required: (a) For service with a term of one (1) year or longer, the service must be requested to begin no later than three (3) months from the date the request is granted, (b) For service with a term greater than three (3) months but less than one (1) year, the service must be requested to begin no later than one (1) month from the date the request is granted, (c) For service with a term of three (3) months or less, the service must be requested to begin no later than ten (10) Business Days from the date the request is granted. Requests for On-System service under Rate Schedules FTS, APAL and NNS shall be granted in a manner that is not unduly discriminatory within the following time periods and subject to the listed conditions so long as no facility modifications are required: (a) For service with a term of one (1) year or longer, the service must be requested to begin no later than three (3) months from the date the request is granted, unless otherwise agreed to in writing. In the event a system expansion is proposed, the timing of the new service requests will be determined by the terms of such expansion.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

19.5 Transporter may, but is not required to, hold future open seasons from time to time with respect to Off-System transmission or storage Capacity then available for Transportation or Storage Service on its system, or any portion thereof, during which the Company will solicit bids, either binding or non-binding at Transporter's election, for the Capacity specified in the open season notice posted in the Informational Postings section of Transporter's EBB. Transporter may establish minimum terms and conditions for acceptable bids. All bids for the posted Capacity that are received during the period established for the open season shall be deemed to have been received at the same time. Transporter may award the Capacity offered through the open season process to the bidder offering the highest sufficient economic value as determined by a net present value calculation and credit evaluation. Transporter may weigh various economic factors and shall post such weighting process before bids are accepted. In the event that bids of equal value are received, the Capacity will be offered to the winning bidders pro rata based on the respective level of Capacity requested by each of said bidders.

19.6 The Company under no circumstances shall be obligated to sell Capacity on its system at a total rate less than the sum of the maximum rates set forth in this Tariff for the applicable Rate Schedule.

20. **THIRD PARTY CAPACITY.** Transporter may enter into transportation and/or storage agreements with upstream and/or downstream entities, including interstate and intrastate pipelines and storage providers ("third party capacity"). In the event Transporter acquires such third party capacity, Transporter shall use such capacity for operational reasons or to render service for its Shippers on the third party capacity. If Transporter acquires capacity from a third party for a Shipper's use, Shipper shall be required to pay Transporter the rates and charges Transporter is obligated to pay such third Party(s) for the third party capacity.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

## 21. RATE DISCOUNTING

21.1 On a not unduly discriminatory basis, Transporter reserves the right to adjust at any time any of the rates applicable to any individual Shipper without adjusting any other rate(s) for that Shipper or for any other Shipper, provided that such adjusted rate(s) shall not exceed the applicable maximum rate(s) and shall not be less than the applicable minimum rate(s) as such rate(s) are set forth in the Statement of Rates in this Tariff. All discounts shall be stated in the Service Agreement(s) or in a Discounted Rate Agreement pertaining to the Service Agreement and the discount from the maximum rate(s) shall be for a specified term. Acceptable forms of discounts include, but are not limited to:

- (a) Discounted rates applicable to specified service entitlements under the Service Agreement;
- (b) Discounted rates that apply, in whole or in part, only if specified minimum and/or maximum quantity levels are transported under the Service Agreement(s), on a monthly or annual basis, or over another specified term;
- (c) Discounted rates that apply to transportation or storage of production reserves committed by the Shipper;
- (d) Discounted rates that apply only during specified time periods;
- (e) Discounted rates that apply only to service using specified Points of Receipt or Points of Delivery or to specified transportation paths;
- (f) Discounted rates that apply only in a specified relationship to quantities actually delivered (i.e. a discount arrangement under which rates can be adjusted on a scale in a specified relationship to quantities actually delivered, so long as the adjustment to a rate does not exceed the applicable maximum rate(s) or fail to meet the applicable minimum rate(s) set forth in the Statement of Rates of this Tariff);
- (g) Discounted rates for Firm service stated on a daily unit reservation basis instead of a monthly unit reservation basis;
- (h) Discounted rates that apply only on a specified usage quantity.

Transporter may enter into Firm Service Agreements and/or Discounted Rate Agreements that provide for minimum annual commodity bills so long as the value of the minimum annual commodity bill does not exceed the annual value of the rate discount granted under said Agreement(s).

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

21.2 Transporter shall provide notice, by means of an EBB posting or by e-mail to Shippers, of On-System discounts given to firm On-System Rate Schedule FTS Shippers.

22. REVENUE ADJUSTMENT MECHANISM.

22.1 APPLICABILITY. On-System Shippers taking service under Rate Schedule FTS are subject to a Revenue Adjustment Mechanism ("RAM") which is designed to adjust rates through application of a RAM Credit to reflect changes to certain net revenues as provided for in this section. The RAM Credit will be subject to annual change effective on January 1 of each year. The RAM Credit is a credit to the FTS Reservation Charge as set forth on the Statement of Rates in this Tariff.

22.2 ANNUAL FILINGS. Each proposed revision in the RAM will be accomplished by filing an advice letter with the Colorado PUC on or before November 1 of each year to take effect on the following January 1. Transporter will include in its annual RAM filing all pertinent information and supporting data.

22.3 IMPLEMENTATION OF THE RAM CREDIT AND NEXUS TO 2013 GENERAL RATE FILING. The initial RAM Credit reflects an estimate of revenues received from existing Off-System Transportation Service Agreements under Rate Schedule FTS and ITS during calendar year 2013. Transporter will track revenues received under these Agreements after the initial effective date of the RAM and will reconcile, in the determination of the RAM credit effective January 1, 2015, such estimated revenues with the actual revenues received after the initial effective date of the RAM from said Agreements. Transporter has included the initial pertinent information and data, supporting the initial estimates that will be subject to future true-up and tracking, in the evidence filed with its 2013 general rate filing.

22.4 RAM CREDIT CALCULATION. The RAM Credit shall be equal to the sum of the applicable net annual revenues from each of the components listed in Section 22.5. The unit credit shall be determined by dividing the tracked and trued-up net revenues by the total maximum rate On-System MDTQ under Rate Schedule FTS. Discounted MDTQ will be excluded from the calculation of the RAM Credit.

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer  
President  
Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

22.5 APPLICABLE REVENUES TO BE INCLUDED IN THE RAM CREDIT.

- a. REVENUES FROM OFF-SYSTEM TRANSPORTATION SERVICE UNDER RATE SCHEDULES FTS AND ITS. The RAM Credit shall include the net revenues projected to be received for the calendar year following the date of the annual RAM filing from the Firm and Interruptible Off-System Service Agreements that were in effect as of January 31, 2013 and designated as base contracts for the determination of the RAM Credit. The RAM Credit also shall include twenty percent (25%) of all revenue projected to be received during said calendar year from Firm and Interruptible Off-system Service Agreements that became effective on or after February 1, 2013. In determining the revenues to include in the calculation of the annual RAM Credit, projected net revenues projected under this paragraph shall be trued-up with the actual applicable revenues received for the twelve months ending September 30 of the year in which the RAM Credit filing is made. In the determination of revenues subject to this paragraph Transporter may exclude from the tracked and trued-up applicable net revenues any net revenues that compensate Transporter for the cost of service of new facilities, including new facilities approved by the Colorado PUC in a request for a certificate of public convenience and necessity filed by Transporter.
- b. REVENUES FROM RATE SCHEDULE MCS SERVICE. The RAM Credit shall include twenty percent (70%) of net monthly revenues actually received by Transporter for service rendered under Rate Schedule MCS for the twelve months ended September 30 of the calendar year in which the annual RAM filing is made; provided that the RAM Credit filing made during calendar 2015 shall include revenues received for service under Rate Schedule MCS from and after the effective date of that rate schedule through the end of September 2015. Transporter may exclude from the applicable net revenues any net revenues that compensate Transporter for the cost of service of new facilities, including new facilities approved by the Colorado PUC in a request for a certificate of public convenience and necessity filed by Transporter.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

c. REVENUES FROM LIQUID PRODUCTS SALES, CONDENSATE SALE REVENUES OR PROCESSING FEES AT OR NEAR THE RIFLE PROCESSING FACILITY. The RAM Credit shall include the net revenues projected to be retained by Transporter for the calendar year following the date of the annual RAM filing from liquid products sales, condensate sale revenue or processing fees at or near the Rifle Processing Facility up to a base annual amount in the RAM of \$266,000. The RAM Credit also shall include 75% of net Rifle-related condensate or processing revenues retained by Transporter which are greater than \$266,000 annually. Projected net revenues from liquid products sales, condensate sale revenue or processing fees at or near the Rifle Processing Facility shall be trued-up with actual applicable liquid products sales, condensate sale revenue or processing fees revenue received using data for the twelve months ending September 30 of the year in which the RAM Credit filing is made. Transporter may exclude from the tracked and trued-up applicable net revenues, any net revenues that compensate Transporter for the cost of service of new facilities, including new facilities approved by the Colorado PUC in a request for a certificate of public convenience and necessity filed by Transporter.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- d. REVENUES FROM LIQUID PRODUCTS SALES. CONDENSATE SALE REVENUES OR PROCESSING FEES AT OR NEAR THE PICEANCE PROCESSING FACILITY. The RAM Credit shall include the net revenues projected to be retained by Transporter for the calendar year following the date of the annual RAM filing from liquid products sales, condensate sale revenue or processing fees at or near the Piceance Processing Facility up to a base annual amount in the RAM of \$20,000. The RAM Credit also shall include 75% of net Piceance-related condensate or processing revenues retained by Transporter which are greater than \$20,000 annually. Projected net revenues from liquid products sales, condensate sale revenue or processing fees at or near the Piceance Processing Facility shall be trued-up with actual applicable liquid products sales, condensate sale revenue or processing fees revenue received using data for the twelve months ending September 30 of the year in which the RAM Credit filing is made. Provided however, Transporter may exclude from the tracked and trued-up applicable net revenues any net revenues that compensate Transporter for the cost of service of new facilities, including new facilities approved by the Colorado PUC in a request for a certificate of public convenience and necessity filed by Transporter.
- e. OPERATIONAL PURCHASES AND SALES. Beginning in June 2014, Transporter will track the net costs or net revenues associated in any month with operational purchases and sales and shall include such net costs or net revenues in the next RAM Credit filing. Such amounts associated with the net revenues or net costs caused by operational purchases and sales will exclude any amounts capitalized, included in Transporter's FL&U reimbursement percentage or otherwise recovered through Transporter's established basic rates. The RAM filing will be updated annually with these amounts beginning with the 2015 RAM filing.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

f. REVENUES FROM AUTOMATIC PARK AND LOAN SERVICE. The RAM Credit shall include one hundred percent (100%) of net monthly revenues actually received by Transporter for service rendered under Rate Schedule APAL for the twelve months ended September 30 of the calendar year in which the annual RAM filing is made; provided that the RAM Credit filing made during calendar 2015 shall include revenues received for service under Rate Schedule MCS from and after the effective date of that rate schedule through the end of September 2015.

23. FUEL, LOST AND UNACCOUNTED-FOR GAS (FL&U) REIMBURSEMENT MECHANISM

23.1 At least once annually, Transporter shall compute a reimbursement percentage(s) for FL&U to compensate Transporter for the FL&U experienced in its operations. Shipper shall be responsible for providing FL&U Reimbursement at each Receipt Point on a pro rata basis based on the quantities received on any Day. Transporter shall apply the deduction for the applicable reimbursement percentage(s) to Receipt Point quantities and Transporter shall have full title to such Gas following such reimbursement.

23.2 Transporter shall have the right to discount its FL&U reimbursement percentage in a not unduly discriminatory manner.

23.3 APPLICABILITY OF REIMBURSEMENT PERCENTAGES. Transporter may post to the Informational Postings section of its EBB those locations or those Receipt and Delivery combinations that are not subject to the FL&U Reimbursement Quantity percentage (i.e. no-fuel paths and locations). All Receipts will be subject to the FL&U Reimbursement Quantity percentage, unless discounted.

23.4 FL&U Reimbursement Quantity calculations shall be rounded to the nearest Dth for each Nomination transaction.

23.5 FL&U Reimbursement quantities have the same scheduling priority as the related transportation or storage transaction.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

## 24. SYSTEM SAFETY AND INTEGRITY RIDER

- 24.1 **APPLICABILITY.** Rate Schedules for natural gas service are subject to a System Safety and Integrity Rider (“SSIR”) designed to collect Eligible System Safety and Integrity Costs, as defined herein. The SSIR rates will be subject to annual changes to be effective on January 1 of each year for a period of four years from the first effective date, after which period of time the Company’s SSIR rider shall expire unless the SSIR rider is reinstated upon Commission consideration of an application filed by the Company no later than six months prior to the expiration date. The SSIR rates to be applied to each Rate Schedule are as set forth on the statement of effective rates, charges and fees, Sheet Nos. 8 through 10 of this Tariff.
- 24.2 **ANNUAL FILINGS.** Each proposed revision in the SSIR rates will be accomplished by filing an advice letter on November 1 of each year to take effect on the following January 1, provided, however, that the initial filing for 2014 will be made as soon as possible following approval of the SSIR in Docket No. 13A-0046G. The Company will include in its annual SSIR filing all pertinent information and supporting data related to Eligible System Safety and Integrity Costs, e.g., project description and scope, project costs, in-service date, etc. The Company will submit a report each year by April 1 detailing the Project costs incurred during the previous year. This report will explain how the Project costs were managed and any deviations between budgeted and actual costs. To the extent interested parties wish to challenge any of the activities or their respective costs, they can request that the Commission convene a hearing within ninety (90) days of the date the Company files its report. The Company will file the first such report on April 1, 2015.
- 24.3 **DEFINITIONS.**
- a. “Deferred SSIR Balance” shall be equal to the balance, positive or negative, of SSIR revenues at the end of the 12-month period for the year prior to the annual SSIR filing less the Eligible System Safety and Integrity Costs as projected by the Company for that 12-month period.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

- b. "Eligible System Safety and Integrity Costs" shall mean (1) a return, at a percentage equal to the Company's projected weighted average cost of capital grossed up for taxes, on the projected increase in the month ending net plant in-service balances associated with the Projects for the following 12-month period in which the SSIR rates will be in effect, exclusive of all plant in-service included in the determination of the revenue requirements approved in the Company's last general rate case; (2) the plant-related ownership costs associated with such incremental plant investment, including depreciation, accumulated deferred income taxes, and all taxes including income taxes and property taxes; and (3) the projected operation and maintenance expenses related to the Projects for the following 12-month period in which the SSIR rates will be in effect. The return and income taxes and plant related costs associated with improvements or upgrades to facilities, made at the discretion of the Company and not specifically required by a statute or regulation, shall be excluded from Eligible System Safety and Integrity Costs.;
- c. "System Safety and Integrity Projects" ("Projects") shall mean one or more of the following:
- (1) Projects in accordance with Code of Federal Regulations Title 49 (Transportation), Part 192 (Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards), Subpart O (Gas Transmission Pipeline Integrity Management), including projects in accordance with the Company's transmission integrity management program ("TIMP") and projects in accordance with State enforcement of Subpart O and the Company's TIMP;
  - (2) Projects in accordance with Code of Federal Regulations Title 49 (Transportation), Part 192 (Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards), Subpart P (Gas Distribution Pipeline Integrity Management), including projects in accordance with the Company's distribution integrity management program ("DIMP") and projects in accordance with State enforcement of Subpart P and the Company's DIMP; and

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

(3) Projects in accordance with final rules and regulations of the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration that become effective on or after the filing date of the Application requesting approval of this System Safety and Integrity Rider.

Projects shall be analyzed based upon objective criteria, such as, but not limited to: specific regulatory requirements, threat assessment, corrosion control analysis, pipeline vintage, pipeline material, pipeline design and class location, pipeline configuration and segmentation, pipeline system constraints, pipeline replacement history, population density, pipeline maintenance and internal inspection history, pipeline piggability, existence and reliability of pipeline asset and testing records, pipeline leakage and other incident history, subject matter expert knowledge, project timeframe, weather and climate constraints on the construction season, permitting constraints, probability of pipeline testing failures and dewatering constraints, service outage management, and pipeline source of supply and availability of alternate gas supply. As part of its analysis, the Company shall identify and describe the proposed projects that are for high-risk gas infrastructure by providing its risk assessment for each such project including, if applicable, the probability of failure, the consequences of failure for the project and how it prioritized the project for which it seeks recovery. The Company shall also provide the results of performance metrics measuring any reduction in incidents and safety-related events, as well as the overall effectiveness of the SSIR program, including any reduction in O&M expenses associated with the pipeline integrity projects.

d. "SSIR True-Up Amount" shall be equal to the difference, positive or negative, between the Eligible System Safety and Integrity Costs as projected for the 12-month period for the year prior to the annual SSIR filing and the actual Eligible System Safety and Integrity Costs incurred by the Company for that 12-month period.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

#### 24.4 SSIR ADJUSTMENT CALCULATION

- a. The System Safety and Integrity Rider shall be equal to the Eligible System Safety and Integrity Costs, plus or minus the SSIR True-Up Amount, plus or minus the Deferred SSIR Balance, divided by the total Contract Demand under Rate Schedule On-System FTS, as follows:

$$SSIR = ((A \pm B \pm C) / D)$$

Where:

- A = Eligible System Safety and Integrity Costs
- B = SSIR True-Up Amount
- C = Deferred SSIR Balance
- D = Total Contract Demand  
under Rate Schedule On-  
System FTS

- b. The calculated rate shall be an adjustment to the Reservation Charge under Rate Schedule On-System FTS.

#### 24.5 SSIR ADJUSTMENT WITH CHANGES IN BASE RATES

Whenever the Company implements changes in base rates as a result of a final Commission order in a general rate case setting new rates based on approved revenue requirements, the Company shall simultaneously adjust the SSIR to remove all costs that have been included in base rates.

#### 25. OTHER COST ADJUSTMENTS AND SURCHARGES

- 25.1 GENERAL RATE SCHEDULE ADJUSTMENT (GRSA). The charges for gas service calculated under the Company's maximum rate Reservation, Commodity, Injection and Withdrawal charges, as applicable, for gas service calculated under FTS, ITS, and NNS Rate Schedules shall be increased by 0.79%. Said increase shall not apply to the Litigated Settlement Special Rate Surcharge provision in this Section of the General Terms and Conditions.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

25.2 LITIGATED SETTLEMENT SPECIAL RATE SURCHARGE (LSSRS). The Litigated Settlement Special Rate Surcharge (LSSRS) shall be applied to the Company's transportation rates (Rate Schedules FTS and ITS), until the Company has recovered the entire settlement amount authorized for recovery through the LSSRS. The LSSRS shall terminate at the earlier of October 31, 2017 or once the entire settlement amount has been fully recovered by the Company.

25.3 PROCEDURES. The LSSRS shall be accounted for as follows:

- a. An appropriate Federal Energy Regulatory Commission (FERC) sub-account shall be established to record the entire settlement amount, reduced by first-year collections, as of November 1, 2013, and to record the LSSRS revenues recovered for the duration of the LSSRS recovery period;
- b. The Company shall annually provide an attachment to its Annual Report to the Colorado PUC. The attachment shall identify the following:
  - (1) The original settlement amount allowed for recovery;
  - (2) Total annual revenue recovered for the reported calendar year period;
  - (3) Accumulated revenues recovered by year, as of the annual period being reported;
  - (4) Total volumes sold or transported during the same calendar year period reported for the annual revenue recovery;
  - (5) The settlement amount balance remaining to be recovered;
- c. The LSSRS shall terminate in the same month that full recovery of the entire settlement amount is completed. The Company shall file an advice letter to remove the LSSRS from rates. Any over- or under-recovered balance of the settlement amount remaining shall be debited or credited to the RAM as determined pursuant to Section 22 of these GT&C.
- d. For service under Rate Schedule FTS, the LSSRS is \$3.5539 per Dth of MDQ per Day. For service under Rate Schedule ITS, the LSSRS is \$0.5274 per Dth of gas delivered.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

e. As the LSSRS pertains to the transportation rates, if and when the Company discounts the rates applicable to service under the transportation Rate Schedules contained in this effective Tariff, the LSSRS component shall be discounted prior to the discounting of any other component of the applicable maximum rate. The Company shall only attribute to the settlement amount the amounts actually collected pursuant to the application of the LSSRS. The Company shall maintain sufficient books and records for the determination of all amounts actually collected, including any amounts collected on discounted transactions.

26. CONTINUOUS SERVICE. Transporter will exercise reasonable diligence and care to furnish continuous service to its Shippers, and to avoid any Interruptions or Curtailments of that service. The Shipper has been advised of, and has recognized before utilizing Transporter's service, the hazards of continuity of service. Transporter shall not be liable for Interruptions or Curtailments, or any loss or damage of any kind occasioned thereby, including consequential and punitive damages, to any Shipper, On-System Contract Assignee, End-User, or other entity if the same is caused by accident, acts of God, floods, fire, strikes, riots, earthquake, avalanche, war, or any other cause or contingency beyond its control.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

## 27. LIMITATIONS ON OBLIGATIONS

### 27.1 FORCE MAJEURE.

- a. The Company shall not be liable on any account whatsoever to a Shipper for any failure, Interruption, or diminution in delivery of Gas hereunder, or any act, omission or circumstance occasioned by, or in consequence of, accident to, or breakage of, pipelines, equipment, or machinery, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacements, unscheduled maintenance, strikes, lockouts, or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, or government agency, depletion or destruction of Gas wells or fields, diminution or failure of, or interference, partial or entire, with the Company's Gas supply or pipeline system, or, and without limitation by the foregoing, any other causes beyond the reasonable control of Transporter. In every case, Transporter shall exercise diligence to remove any such interference with its delivery of Gas and shall resume such delivery at the earliest practicable time.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

b. The Shipper shall not be liable on any account whatsoever to the Transporter for any failure to receive Gas hereunder when occasioned by, or in consequence of, accident to, or breakage of, pipelines, equipment, or machinery, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacements, strikes, lockouts, or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, or government agency, or, and without limitation by the foregoing, any other causes beyond the reasonable control of the Shipper. Any such cause or contingency exempting the Shipper from liability for non-performance (excepting where prevented by valid orders or requirements of Federal, State, or other governmental regulatory bodies having jurisdiction in the premises) shall not relieve the Shipper of its obligation to pay demand charges or reservation charges or any other amounts owed in accordance with the provisions of this Tariff or Service Agreement(s). In every case, the Shipper shall exercise diligence to remove any such interference with its receipt of Gas and shall resume such receipt at the earliest practicable time.

27.2 CAPACITY CURTAILMENT. Whenever the capability of Transporter's system, due to any cause whatsoever, is such that Transporter is unable to Receive, transport, and/or Deliver the quantity of Gas contracted on a firm basis, including from injection into or withdrawal from storage, then Receipts, transportation and Deliveries will be Curtailed to the extent practicable as specified in Section 27.4 of these GT&C. Transporter will use reasonable efforts to provide at least four hours' notice in advance of the time Curtailment is required to commence except that, when due to an event of force majeure or to address a Critical Operating Condition, Transporter will give such notice as may be practicable under the circumstances.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

27.3 In the event that a Receipt, transportation, or Delivery capability limitation is applicable only to a specific pipeline or area of the Transporter's system and the only Receipt, transportation and Delivery reduction required relates to that pipeline or specific area, then the reductions prescribed in this Section of these GT&C may be limited to such pipeline or area.

27.4 The order of service priorities for purposes of Curtailment, from lowest to highest but only impacting those categories required is as follows:

- a. Rate Schedule MCS;
- b. Rate Schedule FTS Authorized Overruns;
- c. Rate Schedule ITS;
- d. Rate Schedule FTS at Secondary Receipt Point(s), at Secondary path and/or Secondary Delivery Point(s);
- e. Transporter's Operational Purchases and Sales and Injection or Withdrawal; and
- f. Rate Schedule FTS at Primary Point(s).

The unscheduled load following features of the Rate Schedules APAL and NNS will not be made available to Shippers if the system is being Curtailed and no unscheduled load following quantities will be reflected in the Shipper's Rate Schedule NNS and Rate Schedule APAL accounts in the case.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Whenever the Capacity of all or a portion of Transporter's system or system segment, due to any cause, is such that Transporter is unable to serve all Interruptible Transportation Service Customers within priority letters (a) through (c), Shippers delivering to On-System Delivery Points will be curtailed last and Shippers delivering to Off-System Delivery Points receiving service at a lower rate, or transaction value for Rate Schedule MCS, will be curtailed before those Shippers receiving service to Off-System Delivery Points at a higher rate, or transaction value for Rate Schedule MCS. Should any Shippers have equal priority based on the rate paid, or transaction value for Rate Schedule MCS, available Capacity shall be allocated pro rata based on quantities scheduled (i.e., Confirmed Nominations).

Whenever the Capacity of all or a portion of the Transporter's system or system Segment, due to any cause, is such that the Transporter is unable to serve all firm service Shippers within priority letter (d), Shippers receiving service at a lower rate will be curtailed before those Shippers receiving service at a higher rate. Should any Shippers have equal priority based on the rate paid, available Capacity shall be allocated pro rata based on quantities schedule (i.e. Confirmed Nominations).

Whenever the Capacity of all or a portion of Transporter's system or system segment, due to any cause, is such that Transporter is unable to serve all firm service Shippers within priority letter (f), available Capacity shall be reduced pro rata based on Nominations.

28. LIABILITY.

28.1 It is expressly understood by the Shipper that the Transporter cannot in all instances enforce the Curtailment orders issued pursuant to this Section of the GT&C. If service under this Tariff is Curtailed, Transporter shall not be liable for damages of any kind, including consequential or punitive damages, to any Shipper, End-User or other entity on account of the unauthorized usage of Gas by another in violation of a Curtailment order issued pursuant to this section.

28.2 The Transporter shall have the right, without liability to any Shipper or End-User , to Curtail the Transportation or storage of Gas when necessary to test, alter, modify, expand, enlarge or repair any facility or property compromising a part of, or appurtenant to, its pipeline system, or otherwise related to its operation thereof.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

29. OPERATIONS BY TRANSPORTER AND SHIPPERS AND IMBALANCE MANAGEMENT

29.1 Upon Transporter's request, a Shipper shall furnish to Transporter, as far in advance as operations permit, estimates of expected hourly, daily, monthly and annual quantities of Gas to be transported by Transporter for or on the behalf of Shipper.

29.2 Each Party shall use best commercial efforts to Deliver or take or cause to be Delivered or taken, Gas at reasonably uniform hourly and daily rates of flow, unless otherwise provided for in the Rate Schedule. However, either Party may request the other to change the rates of delivery or, if applicable, receipt. The Party requesting to make such changes will do so to the extent that it can without adversely affecting its deliveries of Gas to any other Shipper and/or without adversely affecting the Transporter's operations.

29.3 Transporter shall Deliver Gas quantities for a Shipper's account concurrently with the Receipt of such Gas quantities at a Receipt Point(s) to the extent practicable. The Parties recognize that they may be unable to control exactly the quantities Received or Delivered on any Day and that the quantities received by the Company may vary from the quantities Delivered on any Day. Variations shall be kept to a minimum and shall be balanced as soon as practicable. Daily and monthly activity and cumulative net variations may result in the application of charges or Cash Out of quantities as provided in Transporter's Rate Schedules and these GT&C. The Shipper and the Transporter shall manage Receipts and Deliveries so that the difference between the Receipt quantities and the Delivery quantities shall be kept as near zero as practicable, taking into account the FL&U Reimbursement Quantity and other allowable in-kind deductions. Transporter shall be under no obligation to accept from the Shipper more Gas at any Receipt Point than the Confirmed Nomination for such Shipper for the Receipt Point for that Day.

29.4 Transporter is not responsible for eliminating any Imbalances in Gas quantities between the Shipper and any third parties. Transporter is not obligated to deviate from its standard operating and accounting procedures in order to reduce or eliminate any such third party imbalances.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

29.5 **IMBALANCE MANAGEMENT.** Shipper shall balance daily and monthly Receipt Quantities (less FL&U Reimbursement Quantities) and Delivery Quantities as closely as possible using commercial and best efforts. If Imbalance Quantities are not resolved pursuant to Shipper's Transportation and, if applicable, Storage Services, then such quantities will be cashed out as described herein.

- a. Imbalance quantities. For purposes of this Tariff, Imbalance Quantities shall mean the daily and cumulative difference between Receipt Quantities less FL&U reimbursement quantities and other allowable in-kind deductions, if any, and the quantities Delivered to Shipper at the Point of Delivery, resulting from current month activity plus any unresolved prior month activity.
- b. As provided in this Tariff, On-System Rate Schedule FTS Shippers shall first use all available required services to cure any Imbalance Quantities including any applicable Rate Schedule NNS service and/or Rate Schedule APAL service. Off-System Shipper(s) may request that Transporter transfer an Imbalance Quantity to a Rate Schedule MCS Transaction Request at any time, within a current calendar month and On-System Shippers may request the transfer of a Rate Schedule APAL Park or Loan to a Rate Schedule MCS Transaction Request once monthly between the ninth and twelfth business day of the production month balances which are closed by the twelfth business day.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- c. By the ninth (9<sup>th</sup>) Business Day of the month following the end of the month, the Transporter will make available to the Shipper, in the Imbalance Statements on Transporter's EBB, the production month-end Imbalance Quantity and/or the production month-end Rate Schedule APAL Park or Loan Quantity for said monthly billing period. Imbalance Quantities and/or Rate Schedule APAL Park or Loan Quantity may be traded among a Shipper's Service Agreements or between the like-kind Service Agreement of another Shipper as long as the trade offsets, in whole or in part, the Imbalance Quantities and/or the Rate Schedule APAL Park or Loan Quantity with respect to the affected Service Agreements. Said trades among a Shipper's own agreements or between the like kind Service Agreements of trading Shippers will be subject to validation for the like-kind trades (i.e., Off-System FTS/ITS with Off-System FTS/ITS; On-System FTS with On-System FTS in the event of suspension of APAL; and, On-System APAL with On-System APAL). Shippers will enter such trades on Transporter's EBB. The Shipper may nominate a transfer of the end of month Imbalance Quantity to a Rate Schedule MCS Service Agreement and, if available, Transporter shall confirm and schedule such transfer.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

d. If a Shipper is unable to fully cure its Imbalance hereunder through the procedures set forth in subparagraphs (b) and (c), a charge or credit, as the case may be, for such Imbalance will be added to the Shipper's next monthly bill according to the following schedule:

Under-Deliveries as Percentage of Actual Deliveries	Under-Delivery Charge as Percentage of Index or cost of operational purchases (*)
0% - 5%	100%
Greater than 5%	125%

The greater of (a) the mean of the highest of the Cash Out Index Price (highest of the Daily Price Survey, Midpoint Price (Flow Date) as published by Platts Gas Daily for the "Spot Gas Prices Delivered to Pipelines" relative to CIG Rockies, NW S of Green River, El Paso San Juan, Questar Rockies) for the Month which most closely corresponds to the Monthly Billing Period in which the Imbalance occurred; or (b) the Company's cost of operational purchase Gas for said Month if higher.

Over-Deliveries as Percentage of Actual Deliveries	Over-Delivery Credit as Percentage of Index or cost of operational purchases (*)
0% - 5%	100%
Greater than 5%	75%

The lesser of (a) the mean of the lowest of the Cash Out Index Price (lowest of the Daily Price Survey, Midpoint Price (Flow Date) as published by Platts Gas Daily for the "Spot Gas Prices Delivered to Pipelines" relative to CIG Rockies, NW S of Green River, El Paso San Juan, Questar Rockies), for the Month which most closely corresponds to the Monthly Billing Period in which the Imbalance occurred; or (b) the Company's cost of operational sales Gas for said Month if lower.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- e. When a Shipper's Imbalance includes a prior period adjustment (i.e., an increase or decrease in the most recent Monthly Billing Period's Imbalance that represents an adjustment to the Shipper's Imbalance for a previous Monthly Billing Period), the Shipper will be allowed to cure the Imbalance associated with the prior period adjustment through the procedures set forth in subparagraphs (b) and (c) of this Section 29.5. Any such Imbalance associated with the prior period adjustment that is not fully cured under said procedures shall be cashed out at 100% of the price established by subparagraph (d) of this Section 29.5 as calculated for the Monthly Billing Period to which the prior period adjustment relates.

29.6 AGENCY (DELEGATION) AGREEMENTS. Transporter shall permit a Shipper, using the form of Agency Agreement set forth in this Tariff, to designate an agent responsible for performing specified tasks on behalf of Shipper with respect to a Service Agreement providing for service under a Rate Schedule included in this Tariff. Such Agency Agreements will designate Transporter as a third party beneficiary of the agency agreement. The Shipper designating an Agent will be fully liable for all payments required under this Tariff for the service provided to the Shipper, and also is responsible for ensuring compliance with all obligations of the Shipper applicable to the service provided under this Tariff.

29.7 AGGREGATION OF SERVICE RIGHTS. Transporter shall allow for aggregation on its system through its consent to the Form of Agreement for Limited-Term Partial Assignment of Transportation Service on Rocky Mountain Natural Gas LLC and for Distribution Transportation Service on SourceGas Distribution LLC set forth in the SourceGas Distribution LLC Tariff. The aggregated rights will be summarized on exhibits to such form.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

### 30. OPERATIONAL CONTROLS.

When the Company reasonably determines that its projected deliverability or operational integrity, in whole or by Segment, including the ability to provide any Shipper Firm service entitlement, is threatened or compromised, Transporter shall be authorized to take action to correct such situation as described below. In such event, Transporter shall to the extent practicable, seek to remedy the situation as provided below; provided, however, that nothing herein shall preclude Transporter from bypassing one or more of the steps described below, if, in the Transporter's reasonable judgment, the situation so requires:

30.1 Transporter may install remote-controlled flow control equipment at any Delivery Point at any time if, in Transporter's reasonable operational judgment, the equipment supports the reliability and flexibility of the pipeline system. Further, if any Shipper has received more than six (6) Shipper-specific OFOs over any twenty-four (24) month period, Transporter may invoice such Shipper for up to 100% of the cost of installation of such remote-controlled flow control equipment.

30.2 OPERATIONAL NOTICES. Transporter may issue and/or post to its EBB operational notices including but not limited to Critical Notices and a Critical Condition alert, consisting of the following, as applicable:

- a. A description of the affected portion(s) of the system.
- b. A description of the condition(s) to be corrected and/or designation of the Shipper(s) to whom the Operational Notice is addressed.
- c. A list of remedial measures which can be voluntarily undertaken by the Shipper(s) or any other entities affecting the system to correct the situation. Remedial measures may include, but is not limited to the following:
  - (i) Changing Receipt Points or Delivery Points;
  - (ii) Switching to alternate fuels or other changes in usage;

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- (iii) Changing Shipper reliance on storage service or services from other pipelines;
- (iv) Utilizing existing voluntary arrangements for diversions of Gas between Shippers and/or other Parties.
- (v) Correction of and/or required Cash Out of current and/or historical imbalance quantities; and/or
- (vi) Performing any other voluntary action which would tend to alleviate or forestall the situation.

d. Any other information, terms and/or conditions which the Company deems appropriate.

Upon issuance of an Operational Notice including a Critical Operating Condition Alert, Transporter may also take such actions as are within its control and discretion to alleviate or forestall the situation, including invoking the provisions of Section 27, Limitation on Obligations, of these GT&C. Shipper shall be notified of Operational Notices via telephone, fax, e-mail and/or posting on Transporter's interactive EBB and this shall constitute notice that issuance of an Operational Flow Order may be imminent.

30.3 OPERATIONAL FLOW ORDERS. An Operational Flow Order ("OFO") is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of the Transporter's system or a portion of the Transporter's system or to alleviate conditions to maintain operations required to provide efficient and reliable service.

a. Transporter shall have the right to issue OFOs as specified in this section if such action is required in order to:

- (1) Alleviate conditions which in the Transporter's judgment threaten the integrity of any Segment(s) of Transporters system;

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

(2) Maintain pipeline operations at the pressures required to provide efficient and reliable Firm transportation and storage services;

(3) Correct Imbalance quantities including immediate required cash Out of such accumulated or daily quantities;

(4) Maintain service to all Firm Shippers and for all Firm services;

(5) Maintain the system in balance for the foregoing purposes; and/or

(6) In one of the following situations:

i. In the event that Receipts in a Segment of the Transporter's system exceed scheduled Receipts so that high system pressures back off scheduled Receipt Quantities, the Company may issue an OFO to all Shippers in the affected Segment of the system stating that a high pressure condition exists. All such Shippers will be required to review their Receipt quantities at Receipt Points on the affected portion of the system. Those Shippers who are receiving more than their scheduled quantities, or who are otherwise responsible, in whole or in part, for the high pressure condition, will have four (4) hours in which to make needed adjustments, or be subject to the penalty specified in this section. An OFO issued pursuant to this paragraph will be canceled by the Transporter when the high pressure condition has been corrected and the system imbalances created by the high pressure condition have been reasonably resolved.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- ii. If, in the Transporter's judgment, impending operating conditions will cause the delivery pressure to one or more Shippers to drop to a level which could jeopardize system integrity, Transporter may immediately issue an OFO pursuant to this paragraph requiring that Deliveries under Transportation Service be made at a uniform hourly flow rate effective three (3) hours after issuance of the OFO. Failure to comply with such order on a timely basis will subject non-complying Shippers to the penalty specified in this section. If only one Segment of the Transporter's system is affected by low pressure, the OFO shall be limited to that Segment of the system. For the duration of the OFO, increases in Scheduled Delivery Quantities within affected Segments of the Transporter's system will be made on a prospective basis only.
- iii. In the event there is a need for the Transporter to engage in routine and normal maintenance of the system, to undertake repairs and replacements of lines of pipe, to schedule Department of Transportation compliance activities, to install taps, to make pig runs, to test equipment, or to engage in similar actions affecting the Capacity of any portions of the system, the Company may issue an OFO(s) pursuant to this paragraph which will contain an estimate of the time, duration, and impact of the activity. This provision is in addition to Section 27, Limitations on Obligations, of these GT&C, as an event of force majeure may affect Deliveries without triggering the need for an OFO. An order issued pursuant to this paragraph shall be canceled when such planned maintenance or other activities have been completed.
- iv. Transporter may, on a not unduly discriminatory basis, issue such other reasonable OFOs as may be required for the purposes set forth in this section in order to provide the services contemplated in this Tariff.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Before issuing a general system or limited segment OFO, Transporter will attempt to identify a specific Shipper(s) causing a problem, will then issue a Shipper-specific OFO and will attempt to remedy those problems. Where operationally feasible, service to Interruptible Shippers will be suspended prior to issuing an OFO Curtailing service to Firm Shippers.

- b. The Transporter will endeavor to notify affected Shippers by telephone, fax or e-mail and/or through the Transporter's EBB at least twenty-four (24) hours prior to the implementation of an OFO; provided, however, that a shorter notice period may be given where action must be taken to protect the integrity of the system. Such notice shall include, but not be limited to:
- (i) Identification of the Shippers or Interconnected Parties subject to the OFO;
  - (ii) The time the OFO will become effective;
  - (iii) The estimated duration of the OFO;
  - (iv) The triggering Tariff provision which is the basis for the OFO;
  - (v) Whether the Transporter's system or segment is over-Delivered or under-Delivered;
  - (vi) Whether actual net Receipts need to be equal to or greater than actual Deliveries, or actual Deliveries need to be equal to or greater than actual net Receipts;
  - (vii) Whether authorized overruns are acceptable; and
  - (viii) A 24 hour contact number for Transporter during the duration of the OFO.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Where an OFO is issued pursuant to this section and made effective on less than twenty-four (24) hours' notice, Transporter will provide affected Shippers with a detailed explanation, with all relevant information specific to the individual situation, to justify issuance of the OFO.

- c. Upon issuing an OFO, Transporter shall endeavor to notify all affected Customers by telephone and on Transporter's internet website. Shippers must notify the Transporter of the name, email address, fax number and telephone number of a person who will be available on a 24-hour basis to receive notice of the issuance of an OFO. Transporter will give a twenty-four (24) hour phone number in the notice.
- d. If an OFO is issued, Transporter will direct one or more Shippers to adjust Receipts and/or Deliveries at specific Point(s) on the Transporter's system. Transporter reserves the right to request holders of Firm Capacity under Rate Schedules FTS and NNS of this Tariff to use their Primary Receipt Point(s) or Primary Delivery Point(s) to maintain the integrity of the system.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

e. On any Day that an OFO is in effect, all quantities tendered on an individual Service Agreement basis to the Transporter by a Shipper and/or taken by a Shipper on a daily basis in violation of the Transporter's OFO shall constitute unauthorized Receipts or Deliveries for which a charge of \$25.00 per Dth shall be assessed unless the quantities are otherwise cured under the terms of the Rate Schedules of this tariff. With respect to quantities tendered or taken on a daily basis in violation of an OFO, the Shipper also shall be assessed a charge equal to the highest Cash Out Price as defined in the Imbalance Management section of the GT&C of this Tariff for the Day that the unauthorized deliveries occurred; provided that said unauthorized deliveries shall be excluded from the determination of an offending Shipper's Imbalance for the Monthly Billing Period. Shippers will be exempt from penalties on imbalances that result from complying with an OFO. Imbalances accrued as a result of compliance with an OFO will be cashed out at 100% of the index price as noted above, and such amount of Imbalance will be excluded from the monthly cash out provisions. Upon an OFO becoming effective, as specified in the OFO or as provided in this section, Shippers, Transporting Pipelines, and other Parties shall be permitted the time stated in the OFO, or such lesser time as is required to protect the integrity of the transporter's system, to make adjustments in compliance with the OFO(s). If the Shipper, Transporting Pipeline, or other Party adjusts its tenders or takes within such notice period, then no charge, as provided for herein, shall be assessed.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

f. Compliance with OFOs and the other terms and conditions of this Tariff is essential to provide Deliveries and services under all Rate Schedules. A failure by one or more Shippers to comply with an OFO may affect the Transporter's ability to provide such deliveries and services. Shippers failing to comply with an OFO may be held accountable, either directly or as a third party defendant, for any damages so caused to other Shippers and/or to the Transporter. In such event, and in addition to other remedies available under this Tariff and applicable law, the Transporter shall have no liability or responsibility for its inability to provide services under the affected rate schedules or Service Agreements and will be indemnified and held harmless by the offending Shipper(s) against any claim relating to such failure to provide deliveries and services. Payment of any penalties pursuant to this Tariff for such non-compliance shall not be construed in any way to entitle the Shipper to engage in such actions, nor shall such payments be considered as relieving such Shipper of its responsibilities under this section.

30.4 UNAUTHORIZED GAS. Unauthorized Gas is Gas which has not been Nominated by the Shipper and scheduled and confirmed by the Transporter at a Receipt or Delivery Point. The Transporter will notify the Point Operator by approximately the fifteenth (15<sup>th</sup>) Day of each Month of their level of unauthorized Gas for the preceding Month.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

- a. **Unauthorized Receipts.** Any Point Operator that Delivers unauthorized Gas onto the Company's system will be given ten (10) Days from the date the Company provides notice to the Point Operator that such Gas has been received, to Deliver it off the system or identify the associated Shipper of Gas, otherwise it will become the property of the Company at the end of the ten (10) Day period. Such Gas shall be treated as an operator overrun. Receipt Gas treated as an operator overrun will be deemed to have used the Company's facilities. If the Point Operator is a Shipper, the overrun provisions of the Rate Schedule shall apply. If the Point Operator does not have a Service Agreement, the Point Operator may be charged the highest Interruptible Transportation rate in the Company's Tariff, unless otherwise agreed to in writing. If the Party who Delivered such Gas onto the Company's system is not identified, the Gas will become the property of the Company thirty (30) Days after it was noticed.
- b. **Unauthorized Deliveries.** When Unauthorized Gas is taken from the Company's system by a Point Operator without a Service Agreement, such Gas shall be treated as an Operator overrun. Delivered Gas treated as an Operator overrun will be deemed to have used the Transporter's facilities. If the Point Operator is a Shipper, the overrun provisions of the Rate Schedule shall apply. If the Point Operator does not have a Transportation Service Agreement(s), the Point Operator may be charged the highest Interruptible Transportation rate in the Company's Tariff and the Company shall sell the Gas to the point operator at 150% of the "Cash Out Index Price", as defined in Section 30.3.e of the GT&C of this Tariff for the month in which the operator overrun Gas is taken, unless otherwise agreed to in writing.
- c. If Point Operator delivers or takes Unauthorized Gas during an OFO period, the Point Operator will be subject to unauthorized receipts or deliveries charges as contained in Section 30.3e of these GT&C in addition to this Section 30.4.c.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

### 31. OPERATIONAL PURCHASES AND/OR SALES.

- 31.1 Transporter may buy and/or sell Gas to the extent necessary (a) to maintain system pressure and line pack, (b) to balance FL&U Reimbursement Quantities, (c) to implement any required cash out activity as provided for in the GT&C of this Tariff, (d) to provide storage base gas or retained storage gas working inventory, and (e) to perform other operational functions of Transporter in connection with transportation, storage and other Tariff services.
- 31.2 Transporter may, at its discretion, post quantities it has available for operational purchases or sales on Transporter's EBB to facilitate the ability of Shippers to provide bids for such quantities.
- 31.3 At least once every twelve (12) months, including, at Transporter's election, in the RAM filing, Transporter will provide a summary of amounts and prices of operational purchases and sales.

### 32. COMPANY PROPERTY.

All lines of pipe, apparatus, instruments, meters, regulators and related equipment and material supplied and owned by the Transporter will be and remain the property of the Transporter. Except in emergencies where immediate action is needed to preserve life or property, Transporter's property shall not be worked upon, tampered with, modified, altered, or otherwise interfered with by the Shipper, or any agents, employees, licensees or contractors of the Shipper, without prior authorization from the Transporter.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

### 33. OPERATOR-OWNED FACILITIES

- 33.1 All Gas piping, appurtenant facilities and Gas-burning appliances or equipment located upstream or downstream of Transporter's Facilities, at or within the Shipper's property or premises shall be owned, maintained, and controlled in a good and safe condition solely by the Shipper, the Operator of the property or premises and/or the premises' owner in accordance with municipal regulation, the National Fuel Gas code, the Company's rules, Tariffs, terms, regulations, and other applicable laws and regulations as amended from time to time. Except as otherwise required by law, Transporter does not undertake to, or assume the obligation for, the inspection, testing, maintenance, or repair of equipment or facilities not owned by the Transporter. Transporter may refuse to connect or continue service until the Shipper remedies or corrects faults or defects involving Shipper-owned facilities.
- 33.2 Shipper shall be responsible for all costs relating to maintenance of Shipper-owned piping and facilities. The owner of the piping and/or facilities shall be responsible for arranging and paying for any required maintenance and repair of said piping and/or facilities and all materials, installation and work performed must comply with all applicable laws and regulations. The owner of the piping and/or facilities shall provide the Company with an assurance acceptable to the Company that all materials, installation and work performed comply with all applicable specifications, laws and regulations before Gas service will be restored or continued. The Company shall have no duty to inspect work performed by anyone other than that Company.
- 33.3 LIABILITY. The private owner of any Piping and/or facility not owned by Transporter shall be solely responsible for the loss or escape of any Gas from said Piping and/or facility, and shall be responsible for any resulting fire, explosion, injury or damage caused thereby.
- 33.4 Nothing in this rule, in any other Tariff provision, or in regulations shall be construed to impose any liability on the Company for the loss or escape of Gas from any of the facilities of a Shipper or Interconnection Party or other third party, or for any injury or damage caused thereby or otherwise related to any piping or facility owned or operated by such parties.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

#### 34. INSPECTION BY COMPANY

34.1 The Shipper or Point Operator, when notified in advance, at reasonable hours, and pursuant to paragraphs 34.2 and 34.3 of this section, shall permit authorized employees and inspectors of the Company, when properly identified, to enter upon and into the Shipper's premises for the purpose of inspecting, installing, relocating, or repairing the Transporter's facilities and piping, conducting leak and cathodic protection surveys, ascertaining connected loads and making other safety tests or inspections required by state or federal regulations.

34.2 If a Shipper, Point Operator or applicant for service refuses to allow the Transporter onto the premises, in the situation delineated in paragraph 34.1 of this section, the Company may, at its discretion, and pursuant to Section 3, Conditions for Refusal or Discontinuance of Service, of these GT&C, discontinue or refuse service to the Shipper, Point Operator, or applicant.

#### 35. RELOCATION OF FACILITIES

Notwithstanding any provision contained within this Tariff, the Shipper will bear the cost of relocating facilities used in the provision of Gas service to the Transporter when necessary to comply with applicable legal requirements or to mitigate potential or existing safety hazards. The Transporter may assess a charge not to exceed a commercially acceptable charge for all work performed, plus equipment charges and materials. If the work must be performed outside of normal business hours, either due to exigent circumstances or at the Shipper's request, the Company may reasonably reflect a charge applicable to such after-hours service calls.

#### 36. DISCONNECTION FOR DANGEROUS CONDITION FOUND ON SHIPPER'S PREMISES

36.1 The Shipper shall install and maintain the Gas piping on the Shipper's premises either in accordance with the ordinances of the city in which the Shipper is located or in accordance with the Company's standards. Transporter may terminate service to the Shipper immediately and, if said termination occurs, shall give written notice of any defective Shipper-owned facility or unsafe conditions which may impair service or may result in injury or damage to any person or property.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

### 37. LIABILITY

- 37.1 Transporter assumes no responsibility for the inspection and/or repair of defects in Shipper's piping or other facility(s) on the Shipper's premises and will not be responsible for any injury, loss, or damage resulting from such defects or improper installation, except where such loss, damage, or injury is the result of the Transporter's sole active gross negligence or willful misconduct.
- 37.2 Transporter shall not be liable for injury to persons or damage to the Shipper's property caused by accident, acts of God, fires, floods, strikes, riots, earthquakes, avalanches, war or any other cause or contingency beyond its control.
- 37.3 The Shipper shall be responsible for any damage to, or loss of, Transporter's property located upon the Shipper's premises caused by or arising out of carelessness, negligence, misuse, or interference by the Shipper, the Shipper's Agents or employees, or other persons not authorized by Transporter. The cost of making good such loss or repairing such damage shall be paid by the Shipper.
- 37.4 The Shipper shall hold Transporter harmless and indemnify it against all liability for injury to persons or damage to property occurring on the Shipper's side of the Point of Delivery except where such injury or damage is the result of the Transporter's gross negligence or willful misconduct. In such event, liability will be apportioned between the Transporter and the Shipper, in accordance with the degree of fault of each.
- 37.5 In no event shall the Transporter be liable for consequential or punitive damages.

### 38. REMEDIES

In addition to the specific remedies set forth in this Tariff, Transporter or the Shipper may assert any other remedy it may have at law or in equity.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**39. TARIFF SUBJECT TO REVISION**

This Tariff, and all of its rates, charges, fees, Rate Schedules, terms and conditions and other provisions, shall at all times be subject to modification (whether additions, revisions or deletions) by order of the Colorado PUC, upon notice and hearing and a finding of good cause therefor, or otherwise as allowed by operation of law. Either the Company or the Shipper may at any time request that the Colorado PUC modify the rates, charges, fees, Rate Schedules, terms and conditions and other provisions of this Tariff. The Parties to any agreement or service under this Tariff shall be bound by any such authorized modifications from and after the effective date of such modifications.

**40. GOVERNMENTAL REGULATIONS (DULY CONSTITUTED AUTHORITIES)**

This Tariff, including the rates and other charges and fees, Rate Schedules, and the terms and conditions of service and any contracts or agreements executed pursuant hereto, is subject to valid current and future laws, orders, rules and regulations of duly constituted authorities having jurisdiction. Each Party's obligations under this Tariff, and under any contracts or agreements executed pursuant hereto, are conditioned upon obtaining authorization from the appropriate governmental authorities.

**41. ALTERATION OF RULES AND REGULATIONS**

No agent or employee of the Company has the right to modify or alter the rates, Rate Schedules, terms, conditions, rules or regulations, or forms of agreements contained within this Tariff or to make any promises or representations not contained in this Tariff, or supplements thereto and revisions thereof.

**42. GENERAL AND SPECIFIC WAIVERS AND NON-WAIVER OF FUTURE DEFAULT**

42.1 Transporter's failure to exercise any right or rights under this Tariff shall not be considered a waiver of such right or rights in the future, nor shall Transporter's waiver of any one or more defaults by the Shipper in the performance of any of the provisions of this Tariff operate as a waiver of any other existing or future default or defaults, whether of a like or different character.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

42.2 Any waivers granted by the Transporter shall be granted in a not unduly discriminatory manner.

42.3 Transporter may waive, in a not unduly discriminatory manner, a Shipper's charges, penalties, gas quality requirements or other service obligations under this Tariff. Transporter will maintain a log of any such waivers and will post any such waivers on its EBB if considered material in Transporter's sole judgment. Transporter may also waive certain of its Tariff obligations such as timely billing provided such waiver is posted on the EBB.

#### 43. NOTICES

Except as otherwise provided in this Tariff or the Agreement, operational communications may be made by telephone, EBB posting or e-mail message or other mutually agreeable means, provided that the Transporter shall retain all such related operational e-mails and EBB postings for a period of no less than 3 years. Any notice, request, demand, statement or bill provided for in this Tariff, or any notice which either the Transporter or the Shipper may desire to give to the other, may be in writing and shall may be considered as duly Delivered when deposited in the United States mails, postage prepaid and registered, addressed to the Post Office address of the Company or the Shipper, or at such other address as either shall designate by formal written notice, except that routine communications (including monthly statements and payments) shall may be considered as duly delivered when mailed by either registered or ordinary mail or by e-mail delivery, and except that notices pursuant to (a) the unauthorized daily overrun provisions of Rate Schedules FTS and ITS, (b) Section 27, Limitations on Obligations, of these GT&C, and (c) Section 30, Operational Controls, of these GT&C may be given orally or by facsimile or by e-mail message or by EBB posting.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**STANDARD FORM OF REQUEST FOR SERVICE ON  
ROCKY MOUNTAIN NATURAL GAS**

**SHIPPER / REQUESTOR INFORMATION**  
Date: \_\_\_\_\_

Complete Legal Name of Requestor: \_\_\_\_\_

State of Incorporation: \_\_\_\_\_  
DUNS #: \_\_\_\_\_

**Address:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

**Billing (if different):** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

**For Notices:**  
Contact Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
E-Mail: \_\_\_\_\_  
Fax: \_\_\_\_\_

**Existing Service:**  
 Firm Transportation (On System locations)  
 Firm Transportation (Off System locations)  
 Interruptible Transportation  
 None

**Requested Service:**  
 Rate Schedule FTS ( On System locations) (To include the related service of Rate Schedule APAL, and as applicable , Rate Schedule NNS)  
 Rate Schedule FTS ( Off System locations)  
 Rate Schedule ITS Off System  
 Rate Schedule MCS

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**STANDARD FORM OF REQUEST FOR SERVICE**  
(Continued)

**Requested Firm Volume as applicable:**  
MDTQ: \_\_\_\_\_ MDRQ: \_\_\_\_\_ MDDQ: \_\_\_\_\_  
MAC: \_\_\_\_\_ MDWQ: \_\_\_\_\_ MDIQ: \_\_\_\_\_

**Locations: (\*If multiple, designate requested firm primary and secondary points as applicable.)**  
**Receipt Location(s)\*:** \_\_\_\_\_  
**Delivery Location(s)\*:** \_\_\_\_\_

**Requested Date to Commence Service:** \_\_\_\_\_  
**Requested Date to Terminate Service:** \_\_\_\_\_

**Requested Credit Limit(s), if applicable:** \_\_\_\_\_  
**Shipper has executed request for credit:**  
 Yes      **Date** \_\_\_\_\_  
 No

**Transportation under Section 311 of the NGPA:** If transportation is pursuant to Section 311 of the NGPA, Shipper shall designate the "on-behalf-of party" and shall attach a completed "on behalf-of letter" if required.

**Certification Statement:** Shipper has, or will have, at the time Gas is transported, title to the gas to be tendered to the Transporter or Shipper has, or will have, at the time Gas is transported, a legal right to tender gas to Transporter.  
 Yes  
 No

**The individual signing this Agreement on behalf of Requestor represents and warrants that he or she is an officer of the Requestor or otherwise possesses the requisite authority to do so and thereby bind the Requestor to this Agreement, and agrees to indemnify and hold harmless Rocky Mountain Natural Gas from any claim that such authority did not exist.**

**Signature of Requestor:** \_\_\_\_\_  
**Title:** \_\_\_\_\_

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF CREDIT APPLICATION**  
Transportation and Market Center Services

**Requestor Information:**  
Legal Name & Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
State of Incorporation: \_\_\_\_\_  
DUNS Number: \_\_\_\_\_

Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_  
Point of Contact: \_\_\_\_\_

**Type of Entity:**  
 Corporation       Partnership       Limited Liability Corporation  
 Limited Partnership       Sole Proprietorship       Other / Specify

Number of Years in Business: \_\_\_\_\_

**Three Principal owners, stockholders, partners, or officers of the company:**

Name: _____	Name: _____
Title: _____	Title: _____
Address: _____	Address: _____
Phone: _____	Phone: _____

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

If Company is a wholly-owned subsidiary, please list name and address of parent company:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Is Parent Company responsible for subsidiary debt?  
 Yes       No  
If yes, furnish documentation

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF CREDIT APPLICATION**  
(Continued)

**Please furnish one bank reference:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Account Type: \_\_\_\_\_  
Account #: \_\_\_\_\_

**Please furnish two business credit references:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Account Type: \_\_\_\_\_  
Account #: \_\_\_\_\_

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Contact: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Account Type: \_\_\_\_\_  
Account #: \_\_\_\_\_

**Is Requestor:**

Operating Under Federal Bankruptcy Laws?  Yes  No  
Operating Subject to pending liquidation or Regulatory proceedings which would cause a substantial deterioration of Shippers' financial position?  Yes  No  
Operating Subject to any collection lawsuits or outstanding judgments which would affect Shipper's ability to remain solvent?  Yes  No  
On a credit watch list of any credit rating agency  Yes  No  
Electing to Prepay Reservation Service Charges?  Yes  No  
Amount requested: \_\_\_\_\_  Yes  No

Please attach copies of your financial Statements (to include, at least two most recent years on an annual basis and three most recent monthly or quarterly statements).

Please attach copies of your two most recent annual SEC Form 10-K, if applicable.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF CREDIT APPLICATION  
(Continued)**

If the service being requested or the service associated with this credit request is interruptible in nature, please indicate the maximum credit limit being requested by Shipper for such interruptible service. Shipper acknowledges that Transporter may refuse to schedule quantities which exceed the approved credit limit.

Although the tariff provides that Shipper will take all reasonable and best commercial efforts to minimize Imbalance Quantities, Shipper may incur an imbalance (a difference in the amount of Gas tendered to Transporter and the amount of gas taken from Transporter at the Point(s) of Delivery) from time to time. Please indicate the maximum credit limit being requested by Shipper related to such Imbalance Quantities (the tariff quantifies the natural Gas commodity pricing that Transporter may use to determine credit limits). Shipper acknowledges that Transporter may refuse to schedule quantities under a transportation or storage service agreement if the shipper has imbalance quantities which exceed the approved credit limit.

The Shipper is responsible for becoming familiar with Transporter's Gas Tariff General Terms and Conditions, including the Billing and Payment section.

The undersigned applicant certifies that the information on this credit application is accurate and correct as of the date of the application. Once this application is signed, it authorizes Transporter to obtain or exchange any credit or financial information that may be requested with the applicants listed and credit references. Shipper has the obligation to inform Transporter of a material change in Shipper's credit quality.

If credit is approved by Transporter, payment terms will be indicated in the GT&C of Transporter's Tariff. Invoices which are not paid within these terms may result in customer being placed on a cash advance basis and /or having transactions suspended until the entire balance is paid. Transporter reserves the right to require an irrevocable letter of credit, other credit assurance or deposit before extending credit to a customer; Shipper will be notified if such an instrument is required. To avoid delays, be sure your credit is approved before any transactions are scheduled. Information provided on this application will be held in the strictest of confidence and will be used only by Transporter in making a credit evaluation.

All invoices not paid in accordance with the Tariff for Natural Gas Service may be assessed a late payment service charge of the maximum amount allowed by tariff or applicable law. In the event the applicant becomes delinquent in the payment of invoices, the applicant agrees to reimburse the company for all collection costs, legal fees & court costs, if not prohibited by law, that are incurred in the collection process. State law may forbid the disclosure of financial information by a firm without the written consent of its customer. Therefore the following consent is provided: I hereby authorize disclosure of financial information by all references listed on the credit application to Transporter. The applicant has read and agrees to all terms and conditions appearing on this form.

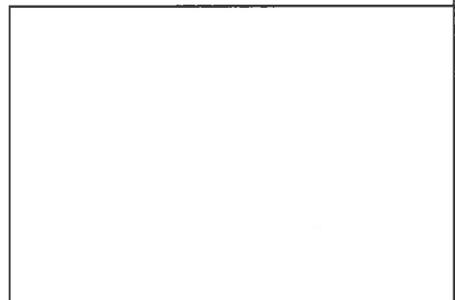
**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

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

Signature: \_\_\_\_\_

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

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



Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF TRANSPORTATION SERVICE AGREEMENT  
(APPLICABLE TO FIRM AND INTERRUPTIBLE  
TRANSPORTATION SERVICE RATE SCHEDULE)**

This Transportation Service Agreement ("Agreement") is made and entered into between Rocky Mountain Natural Gas ("Transporter") and the party identified as Shipper in this Agreement.

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

- 1. SCOPE OF AGREEMENT:** This Agreement and all its rates, terms and conditions as set out in this Agreement and as set out in the applicable FTS or ITS Rate Schedule and General Terms and Conditions tariff provisions which are incorporated into this Agreement by reference, shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefore. In the event that any party to this Agreement requests the Commission to take any action which could cause a modification in the conditions of this Agreement, the party shall provide written notice to the other parties at the time of filing the request with the Commission.
- 2. TERM OF AGREEMENT:** This Agreement shall become effective and continue in effect as set forth herein.
- 3. RATE SCHEDULE:** Shipper shall pay Transporter for all services rendered hereunder at rates stated in Appendix A to this Agreement. The rates to be charged Shipper for services under this Agreement shall be the maximum rate filed under Transporter's Rate Schedule FTS or Rate Schedule ITS, as applicable, and as the same may be revised or changed for that service unless Shipper and Transporter have otherwise agreed in writing. The rates charged Shipper for transportation hereunder shall not be more than the maximum rate applicable to such service, nor less than the minimum rate for such service, provided however that the form of the rate may be modified as provided in the Tariff.

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's FTS and ITS Rate Schedules and of Transporter's General Terms and Conditions on file with the Colorado Public Utilities Commission or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded. The Rate Schedules and General Terms and Conditions are by this reference made a part hereof.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF TRANSPORTATION SERVICE AGREEMENT**  
(Continued)

**4. RECEIPT POINT(S) AND DELIVERY POINT(S):** On a primary basis, Natural gas to be received by Transporter for the account of Shipper hereunder shall be received at or near the point(s) of receipt as set forth on Appendix A.

Natural gas to be delivered by Transporter for the account of Shipper on a primary basis, hereunder shall be delivered on the outlet side of the measuring station(s) at or near the point(s) specified in Appendix B.

Additional information concerning receipt and delivery points, including the use of secondary or alternate receipt and delivery points, is set forth in the Tariff or on Appendices A and B to this Agreement, which are incorporated herein by reference.

**5. QUALITY:** Unless otherwise agreed to in writing between the parties, all natural gas tendered for transportation to Transporter for the account of Shipper at the Receipt Point(s) shall conform to the quality specifications set forth in the General Terms and Conditions, as revised from time to time. Transporter may refuse to receive, on a not unduly discriminatory basis, any gas for transportation, which does not meet such quality specifications.

**6. PROCESSING:** Unless otherwise agreed to in writing between the parties, transporter shall have the right to process, or cause to be processed, gas received from Shipper, and title to all extracted liquid and liquefiable hydrocarbons and other products, including any methane lost or removed in the extraction process or required for fuel, shall pass to Transporter at no cost, and Shipper shall hold Transporter harmless and free and clear of adverse claims.

**7. ASSIGNMENT:** This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge this Agreement and all rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign this Agreement or any of its rights hereunder without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

**8. INTERPRETATION AND MODIFICATION:** The interpretation and performance of this Agreement shall be in accordance with the laws of the State of Colorado.

**9. COLORADO PUC JURISDICTION:** This agreement, and all its rates, terms and conditions as set out in this agreement and as set out in the Tariff provisions which are incorporated into this agreement by reference shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefore. In the event that any party to this agreement requests the Commission to take action which could cause a modification in the conditions of this agreement, the party shall provide written notice to the other parties at the time of filing the request with the Commission.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF TRANSPORTATION SERVICE AGREEMENT  
(Continued)**

- 10. AGENCY AGREEMENTS:** As required by Commission regulation, this Agreement contains the following provision: "If the end-use customer uses a marketing broker for nomination, gas purchases, and balancing, the end-use customer shall provide the utility with an agency agreement." The Agent and Shipper shall be jointly and severally liable for all payments due and owing Transporter for all services provided under this Agreement.
- 11. AGREEMENTS BEING SUPERSEDED:** When this Agreement becomes effective it shall supersede and cancel any other Transportation Service Agreements between the parties for the same service.
- 12. CERTIFICATIONS:** By executing this Agreement, Shipper certifies that: (1) Shipper has title to, or a current contractual right to acquire such title to, the gas to be transported by Transporter; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of deliveries to Transporter; and, for, Off System Deliveries, (3) Shipper has a sales and, as applicable, a transportation contract(s) or will enter into such sales and, as applicable, a transportation contract(s) with the party ultimately receiving the gas, prior to the commencement of service.
- 13. SPECIFIC INFORMATION:** Transportation Service Agreement between Rocky Mountain Natural Gas LLC ("Transporter") and \_\_\_\_\_ ("Shipper").

Type of Transportation Service:  FTS  
 ITS

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

Contract #: \_\_\_\_\_

Associated Contract #: \_\_\_\_\_ / Type: \_\_\_\_\_

Associated Contract #: \_\_\_\_\_ / Type: \_\_\_\_\_

Primary Term: \_\_\_\_\_

Contract Renewal Term:  Month to month  
 Other: \_\_\_\_\_

Termination Notice: \_\_\_\_\_

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF TRANSPORTATION SERVICE AGREEMENT  
(Continued)**

**ASSIGNMENT:**

Transporter: Rocky Mountain Natural Gas LLC  
600 12<sup>th</sup> Street Suite 300  
Golden, CO 80401  
Attn: Shipper Services  
Telephone: 303-243-3455  
Fax: 303-243-3795

Shipper: Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_

**WAIVERS:**

Quality Waivers:  None  Other: \_\_\_\_\_  
Gas Processing Waivers:  None  Other: \_\_\_\_\_

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

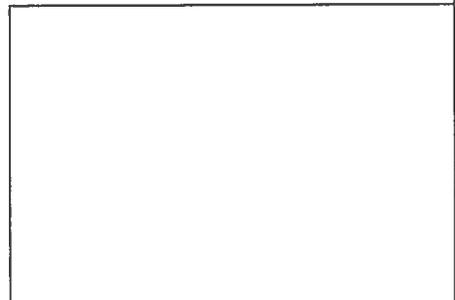
**IN WITNESS WHEREOF, The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:** Rocky Mountain Natural Gas LLC

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

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

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



Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF TRANSPORTATION SERVICE AGREEMENT  
 APPENDIX A**

Transportation Service Agreement between Rocky Mountain Natural Gas LLC ("Transporter") and \_\_\_\_\_ ("Shipper").

Contract #: \_\_\_\_\_

Associated Contract #s: \_\_\_\_\_

MDRQ:

Point of Receipt (Primary or Secondary)	Meter #	Maximum Receipt Pressure	Maximum Daily Receipt Quantity (MDRQ)	
			Mcf/d	Dth/d

This Appendix A supersedes and cancels any previously effective Appendix A to this Transportation Service Agreement.

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

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:** Rocky Mountain Natural Gas LLC

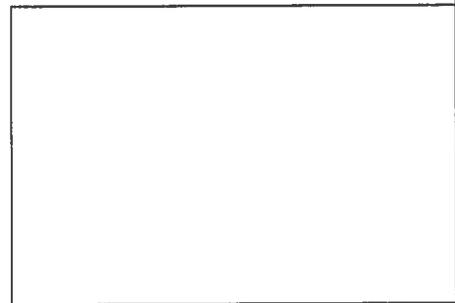
By: \_\_\_\_\_

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

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

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

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



Advice Letter No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF TRANSPORTATION SERVICE AGREEMENT  
 APPENDIX B**

Transportation Service Agreement between Rocky Mountain Natural Gas LLC ("Transporter") and \_\_\_\_\_ ("Shipper").

Contract #: \_\_\_\_\_

Associated Contract #s: \_\_\_\_\_

MDDQ:

Point of Delivery (Primary or Secondary)	Meter #	Maximum Delivery Pressure, if any	Maximum Daily Delivery Quantity (MDDQ)	
			Mcf/d	Dth/d

MDTQ: \_\_\_\_\_ Mcf/d \_\_\_\_\_ Dth/d

This Appendix B supersedes and cancels any previously effective Appendix B to this Transportation Service Agreement.

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

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:** Rocky Mountain Natural Gas LLC

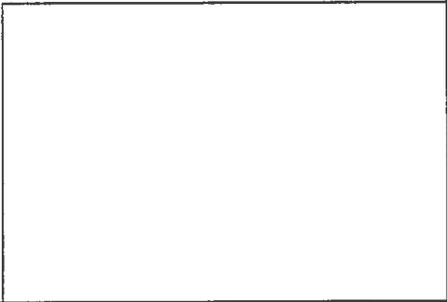
By: \_\_\_\_\_

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

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

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

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



Advice Letter No.

Decision or Authority No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF TRANSPORTATION SERVICE AGREEMENT  
 APPENDIX C**

Transportation Service Agreement between Rocky Mountain Natural Gas LLC ("Transporter") and \_\_\_\_\_ ("Shipper").

Contract #: \_\_\_\_\_

Associated Contract #s: \_\_\_\_\_

**PRIMARY TRANSPORTATION PATH SEGMENT MDTQs:**

Segment Number	Upstream Segment Number	Flow Direction (F)orward Haul or (B)ack Haul	Maximum Daily Transportation Quantity (MDTQ)

This Appendix C supersedes and cancels any previously effective Appendix C to this Transportation Service Agreement.

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

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:** Rocky Mountain Natural Gas LLC

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

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

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

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

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

Advice Letter No.

Decision or Authority No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF NO-NOTICE STORAGE AGREEMENT (NNS)  
(APPLICABLE TO RATE SCHEDULE NNS)**

By and between

Rocky Mountain Natural Gas LLC (a Colorado Corporation)

And

\_\_\_\_\_  
(Shipper or requestor)

**NNS Agreement #:** \_\_\_\_\_

**Associated FTS Agreement #:** \_\_\_\_\_

**State of Incorporation:** \_\_\_\_\_

**Effective Date:** \_\_\_\_\_

**Primary Term:** \_\_\_\_\_

This agreement is coterminous with the applicable Rate Schedule FTS Agreement and shall be rendered invalid if said Rate Schedule FTS Agreement is terminated.

**1. TARIFF:**

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's Transportation Service Rate Schedule and of Transporter's General Terms and Conditions on file with the Colorado Public Utilities Commission or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded. The Rate Schedules and General Terms and Conditions are by this reference made a part hereof

**2. SERVICE:**

Storage Injection and Withdrawal at Withdrawal Point and at the Injection Point shall be on a firm basis, whether quantities are scheduled or are provided on a No-Notice, unscheduled basis. Transporter agrees to provide injection, storage, and withdraw services as provided for in Transporter's Tariff up to the maximum entitlements identified in the attached Exhibit A, made a part of hereof.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF NO-NOTICE STORAGE AGREEMENT  
(Continued)**

This Service is available only to Shippers who are serving SourceGas Distribution LLC On-System Delivery Points as specified on Transporter's EBB for which NNS is available.

**3. RATES AND SURCHARGES:**

The rates charged for services provided under this Agreement shall be the maximum rate allowed by Transporter's Tariff. Reservation Payment(s) shall be equal to the No-Notice Firm Storage Reservation Charge specified in Transporter's Tariff multiplied by Shipper's Maximum Daily Withdrawal Quantity ("MDWQ").

**4. NOTICES AND COMMUNICATION:**

All notices and communications with respect to this Rate Schedule NNS Agreement shall be in writing by mail, e-mail, or fax, or other means agreed to by the parties, and sent to the addresses stated below for the Shipper and sent to the addresses provided in the Tariff, as may be changed from time to time, for the Transporter or to any other such address(es) as may be designated in writing by mail, e-mail, or fax, or other means similarly agreed to.

**5. ASSIGNMENT:**

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge this Agreement and all rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign this Agreement or any of its rights hereunder without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

**AGREED TO BY:**

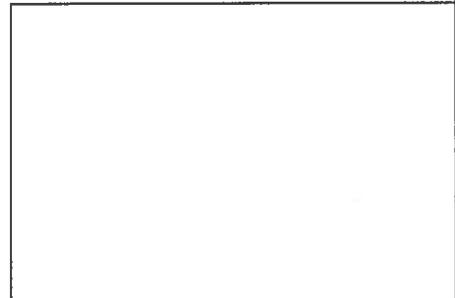
**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:**  
Rocky Mountain Natural Gas LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401

**Shipper: (Shipper's Name and Address)**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

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

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



Advice Letter No.  
Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:  
Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

Colo. PUC No. 4  
Original Sheet No. 190

**FORM OF NO-NOTICE STORAGE AGREEMENT  
EXHIBIT A**

Customer must have completed a Credit Application with Transporter and have an executed and active Rate Schedule FTS Agreement or limited-term Partial Capacity Assignment to serve certain SourceGas Delivery Points as defined in the General Terms and Conditions before this Exhibit has any legal effect. Once executed, this Exhibit shall be made a part of and be subject to all terms and conditions of the Rate Schedule NNS Agreement executed by and between Transporter and Shipper, and service hereunder shall be rendered in accordance with the terms of Rate Schedule NNS or any superseding rate schedule, and all applicable General Terms and Conditions which are in effect during the term of this Exhibit.

Service under Rate Schedule NNS is firm so long as Shipper has available credit, as determined by Company.

**This Exhibit A supersedes and cancels and previously effective Exhibit A to the referenced NNS.**

**Transaction Date (Effective Date):** \_\_\_\_\_

**NNS Agreement #:** \_\_\_\_\_

**Associated FTS Agreement#:** \_\_\_\_\_

**Delivery Period:** \_\_\_\_\_ to \_\_\_\_\_

At the end of the term of this Exhibit A, Shipper must have withdrawn 100% of all Gas in Place as provided for in Transporter's Tariff.

**Entitlements and Contract Year Terms by Month:**

Contract Year: \_\_\_\_\_  
Maximum Available Capacity ("MAC"): \_\_\_\_\_ Mcf/d \_\_\_\_\_ Dth/d  
Maximum Available Withdrawal Quantity ("ADWQ"): \_\_\_\_\_ Mcf/d \_\_\_\_\_ Dth/d  
Maximum Daily Withdrawal Quantity (MDWQ): \_\_\_\_\_ Mcf/d \_\_\_\_\_ Dth/d  
Maximum Available Injection Quantity ("ADIQ"): \_\_\_\_\_ Mcf/d \_\_\_\_\_ Dth/d  
Maximum Daily Injection Quantity ("MDIQ"): \_\_\_\_\_ Mcf/d \_\_\_\_\_ Dth/d

**Rates:** Shipper is responsible for payment of all charges assessed by Transporter pursuant to the Transporter's Tariff.

**Receipt and Delivery:**

**Primary Receipt Point(s): Storage Withdrawal Point**

Location Name: \_\_\_\_\_  
Number: \_\_\_\_\_

**Primary Delivery Points: Storage Injection Point**

Location Name: \_\_\_\_\_  
Number: \_\_\_\_\_

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**EXHIBIT A TO NO-NOTICE STORAGE AGREEMENT  
(Continued)**

**Customer Confirmation and Transporter's Acceptance / Authorization:**

Shipper will confirm Shipper's agreement to the terms and conditions described in the Exhibit by returning two executed originals of this Exhibit to Transporter. The transaction described in this Exhibit will be accepted and authorized upon Transporter's counter execution of this Exhibit and Transporter shall communicate acceptance of this by sending a copy of the fully executed exhibit to Shipper.

**AGREED TO BY:**

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:**

Rocky Mountain Natural Gas LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401

**Shipper: (Shipper's Name and Address)**

\_\_\_\_\_

\_\_\_\_\_

Attn: \_\_\_\_\_

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

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

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

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

Advice Letter No.

Michael Noone

Issue Date:

Decision or Authority No.

Issuing Officer

President

Title

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF AUTOMATIC PARKING AND LENDING AGREEMENT (APAL)  
(APPLICABLE TO RATE SCHEDULE APAL)**

By and between

Rocky Mountain Natural Gas LLC (a Colorado Corporation)

And

\_\_\_\_\_  
(Shipper or requestor)

**APAL Agreement #:** \_\_\_\_\_

**Associated NNS Agreement #:** \_\_\_\_\_  
(if applicable)

**Associated FTS Agreement #:** \_\_\_\_\_

**State of Incorporation:** \_\_\_\_\_

**Effective Date:** \_\_\_\_\_

**Primary Term:** \_\_\_\_\_

This agreement is coterminous with the applicable Rate Schedule FTS agreement and shall be rendered invalid if said Rate Schedule FTS agreement is terminated.

**1. TARIFF:**

Transporter's Gas Tariff, the Rate Schedule APAL and the General Terms and Conditions shall govern the service hereunder. For any conflicts between this Agreement and the Tariff, the Tariff shall govern. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's Transportation Service Rate Schedule and of Transporter's General Terms and Conditions on file with the Colorado PUC or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded. The Rate Schedules and General Terms and Conditions are by this reference made a part hereof.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

**FORM OF AUTOMATIC PARKING AND LENDING AGREEMENT  
(Continued)**

**2. SERVICE:**

Transporter shall provide automatic balancing to Shipper specified above. APAL quantities result from the difference between allocated receipt and delivery quantities on Shipper's associated Rate Schedule FTS Agreement after Shipper's imbalance quantities have been accumulated and netted against Shippers associated Rate Schedule NNS Agreement, as applicable. Allocated receipts which exceed deliveries on Shipper's Rate Schedule FTS Agreement shall be considered "Pack Gas" and shall be parked on Transporter's System. Allocated deliveries which exceed receipts on Shipper's Rate Schedule FTS Agreement shall be considered "Draft Gas" and shall be loaned on Transporters system.

**3. RATES AND SURCHARGES:**

The rates charged for services provided under this Agreement shall be specified in Exhibit A which is incorporated hereunder and further detailed in the APAL Rate Schedule of Transporter's Tariff. If the rate provided for herein is a discounted rate(s), the Agreement will separately state the term of the applicable discount(s). If Exhibit A indicates the applicable rate is the maximum or minimum tariff rate(s), the Statement of Rates in the Tariff shall determine such maximum or minimum rates as the rates change over time.

**4. CHANGES IN RATES AND TERMS AND CONDITIONS OF SERVICE:**

Transporter shall have the right to propose to the Colorado Public Utilities Commission ("Colorado PUC") such changes in its maximum and/or minimum rates and in its terms of service as Transporter deems necessary and this Agreement shall be deemed to include any changes made pursuant to Colorado PUC orders or regulations or provisions of law, without prejudice to Shipper's right to protest the same.

**5. NOTICES AND COMMUNICATION:**

All notices and communications with respect to this Rate Schedule APAL Agreement shall be in writing by mail, e-mail, or fax, or other means agreed to by the parties, and sent to the addresses stated below for the Shipper and sent to the addresses provided in the Tariff, as may be changed from time to time, for the Transporter or to any other such address(es) as may be designated in writing by mail, e-mail, or fax, or other means similarly agreed to.

**6. ASSIGNMENT**

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge this Agreement and all rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign this Agreement or any of its rights hereunder without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF AUTOMATIC PARKING AND LENDING AGREEMENT  
(Continued)**

**7. MISCELLANEOUS:**

No waiver by either party to this Rate Schedule APAL Agreement of any one or more defaults by the other in the performance of this Rate Schedule APAL Agreement shall operate or be construed as a waiver of any continuing or future default(s), whether of a like or a different character.

**AGREED TO BY:**

The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.

**Transporter:**

Rocky Mountain Natural Gas LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401

Fax: \_\_\_\_\_  
Phone: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

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

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

**Shipper: (Shipper's Name and Address)**

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

Attn: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Phone: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

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

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

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF AUTOMATIC PARKING AND LENDING AGREEMENT  
EXHIBIT A**

Customer must have completed a Credit Application with Transporter and have an executed and active Rate Schedule FTS Agreement or Partial Capacity Assignment to serve certain SourceGas Distribution LLC Delivery Points as defined in the General Terms and Conditions before this Exhibit has any legal effect. Once executed, this Exhibit shall be made a part of and be subject to all terms and conditions of the Rate Schedule APAL Agreement executed by and between Transporter and Shipper, and service hereunder shall be rendered in accordance with the terms of Rate Schedule APAL or any superseding rate schedule, and all applicable General Terms and Conditions which are in effect during the term of this Exhibit.

Service under Rate Schedule APAL is available to Shippers so long as Transporter has not suspended its availability on Transporter's interactive Electronic Bulletin Board (EBB) and only so long as Shipper has available credit, as determined by Company.

**This Exhibit A supersedes and cancels and previously effective Exhibit A to the referenced APAL**

**Transaction Date (Effective Date):** \_\_\_\_\_

**Associated FTS Agreement #:** \_\_\_\_\_

**Associated NNS Agreement #:** \_\_\_\_\_

**Rate(s):** Stated contract rates To Include Rate(s) for Daily park, un-park, loan or loan payback quantities, and/or Rate(s) for end of day net balance. Shipper is responsible for payment of all surcharges assessed by Transporter pursuant to the Transporters' General Terms and Conditions. During Critical periods Transporter reserves the right to rescind availability of Rate Schedule APAL services or to charge penalty rates as indicated in the APAL Rate Schedule.

**Receipt and Delivery Limitations (if applicable):**

\_\_\_\_\_

\_\_\_\_\_

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**EXHIBIT A TO AUTOMATIC PARKING AND LENDING AGREEMENT  
(Continued)**

**Customer Confirmation and Transporter Acceptance / Authorization:**

Shipper will confirm Shipper's agreement to the terms and conditions described in the Exhibit by returning two executed originals of this Exhibit to Transporter. The transaction described in this Exhibit will be accepted and authorized upon Transporter's counter execution of this Exhibit and Transporter shall communicate acceptance of this by sending a copy of the fully executed exhibit to Shipper.

**AGREED TO BY:**

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:**

Rocky Mountain Natural Gas LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401

**Shipper: (Shipper's Name and Address)**

\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

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

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

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

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

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF MARKET CENTER SERVICES AGREEMENT (MCS)  
(APPLICABLE TO RATE SCHEDULES MCS)**

Master MCS Agreement #: \_\_\_\_\_

By and between

Rocky Mountain Natural Gas LLC (a Colorado Corporation)

And

\_\_\_\_\_  
(Shipper or requestor)

State of Incorporation: \_\_\_\_\_

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

**Primary Term:** \_\_\_\_\_; and then month to month thereafter unless terminated by either party, upon a minimum of thirty (30) days written notice. Each Rate Schedule MCS Transaction Request as discussed more fully herein and in the Rate Schedule of the Tariff will also state its own separate primary term.

Credit Application Received \_\_\_\_\_ Approved \_\_\_\_\_

Pre-granted Credit Quantity and/ or Amount: \_\_\_\_\_. Transporter may not allow any quantities to be parked or loaned or wheeled or transferred under any Rate Schedule MCS Transaction Request once such Credit Amount has been exhausted.

- SERVICE HEREUNDER:** Upon Shipper's request, Transporter may on any day and on an interruptible basis (a) hold (Park) the quantity nominated from Shipper at the Park Point(s), hold the nominated Parked quantity for the specified period and Unpark such quantity at the original Park Point(s) or at a Wheeling or Transfer Point(s) as specified in the Rate Schedule MCS Transaction Request or (b) advance (Loan) the quantity nominated from Shipper at the Loan Point(s), accept Loan Payback of such quantity at the original Loan Point(s) or at Transfer Point(s) as specified in the Rate Schedule MCS Transaction Request.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF MARKET CENTER SERVICES AGREEMENT  
(Continued)**

**2. RATES:**

2.1 Shipper shall pay Transporter for all services rendered hereunder at the rates specified in this Exhibit A to the Rate Schedule MCS Service Agreement incorporated hereunder.

2.2 The rates to be charged Shipper for services under this Agreement shall be the maximum rate filed under Transporter's Rate Schedule MCS and as the same may be revised or changed for that service unless Shipper and Transporter have otherwise agreed in writing.

2.3 The rates charged Shipper for services hereunder shall not be more than the maximum rate applicable to such service, nor less than the minimum rate for such service.

2.4 This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's Rate Schedule MCS and of Transporter's General Terms and Conditions on file with the Colorado Public Utilities Commission or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded. The Rate Schedules and General Terms and Conditions are by this reference made a part hereof.

**3. POINTS OF RECEIPT AND DELIVERY:**

Shipper may nominate from any Parking or Lending point or pool which is listed in the Informational Postings Section of Transporters EBB as a Market Center Point in Transporter's Point Catalog.

**4. TRANSACTION REQUEST:** The Rate Schedule MCS Master Service Agreement will be supplemented with a Rate Schedule MCS Transaction Request for each individual parking, lending wheeling or transfer action. Each Rate Schedule MCS Transaction Request will be posted as a new Appendix to the Rate Schedule MCS Master Service Agreement and such transaction will not require any amendment to the Master Agreement. Each Rate Schedule MCS Transaction request will include the stated quantity to be Parked, Loaned, Wheeled or Transferred, the point of Parking, Lending, Wheeling or transfer, the Transaction Rate(s) including specificity on each associated rate type and the primary term of the parking or lending Transaction Request period.

**5. CERTIFICATIONS:**

By executing this Agreement, Shipper certifies that: (1) Shipper has title to, or a current contractual right to acquire such title to, the gas to be parked, loaned, transferred or wheeled by Transporter; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of deliveries to Transporter or deliveries from Transporter;

**6. BILLING AND PAYMENT:**

Bills will be rendered, and payments shall be due in accordance with Section 6 of General Terms and Conditions

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF MARKET CENTER SERVICES AGREEMENT  
(Continued)**

**7. NOTICES AND COMMUNICATION:**

All notices and communications with respect to this Rate Schedule MCS Agreement shall be in writing by mail, e-mail, or fax, or other means agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or fax, or other means similarly agreed to.

**8. ASSIGNMENT**

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge this Agreement and all rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign this Agreement or any of its rights hereunder without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

**9. MISCELLANEOUS**

No waiver by either party to this Rate Schedule MCS Agreement of any one or more defaults by the other in the performance of this Agreement shall operate or be construed as a waiver of any continuing or future default(s), whether of a like or a different character.

**10. GOVERNING LAW AGREEMENT**

Any controversy between the parties arising under this Rate Schedule MCS Agreement and not resolved by the parties shall be determined in accordance with the laws of the State of Colorado.

**AGREED TO BY:**

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:**  
Rocky Mountain Natural Gas LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401

**Shipper: (Shipper's Name and Address)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

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

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

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

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

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF MARKET CENTER SERVICES AGREEMENT**  
**EXHIBIT No. \_\_\_\_\_**

Shipper must execute or have previously executed a currently effective Market Center Services Agreement and completed a Credit Application with Transporter before this Exhibit has any legal effect. Once executed, this Exhibit shall be made a part of and be subject to all terms and conditions of the Rate Schedule MCS Agreement executed by and between Transporter and Shipper, and service hereunder shall be rendered in accordance with the terms of Rate Schedule MCS or any superseding rate schedule, and all applicable Transporter conditions which are in effect during the term of this Exhibit.

Each Transaction Request requires a separate Exhibit Number.

Service under Rate Schedule MCS is only available to Shippers when Transporter posts its availability on interactive Electronic Bulletin Board (EBB) and only so long as Shipper has available credit, as determined by Transporter.

Each Transaction Request Exhibit may be displayed in chart or spreadsheet format.

**Shipper Name:** \_\_\_\_\_ **Master MCS #:** \_\_\_\_\_

**Transaction Date:** \_\_\_\_\_ **Transaction Confirmation #:** \_\_\_\_\_

- Transaction Type:**  Park  
 Loan  
 Wheel  
 Transfer

**Park or Loan Period as applicable:** \_\_\_\_\_ to \_\_\_\_\_.

If gas is not unparked or loan payback or transferred as agreed with Transporter's Shipper by this end date, Transporter shall exercise its rights to this gas, under General Terms and Conditions.

**Applicable Rate Schedule:** \_\_\_\_\_

**Total Transaction Quantity:** \_\_\_\_\_ Minimum \_\_\_\_\_ Maximum

**Other Terms and Conditions:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**EXHIBIT NO. \_\_\_\_\_ TO MARKET CENTER SERVICES AGREEMENT  
 (Continued)**

Dates of Service		Daily Quantity (Dth)					
		Park or Loan Point			Unpark or Loan Payback Point		
From	Through	Point	Minimum	Maximum	Point	Minimum	Maximum

**Rates** (indicate each as applicable to Transaction Request negotiation):

On Daily Ending Balance: \_\_\_\_\_ (1)

On Daily Park, Unpark, Loan, Loan Payback or Transfer Transaction Activity: \_\_\_\_\_ (1)

Note (1): If applicable to discounted contract rates, although the discounted contract rates are stated individually above, the agreement provides for a total effective MCS unit charge and resulting associated amount based on the Transaction Request volume and the Transaction Request term. At any time during the Transaction Request Term, Transporter may adjust the stated rate component(s) as required, so long as the component change results in maintaining value of the original agreement and so long as each modified rate component remains within the minimum and maximum posted tariff rates.

**Shipper Electronic Confirmation and Transporter Acceptance / Authorization:**

Shipper will confirm Shipper's agreement to the terms and conditions described in the Exhibit by emailing this completed Exhibit to Transporter. The transaction described in this Exhibit will be accepted and authorized upon Transporter's counter execution of this Exhibit and Transporter shall communicate acceptance of this by sending an email verification of the Transaction Request to Shipper.

**AGREED TO BY:**

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Transporter from any claim that such authority did not exist.**

**Transporter:**

Rocky Mountain Natural Gas LLC  
 600 12<sup>th</sup> Street, Suite 300  
 Golden, CO 80401

**Shipper: (Shipper's Name and Address)**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Attn: \_\_\_\_\_

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

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

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

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

Advice Letter No.

Decision or Authority No.

Michael Noone  
 Issuing Officer  
 President  
 Title

Issue Date:

Effective Date: June 1, 2014

Rocky Mountain Natural Gas LLC

**FORM OF AGENCY AGREEMENT**

The undersigned, by and on behalf of \_\_\_\_\_ (Shipper), having a mailing address of \_\_\_\_\_, hereby designates \_\_\_\_\_ (Agent), having a mailing address of \_\_\_\_\_, as its Agent, with full authority to act on its behalf in managing gas transportation on Rocky Mountain Natural Gas LLC (Company), as specified below, for the transportation of gas supplies from Company's Receipt Points to the Primary Delivery Point(s) as shown in the Service Agreements.

Shipper authorizes Agent to act on its behalf in managing gas transportation on Company's system, arranging for the delivery of gas quantities to Company's Receipt Point(s) for Shipper including submitting all nominations therefore managing gas transportation Imbalances incurred on behalf of Shipper, receiving invoices from Company and paying all applicable charges for gas transportation service provided by Company to Shipper at the above Delivery Point(s).

Agent and Shipper acknowledge that all service provided by Company is for the benefit of Shipper. Shipper and its Agent acting on its behalf shall be subject to the Rate Schedules and General Terms and Conditions of the Company's Tariff for Natural Gas Service. In the event that Agent or Shipper fails to make timely payment for service provided by Company, or otherwise is in default under the provisions of Company's Tariff for Natural Gas Service, this Agency Agreement may be revoked by Company and all service provided shall be subject to termination in accordance with Company's Tariff for Natural Gas Service. If such termination of service is a result of Agent's failure to make payment, Shipper shall not be entitled to continued service, regardless of whether Shipper has made payment to Agent, until Company receives full and complete payment or satisfactory payment arrangements between Shipper and Company are made as determined by Company. Agent and Shipper shall be jointly and severally liable for all payments due and owing Company for all services provided.

As of the effective date below, Principal's Agent shall be authorized to act on Principal's behalf in managing gas transportation on Company's system.

This Agency Agreement shall become effective as of \_\_\_\_\_ for a term of one month, and shall remain effective until the first day of the month following thirty (30) days written notice of termination.

This Agency Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Company from any claim that such authority did not exist.**

\_\_\_\_\_  
(Shipper)

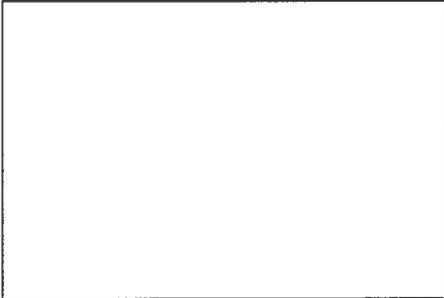
\_\_\_\_\_  
(Agent)

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Print name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Title)



Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 0  
Cancels First Revised Sheet No. 0

Schedule of Rates  
for  
Natural Gas Service  
Available  
In the Entire Territory Served By  
**SourceGas Distribution LLC**

Communications Concerning This Tariff Should Be Addressed To:

Rates and Regulatory  
Department  
SourceGas Distribution LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401  
(303) 243-3401

Supersedes in its entirety:  
Kinder Morgan, Inc.'s  
Tariff  
Colorado P.U.C. Volume No. 6

T  
T  
T

Colorado PUC E-Filings System

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
 Third Revised Sheet No. 2A  
 Cancels Second Revised Sheet No. 2A

**TABLE OF CONTENTS – cont.**

<u>Description</u>	<u>Sheet No.</u>
Gas Cost Adjustment.....	37
<b>SALES SERVICE RATE SCHEDULE .....</b>	<b>40</b>
1. Request for Service .....	40
2. The Customer.....	40
3. Customer Deposits.....	41
4. Information to Customers .....	43
5. Reserved for Future Use .....	43
6. Bills, Duplicate Bills, Failure to Receive Bills .....	44
7. Balanced Billing Plan .....	44
8. Billing and Payment.....	45
9. Conditions for Refusal of or Discontinuance of Service.....	49
10. Customer Piping, Fixtures and Appliances.....	66
11. Delivery Pressure of Gas .....	67
12. Heating Value of Gas.....	67
13. Inaccuracy of Registration and Meter Failure.....	67
14. Customer Meter Test Requests .....	68
15. Inspection by Company .....	68
16. Liability.....	69
17. Interruption of Service .....	69
18. Company and Customer Piping .....	70
19. Customer Service Connection, Service Line and Main Extension Policy .....	72
20. Rights of Way and Easements .....	74

D

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
 Second Revised Sheet No. 2B  
 Cancels First Revised Sheet No. 2B

**TABLE OF CONTENTS – cont.**

<u>Description</u>	<u>Sheet No.</u>
<b>SALES SERVICE RATE SCHEDULE (CONT.)</b>	
21. Temporary Service.....	75
22. Pipelines Other Than the Company’s .....	75
23. Alteration of Rules and Regulations .....	75
24. Tax Adjustment.....	76
25. Gas Meter Testing.....	76
26. Excess Flow Valves .....	76
27. General Terms and Conditions .....	76A
28. Conversion to Distribution Transportation Service .....	77
<b>DISTRIBUTION TRANSPORTATION SERVICE</b>	
Residential Distribution Transportation Service .....	78
Small Commercial Distribution Transportation Service .....	79
Large Commercial Distribution Transportation Service .....	80
Irrigation, Crop Drying or Seasonal Distribution Transportation Service .....	81
Transportation Rate Adjustment .....	81A
Distribution Transportation Service Rate Schedule .....	81C
Form of Distribution Transportation Service Agreement.....	95
Form of Agency Agreement.....	98
Form of Credit Application .....	104C
Form of Agency Agreement Related to Limited-Term Partial Assignment.....	104E
Form Providing for Aggregated Agency Service Rights Related to Limited-Term Partial Assignment....	104G

T  
 N  
 N

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
 Second Revised Sheet No. 3  
 Cancels First Revised Sheet No. 3

**TABLE OF CONTENTS – cont.**

<u>Description</u>	<u>Sheet No.</u>
GENERAL TERMS & CONDITIONS .....	105
1. Application.....	105
2. Definitions.....	105
3. Quality .....	111
4. Measurements .....	113
5. Measuring Equipment .....	115
6. Meter Tests & Adjustments.....	116
7. Billing .....	117
8. Payments .....	118
9. Operations by Shipper and Company .....	119
10. Reserved for Future Use.....	119
11. Reserved for Future Use.....	119
12. Reserved for Future Use.....	119
13. Possession of Gas.....	119
14. Pressure .....	120
15. Warranty of Title of Gas .....	120
16. Limitations on Obligations.....	120
17. Liability.....	128
18. Remedies.....	128
19. Duly Constituted Authorities .....	128
20. Notices .....	129
21. Operational Controls .....	130
22. Conversion to Thermal Billing Units .....	136

T

**SYMBOL LEGEND**

- C – Change in text due to a changed regulation, term or condition, which does not affect rates
- D – Discontinued service or deleted material
- I – Rate Increase
- R – Rate Reduction
- M – Material moved from or to another part of the tariff
- N – New material, including new products, rates, terms, or conditions
- T – Change in text not related to changes in rates, charges, terms, or conditions

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014



SourceGas Distribution LLC

Colo. PUC No. 7  
 Eighteenth Revised Sheet No. 7C  
 Cancels Seventeenth Revised Sheet No. 7C

**Western Slope Colorado**  
**Sales Service Schedule of Rates**  
 (Included in Base Rate Area 1)

**Rule 4406(b) Itemized Billing Units**

Rate Schedule	Distribution 1/	Volumetric Charges Per Therm				Monthly Charge (Per Meter)			
		Gas Cost Adjustment		Upstream Pipeline	DSMCA	Total	DSMCA	Customer Charge 1/	Total
		Commodity							
R-1	\$0.2480	\$0.4102	\$0.2577	\$0.0001	\$0.9160	\$0.01	\$12.16	\$12.17	
SC-1	\$0.2031	\$0.4102	\$0.2577	\$0.0079	\$0.8789	\$0.93	\$24.26	\$25.19	
LC-1	\$0.1678	\$0.4102	\$0.2577	\$0.0065	\$0.8422	\$4.21	\$110.53	\$114.74	
ICD-1	\$0.1003	\$0.4102	\$0.2577	\$0.0039	\$0.7721	\$7.58	\$197.89	\$205.47	

1/ Includes General Rate Schedule Adjustment ("GRSA") pursuant to Sheet No. 8A and the Percentage of Income Payment Plan Cost Adjustment ("PIPPCA") pursuant to Sheet No. 20 and in the amount shown on Sheet No. 7B (Note 6 and 7) for the corresponding class of service and type of charge.

D

D

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
 Ninth Revised Sheet No. 7J  
 Cancels Eighth Revised Sheet No. 7J

**Distribution Transportation Service Schedule of Rates**  
 (Base Rate Area 1)

<u>Rate Schedule</u>	<u>Type Of Charge</u>	<u>Billing Units</u>	<u>Maximum Rate (1)</u>	<u>Minimum Rate</u>	<u>Reference Sheet</u>
RTS-1	Customer	Per Meter	\$11.96	\$11.00	78
RTS-1	Volumetric	Per Therm	\$0.2480	\$0.001	78
SCTS-1	Customer	Per Meter	\$23.91	\$22.00	79
SCTS-1	Volumetric	Per Therm	\$0.2031	\$0.001	79
LCTS-1	Customer	Per Meter	\$108.69	\$100.00	80
LCTS-1	Volumetric	Per Therm	\$0.1678	\$0.001	80
ATS-1	Customer	Per Meter	\$195.64	\$180.00	81
ATS-1	Volumetric	Per Therm	\$0.1003	\$0.001	81

(1) Maximum rate includes General Rate Schedule Adjustment per Tariff Sheet No. 8A as summarized below:

<u>Rate Schedule</u>	<u>General Rate Schedule Adjustment (GRSA")</u>		
	<u>Billing Units</u>	<u>Percent</u>	<u>Rate</u>
RTS-1	Customer	8.69%	\$0.96
RTS-1	Volumetric	8.69%	\$0.0198
SCTS-1	Customer	8.69%	\$1.91
SCTS-1	Volumetric	8.69%	\$0.0162
LCTS-1	Customer	8.69%	\$8.69
LCTS-1	Volumetric	8.69%	\$0.0134
ATS-1	Customer	8.69%	\$15.64
ATS-1	Volumetric	8.69%	\$0.0080

Monthly Administrative Charge .....\$175

Fuel reimbursement quantity:  
 Main Line customers.....0.00%  
 All other customers.....0.49%

Overrun Charges:  
 Authorized Overrun Charge.....Distribution Charge  
 Unauthorized Overrun Charge.....\$ 2.50 per Therm

Other Rate Adjustments:

D

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 37  
Cancels First Revised Sheet No. 37

**Gas Cost Adjustment**

- (a) **Description**  
Rate schedules for natural gas service are subject to a Gas Cost Adjustment (GCA) to reflect changes in the cost of purchased gas, as provided for herein. Different GCA amounts are applicable to the North Eastern, Western Slope, North Central, Arkansas Valley, and Southwestern areas as listed in Sheet Numbers 5, 5A, 5B, 5C and 5D which correspond to the Schedules of Rates listed on Sheet Numbers 7, 7B, 7D, 7F and 7H.
- (b) **Frequency of Change**  
The GCA amounts shall be subject to revision annually on November 1, to reflect increases or decreases in gas costs, such as the cost of the gas commodity and Upstream Services. Additional GCA applications may be filed at other times to revise relevant tariff sheets provided that the resulting changes equate to at least one mill (\$0.001) per therm. Said increased or decreased adjustment amounts shall be prorated as of the effective date.
- (c) **Determination of GCA Amounts**  
The GCA for each service area listed on Sheet Nos. 5, 5A, 5B, 5C and 5D will be determined as follows:
1. The gas supply cost for the period shall be determined by summing the following costs: 1) Forecasted Gas Commodity Cost Component; 2) the Forecasted Upstream Cost Component to be applicable during the GCA Effective Period; and, for the Western Slope GCA Rate Area only, 3) the Forecasted Working Gas Storage Cost Component. The Forecasted Gas Commodity Cost Component shall be the system wide average composite unit cost to the Company for purchasing, gathering, treating, and processing of gas or any other services, fees and taxes assessed, under contract or otherwise, multiplied by the Forecasted Gas Purchase Quantity received or to be received as applicable during the effective GCA period at the Colorado P.U.C. jurisdictional facilities. The Forecasted Upstream Cost Component shall be the cost of transportation and storage, net of any revenues from capacity releases, directly attributable to Company's Colorado jurisdiction during the period and the LSSRS for the Western Slope Rate Area. The Forecasted Working Gas Storage Cost Component shall be the carrying costs associated with the Company's gas storage inventory for its Western Slope GCA Rate Area. The carrying cost shall be determined by applying the weighted average cost of short-term debt to the annual average of the forecasted monthly gas storage inventory balances for the GCA Effective Period. For billing presentation purposes, Working Gas Storage Costs shall be included with Gas Commodity Costs for calculating the GCA effective rate. The Company shall separately identify and account for demand and commodity costs related to each of the above listed gas supply cost categories.

C

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 39  
Cancels First Revised Sheet No. 39

Gas Cost Adjustment – continued

- (d) Interest  
Interest will be paid on any over-recovered amounts in accordance with the Commission's GCA rules. The Company will not include interest on under-recoveries except to the extent such interest will offset interest on over-recoveries.
- (e) Treatment of Refunds  
Refunds received from the Company's suppliers, including interest received thereon, will be refunded in accordance with all applicable laws and rules set forth by the Commission.
- (f) Information to be filed with the Commission  
Each GCA filing will be accomplished by filing an application and exhibits with the Commission as required by Commission GCA rules not less than two weeks prior to the proposed effective date of such filing. Such filing will be accompanied by all such supporting data, schedules, and information as may be required by the Commission from time to time.
- (g) Additional Filings  
Beginning in 1998, the Company shall file with the Commission, on or before each June 1, a Gas Purchase Plan (GPP), in accordance with the Commission's rules. The Company shall also file any other reports as may be required by the Commission's GCA rules in compliance with such rules, as modified from time to time.
- (h) Compliance With Commission Rules  
The Company's GCA as set forth herein incorporates by reference the Commission's Rules Regarding Gas Cost Adjustment. Where not explicitly stated, the intent of the Commission's rules shall prevail in the event of errors or omissions.
- (i) Transportation Rate Adjustment  
Revenues collected through the Transportation Rate Adjustment (TRA) surcharge shown on Sheet No. 7K will be included in the calculation of the Deferred Gas Cost Component of the GCA.
- (j) Litigated Settlement Special Rate Surcharge  
The Litigated Settlement Special Rate Surcharge (LSSRS) shall be applied to the Company's Western Slope Gas Cost Adjustment, until the Company has recovered the entire settlement amount authorized for recovery through the LSSRS. The LSSRS shall terminate at the earlier of October 31, 2017 or once the entire settlement amount has been fully recovered by the Company.

The LSSRS shall terminate in the same month that full recovery of the entire settlement amount is completed. At such time, the Company shall file an advice letter to remove the LSSRS from rates.

C

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 39D  
Cancels First Revised Sheet No. 39D

This Page Intentionally Left Blank

D

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 39E  
Cancels First Revised Sheet No. 39E

This Page Intentionally Left Blank

D

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 77  
Cancels First Revised Sheet No. 77

SALES SERVICE RATE SCHEDULE - continued

28. CONVERSION TO DISTRIBUTION TRANSPORTATION SERVICE

28.1 If a Customer receiving service under this Sales Service Rate Schedule elects to convert all, or a portion, of its service to Distribution Transportation Service, either on its own behalf or through a designated third party, the Customer or its designated third party will be subject to meeting the terms and conditions of the Distribution Transportation Service Rate Schedule contained in this Tariff, wherein the Sales Service Customer or its designated third party will be assigned to Distribution Transportation Service.

28.2 The Customer turned End-User must reapply for Sales Service in the future should the then End-User choose to convert the Transportation portion of its service back to Sales Service. The Company may charge such End-User fees equivalent to those charged a new Sales Service Customer.

28.3 The Company shall not be required to refund any monies paid by the Customer or End-User to the Company for equipment or construction associated with the terminated Distribution Transportation Service or the conversion from Sales Service to Distribution Transportation Service or vice versa.

28.4 LIMITED TERM PARTIAL ASSIGNMENT FOR THE WESTERN SLOPE SERVICE TERRITORY. To facilitate the conversion from Sales Service to Transportation Service for Delivery Points where Rocky Mountain Natural Gas LLC is the upstream service provider, the Distribution Transportation Service Shipper will be required to take upstream pipeline and/or storage capacity on a limited-term Partial Assignment basis as provided for in Section 2.4 of the Distribution Transportation Service Rate Schedule of this Tariff. The limited-term Partial Assignee (also known as the Shipper in the Rocky Mountain tariff) is liable for, and will be invoiced for and will pay, all charges billed for such assigned upstream capacity for service covering the entire term of the limited assignment period. The limited-term Partial Assignee is prohibited from reselling the upstream capacity the Shipper has obtained by limited-term Partial Assignment.

a. The limited-term Partial Assignment shall cover the Rocky Mountain Natural Gas LLC Rate Schedule FTS, Rate Schedule APAL and, if applicable to the Delivery Point, the Rate Schedule NNS contract quantities and associated contract entitlements.

T

N

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 77A  
Cancels First Revised Sheet No. 77A

28.5 LIMITED CAPACITY RELEASE. To facilitate the conversion from Sales Service to Transportation Service for Delivery Points where Rocky Mountain Natural Gas LLC is the upstream service provider and where the primary Receipt Point(s) is at the Colorado Interstate Gas Company, L.L.C. ("CIG")-Rifle point, the Company will hold the rights and obligations to the CIG upstream capacity contract and will offer capacity release(s) of the allocated quantity attributable to Distribution Transportation Service. The limited-term Partial Assignee may, but will not be required to, take their ratable share of applicable upstream CIG pipeline capacity by means of a capacity release. If the limited-term Partial Assignee elects to not take upstream CIG capacity, it will be subject to the terms and conditions of the Rocky Mountain Natural Gas LLC and Company tariffs relative to obtaining supply. Information related to the capacity release process will be described in an informational posting on the Company's website.

N

Advice Letter No. 261

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Third Revised Sheet No. 78  
Cancels Second Revised Sheet No. 78

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE  
RESIDENTIAL DISTRIBUTION TRANSPORTATION SERVICE  
RATE SCHEDULE RTS (RTS-1, RTS-2)

AVAILABILITY

This Rate Schedule is available to all Residential End-Users within the Company's service territory where natural gas is available.

T

RATE

Base Rate Area 1 End-Users are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet 7J.

T

Base Rate Area 2 End-Users are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet 7K.

T

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to Shippers on behalf of End-Users that receive service in such municipality. The appropriate franchise tax shall be applied to each Shipper's charge and then set forth as a separate item, or surcharge, on that Shipper's bill.

T

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

PAYMENT

Bills for gas service are due and payable subject to Distribution Transportation Service Agreement and the Company's Distribution Transportation Service General Terms and Conditions.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the End-User, and shall not be re-sold or shared by others. Service under this schedule is for the use of Residential Distribution Transportation Service End-Users only. All services under this schedule are subject to the Distribution Transportation Service Rate Schedule commencing on Sheet No. 81C and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

T

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Fourth Revised Sheet No. 79  
Cancels Third Revised Sheet No. 79

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE  
SMALL COMMERCIAL DISTRIBUTION TRANSPORTATION SERVICE  
(5,000 therms or less per year)

RATE SCHEDULE SCTS (SCTS-1, SCTS-2)

AVAILABILITY

This Rate Schedule is available to all Commercial End-Users within the Company's service territory where natural gas is available.

T

RATE

Base Rate Area 1 End-Users are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet 7J.

T

Base Rate Area 2 End-Users are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet 7K.

T

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to Shippers on behalf of End-Users that receive service in such municipality. The appropriate franchise tax shall be applied to each Shipper's charge and then set forth as a separate item, or surcharge, on that Shipper's bill.

T

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

PAYMENT

Bills for gas service are due and payable subject to Distribution Transportation Service Agreement and the Company's Distribution Transportation Service General Terms and Conditions.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the End-User, and shall not be re-sold or shared by others; provided, however, that natural gas sold under this schedule may be re-sold for the limited purpose of re-fueling compressed natural gas powered vehicles. Service under this schedule is for the use of Small Commercial Distribution Transportation Service End-Users only. All services under this schedule are subject to the Distribution Transportation Service Rate Schedule commencing on Sheet No. 81C and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

T

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Fourth Revised Sheet No. 80  
Cancels Third Revised Sheet No. 80

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE  
LARGE COMMERCIAL DISTRIBUTION TRANSPORTATION SERVICE  
(Greater than 5,000 therms per year)  
RATE SCHEDULE LCTS (LCTS-1, LCTS-2)

AVAILABILITY

This Rate Schedule is available to all Large Commercial End-Users within the Company's service territory where natural gas is available.

T

RATE

Base Rate Area 1 End-Users are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet 7J.

T

Base Rate Area 2 End-Users are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet 7K.

T

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to Shippers on behalf of End-Users that receive service in such municipality. The appropriate franchise tax shall be applied to each Shipper's charge and then set forth as a separate item, or surcharge, on that Shipper's bill.

T

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

PAYMENT

Bills for gas service are due and payable subject to Distribution Transportation Service Agreement and the Company's Distribution Transportation Service General Terms and Conditions.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the End-User, and shall not be re-sold or shared by others; provided, however, that natural gas sold under this schedule may be re-sold for the limited purpose of re-fueling compressed natural gas powered vehicles. Service under this schedule is for the use of Large Commercial Distribution Transportation Service End-Users only. All services under this schedule are subject to the Distribution Transportation Service Rate Schedule commencing on Sheet No. 81C and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

T

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Third Revised Sheet No. 81  
Cancels Second Revised Sheet No. 81

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

IRRIGATION CROP DRYING OR SEASONAL DISTRIBUTION TRANSPORTATION SERVICE

RATE SCHEDULE ATS (ATS-1, ATS-2)

AVAILABILITY

This Rate Schedule is available to all Irrigation, Crop Drying or Seasonal End-Users within the Company's service territory where natural gas is available. Premises having residential services connected at the same premise shall be eligible for service under this rate schedule as long as the residential load connected constitutes a smaller portion of the entire connected load than for irrigation or crop drying. To be included in this class, Seasonal End-Users must not consume natural gas from December 15 through March 15.

T

RATE

Base Rate Area 1 End-Users are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet 7J.

T

Base Rate Area 2 End Users are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet 7K.

T

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to Shippers on behalf of End-Users that receive service in such municipality. The appropriate franchise tax shall be applied to each Shipper's charge and then set forth as a separate item, or surcharge, on that Shipper's bill.

T

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

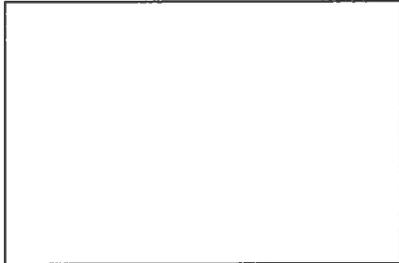
PAYMENT

Bills for gas service are due and payable subject to Distribution Transportation Service Agreement and the Company's Distribution Transportation Service General Terms and Conditions.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the End-User, and shall not be re-sold or shared by others. Service under this schedule is primarily for the use of irrigation and crop drying purposes. Irrigation and Crop Drying shall also include Seasonal End-Users. All services under this schedule are subject to the Distribution Transportation Service Rate Schedule commencing on Sheet No. 81C and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

T



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 81A  
Cancels First Revised Sheet No. 81A

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

**TRANSPORTATION RATE ADJUSTMENT**

1. APPLICABILITY

This Transportation Rate Adjustment (TRA) determined hereunder shall be applied to the commodity charge established from time to time for transportation service under the Distribution Transportation Service Rate Schedule, for Shippers in the North Eastern Colorado area, contained in the Company's tariff filed with the Colorado Public Utilities Commission.

T

2. COMPUTATION PERIOD AND FREQUENCY

Each year the Company shall make a filing with the Commission in which the Company will determine the Transportation Rate Adjustment (TRA) pursuant to paragraph 3 hereof to be effective during the twelve month period beginning on November 1 of that year. This adjustment will be included in the Company's annual GCA filing. If at any time during this twelve month period the Company experiences a change or changes in supplier rates, the cumulative effect of which is to produce an increase or decrease in total gas supply costs of at least one mill (\$0.001) per therm, the Company may determine new TRA surcharge rates incorporating this impact to be effective for the remainder of the twelve month period.

3. DETERMINATION OF TRANSPORTATION RATE ADJUSTMENT

- a. The projected average above-market unit price of Contract P-0802 shall first be determined and be equal to the higher of zero or the difference between (1) the projected average unit cost of Contract P-0802 gas purchases and (2) the projected system-wide average unit cost of Company's other gas purchases, excluding Contract P-0802 gas purchases.
- b. The projected average above-market unit price of Contract P-0802 shall then be multiplied by the total projected annual regulated Contract P-0802 purchase volumes. The result is the total system-wide amount of above-market costs of Contract P-0802.
- c. The total system-wide amount of above-market costs of Contract P-0802 shall be divided by the projected annual system-wide throughput volumes. The result is the applicable system-wide TRA surcharge rate.
- d. The applicable system-wide TRA surcharge rate shall be multiplied by the projected total annual transportation volumes in North Eastern Colorado. This calculation determines the total projected Contract P-0802 cost obligation of North Eastern Colorado transportation customer classes. The result plus the actual balance of the TRA Deferred Account, as defined herein, will be used to calculate the applicable TRA surcharge rate.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 81B  
Cancels First Revised Sheet No. 81B

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

TRANSPORTATION RATE ADJUSTMENT – continued

- i. The TRA annual accumulation period shall be the twelve (12) months ended June 30. The TRA deferred account balance shall be determined by comparing the (1) the total actual Contract P-0802 cost obligation of Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule, calculated using the same method as the projected cost obligation, above, to (2) the total actual costs collected from Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule. Such difference shall reflect over-or under- collections and shall be credited or debited to the TRA Deferred Account. T
  
- e. The amount resulting from paragraph 3.d. above shall be divided by the projected transportation volumes for Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule which will be billed the TRA Surcharge Rate. The resulting rate shall be the individual TRA Surcharge Rate stated under the Distribution Transportation Service Rate Schedule. T
  
- f. The TRA Surcharge Rate, resulting from steps a through e above, shall be added to the base transportation rate for Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule. The total of the TRA surcharge rate plus the base transportation rate shall be stated on the currently effective Tariff Sheet No. 7J, and shall be the total maximum transportation rate applicable to Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule. T

4. TRANSPORTATION RATE DISCOUNT ORDER

If and when the Company discounts the rates applicable to service rendered under the transportation rate schedule contained in the Company's effective Tariff filed with the Commission, the TRA Surcharge Rate component shall be discounted prior to the discounting of any other component of the applicable maximum rate. The Company will maintain records sufficient to determine the amount of TRA surcharge collected from each transportation Shipper. T

5. CREDITING OF REVENUES COLLECTED PURSUANT TO THE TRA

All revenues actually collected as a result of the application of the TRA Surcharge Rate to North Eastern Colorado transportation volumes shall be credited pursuant to the provisions of the Gas Cost Adjustment, Tariff Sheets No. 37, 38, and 39 of SourceGas' effective Colorado Gas Tariff.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Third Revised Sheet No. 81C  
Cancels Second Revised Sheet No. 81C

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

1. AVAILABILITY

1.1 Definition. Distribution Transportation Service is the provision of capacity (separate from Company purchased natural gas supplies) on the Company's distribution system on behalf of an End-User(s) who is responsible for procuring its own natural gas supplies. Distribution Transportation Service by Company consists of acceptance of gas tendered by Shipper to Company's Distribution Transportation System at the Point(s) of Receipt, and direct delivery, displacement delivery or exchange delivery for Shipper's account, including receipt at mainline measuring facilities. Distribution transportation service does not apply to wellhead, gathering, processing or storage facilities and services.

a. For a Shipper(s), where the Shipper is the End-User or where the Shipper's Agent is providing service on behalf of one or more End-Users with a Delivery point located where Rocky Mountain Natural Gas LLC is the upstream service provider, the Shipper or the Shipper's Agent will also be required to take certain upstream capacity by limited term Partial Assignment and, as applicable, limited capacity release as provided for in this Rate Schedule.

1.2. Customer Class Definitions. Only one class of service shall be furnished to an individual or corporation at a single address or location. A single request for service cannot apply to different locations. A single request cannot cover more than one meter.

a. Residential Distribution Transportation Service. Residential distribution transportation service is defined as service provided for domestic general household purposes in a space occupied as living quarters, typically designed for occupancy by one family. Typical service would include, but not be limited to the following: separately-metered units, such as a single private residence, single apartment, mobile home, low income housing unit, nursing home unit, a parsonage paid by the church, low income housing paid by a housing authority, and employee housing paid by the government or business entity. In addition, auxiliary buildings on the same premises as the living quarters, used for residential purposes, will also be considered residential usage.

b. Small Commercial Distribution Transportation Service. Small Commercial Distribution Transportation service is defined as service provided to non-residential premises such as a business enterprise in a space occupied and operated for non-residential purposes consuming 5,000 therms or less per year. Typical service would include, but not be limited to the following: nursing home, apartments, low income housing complex and a trailer park where natural gas is supplied through one meter, stores, offices, shops, restaurants, sorority and fraternity houses, boarding houses, hotels, service garages, filling stations, hospitals, schools, churches, service organizations, barber shops, beauty parlors, shopping malls, construction, communication, transportation and agricultural activities, excluding irrigation and crop drying Distribution Transportation Service Rate Schedule. This service shall also include service to industrial activities at non-residential premises used primarily for a process which creates or changes raw or unfinished materials into another form or product including mining, oil and gas extraction, and the generation of electric power.

N

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 81D  
Cancels Original Sheet No. 81D

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE  
1.2 – continued

- c. Large Commercial Distribution Transportation Service. Large Commercial Distribution Transportation service is defined as service provided to non-residential premises such as a business enterprise in a space occupied and operated for non-residential purposes consuming greater than 5,000 therms per year. Typical service would include, but not be limited to the following: nursing home, apartments, low income housing complex and a trailer park where natural gas is supplied through one meter, stores, offices, shops, restaurants, sorority and fraternity houses, boarding houses, hotels, service garages, filling stations, hospitals, schools, churches, service organizations, barber shops, beauty parlors, shopping malls, construction, communication, transportation and agricultural activities, excluding irrigation and crop drying as defined below in Section 1.2.d of this Distribution Transportation Service Rate Schedule. This service shall also include service to industrial activities at non-residential premises used primarily for a process which creates or changes raw or unfinished materials into another form or product including mining, oil and gas extraction, and the generation of electric power.
- d. Irrigation, Crop Drying or Seasonal Distribution Transportation Service. Irrigation distribution transportation service is defined as service provided for pumping water for farm land irrigation purposes from an irrigation well. Crop drying service is defined as service provided for drying grain or crops. Seasonal service is defined as service for End-Users that must not consume natural gas from December 15 through March 15.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 82  
Cancels First Revised Sheet No. 82

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

1. AVAILABILITY (cont.)

- 1.3 This Rate Schedule is available for distribution transportation service of natural gas by the Company for any Shipper, when:
- a. End-User has elected to be served under this Distribution Transportation Service Rate Schedule and End-User has submitted a standard form of Distribution Transportation Service Request as contained in this Tariff;
  - b. Company has determined, based upon the character and permanency of the load, that it has sufficient, uncommitted peak day capacity available to provide the service requested without any construction of facilities or other necessary investment by Company unless Company has waived in a nondiscriminatory manner this requirement in writing;
  - c. Shipper has executed a Distribution Transportation Service Agreement in the form contained in this Gas Tariff of which this Rate Schedule is a part;
  - d. The distribution transportation service is to be implemented in accordance with the Colorado Public Utilities Commission's Gas Transportation Rules.
  - e. Company shall receive and deliver gas to Shipper at points located on its distribution system as shown on the executed Distribution Transportation Service Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Distribution transportation service is the movement of gas through Company's distribution facilities. The distribution transportation service will be subject to the General Terms and Conditions attached.
- 2.2 Such distribution transportation service shall be provided to the extent capacity is available.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 83  
Cancels First Revised Sheet No. 83

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

- 2.3 Company shall receive from Shipper, or for the account of Shipper daily quantities of gas tendered for transportation. Upon receipt of natural gas for Shipper's account, Company shall, after a reduction of the applicable Fuel Reimbursement Quantity (loss and unaccounted for and company use), transport and deliver for the account of Shipper the thermal equivalent of such gas at the End-User Premise as specified in the Distribution Transportation Service Agreement.
- 2.4 CONTRACT QUANTITY.
- a. Company shall calculate an MDDQ for any End-User submitting a Request for Distribution Transportation Service.
- b. Such calculation shall include the amount of capacity required on both the Company's distribution system and the amount of any upstream pipeline and/or storage systems capacity under contract to be assigned or released by the Company. Such calculation shall also include the designation of Primary Receipt Point(s), Primary Path(s) if applicable, Primary Delivery Point(s) for each End User premise included in the request with such Points designated on both the Company's system and on any upstream pipeline and/or storage system. If an End-User designates an Agent associated with the assigned or released upstream system capacity, the calculated MDDQ of the End-User shall be aggregated with other End-User's MDDQs designating the same Agent and shall be added to the MDDQ of the Agent's service entitlements for the period of the Agent-End-User relationship. The sum of the transportation MDDQs on the Company's distribution system appended to a Service Agreement or the limited-term Partial Assignment shall be the MDSQ used for billing purposes.
- i. The End-User must provide a notification by February 15 of the End-User's non-binding intent to take Distribution Transportation Service for the period of June 1 of the same year through May 31 of the following year. The Agent, for the benefit of one or more End-Users, may provide such notification. The Company shall compute the MDDQ level for such transportation term for both the Company distribution system and for the upstream capacity rights by March 31 and shall notify the End-User, or the Shipper, if applicable, of the MDDQ and the assigned or released upstream capacity rights. The End-User will provide a notification by April 25 of its binding election to take such distribution transportation service or to allow an Agent to take such upstream transportation service on its behalf using the designated contract entitlements. The Company must receive the executed Distribution Transportation Service Agreement and the executed Company limited-term Partial Assignment Form(s) by April 30 of each year. If applicable, the Company must receive the executed agency form(s) by April 30 of each year.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Original Sheet No. 83A

- ii. At least once annually, the Company shall post on its EBB in the Informational Notices section an explanatory summary of the method of capacity determination to be used to determine the MDRQ, MDDQ, MDSQ and any other contract entitlements associated with the limited term assignment or release of upstream pipeline and/or storage capacity for the next twelve month assignment period.
- iii. Once upstream pipeline and/or storage capacity has been assigned or released to the Agent or upstream contract assignee on a limited term basis, the upstream contract assignee will become the shipper on the upstream system(s) and will comply with all service and tariff requirements of the upstream pipeline and/or storage company and the Company will have no day to day responsibility for such assigned or released upstream capacity and related contracts.

2.5 CONTRACT QUANTITY ADJUSTMENT

a. The Company will adjust the MDDQ on its system and on the limited-term Partial Assignment of upstream capacity, as applicable, for existing Distribution Transportation End-Users in the following manner;

i. Company System MDDQ Determination: By March 31 of each year, the Company shall redetermine the End-Users' MDDQs based on an analysis to be explained in a posting to the Company's interactive website to include (i) a three-year regression analysis of an 80 heating degree day ("HDD") service requirement plus a five percent (5%) contingency plus Company FL&U and (ii) if applicable, for rate areas other than the Western Slope service territory downstream of Rocky Mountain Natural Gas LLC, any non-HDD factors, as necessary, using the service history of the End-User so long as the End-User has taken prior Sales or Distribution Transportation Service or has been the beneficiary of Distribution Transportation Service of a Shipper for a period of at least 6 (six) months to establish such history. In the event that an End-User reduces its peak usage requirements, such End-User may request in writing that the Company consider a reduction in the MDDQ applicable to the End-User. Upon receipt of any such request, the Company may grant a reset of the previously established MDDQ for the following situations only:

1. The Company determines in its sole discretion that End-User has physically and permanently removed gas consuming appliances or equipment as physically verified by the Company that results in a reduction in MDDQ, in which case Company shall determine the appropriate MDDQ.
2. The Company determines in its sole discretion that End-User has installed energy Gas Demand Side Management equipment as part of a Company sponsored Demand-Side Management program that results in a reduction in MDDQ, in which case, the Company shall determine the appropriate MDDQ.
3. The Company determines in its sole discretion that End-User used substantial amounts of gas due to an unforeseen force majeure event such that temporary gas consuming devices are used to mitigate such an event and that such devices are not required for any permanent service requirement and further that End-User will continue to use gas quantities up to the MDDQ.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 84  
Cancels First Revised Sheet No. 84

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

2.6 ADDITIONAL FACILITIES

- a. Company shall not be obligated to add any facilities or expand the capacity of Company's distribution transportation system in any manner in order to provide distribution service to End-User pursuant to this Rate Schedule; however, Company is willing to add facilities whenever such is deemed, in Company's reasonable judgment, to be economically, operationally, and technically feasible, subject to the condition that the Company and End-User enter into a facilities agreement which is subject to the provisions of this Tariff;
  - (1) The nature, extent and timing of facilities required shall be at the reasonable discretion of Company;
  - (2) Company receives acceptable assurances of financial reliability from any End-User requesting additional service.
- b. When Company, in its reasonable discretion, agrees with End User to construct or acquire new facilities, in order to provide distribution service to End User, Company shall require End User:
  - (1) To make a facilities reimbursement payment, including a gross-up for applicable state and federal income tax expense associated with such facilities;
  - (2) To pay for the additional facilities in one lump sum payment or by installment payments to be completed by the end of the contract terms, as negotiated by the parties.
  - (3) To agree to a reimbursement schedule setting the terms, the rate, and the conditions for reimbursement of the additional facility charge, including an obligation to reimburse Company, upon demand, for any unamortized capital charges, under an agreed upon amortization schedule, which may remain if service by Company to End-User under this rate schedule is terminated prior to the end of said amortization period.
- c. If Company, in its reasonable discretion, agrees in writing that End-User can satisfactorily install, operate and maintain any measuring equipment which End-User desires to install, maintain, or operate pursuant to the specifications set forth in the General Terms and Conditions of Company's Tariff, Company shall not be obligated to install such measuring equipment and End-User shall be relieved of any obligation to reimburse Company for the costs related thereto. If End-User measures the gas, End-User shall send to Company in writing the readings and dates from such measuring equipment by the 5<sup>th</sup> day of the next succeeding month.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 85  
Cancels First Revised Sheet No. 85

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

- 2.7 To the extent service under this Rate Schedule is interrupted, such affected service under this Rate Schedule shall be reduced in accordance with Company's General Terms and Conditions.
- 2.8 Firm Distribution Transportation Service agreements must be for a period of one year unless otherwise agreed.
- 2.9 An End-User under this Distribution Transportation Service Rate Schedule is solely responsible for its own gas supply procurement. The Company shall have no sales service obligation to such End-User.
- 2.10 Standby supply service may be available to End-Users under Company's applicable Sales Service tariffs on file and in effect with the Commission after service to all Sales Customers.

3. REQUIREMENTS FOR DISTRIBUTION TRANSPORTATION SERVICE AGREEMENT

- 3.1 REQUEST. All End-Use Customers requesting new Distribution Transportation service must provide the information required by this section and by Company's Distribution Transportation Service Form of Request included in this Tariff on or before February 15 as provided for in Section 2.4.b.i of this Rate Schedule, in order to qualify for Distribution Transportation Service under this Rate Schedule. No request for Distribution Transportation Service will be entered on the Company's log until all such information and a completed Distribution Transportation Service Form of Request has been provided to Company.

All completed Distribution Transportation Service Forms of Request are to be sent to:

SourceGas Distribution LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, Colorado 80401  
Attn: Shipper Services

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 86  
Cancels First Revised Sheet No. 86

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

Any request shall include the following:

- a. SHIPPER AND END-USER INFORMATION. Name, address and telephone number to whom correspondence, billings, or other communications should be directed. State name, address and phone number of twenty-four (24) hour contact person for purposes of exchanging scheduling and volume information.
- b. END-USER SERVICE TYPE. Specify current type of Sales Service (Residential, Small Commercial, Large Commercial, Seasonal or Irrigation or Crop Drying) except for requests for limited-term Partial Assignment. Also, specify type of transportation service being requested.
- c. TERM. The requested commencement date of service unless otherwise agreed by the Company, shall begin on June 1 for a twelve month period through the following May 31; provided, however, the proposed commencement date shall not be more than one hundred fifty (150) days from the date of the request for distribution service hereunder unless further time is necessitated by Company's construction of facilities, or waived by Company in its reasonable discretion. If Shipper desires the Agreement to be renewable following the primary term, the Shipper will designate such in its request for Distribution Transportation Service. If no renewal term is specified in the Agreement, the Agreement will terminate on the date specified as the ending date of the Initial Term of the Agreement.
- d. RECEIPT POINT INFORMATION. The designated Receipt Point(s) for the requested Distribution Transportation Service will be at the point of interconnection between the Company and any operators (pipelines, gatherers or producers) transporting the gas immediately upstream of Company's distribution facilities. The Receipt Point(s) requested by Shipper must be acceptable to Company with regard to adequacy of the physical facilities to receive and distribute the quantity requested.
  1. RECEIPT POINTS FOR LIMITED TERM PARTIAL ASSIGNMENT OF UPSTREAM CAPACITY. The Receipt point(s) on the limited term assignment of the upstream pipeline and/or storage capacity will be designated in the limited-term Partial Assignment agreement.

Advice Letter No.

Decision or  
Authority No.

Michael Noone  
Issuing Officer

President  
Title

Issue Date:

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 87  
Cancels First Revised Sheet No. 87

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

- e. DELIVERY POINT INFORMATION. Specify facility name, address and premise number (if known) for each service location where Distribution Transportation Service is being requested.
- f. AFFILIATE INFORMATION. The extent of Shipper's, End-User's or Agent's affiliation with Company.

3.2 DISTRIBUTION TRANSPORTATION SERVICE AGREEMENT. A Distribution Transportation Service Agreement shall be executed by Shipper within thirty (30) days of being tendered by Company, following Company's acceptance of End-User's or Shipper's request for Distribution Transportation Service.

- a. Term. The Agreement shall be effective for a primary term of no less than one year unless otherwise agreed. If renewable following the primary term, the Agreement may be terminated by either party pursuant to prior written notice on or before February 15, to be terminated effective May 31. If no Renewal Term is specified in the Agreement, the Agreement will terminate on the date specified as the ending date of the Initial Term of the Agreement.
- i. Notwithstanding the foregoing, for Distribution Transportation Shippers where Rocky Mountain Natural Gas LLC is the upstream service provider, an End-User may change its Agent holding upstream capacity on Rocky Mountain Natural Gas LLC with 30 days prior written notice to be effective on the first day of a calendar month. The original Agent that is also a limited-term Partial Assignee (also known as Shipper in the Rocky Mountain tariff) will amend the limited-term Partial Assignment to allow the replacement Agent to acquire, also by limited-term Partial Assignment, the upstream mainline transmission capacity and related storage rights.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Original Sheet No. 87A-1

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

- b. Assignment. The Agreement(s) shall be binding upon and inure to the benefit of any successor(s) to either Company or Shipper by merger, consolidation or acquisition.
- c. Interpretation and Modification. The interpretation and performance of the Agreement shall be in accordance with the laws of the State of Colorado. The Agreement, and all its rates, terms and conditions, shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefor. In the event that any party to the Agreement requests the Commission to take any action which could cause a modification in the conditions of the Agreement, that party shall provide written notice to the other parties at the time of filing the request with the Commission.
- d. Agreements being superseded. When the Agreement becomes effective it shall supersede and cancel any other Distribution Transportation Service agreements between the parties for the same service.
- e. Certifications. By executing the Agreement or the limited-term Partial Assignment, Shipper certifies that: (1) Shipper has title to, or a current contractual right to acquire such title to, the gas to be transported by Company; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of deliveries to Company; and (3) Shipper is the End-User or has a sales contract(s) or will enter into such sales contract(s) prior to the commencement of service.
- f. Credit. Shipper shall complete Form of Credit Application. Company may at any time require Shipper to confirm the accuracy of the information on Credit Application or to complete an updated Form of Credit Application. Failure to complete an updated Form of Credit Application which confirms Shipper's creditworthiness as determined by Company may result in termination of the Agreement at Company's sole discretion. For the twelve-month period beginning June 1, 2014, and for Shippers holding Distribution Transportation Service Agreements prior to June 1, 2014, prior credit documentation of the Shipper will be accepted and no update to the Form of Credit Application will be required unless the Shipper has had a material change in financial condition or unless the Shipper's service entitlements have materially changed.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Original Sheet No. 87A-2

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

- g. Termination. If Shipper fails to perform its obligations under the Agreement, including maintenance of the credit requirements set forth in this Rate Schedule, Company may, at its sole discretion, terminate the Agreement, in whole or in part. Company and Shipper may mutually agree to terminate the Agreement at any time, in which case such termination and consent shall be set forth in writing.
- (1) In the event Company terminates any of the rights resulting from Shipper's breach of the Agreement and/or the provisions of this Tariff or the rules and regulations set forth by the PUC, including Shipper's failure to make payments as required by this Rate Schedule, Shipper shall no longer be entitled to continued service pursuant to Sales Service until Shipper remedies its breach, or satisfactory payment arrangements have been made, in each case as determined solely by Company. Upon Company's determination that Shipper has remedied its breach or made satisfactory payment, as determined by Company in its sole discretion, Company may reinstate the rights that were terminated.
- (2) If Shipper uses an Agent in connection with the limited-term Partial Assignment of rights, obligations and quantities of upstream capacity on Rocky Mountain Natural Gas LLC's Firm Transportation Service, Firm No-Notice Storage Service, as applicable, and Interruptible Park and Loan Load-Following Service, and Agent's Agreement for limited-term Partial Assignment associated with such capacity is terminated, in whole or in part, for any reason, or if the Partially Assigned Capacity is revoked pursuant to such Agreement for limited-term Partial Assignment, including making full and complete payment to Company for End-User's share of charges paid by Company due to the failure of payment by Agent to Rocky Mountain Natural Gas LLC, the Shipper will not be entitled to or receive continued Distribution Transportation Service until Shipper elects to perform Agent's obligations under such Agreement for Limited-Term Partial Assignment, including making full and complete payment to SourceGas Distribution for End-User's share of charges paid by SourceGas Distribution due to the failure of payment by Agent to Rocky Mountain. Subsequent to Shipper's adequate performance, Shipper may elect to (a) become the upstream limited-term Partial Assignee for the capacity benefiting the End-User, or (b) designate a new Agent. Otherwise, the Distribution Transportation Shipper shall revert to the Sales Service Rate Schedule for the remainder of the term of the Agreement.
- h. Indemnification. Shipper shall release, protect, indemnify, and hold harmless Company and all of their parent, subsidiary, and affiliated entities and all of their respective directors, officers, employees and agents (each an "Indemnified Party") from and against every kind or character of damages, losses, liabilities, expenses, demands, or claims (including reasonable attorney's fees and court costs) (collectively, "Losses"), to the extent the Losses arise from or relate to, directly or indirectly, the acts or omissions of Shipper, its agents, employees or subcontractors in connection with the transactions contemplated by the Agreement, except to the extent any Losses are attributable to the negligence or willful misconduct of the Indemnified Party.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 87A  
Cancels Original Sheet No. 87A

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

- 3.3 FILING FEES. Any and all filings and approval fees required in connection with Shipper's Service Agreement or limited-term Partial Assignment that Company is obligated to pay to any governmental authority having jurisdiction shall be billed by Company to Shipper. Any fees recovered hereunder will not be included in Company's cost of service.
- 3.4 REIMBURSEMENT. Any reimbursement due Company by Shipper pursuant to this section shall be due and payable to Company within ten (10) days of the date of Company's invoice(s) for same.
- 3.5 DEPOSITS FOR SERVICE. Deposits for service will be required as provided in the Colorado PUC's Rules Regulating Gas Utilities and Pipeline Operators. However, depending on creditworthiness of Shipper, as determined pursuant to Section 3 of the Sales Service Rate Schedule of this Tariff, and in a non-discriminatory manner, Company may require Shipper to provide a deposit in an amount of up to an estimated six (6) months bill of Shipper. If the deposit is not paid within fifteen (15) days of written notification, service will not begin, or, if service has begun, it will be terminated.
- 3.6 ELECTRONIC FLOW MEASUREMENT. Electronic flow measurement (EFM) is required at all transportation service delivery points. If EFM does not exist at any transportation delivery point requested by End User, the Company shall have no obligation to provide Distribution Transportation service to that point unless and until End User agrees to the Company's installation of EFM at such delivery point and to reimbursement by End-User or End-User's Shipper of all costs related to the installation and operation of EFM at such point. The Company shall install its standard EFM at a location determined by the Company, and End-User shall allow the Company to install, maintain and operate the EFM on End-User's property. End-User or End-User's Shipper shall reimburse the Company for all costs of material and labor related to installation of the EFM. End-User shall also reimburse the Company for all initial installation costs (material and labor) and shall be responsible for all ongoing costs of an electrical supply and dedicated, data quality phone line necessary for the operation of the EFM equipment in the location determined by the Company. Should End-User and Shipper fail to agree to the installation or reimbursement of EFM at any requested delivery point, the Company shall have the right to refuse or terminate Distribution Transportation service to Shipper at that point. The End-User will maintain the communication line and cause any interruption in service over the communication line to be repaired as soon as possible. If interruption of service occurs on a communication line not in the Western Slope service territory and not downstream of Rocky Mountain Natural Gas LLC, and if the communication line is not repaired within three (3) business days, the Company may no longer accept transportation nominations from the Shipper. In any event, the Company shall obtain the metered data and Shipper shall be responsible for all applicable charges. The Company shall record EFM data on a daily basis during the term of Shipper's Distribution Transportation service agreement and the daily flow and imbalance information will be made available to the Shipper and/or its designated Agent through the Company's electronic bulletin board.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 87B  
Cancels Original Sheet No. 87B

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

N

- a. The End-User will reimburse the Company for all reimbursable costs related to EFM in a lump sum payment when service is initiated. If End-User fails to make in a timely manner any payments to reimburse the Company for any reimbursable costs related to EFM installed at a delivery point under any distribution transportation service agreement with Shipper, the Company may, upon 30 days notice, terminate service to Shipper under such agreement, in addition to, and without limitation upon, any other legal or equitable remedies the Company may have.
- b. If Shipper's Distribution Transportation Service Agreement terminates, the Company shall not be obligated to make reimbursement for EFM installation(s) and the Company may elect to relocate the EFM equipment to another point on the Company's system at its discretion.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Third Revised Sheet No. 88  
Cancels Second Revised Sheet No. 88

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

4. RATES

4.1 MAXIMUM AND MINIMUM RATES. The applicable maximum and minimum unit rates for distribution transportation service are set forth in the currently effective Distribution Transportation Service Rate Schedule. The applicable unit rate under this Rate Schedule shall be a rate not in excess of the maximum unit rate, nor less than the minimum unit rate. If Company elects to discount, Company shall discount these rates on a not unduly discriminatory basis within this range. Company will charge the maximum rate unless otherwise agreed to in writing with Shipper.

4.2 MONTHLY BILL. Commencing for the month in which the Distribution Transportation Service Agreement is effective and each month thereafter, Company shall charge and Shipper, or, if provided in any applicable agency agreement, the Shipper's designated Agent shall pay Company the following amounts:

- a. CUSTOMER CHARGE. The applicable rate set forth in the currently effective Rate Schedule multiplied by the number of delivery meters covered by the Agreement.
- b. DISTRIBUTION CHARGE. The applicable unit distribution rate set forth in the currently effective Transportation Rate Schedule multiplied by the therms delivered by Company in the month at the Delivery Point(s).
- c. MONTHLY ADMINISTRATIVE CHARGE. There will be an administrative charge as set forth on the applicable rate sheet of this Tariff.
- d. AUTHORIZED OVERRUN CHARGE. Such charge shall be incurred when the Company permits Shipper to take daily volumes in excess of its MDSQ when specified. The applicable Authorized Overrun Charge is set forth on the applicable rate sheet of this Tariff.
- e. UNAUTHORIZED OVERRUN CHARGE. Such charge shall be incurred when Shipper takes daily volumes in excess of its MDSQ, when specified, which were not nominated and confirmed or when Shipper takes daily volumes in excess of Authorized Overruns for the Day.
- f. IMBALANCE CHARGES AND/OR DAILY BALANCING FEE. The Company shall bill the Shipper for the imbalance charges provided for in Section 5.3, Section 5.5 and Section 6.4(4) of this Rate Schedule.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 88A  
Cancels First Revised Sheet No. 88A

- g. **THIRD PARTY CHARGES.** Company may acquire service or incur charges (including penalty charges) on an upstream pipeline or storage provider on behalf of or in support of the service requirements of a specified Shipper. In that event, and after having notified Shipper of the need for, cause of and acquisition of such upstream service or charge, Company may directly invoice Shipper for the service or other charges of any type that Company has incurred on the Shipper's behalf. In no event shall such invoiced amount be greater than the amount that the Company has paid the upstream provider.
- i. For the Western Slope service territory, for capacity on the CIG system to the CIG Rifle point, such capacity, unless it has been acquired by another party by capacity release, will be made available on a time to time basis to the limited-term Partial Assignee by short-term capacity release. Once annually, the Company will make an informational posting on the Company's website related to the processes associated with such capacity release including information on the related third party charges, if any.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 89  
Cancels First Revised Sheet No. 89

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

4.3 DISCONTINUANCE OF SERVICE

Discontinuance of service shall be as provided in accordance with the Colorado PUC's Rules Regulating Natural Gas Utilities and Pipeline Operators.

5. BALANCING

5.1 SHIPPER'S RESPONSIBILITY. Balancing of distribution transportation receipts and deliveries behind a Mainline Border Station, single Town Border Station, or an equivalent thereof is Shipper's responsibility. Imbalances are to be minimized and are subject to the terms and conditions of this Tariff.

- a. If the Company receives gas from the Shipper at a Point of Receipt through which both Distribution Transportation Rate Schedule and Sales Rate Schedule quantities are being received, the allocation of gas volumes through the meter will be the allocation supplied by the interconnecting pipeline. If the Company is able to control Point of Receipt allocations, the Company may minimize or eliminate monthly imbalances by allocating receipts. The Company is not responsible for eliminating any imbalances between End-User and an Agent.
- b. The Company will post notification of the Shipper's invoice and imbalance on the Company's interactive website. In instances in which there is a balance due on an under-receipt imbalance, the interactive website will provide information on the imbalance MMBtu and cashout balance due to the Company. In instances in which there is an over-receipt imbalance cashout credit, the Company's interactive web site will provide information on the imbalance MMBtu and the cashout credit due to the Shipper.
- c. In addition to the provisions of this Section regarding monthly balancing behind a MBS, single TBS or equivalent thereof, the Company may require daily balancing of distribution receipts and deliveries consistent with the provisions of this Tariff. The Company has the right to reduce receipts and/or deliveries hereunder in excess of an MDSQ, when specified, at any time the Company may deem, in its reasonable discretion, that it is necessary to do so in order to protect the integrity of its system, including the maintenance of service to other customers.

5.2 OVERRECEIPTS. An over-receipt occurs when the MMBtu received into the Company's system (net of Fuel Reimbursement Quantity) on behalf of a Shipper is in excess of the Shipper's MMBtu of deliveries at designated location(s). Imbalances will be determined at the end of each month by subtracting deliveries from receipts (net of Fuel Reimbursement Quantity). The imbalance percentage will then be determined by dividing the imbalance by the monthly deliveries.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
 First Revised Sheet No. 90  
 Cancels Original Sheet No. 90

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

5.3 CASHOUT OF OVER-RECEIPT IMBALANCES.

a. A Shipper's over-receipt imbalance less than or equal to five percent (5.0%) of the Shipper's monthly deliveries will be credited on the Shipper's invoice in the amount of those imbalance MMBtu multiplied by the Tier 1 Cashout Credit Rate. For any additional over-receipt imbalances greater than five percent (5.0%) of the Shipper's monthly deliveries, the Shipper's invoice also will be credited the amount of the imbalance MMBtu greater than five percent (5.0%) multiplied by the Tier 2 Cashout Credit Rate.

T

Tier	Positive Imbalance as a Percentage of Deliveries	Over-Receipt Cashout Credit Rate Percentage of Index or WACOG*
1	0% to 5.0%	100%
2	Greater than 5.0%	75%

\*The lesser of either: (1) Index, which is the lowest of the mean of the "Spot Market Prices" for "CIG", "Northwest S. of Green River" or "Questar" under the "avg." column for each week applicable to the Rocky Mountain region as published in *Natural Gas Intelligence Weekly Gas Price Index* (or a superseding index if the publication is revised) for the month which most closely corresponds to the month in which the imbalance occurred; or (2) the Company's weighted average cost of gas ("WACOG") for the month and for the jurisdiction in which the imbalance occurred.

WACOG shall be determined each month using the sum of the following factors, if applicable, divided by the volumes during that month: (1) purchased gas cost; (2) cost of volumes transported by upstream pipelines; (3) cost of storage volumes injected or withdrawn; and (4) cost of hedged volumes.

b. Company may waive such cashout charge in a not unduly discriminatory manner for good cause.

N

5.4 UNDER-RECEIPTS. An under-receipt imbalance occurs when the MMBtu received into the Company's system (net of Fuel Reimbursement) on behalf of the Shipper is less than the Shipper's MMBtu of deliveries at designated location(s). Imbalances will be determined at the end of each month by subtracting deliveries from receipts (net of Fuel Reimbursement). The imbalance percentage will then be determined by dividing the absolute value of the imbalance by the monthly deliveries.

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
 First Revised Sheet No. 91  
 Cancels Original Sheet No. 91

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

5.5 CASHOUT OF UNDER-RECEIPT IMBALANCES.

- a. A Shipper's under-receipt imbalance less than or equal to five percent (5.0%) of the Shipper's monthly deliveries will be charged on the Shipper's invoice in the amount of those imbalance MMBtu multiplied by the Tier 1 Cashout Charge Rate. For any additional under-receipt imbalances greater than five percent (5.0%) of the Shipper's monthly deliveries, the Shipper's invoice will be charged the amount of the imbalance MMBtu greater than five percent (5.0%) multiplied by the Tier 2 Cashout Charge Rate.

Tier	Imbalance as a Percentage of Deliveries	Under-Receipt Cashout Charge Rate Percentage of Index or WACOG*
1	0% to 5.0%	100%
2	Greater than 5.0%	125%

\* The greater of either: (1) Index, which is the highest of the means of the "Spot Market Prices" for "CIG", "Northwest S. of Green River" or "Questar" under the "avg." column for each week applicable to the Rocky Mountain region as published in *Natural Gas Intelligence Weekly Gas Price Index* (or a superseding index if the publication is revised) for the month which most closely corresponds to the month in which the imbalance occurred, plus the maximum rate for interruptible transportation service, including associated surcharges, under the applicable upstream pipeline serving the Shipper (Rate Schedule TI-1 of Colorado Interstate Gas Company's FERC Gas Tariff, Rate Schedule TI of Public Service Company of Colorado's (Excel) Colorado PUC Tariff, Rate Schedule IT of Tallgrass Interstate Gas Transmission's FERC Gas Tariff or Rate Schedule ITS-1 of Rocky Mountain Natural Gas Company's Colorado PUC Tariff); or (2) the Company's weighted average cost of gas ("WACOG") for the month and for the jurisdiction in which the imbalance occurred.

WACOG shall be determined each month using the sum of the following factors, if applicable, divided by the volumes during that month: (1) purchased gas cost, (2) cost of volumes transported by upstream pipelines; (3) cost of storage volumes injected or withdrawn; and (4) cost of hedged volumes.

- b. Company may waive such cashout charge in a not unduly discriminatory manner for good cause.

5.6 TERMINATION. Any imbalance remaining at the termination of a Distribution Transportation Service Agreement shall be credited or charged in the invoice for the month in which the imbalance occurred.

5.7 FORCE MAJEURE OCCURRENCE. In the event of a force majeure occurrence as defined in the General Terms and Conditions of Company's Tariff, Shipper shall not be relieved from its obligation to make payment of amounts then due or which become due hereunder.



Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 92  
Cancels Original Sheet No. 92

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

6. SCHEDULING OF RECEIPTS AND DELIVERIES.

6.1 NOMINATIONS. If Shipper desires distribution service for gas on any day under this Rate Schedule and when required by Company, Shipper shall:

- a. Notify Company's Transportation Administration Section at least twenty-two (22) hours before the beginning of the first gas day (8:00 a.m. to 8:00 p.m. MT) on which Shipper desires distribution transportation service. Company shall have no obligation to provide service for Shipper under this Rate Schedule if Shipper's notice (nomination) hereunder is not timely.
- b. Include in the nomination the quantity of gas to be received by Company (including Shipper's volumes for which distribution service is desired and Btu levels, overrun volumes, any volumes to satisfy past imbalances, and Fuel Reimbursement Quantities for volumes at each specified Receipt Point) and the quantity to be delivered by Company at each specified delivery point for the gas day to commence at 8:00 a.m. (MT) of the desired day, but no sooner than the following day. The total receipt nominations less the Fuel Reimbursement Quantity must equal the equivalent thermal quantity of delivery nominations. Transactions to which different rates apply shall be nominated separately.
- c. Receive a response from Company by 5:00 p.m. (MT) if Company does not have the capacity to accept and/or deliver the requested quantities the following day.
- d. For service to begin on the first day of the month, submit nominations to Company by 10:00 a.m. (MT) five work days prior to the first day of the month.
- e. Subject to Company's General Terms and Conditions, Company shall receive from, provide distribution transportation service for, and deliver to, or for the account of, Shipper the equivalent thermal quantity of gas nominated, less the Fuel Reimbursement Quantity.
- f. Provide contract numbers for both upstream and downstream parties, if known.
- g. Nominate to no more than one (1) delivery point per transportation nomination, except that if, for the Western Slope service territory downstream of Rocky Mountain Natural Gas LLC, a Shipper is required to nominate for the benefit of more than one End User, then Shipper may nominate to more than one delivery point.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 93  
Cancels Original Sheet No. 93

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

6.2 SCHEDULING OF RECEIPTS AND DELIVERIES

The Company will administer the scheduling and nomination process necessary to transport gas on its own distribution facilities. The Company may require nominations of the daily volumes to be transported across its distribution system under circumstances necessary to preserve the operational integrity of its distribution system. If nominations are required, the Company will notify Shippers as soon as practical via the Company's interactive website, if available, otherwise by phone. Shippers will be responsible for all nominations on upstream pipelines to ensure that the Shipper's aggregate daily estimates of usage are delivered. The Company's Fuel Reimbursement Quantity will be provided by the qualified Shippers.

6.3 DELIVERY OF GAS. It is the intention of Company to make daily delivery of Shipper's thermally equivalent volume received, less the Fuel Reimbursement Quantity and adjustments, if any, for prior imbalances. Due to variations in operating conditions, daily and monthly deliveries hereunder by Company may be greater or less than the corresponding receipts of gas hereunder less the applicable Fuel Reimbursement Quantity, and deliveries shall be adjusted under this Rate Schedule. Notwithstanding the foregoing, Company shall have the right, but not the obligation, upon reasonable notice to Shipper to curtail receipts and/or deliveries via changes to confirmed nominations in order to correct any imbalances to the extent of Shipper's accrued imbalance during the most recent 30-day period if greater than ten percent (10%) of Shipper's nominations during the most recent thirty (30) day period.

6.4 NOMINATIONS.

1. Timing of Nominations

- a. Shipper must submit nominations to Company by 10:30 a.m. (MT) via Company's interactive website or such other electronic means as are mutually agreed upon by Company and Shipper, as directed by Company, one (1) Business day prior to the day of flow. Company shall have no obligation to provide service for Shipper under this Rate Schedule if Shipper's nomination hereunder is not timely.
- b. Company shall not be required to accept any gas tendered by Shipper's upstream pipeline transporter that: (a) does not conform to Shipper's currently effective nominations or (b) is not delivered to a mutually agreeable city gate. Shipper is required to notify Company and, where possible, to provide copies of its daily and monthly nominations to its upstream pipeline transporter and the confirmed nomination received from the upstream pipeline transporter, within 24 hours of the delivery or receipt of such nominations. Company shall not be obligated to provided transportation service during an hourly, daily or monthly period in excess of the levels specified in the Service Agreement.
- c. Company shall provide notice to Shipper by 5:00 p.m. (MT) if Company does not have the capacity to accept and/or deliver the requested quantities nominated for the next gas day.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

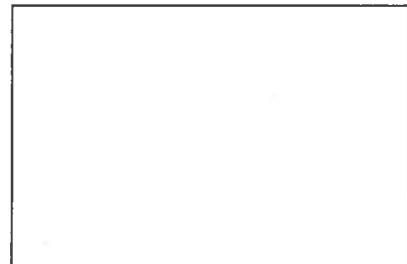
Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 93A  
Cancels Original Sheet No. 93A

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

2. Content of Nominations. Shipper shall include in any nomination: 1) the daily quantity of Gas to be received by Company (including Shipper's transportation volumes); 2) daily overrun volumes, which may be nominated as separate transactions; 3) any daily volumes to satisfy past Imbalances; 4) the Fuel Reimbursement Quantity for volumes at each specified Receipt Point; 5) Receipt Points (primary and/or secondary); 6) the daily quantity to be delivered by Company at each specified Delivery Point (primary and/or secondary) on the desired Day; 7) Shipper-defined beginning and ending dates; and 8) upstream or downstream pipeline contract numbers if applicable. The total receipt nominations less the Fuel Reimbursement Quantity and other deductions must equal the equivalent thermal quantity of delivery nominations.
  
3. Inaccurate Nominations. Based upon the information that Company has available concerning the quantity of Gas actually received from and delivered to Shipper, or for Shipper's account, if actual receipts or deliveries on any Day are more than five percent (5%) over or under nominations, or if actual receipts differ from actual deliveries on any Day by more than five percent (5%), Company will, by means of the telephone, electronic mail message or by notice on the informational postings portion of Company's interactive web site, notify Shipper that it has twelve (12) hours in which to bring actual receipts or deliveries and nominations more closely into agreement; provided that the Company shall issue said notice within a reasonable period after the inaccurate nomination condition becomes evident to the Company, but no later than two (2) hours before the last intra-day nomination deadline established in the tariff(s) of transporting pipeline(s). In said notice, the Company shall inform the Shipper whether actual net receipts need to be equal to or greater than actual deliveries, or actual deliveries need to be equal to or greater than actual net receipts. Notwithstanding any provision of this Rate Schedule, a Shipper receiving notice under this paragraph will be permitted to submit an intra-day nomination to the Company on or before the deadline for the last intra-day nomination permitted in the tariff(s) of transporting pipeline(s) and the Company shall process and schedule said nomination; provided that the nomination is submitted for the purpose of complying with the directive contained within the notice provided to said Shipper. If the discrepancy is not brought within the five percent (5%) tolerance within twelve (12) hours, Company may adjust deliveries to compensate for the inaccurate nominations. The action allowed by this paragraph is in addition to Company's right to assess authorized overrun charges or unauthorized overrun charges or daily balancing fees, pursuant to the terms of this Rate Schedule.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 93B  
Cancels First Revised Sheet No. 93B

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

4. Daily Balancing Fee. Upon prior notice to a Shipper consistent with Section 6.4.3, above, to adjust inaccurate nominations, a daily balancing fee may be assessed during Daily Balancing Periods when it is determined that the variance between Shipper's actual net receipts and deliveries, as of the end of the applicable Day of the Daily Balancing Period, is in excess of five percent (5%). If said notice is issued by the Company no later than the latest time for issuing notice set forth in Section 6.4.3, the first Day of the Daily Balancing Period for which a daily balancing fee can be assessed is the Day on which the notice is issued; however, if the notice is issued by the Company later than the latest time for issuing notice set forth in Section 6.4.3, the first Day of the Daily Balancing Period for which a daily balancing fee can be assessed is the Day following the Day on which the notice is issued. The imbalance is determined by subtracting deliveries from net receipts. The daily balancing fee shall be calculated by multiplying the imbalance volume (in excess of the volume above the tolerance level) by \$0.60 per therm, plus the highest spot gas price listed in Gas Daily's 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 applicable Day of the Daily Balancing Period. The Company shall not assess a daily balancing fee on a Shipper with respect to any Day of the Daily Balancing Period on which the Shipper complied with the Company's directive to said Shipper, as disclosed in the notification provided under Section 6.4.3, either to provide actual net receipts equal to or greater than actual deliveries, or to take actual deliveries equal to or greater than actual net receipts.
  - i. Company may waive such fee in a not unduly discriminatory manner for good cause.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 93C  
Cancels First Revised Sheet No. 93C

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

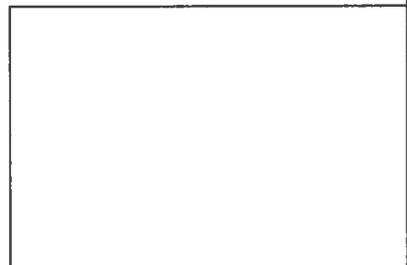
6.5 DELEGATION. A Shipper may delegate to an Agent responsibility for submitting and receiving notices or nominations or performing other administrative duties under any Agreement, subject to the following conditions:

- a. Any designation of such a representative, shall be for a minimum term of 30 days and must start on the first day of a calendar month and must end on the last day of a calendar month. If no end date is specified in the Agency Agreement, then upon expiration of the minimum term, the Agency Agreement shall automatically renew for successive thirty (30) day periods, unless either party provides the other party with at least thirty (30) days written notice of its intent not to renew. Any change in such designation, may be provided in an e-mail notification and must be confirmed in writing and must be submitted at least thirty (30) days prior to the requested effective date as reflected on the Company's Form of Agency Agreement as contained in this Tariff so long as the effective date falls on the first calendar day of a month.
- b. The Company may rely on communication from Shipper's designated representative for all purposes. Communications by the Company to such designated representative shall be deemed notice to Shipper.
- c. Any third party, including designated Agents, may administer multiple agreements as the designated representative for one or more Shippers. However, such representative shall separately administer and account for each such agreement to each Shipper as required from time to time by such Shipper.

7. POSSESSION, TITLE AND WARRANTY OF GAS.

7.1 Company shall be deemed to be in possession of the gas delivered by Shipper only from the time it is received by Company for distribution at the Point(s) of Receipt until it is delivered to End-User at the Point(s) of Delivery as provided herein. Shipper shall be deemed to be in possession of such gas prior to such receipt and End-User shall be deemed to be in possession after such delivery. Company shall have no responsibility hereunder with respect to such gas before receipt by it or after delivery to End-User. Shipper shall have no responsibility to such gas while it is deemed hereunder to be in Company's possession.

7.2 It is expressly understood that title, or right to acquire title, to all gas delivered by Shipper to Company for distribution hereunder shall be held by Shipper. In no event shall Company take title to gas distributed pursuant to this Rate Schedule except as provided for in the General Terms and Conditions.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 94  
Cancels Original Sheet No. 94

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

7.3 Shipper hereby warrants that gas delivered to Company hereunder is free and clear of all liens, encumbrances, and claims whatsoever. Shipper agrees to indemnify and holds harmless Company against any loss or cost incurred by Company on account of such liens, encumbrances and claims whatsoever. Company warrants that at the time of delivery to End-User at the Point(s) of Delivery the gas so delivered hereunder shall be free and clear of all liens, encumbrances and claims whatsoever resulting from Company's possession or distribution transportation of gas pursuant to this Rate Schedule. Company agrees to indemnify and hold harmless Shipper against any loss or cost incurred by Shipper on account of liens, encumbrances or claims resulting from any possession or distribution by Company.

8. GOVERNMENTAL AUTHORITIES

8.1 Distribution Transportation Service under executed Distribution Transportation Service Agreements shall be implemented pursuant to Colorado Public Utilities Commission Gas Transportation Rules. The Service Agreement shall contain such additional language as specifically required by the PUC's application regulations.

8.2 This rate schedule, and all its rates, terms and conditions, shall at all times be subject to modification by order of the PUC upon notice and hearing and a finding of good cause therefore. In the event that any party to this agreement requests the PUC to take any action which could cause a modification in the conditions of this agreement, that party shall provide written notice to the other parties at the time of filing the request with the PUC.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Original Sheet No. 94A

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

9. CONVERSION TO SALES SERVICE

If an End-User receiving service under this Distribution Transportation Rate Schedule, or an End-User benefiting under Agency Agreement from service under this Distribution Transportation Rate Schedule, elects to convert all, or a portion, of its service to Sales Service, the End-User will be subject to meeting the terms and conditions of the Sales Service Rate Schedule contained in this Tariff, wherein the Distribution Transportation End-User will be re-designated as a Customer of Sales Service at the end of the term of the Distribution Transportation Service Agreement after having provided notice by February 15th as provided for in Section 2.4.b.i of the Distribution Transportation Service Rate Schedule of this Tariff. The then Customer must reapply for Distribution Transportation Service in the future should the Customer choose to convert the Sales Service portion of its service back to Distribution Transportation Service. The Company may charge such Customer fees equivalent to those charged a new Distribution Transportation Shipper. Further, the Company shall not be required to refund any monies paid by the Customer to the Company for equipment or construction associated with the terminated Sales Service or the conversion from Distribution Transportation Service to Sales Service or vice versa.

Provided however, where the Shipper taking Distribution Transportation Service has elected an Agent for the purpose of limited-term, partial assignment of rights, obligations and quantities of upstream capacity on Rocky Mountain Natural Gas LLC's Firm Transportation Service (Rate Schedule FTS), Firm No-Notice Storage Service (Rate Schedule NNS), as applicable, and Interruptible Automatic Park and Loan Load-Following Service (Rate Schedule APAL), and Agent's agreement associated with such capacity is terminated due to the breach in any way of the upstream Limited-term Partial Assignment by the Agent, SourceGas Distribution shall promptly inform all affected SourceGas Distribution End-Users that they will not be entitled to continued Distribution Transportation Service until the End-User elects to perform Agent's obligations under the limited term Partial Assignment, including making full and complete payment to SourceGas Distribution for End-User's share of charges paid by SourceGas Distribution due to the failure of payment by Agent to Rocky Mountain. Subsequent to End-User's adequate performance, End-User may elect to (a) become the upstream limited-term Partial Assignee for the Capacity benefitting the End-User, or (b) designate a new Agent. Otherwise, the End-User shall revert to SourceGas Distribution Sales Service until the next June 1.

10. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of each of the Distribution Transportation Service Rate Schedules. To the extent that the General Terms and Conditions are inconsistent with the provisions of any of these Distribution Transportation Sales Rate Schedules, the provisions of that Rate Schedule shall govern.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Third Revised Sheet No. 98  
Cancels Second Revised Sheet No. 98

**FORM OF  
CREDIT APPLICATION  
SOURCEGAS DISTRIBUTION LLC**

**Section 1 --General Information**

Shipper Name \_\_\_\_\_  
Shipper Address \_\_\_\_\_  
DUNS# \_\_\_\_ - \_\_\_\_ - \_\_\_\_ FEIN \_\_\_\_ - \_\_\_\_ - \_\_\_\_  
Contact Person \_\_\_\_\_ Telephone No. (\_\_\_\_) \_\_\_\_\_  
Business Entity: \_\_ "S" Corporation \_\_ "C" Corporation \_\_ Partnership \_\_ Other FAX No. (\_\_\_\_) \_\_\_\_\_  
Type of Business \_\_\_\_\_ Number of years in business \_\_\_\_\_  
List parent corporation of Shipper (if Shipper is a subsidiary company) or general partners (if shipper is a partnership)  
\_\_\_\_\_

**Section 2 -- Standardized Credit Information**

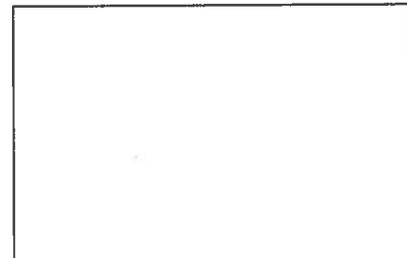
Please provide the following information current as of the date of this Credit Application:

1. Shipper's long-term unsecured debt securities' ratings:  
Moody's Investor Service \_\_\_\_\_  
Standard and Poor's Corporation \_\_\_\_\_  
Not rated by Moody's or S&P \_\_\_\_\_
2. Please enclose current audited financial statements, annual reports, or other reports to regulatory agencies, or any reports from credit reporting agencies if such financial statements are not available on "EDGAR" or its home page on the World Wide Web.

**Section 3 -- Additional Financial Information and Documentation**

*Is Shipper:*

- Operating under federal bankruptcy laws?  Yes  No
- Subject to liquidation or debt reduction procedures under state laws?  Yes  No
- Subject to pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration of Shipper's financial condition?  Yes  No
- Subject to any collection lawsuits or outstanding judgments which would affect shippers ability to remain solvent?  Yes  No
- Are there any overdue amounts owed SourceGas?  Yes  No



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 99  
Cancels First Revised Sheet No. 99

**FORM OF  
CREDIT APPLICATION  
SOURCEGAS DISTRIBUTION LLC  
(Continued)**

**Shipper's Bank Reference (or other financing source)**

Bank Name \_\_\_\_\_ Bank Account No. \_\_\_\_\_

Address \_\_\_\_\_

Loan Officer's Name \_\_\_\_\_ Telephone No. (\_\_\_\_) \_\_\_\_\_

Please provide anticipated commencement date for requested service: \_\_\_\_\_

Estimated Monthly Charges for all services \$ \_\_\_\_\_

Incomplete applications will be declined.

The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless SourceGas Distribution LLC from any claim that such authority did not exist.

\_\_\_\_\_  
Shipper's Signature

\_\_\_\_\_  
Date

**Return this Credit Application and Supporting Financial Information to:**

**SourceGas Distribution LLC**  
600 12<sup>th</sup> Street  
Suite 300  
Golden, CO 80401  
Attention: Treasury Department  
Telephone: 303/243-3400  
Facsimile: 303/243-3603

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 100  
Cancels Original Sheet No. 100

**FORM OF AGREEMENT FOR  
LIMITED TERM PARTIAL ASSIGNMENT  
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

AGREEMENT #: \_\_\_\_\_ (“Agreement”) Dated: \_\_\_\_\_

This Agreement is between SourceGas Distribution LLC, a Delaware Limited Liability Company (“SourceGas Distribution”), with its principal place of business located in Golden, Colorado; and \_\_\_\_\_, a \_\_\_\_\_, with its principal place of business located in \_\_\_\_\_, as “Shipper,” as such term is defined in Rocky Mountain Natural Gas LLC’s (“Rocky Mountain”) Tariff for Natural Gas Service, and as “Agent,” as such term is defined in the SourceGas Distribution’s Schedule of Rates for Natural Gas Service (respectively, the “Rocky Mountain Tariff” and the “SourceGas Distribution Tariff”; collectively, the “Tariffs”), as the same Tariffs may be amended or superseded from time-to-time. SourceGas Distribution and Shipper are collectively referred to as the “Parties.”

**1. LIMITED TERM PARTIAL ASSIGNMENT OF ROCKY MOUNTAIN CAPACITY RIGHTS AND OBLIGATIONS:**

SourceGas Distribution, for the limited term indicated by the term provision of this Agreement, hereby partially assigns to Shipper certain rights, obligations and quantities of capacity under the following agreements between SourceGas Distribution and Rocky Mountain:

Firm Transportation Service Agreement: \_\_\_\_\_

No-Notice Storage Agreement: \_\_\_\_\_

Automatic Parking and Lending Agreement: \_\_\_\_\_

This partial assignment is made pursuant to SourceGas Distribution’s End-Use Transportation Service Program. Exhibit A to this Agreement serves to satisfy both the Shipper’s Request for Service as provided for in the Rocky Mountain Tariff and the informational Exhibit of this Agreement. SourceGas Distribution is only assigning the rights, obligations and quantities of capacity related to Rocky Mountain’s Firm Transportation Service (Rate Schedules FTS), Firm No-Notice Storage Service (Rate Schedule NNS), as applicable, and Interruptible Automatic Park and Loan Load-Following Service (Rate Schedule APAL) as are set forth in the Attachment to Exhibit A of this Agreement (“Partially Assigned Capacity”). The Partially Assigned Capacity shall be determined by SourceGas Distribution pursuant to the Tariff. The total amount of Partially Assigned Capacity shall be equal to the total capacity requirements of all End-Users on the SourceGas Distribution system that have selected Shipper as its Agent for upstream capacity and that have entered into a Distribution Transportation Agreement, as such terms are defined in the SourceGas Distribution Tariff. The total amount of such Partially Assigned Capacity shall be equal to the total capacity requirements of all such End-Users as described in the Completed Attachments, as the same may be updated at the beginning of any Renewal Term or pursuant to Section 6 of this Agreement.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 101  
Cancels Original Sheet No. 101

**FORM OF AGREEMENT FOR  
LIMITED TERM PARTIAL ASSIGNMENT  
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

Shipper agrees to be bound by the terms and conditions in the Tariffs and the rules and regulations set forth by the Colorado PUC, including provisions related to billing and payment, as these may from time-to-time be amended, and shall assume and perform without limitation all obligations and duties required by SourceGas Distribution and Rocky Mountain arising thereunder as to the Partially Assigned Capacity. Shipper is deemed to have executed service agreements with Rocky Mountain for Rate Schedule FTS service, Rate Schedule NNS service, as applicable, and Rate Schedule APAL service. Additionally, Shipper is deemed to have executed a Master Market Center Service (MCS) Agreement for Interruptible Market Center Services (Rate Schedule MCS), which Master MCS Agreement and an associated Transaction Request may be used to resolve imbalances caused by a prior period adjustment(s) as provided for in the Rocky Mountain Tariff.

The Partially Assigned Capacity may be recalled by SourceGas Distribution at any time for any reason allowed by the Tariffs or the rules and regulations set forth by the Colorado PUC. When recalled, the Partially Assigned Capacity shall immediately revert to SourceGas Distribution. If the recalled upstream Capacity is conveyed to a replacement Agent, SourceGas Distribution may enter into a new or revised Limited-Term Partial Assignment with the replacement Agent.

**2. REPRESENTATION OF AUTHORITY TO ACT:**

Shipper represents and warrants that Shipper is authorized as Agent as defined in the SourceGas Distribution Tariff to hold upstream Capacity for the benefit of and to allow delivery of gas supply to the SourceGas Distribution End-Users whose upstream capacity is reflected on the Attachment to Exhibit A of this Agreement.

**3. BILLING AND PAYMENT:**

Rocky Mountain shall bill Shipper for services governed by the Rocky Mountain Tariff. Shipper shall be responsible for payment for charges assessed by Rocky Mountain related to the Partially Assigned Capacity.

**4. CREDIT:**

To establish credit and credit requirements, and except as required in this paragraph 4 below, Shipper shall complete Exhibit B of this Agreement. SourceGas Distribution and/or Rocky Mountain may at any time require Shipper to confirm the accuracy of the information on Exhibit B of this Agreement or to complete an updated version of Exhibit B of this Agreement. Failure to complete an updated Exhibit B which confirms Shipper's creditworthiness as determined by SourceGas Distribution and Rocky Mountain may result in termination of this Agreement at SourceGas Distribution's sole discretion. Pursuant to the Stipulation and Agreement in Docket Nos. 13AL-0067G et al., SourceGas Distribution and Rocky Mountain agree to grandfather existing credit levels, credit assurances and credit requirements for Shipper if Shipper has previously operated as an Agent for an End-User holding a Rocky Mountain Transportation Service Agreement so long the financial condition of the Shipper has not materially changed and so long as the Rocky Mountain service requirements, including Maximum Daily Transportation Quantity, remain the same or are similar to past Agency contract levels.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 102  
Cancels Original Sheet No. 102

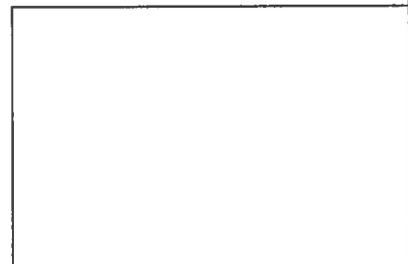
**FORM OF AGREEMENT FOR  
LIMITED TERM PARTIAL ASSIGNMENT  
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

**5. TERM:**

This Agreement shall be effective as of June 1, 20\_\_, for a 12-month period through May 31, 20\_\_, unless otherwise agreed to by the Parties and consented to by Rocky Mountain, in which case this Agreement shall be effective as of \_\_\_\_\_, through May 31, 20\_\_ (“Initial Term”). Upon expiration of the Initial Term, this Agreement shall automatically renew for one-year periods each beginning on June 1 (each a “Renewal Term”) unless SourceGas Distribution or Shipper provides the other party with written notice of intent not to renew at least 60 (sixty) days prior to the end of the then-current term. For each such Renewal Term, SourceGas Distribution, and Shipper shall complete a new Attachment to Exhibit A if any of the information on the Attachment to Exhibit A has changed, which attachment shall replace and supersede any previously effective attachments.

**6. TERMINATION:**

If Shipper fails to perform its obligations to Rocky Mountain or to SourceGas Distribution under this Agreement, including maintenance of the credit requirements set forth on Exhibit B of this Agreement, SourceGas Distribution may, at its sole discretion, terminate this Agreement, in whole or in part, in which case the Partially Assigned Capacity shall immediately revert to SourceGas Distribution. In the event SourceGas Distribution revokes any portion of the Partially Assigned Capacity or in the event SourceGas Distribution or Rocky Mountain terminates any of the rights hereunder resulting from Shipper’s breach of this Agreement and/or of the provisions of the Tariffs or the rules and regulations set forth by the PUC, including failure of Shipper to make payment to Rocky Mountain for firm capacity rights and related services, SourceGas Distribution shall promptly inform all affected SourceGas Distribution End-Users that they will not be entitled to continued Distribution Transportation Service until the End-User elects to perform Agent’s obligations under this Agreement, including making full and complete payment to SourceGas Distribution for End-User’s share of charges paid by SourceGas Distribution due to the failure of payment by Agent to Rocky Mountain. Subsequent to End-User’s adequate performance, as determined by SourceGas Distribution in its sole discretion, End-User may elect to (a) become the upstream limited-term Partial Assignee for the Capacity benefitting the End-User, or (b) designate a new Agent. Otherwise, the End-User shall revert to SourceGas Distribution Sales Service until the next June 1. SourceGas Distribution and Shipper may mutually agree, with Rocky Mountain’s consent, to terminate this Agreement at any time, in which case such termination and consent shall be set forth in writing. If an End-User voluntarily elects to change Agents, then upon receipt of an executed Agency Agreement or notice of termination of agency, as applicable, SourceGas Distribution shall provide Shipper with a revised Attachment to Exhibit A, which Attachment shall replace and supersede any previously effective Attachments to Exhibit A, and this Agreement shall otherwise continue in full force and effect. If SourceGas Distribution or End-User terminates a Distribution Service Agreement, SourceGas Distribution shall provide Shipper with a revised Attachment to Exhibit A, which Attachment shall replace and supersede any previously effective Attachments to Exhibit A, and this Agreement shall otherwise continue in full force and effect. In the event Shipper no longer has any effective Agency Agreements in place with End-Users to provide capacity, this Agreement shall terminate automatically, provided, however, that Shipper shall first provide SourceGas Distribution with notice of such termination as soon as practicable.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 103  
Cancels Original Sheet No. 103

**FORM OF AGREEMENT FOR  
LIMITED TERM PARTIAL ASSIGNMENT  
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

**7. INDEMNIFICATION:**

Shipper shall release, protect, indemnify, and hold harmless Rocky Mountain and SourceGas Distribution and all of their parent, subsidiary, and affiliated entities and all of their respective directors, officers, employees and agents (each an "Indemnified Party") from and against every kind or character of damages, losses, liabilities, expenses, demands, or claims (including reasonable attorneys' fees and court costs) (collectively "Losses"), to the extent the Losses arise from or relate to, directly or indirectly, the acts or omissions of Shipper, its agents, employees, or subcontractors in connection with the transactions contemplated by this Agreement, except to the extent any Losses are attributable to the negligence or willful misconduct of the Indemnified Party.

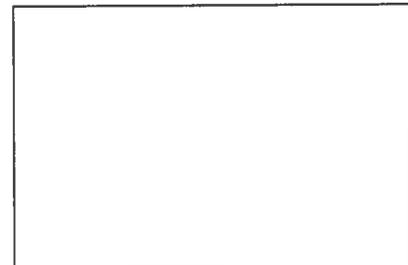
**8. THIRD PARTY BENEFICIARY:**

The Parties agree that Rocky Mountain, with its principal place of business located in Golden, Colorado, is an intended third party beneficiary of this Agreement. As such, Rocky Mountain may enforce Shipper's obligations to Rocky Mountain under this Agreement directly and without the need for any consent, assistance, or intervention of SourceGas Distribution. If Shipper fails to perform its obligations to Rocky Mountain under this Agreement, including maintenance of the credit requirements set forth on Exhibit B of this Agreement, Rocky Mountain may, at its sole discretion, terminate this Agreement, in whole or in part, in which case the Partially Assigned Capacity shall immediately revert to SourceGas Distribution. Unless otherwise expressly provided, no provision of this Agreement is intended or shall be construed to confer upon or give to any person or entity other than SourceGas Distribution, Shipper, and Rocky Mountain any rights, remedies, or other benefits under or by reason of this Agreement.

**9. MISCELLANEOUS:**

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of the Tariffs on file with the Colorado PUC or other duly constituted authorities having jurisdiction, as the same may be amended or superseded. The Tariffs are by this reference made a part hereof.

No waiver by either Party to this Agreement of any one or more defaults by the other in the performance of this Agreement shall operate or be construed as a waiver of any continuing or future default(s), whether of a like or a different character.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 104  
Cancels Original Sheet No. 104

**FORM OF AGREEMENT FOR  
LIMITED TERM PARTIAL ASSIGNMENT  
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

As required by Colorado PUC regulation, this Agreement contains the following provisions:

“This agreement, and all its rates, terms and conditions as set out in this agreement and as set out in the tariff provisions which are incorporated into this agreement by reference, shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefore. In the event that any party to this agreement requests the Commission to take any action which could cause a modification in the conditions of this agreement, the party shall provide written notice to the other parties at the time of filing the request with the Commission.”

“If the end-use customer uses a marketing broker for nomination, gas purchases, and balancing, the end-use customer shall provide the utility with an agency agreement.”

To the extent that the Rate Schedules or the General Terms and Conditions of the Tariffs are inconsistent with the provisions of this Agreement, the provisions of this Agreement shall govern.

This Agreement shall be deemed to have been made and accepted in Jefferson County, Colorado, and the laws of Colorado, without regard to the Colorado conflicts of law provisions, shall govern any interpretations or constructions of this Agreement.

**The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of Shipper or otherwise possesses the requisite authority to do so, and is duly authorized to sign this Agreement on behalf of Shipper, and thereby bind Shipper to this Agreement, and agrees to indemnify and hold harmless Rocky Mountain and SourceGas Distribution from any Losses in the event that such authority did not exist.**

**AGREED TO BY:**

SourceGas Distribution LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401

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

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

**CONSENTED TO BY:**

Rocky Mountain Natural Gas LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401

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

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

**Shipper:**

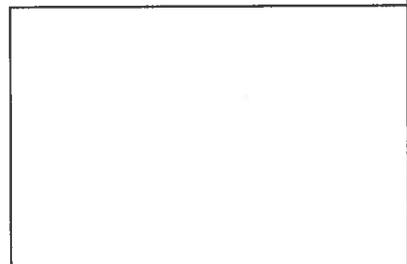
Shipper's Name and Address:

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

Attn: \_\_\_\_\_

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

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



Advice Letter No.

Decision or  
Authority No.

Michael Noone  
Issuing Officer

President  
Title

Issue Date:

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 104A  
Cancels Original Sheet No. 104A

**EXHIBIT A**  
**FORM OF**  
**REQUEST FOR TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**  
**RELATED TO LIMITED-TERM PARTIAL ASSIGNMENT**

Today's Date: \_\_\_\_\_

**I. SHIPPER INFORMATION**

Date: \_\_\_\_\_  
Complete Legal Name of Shipper: \_\_\_\_\_  
State of Incorporation: \_\_\_\_\_  
DUNS #: \_\_\_\_\_  
Tax ID #: \_\_\_\_\_  
Address: \_\_\_\_\_

For Billing: \_\_\_\_\_

Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

For Notices:  
Contact Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Alternate Contact: \_\_\_\_\_  
Alternate Address: \_\_\_\_\_

Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Alternate Phone: \_\_\_\_\_  
Alternate Fax: \_\_\_\_\_  
Alternate E-Mail: \_\_\_\_\_

**Requested date of first service, if applicable:** \_\_\_\_\_

**Requested Credit Limit(s), if applicable:** \_\_\_\_\_

**Shipper has completed request for credit (Exhibit B – Credit Application):**  Yes  No **Date** \_\_\_\_\_

**Certification Statement:** Shipper has, or will have, at the time the Natural Gas is transported, title to the Natural Gas to be tendered to Rocky Mountain and SourceGas Distribution or Shipper has, or will have, at the time the Natural Gas is transported, a legal right to tender the Natural Gas to Rocky Mountain and SourceGas Distribution.

- Yes
- No

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
 First Revised Sheet No. 104B  
 Cancels Original Sheet No. 104B

**ATTACHMENT: INFORMATION FOR ASSIGNMENT OF TRANSPORTATION SERVICE ON  
 ROCKY MOUNTAIN**

**(TO BE COMPLETED BY SOURCEGAS DISTRIBUTION)**

Today's Date: \_\_\_\_\_ Effective Date: \_\_\_\_\_

**Requested On-System Service:**

Rate Schedule FTS, Rate Schedule NNS as applicable, and Rate Schedule APAL

Service details to be provided in spreadsheet attachment with the following data elements:

<b>Firm Transportation Service</b>			
<b>Receipt Point Capacity</b>			
Primary Point of Receipt	Meter Number	Maximum Daily Receipt Quantity (MDRQ) Dth/d	
<b>Delivery Point Capacity*</b>			
Primary Point of Delivery	Meter Number	Maximum Daily Delivery Quantity (MDDQ) Dth/d	
<b>Path Segment Capacity</b>			
Segment Number	Upstream Segment Number	Flow Direction (F)orward Haul or (B)ack Haul	Maximum Daily Transportation Quantity (MDTQ) Dth/d
<b>Total MDTQ Dth/d</b>			
<b>No-Notice Storage Service</b>			
Storage Maximum Available Capacity (MAC) Dth	Maximum Daily Withdrawal Quantity (MDWQ) Dth/d	Maximum Daily Injection Quantity (MDIQ) Dth/d	
Primary Storage Withdrawal Point	Meter Number	Primary Storage Injection Point	Meter Number

\*Rocky Mountain may make delivery point pools available to simplify the nomination and scheduling processes. Such delivery point pools will be posted on Rocky Mountain's EBB.

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 104C  
Cancels Original Sheet No. 104C

**ATTACHMENT: INFORMATION FOR ASSIGNMENT OF TRANSPORTATION SERVICE  
ON ROCKY MOUNTAIN**

Shipper hereby acknowledges completeness and accuracy of this Attachment:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**The individual signing this Attachment on behalf of Shipper represents and warrants that he or she is an officer of Shipper or otherwise possesses the requisite authority to do so, and is duly authorized to sign this Attachment on behalf of Shipper, and thereby bind Shipper to this Attachment, and agrees to indemnify and hold harmless Rocky Mountain and SourceGas Distribution from any Losses in the event that such authority did not exist.**

Admin. Contract Numbers:

Rate Schedule FTS: \_\_\_\_\_ Rate Schedule NNS (as applicable): \_\_\_\_\_ Rate Schedule APAL: \_\_\_\_\_

Advice Letter No.

Decision or  
Authority No.

Michael Noone  
Issuing Officer

President  
Title

Issue Date:

Effective Date: June 1, 2014

SourceGas Distribution LLC

Amended First Revised Sheet No. 104D  
Cancels Original Sheet No. 104D

Colo. PUC No. 7

**EXHIBIT B  
FORM OF  
CREDIT APPLICATION TO  
ROCKY MOUNTAIN NATURAL GAS LLC  
AND  
SOURCEGAS DISTRIBUTION LLC  
(TO BE COMPLETED BY SHIPPER)**

Today's Date: \_\_\_\_\_

**Section 1 --General Information**

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

Shipper Address \_\_\_\_\_  
\_\_\_\_\_

DUNS# \_\_\_\_ - \_\_\_\_ - \_\_\_\_ FEIN \_\_\_\_ - \_\_\_\_ - \_\_\_\_

Contact Person \_\_\_\_\_ Telephone No. (\_\_\_\_) \_\_\_\_\_

Business Entity: \_\_ "S" Corporation \_\_ "C" Corporation \_\_ Partnership \_\_ Other FAX No. (\_\_\_\_) \_\_\_\_\_

Type of Business \_\_\_\_\_ Number of years in business \_\_\_\_\_ State of incorporation \_\_\_\_

List parent company of Shipper (if Shipper is a subsidiary company) or general partners (if Shipper is a partnership)  
\_\_\_\_\_

Is parent company responsible for Shipper debt?

Yes  No

If yes, furnish documentation

**Section 2 -- Standardized Credit Information**

Please provide the following information current as of the date of this Credit Application:

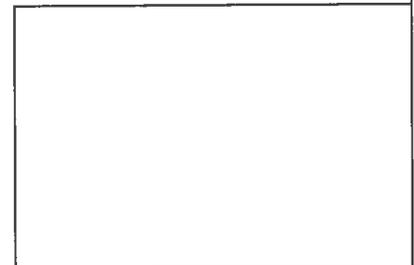
1. Shipper's long-term unsecured debt securities' ratings:

Moody's Investor Service \_\_\_\_\_

Standard and Poor's Corporation \_\_\_\_\_

Not rated by Moody's or S&P \_\_\_\_\_

2. Please enclose current audited financial statements (to include, at least two most recent years on an annual basis and three most recent monthly or quarterly statements), annual reports, or other reports to regulatory agencies, or any reports from credit reporting agencies. Please attach copies of Shipper's two most recent annual SEC Form 10-K, if applicable.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 104E  
Cancels Original Sheet No. 104E-104F

**Section 3 -- Additional Financial Information and Documentation**

- Is Shipper:*
- Operating under federal bankruptcy laws?  Yes  No
  - Subject to liquidation or debt reduction procedures under state laws?  Yes  No
  - Subject to pending liquidation or regulatory proceedings in state or federal courts that could cause a substantial deterioration of Shipper's financial condition?  Yes  No
  - Subject to any collection lawsuits or outstanding judgments that would affect Shipper's ability to remain solvent?  Yes  No
  - Owing any overdue amounts to SourceGas?  Yes  No
  - On a credit watch list of any credit rating agency?  Yes  No
  - Electing to prepay Reservation Service Charges?  Yes  No

Amount of Total Credit Requested: \_\_\_\_\_ Net Worth: \_\_\_\_\_

Shipper's Bank Reference (or other financing source)

Bank Name \_\_\_\_\_ Bank Account No. \_\_\_\_\_

Address \_\_\_\_\_

Loan Officer's Name \_\_\_\_\_ Telephone No. (\_\_\_\_) \_\_\_\_\_

Two business credit references:

Name: _____	
Address: _____	Fax: _____
Phone: _____	Account Type: _____
Contact: _____	Account #: _____
Name: _____	
Address: _____	Fax: _____
Phone: _____	Account Type: _____
Contact: _____	Account #: _____

Requested service(s): \_\_\_\_\_

Please provide anticipated commencement date for requested service: \_\_\_\_\_

Maximum credit limit requested by Shipper related to Imbalance Quantities: \$ \_\_\_\_\_

Shipper acknowledges that Rocky Mountain and SourceGas Distribution may refuse to schedule quantities under a transportation or storage service agreement if Shipper has imbalance quantities that exceed the approved credit limit.

Incomplete applications shall be declined.

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Amended Original Sheet No. 104F

State law may forbid the disclosure of financial information by a firm without the written consent of its customer. By completing this Exhibit B and providing it to SourceGas Distribution, Shipper has provided written consent of and authorizes the disclosure of financial information to and by all references listed on the Form of Credit Application to Rocky Mountain and SourceGas Distribution. Shipper represents and warrants that Shipper carefully reviewed and completed this Exhibit B, that all information provided herein is complete and accurate, and that Shipper agrees to all terms and conditions set forth therein.

Shipper certifies that the information on this credit application is accurate and correct as of the date of the application. Once this application is submitted, it authorizes Rocky Mountain and SourceGas Distribution to obtain or exchange any credit or financial information that may be requested with Shipper's credit references. Shipper has the obligation to inform Rocky Mountain and SourceGas Distribution, through an updated version of this Exhibit B, of any material change in Shipper's credit quality. In addition, SourceGas Distribution and/or Rocky Mountain may at any time require Shipper to confirm the accuracy of the information on this Exhibit B or to complete an updated version of this Exhibit B.

Information provided on this application shall be held in the strictest of confidence and shall be used only by Rocky Mountain and SourceGas Distribution in making a credit evaluation.

DO NOT WRITE BELOW THIS LINE

Determination of Shipper's Credit Requirements: \_\_\_\_\_

Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

Source Gas Distribution LLC

Colo. PUC No. 7  
Original Sheet No. 104G

FORM OF AGENCY AGREEMENT  
SOURCEGAS DISTRIBUTION LLC  
DISTRIBUTION TRANSPORTATION SERVICE

The undersigned, by and on behalf of \_\_\_\_\_ (Shipper), having a mailing address of \_\_\_\_\_, hereby designates \_\_\_\_\_ (Agent), having a mailing address of \_\_\_\_\_, as its Agent, with full authority to act on its behalf in managing gas transportation on SourceGas Distribution LLC (Company), as specified below, for the transportation of gas supplies from Company's Receipt Points to the Primary Delivery Point(s) as shown in the Service Agreement(s).

Shipper authorizes Agent to act on its behalf in managing gas transportation on Company's system, arranging for the delivery of gas quantities to Company's Receipt Point(s) for Shipper including submitting all nominations therefor, managing gas transportation Imbalances incurred on behalf of Shipper, receiving invoices from Company and paying all applicable charges for distribution transportation service provided by Company to Shipper at the above Premise(s). For areas where Rocky Mountain Natural Gas LLC is the upstream provider, Shipper also authorizes Agent to hold upstream transportation services and storage capacity, as applicable, through a limited-term Partial Assignment of the upstream capacity whereby Agent will be the Shipper on the upstream Rocky Mountain Natural Gas LLC pipeline.

Agent and Shipper acknowledge that all service provided by Company is for the benefit of Shipper. Shipper and its Agent acting on its behalf shall be subject to the Rate Schedules and General Terms and Conditions of the Company's Schedule of Rates for Natural Gas Service. In the event that Agent or Shipper fails to make timely payment for service provided by Company, or otherwise is in default under the provisions of Company's Schedule of Rates for Natural Gas Service, this Agency Agreement may be revoked by Company and all service provided shall be subject to termination in accordance with Company's Schedule of Rates for Natural Gas Service. If such termination of service is a result of Agent's failure to make payment, Shipper shall not be entitled to continued service, regardless of whether Shipper has made payment to Agent until Company receives full and complete payment or satisfactory payment arrangements between Shipper and Company have been made as determined by Company. Shipper shall be solely liable for all payments due and owing to Company for all services provided by Company..

SourceGas Distribution LLC shall provide consent to this Agency Agreement as is indicated by the signature(s) below.

As of the effective date specified below, Agent shall be authorized, in the following manner, to act on Shipper's behalf in managing Company's gas transportation services.

This Agency Agreement shall become effective on \_\_\_\_\_, 1, 20\_\_\_\_, and shall end on \_\_\_\_\_, 20\_\_\_\_. The minimum term of this Agency Agreement shall be a term of 30 days ("Minimum Term"). This Agency Agreement must start on the first day of a calendar month and must end on the last day of a calendar month. If no end date is specified herein, then upon expiration of the Minimum Term, this Agency Agreement shall automatically renew for successive 30 day periods (each, a "Renewal Term"), unless either party provides the other party with at least thirty (30) days written notice of its intent not to renew.

This Agency Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Advice Letter No.

Decision or Authority No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Effective Date: June 1, 2014

Source Gas Distribution LLC

Colo. PUC No. 7  
Original Sheet No. 104H

FORM OF AGENCY AGREEMENT  
SOURCEGAS DISTRIBUTION LLC  
DISTRIBUTION TRANSPORTATION SERVICE

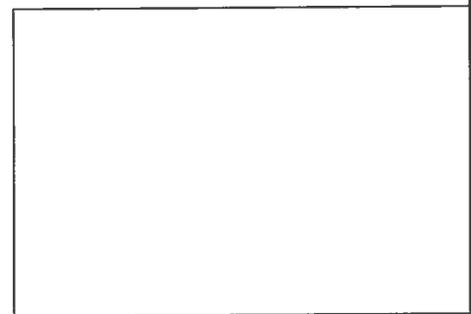
Each individual signing this Agreement on behalf of Shipper and Agent represents and warrants that he or she is an officer of the Shipper or Agent, as applicable, or otherwise possesses the requisite authority to do so and thereby bind the Shipper or Agent, as applicable, to this Agreement, and agrees to indemnify and hold harmless Company from any claim that such authority did not exist.

_____	_____
(Shipper)	(Agent)
_____	_____
(print name)	(print name)
Title: _____	Title: _____

**CONSENTED TO BY:**

SourceGas Distribution LLC  
600 12<sup>th</sup> Street, Suite 300  
Golden, CO 80401

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



Advice Letter No.

Michael Noone  
Issuing Officer  
President  
Title

Issue Date:

Decision or Authority No.

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 105  
Cancels First Revised Sheet No. 105

GENERAL TERMS AND CONDITIONS

1. APPLICATION

The following General Terms and Conditions apply to the extent indicated and to the extent not superseded by inconsistent provisions in each of Company's rate schedules covering distribution transportation services and sales services subject to the jurisdiction of the Colorado Public Utilities Commission. The General Terms and Conditions as contained herein are a binding part of Agreements between Company and Shipper and/or End-User.

2. DEFINITIONS

The following terms shall have the meanings defined below:

- 2.1. "Agent" means a representative of the Company, Shipper or a third party who is authorized to act for the Company, Shipper or the third party through employment or by contract.
- 2.2. "Balance" and "Balancing" means the Shipper's obligation to cause deliveries to equal receipts, with due consideration given to Reimbursement Quantities.
- 2.3. "British Thermal Unit" (Btu) - the amount of energy required to increase the temperature of one (1) pound of water one (1) degree Fahrenheit at fifty-nine (59) degrees Fahrenheit.
- 2.4. "Capacity" means the maximum gas volume which any particular segment of the Company's system is capable of carrying under then current operating conditions.
- 2.5. Reserved for future use.
- 2.6. "Company" or "Transporter" means SourceGas Distribution LLC.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 106  
Cancels First Revised Sheet No. 106

GENERAL TERMS AND CONDITIONS – continued

- 2.7 “Commission” shall mean the Colorado Public Utilities Commission (PUC) and any other governmental body or bodies succeeding to, lawfully exercising, or superseding any powers of the PUC.
- 2.8 “Company-used Gas” means the quantity of gas consumed by the Company for purposes of its gas operations.
- 2.9 “Cubic Foot of Gas” is the amount of gas necessary to fill a cubic foot of space when the gas is at a temperature of sixty (60) degrees Fahrenheit and under an absolute pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch.
- 2.10 “Curtailement” means the inability of the End-User to receive natural gas due to a shortage of natural gas supply.
- 2.11 “Customer” means any individually metered Sales Service end user connected, or requesting to be connected, to Company's gas facilities.
- 2.12 “Daily Balancing Period” means that Day or Days for which the Company has posted notice on its interactive website that daily balancing of receipts and deliveries is necessary to maintain compliance with upstream pipeline directives, avoidance of upstream pipeline incremental charges, avoidance of a threat to the Company's system integrity, or avoidance of impact on the Company's sales and transportation service contractual obligations.
- 2.13 “Daily Metering” means if directed by the Company, the End-User shall read the Company's gas meter each day at the time specified by the Contract and report such reading to the Company.
- 2.14 “Day” - A period of twenty-four (24) consecutive hours beginning and ending at nine o'clock (9:00) a.m. Mountain Clock Time or at such other hour as Shipper and Company may agree upon.
- 2.15 “Deficient Volumes” are any deficiency in Equivalent Volumes of Shipper's gas at Delivery Point(s) compared to total gas measured through Company's meter(s) at Delivery Point(s) for any given period of time.
- 2.16 “Distribution Charge” means that portion of the amount to be paid monthly by the Shipper for service, which is based upon the quantity of gas delivered to the related End-User at Shipper's Delivery Points.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 107  
Cancels First Revised Sheet No. 107

GENERAL TERMS AND CONDITIONS – continued

- 2.17 “Distribution Transportation Service” by Company consists of acceptance of gas tendered by Shipper or Shipper’s designated agent to Company’s Distribution Transportation System at the Point(s) of Receipt, and direct delivery, displacement delivery or exchange delivery for Shipper’s account for the benefit of an End User, including receipt at mainline measuring facilities. Distribution transportation service does not apply to wellhead, gathering, processing, or storage facilities and services.
- 2.18 “Distribution Transportation Service Agreement” or “Transportation Agreement” shall mean a written agreement, providing for gas distribution transportation service, which is executed by the Company and the Shipper, and any exhibits, attachments, and/or amendments thereto.
- 2.19 “End-User” is the party or parties that ultimately consume the supply of natural gas at the Delivery Point(s).
- 2.20 Equivalent Volumes” are the sum of the volumes of gas measured in therms at a specific pressure base at Receipt Point(s) during any given period of time reduced by the appropriate Company’s Percentage Lost and Unaccounted for gas results in an equivalent volume of gas delivered to the Delivery Point(s).

Thus, at an identical pressure base Equivalent Volumes at Receipt Point(s) (EVRP) and Equivalent Volumes at Delivery Point(s) (EVDP) are related mathematically as follows:

$$EVDP = EVRP \times \left(1 - \frac{\%L\&U}{100}\right) \quad \text{and} \quad EVRP = EVDP \times \left(\frac{1}{1 - \frac{\%L\&U}{100}}\right)$$

where %L&U is Company’s Percentage Lost and Unaccounted for Gas.

- 2.21 “Essential Industrial Process or Feedstock Use” means any use of natural gas in an industrial process or as a feedstock which the Secretary of Energy determines is essential.
- 2.22 “Excess Volumes” means any excess of total gas measured through Company meter(s) at Delivery Point(s) less Equivalent Volumes of Shipper’s gas at Delivery Point(s) for any given period of time.
- 2.23 “Feedstock Gas” is defined as natural gas used as raw material for its chemical properties in creating an end product.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 108  
Cancels First Revised Sheet No. 108

GENERAL TERMS AND CONDITIONS – continued

- 2.24 “Fuel Reimbursement Quantity” is that portion of Shipper’s natural gas received by Company for distribution hereunder which is retained by Company as compensation for company-used gas and lost and unaccounted for gas. The Fuel Reimbursement Quantity is stated as a percentage of the natural gas delivered by Shipper at the Point(s) of Receipt. Title to Fuel Reimbursement Quantity shall rest in Company upon receipt at the Receipt Point(s) at no cost, and free and clear of all adverse claims. The Company shall recalculate its fuel reimbursement percentages annually using prior year actuals ending May 31<sup>st</sup>, to be filed with the Colorado PUC in conjunction with the Company’s annual Gas Cost Adjustment filing to be effective November 1.
- 2.25 “Gas” or “Natural Gas” is any mixture of hydrocarbons or of hydrocarbons and non-combustible gas, in a gaseous state, consisting essentially of methane.
- 2.26 “Gross Dry Heating Value” is the number of Btus produced by complete combustion, at a constant pressure, of the amount of gas which would occupy a volume of 1 cubic foot at a temperature of 60 degrees Fahrenheit on a water-free basis and at a pressure of 14.73 p.s.i.a. with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by combustion has condensed to the liquid state.
- 2.27 “Imbalance” shall mean the difference between the MMBtu of distribution gas received by the Company for the Shipper’s account and the MMBtu of distribution gas delivered by the Company to the Shipper for the benefit of the End-User or for the Shipper’s account at the End-User’s Delivery Point, with due regard given to Fuel Reimbursement Quantity.
- 2.28 “Industrial Customer” is a customer engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including mining, oil and gas extraction and the generation of electric power.
- 2.29 “Interruption” means the Company's inability to provide distribution to an End-User due to constraints on the pipeline system.
- 2.30 “Lost and Unaccounted-For Gas” means the difference between the sum of all input quantities of gas received into the Company's distribution system and the sum of all output quantities of gas delivered from the Company's distribution system, which difference shall exclude Company-used gas and shall include, but not be limited to, gas vented and lost as a result of an event of force majeure.
- 2.31 “MBS” means Mainline Border Station.
- 2.32 “Mainline Customer” is a customer served off the mainline upstream of the MBS or TBS.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014



SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 110  
Cancels First Revised Sheet No. 110

GENERAL TERMS AND CONDITIONS – continued

- 2.46 “Point of Receipt” or “Receipt Point” means the point(s) at which the upstream facilities are interconnected with the Company’s facilities and at which the gas flow is metered.
- 2.47 “Request for Gas Transportation Service” is a written request for transportation service submitted by End-User or End-User’s Shipper in the form described by the Standard Form of Distribution Transportation Service Request provided in this Tariff.
- 2.48 “Shipper” shall mean an End User taking Distribution Transportation Service who has requested service from the Company, executed a contract for such service with the Company, and complied with all requirements, contract provisions, rules, and regulations of the Company and any regulatory body having jurisdiction.
- 2.49 “TBS” means Town Border Station.
- 2.50 “Therm” is one hundred thousand (100,000) British Thermal Units (BTU).
- 2.51 “Year” is a period of three hundred sixty-five (365) days commencing and ending at nine o'clock (9:00) a.m. Mountain Clock Time, provided that any year which contains that date of February 29 shall consist of three hundred sixty-six (366) days.

C

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 111  
Cancels Original Sheet No. 111

GENERAL TERMS AND CONDITIONS – continued

3. QUALITY

- a. Natural Gas to be delivered by Company shall be of merchantable quality. Company reserves the right to extract or retain or permit the extraction of gasoline or any other substance whatsoever from, or otherwise treat (without impairing its merchantability), the natural gas to be delivered hereunder.
- b. Unless otherwise agreed, gas tendered to Company at each Point of Receipt shall comply with the following quality specifications:
  - (1) At a base pressure of 14.73 p.s.i.a. and a base temperature of 60 degrees Fahrenheit, such gas shall not contain more than:
    - (a) 1/4 grain of hydrogen sulphide per 100 cubic feet;
    - (b) 5 grains of total sulphur per 100 cubic feet;
    - (c) 1 grain of mercaptans per 100 cubic feet;
    - (d) 3.0 percent by volume of carbon dioxide;
    - (e) 7 pounds of water vapor per million cubic feet
    - (f) 10 parts per million (0.001 percent) by volume of oxygen; and
  - (2) Such gas shall be commercial in quality and shall be free from any foreign material such as solids, sand, dirt, dust, gums, crude oil, water or hydrocarbons in the liquid phase, iron particles, and other objectionable substances which may be injurious to pipelines or which may interfere with its transportation or commercial utilization.
  - (3) At a base pressure of 14.73 p.s.i.a., the Gross Dry Heating Value of such gas shall not be less than 950 BTUs nor more than 1150 BTUs per cubic foot.
  - (4) The temperature of such gas shall not exceed 120 degrees Fahrenheit. However, if Company is required to dehydrate the gas at the Point(s) of Receipt, then the temperature of such gas shall not exceed 90 degrees Fahrenheit.
  - (5) The gas shall not contain hydrocarbons in the liquid state at the maximum pressure specified in the Agreement, or the pressure existing at the Point of Receipt, if higher.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 114  
Cancels Original Sheet No. 114

GENERAL TERMS AND CONDITIONS – continued

- (3) Positive Displacement Meters: Installation and the determination of volumes delivered shall conform to the recommendations in "Gas Measurement Manual Displacement Measurement Part Number Two" of the American Gas Association as amended, revised or superseded from time to time.
- b. The atmospheric pressure shall be the average atmospheric pressure as determined by elevation at the Points of Delivery and Receipt.
  - c. The volume of gas delivered through each Point of Delivery and Receipt shall be corrected to a base temperature of sixty (60) degrees Fahrenheit by using:
    - (1) The arithmetic average of the hourly temperatures recorded by a properly installed continuously operated recording thermometer, or
    - (2) A meter containing a temperature operated device, hereinafter referred to as a temperature compensated meter, through the operation of which the meter correctly registers the volume, corrected to sixty (60) degrees Fahrenheit; or
    - (3) An assumed temperature of the gas flowing through the meters of fifty (50) degrees Fahrenheit in the case of any small volume delivery where Company does not elect to install a recording thermometer or temperature compensated meter. However, in the event Company does not install a recording thermometer or temperature compensated meter, End-User may install a recording thermometer and in such case the temperature so recorded shall be used in correcting to a temperature of sixty (60) degrees Fahrenheit.
  - d. When orifice meters are used, the specific gravity of the gas delivered hereunder shall be determined by approved methods once a month, or as frequently as necessary for reasonably accurate determination, and the specific gravity so obtained shall be used in computing volumes of gas delivered hereunder.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 115  
Cancels Original Sheet No. 115

GENERAL TERMS AND CONDITIONS – continued

- e. The components for determining the deviation from Boyle's Law, at the pressure and temperature under which delivered, shall be determined by tests at intervals of twelve (12) months or at such shorter interval as is found necessary. The correction factor determined by using American Gas Association "Report Number Eight" or American Gas Association "Project NX-19" shall be used in the computation of deliveries until the next test.
- f. The heating value of the gas delivered shall be determined by approved recording calorimeters, gas samples or chromatographs.

5. MEASURING EQUIPMENT

- a. Company agrees to install, operate and maintain on its pipeline at or near each point of connection of the facilities of Company and End-User (or another party which is distributing the gas on behalf of End-User), a meter or meters of standard type and design to measure all of the gas to be delivered hereunder. Company also agrees to install, operate and maintain at or near each Point of Delivery such pressure regulating equipment as may be necessary.
- b. End-User may install, operate and maintain, at its own expense, check measuring equipment as it shall desire, provided that check meters and equipment shall be installed as not to interfere with the operation of Company's meters at or near the Point of Delivery. Company shall have access to check measuring equipment at all reasonable hours but the reading, calibrating and adjusting thereof and changing of charts shall be done only by End-User.
- c. Both Company and End-User shall have the right to be represented at any installing, reading, cleaning, changing, repairing, inspecting, calibrating or adjusting done in connection with the other's measuring equipment installed hereunder. The records from such measuring equipment shall remain the property of the owner but the owner upon request to the other will submit records and charts, together with calculations therefrom, for its inspection and verification, subject to return within ten (10) days after receipt.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 116  
Cancels Original Sheet No. 116

GENERAL TERMS AND CONDITIONS – continued

6. METER TESTS AND ADJUSTMENTS

a. Testing Equipment and Certification.

Inspection certificates are kept with the testing equipment and copies of the certificates are kept on file in the Company's offices in Golden, Colorado.

b. Before being installed for use by an End-User, every gas service meter, whether new, repaired or removed from service for any cause shall be in good order, and shall be adjusted to be correct to within one percent when passing gas at 20 percent of its rated capacity at one-half inch water column differential. Rotary displacement type gas service meters in sizes having a rated capacity of more than 5,000 cfh at a differential not to exceed two inches water column shall be tested and adjusted to be correct within two percent slow and one percent fast when passing gas at ten percent of its rated capacity and shall be adjusted to be correct within one percent slow and one percent fast when passing gas at 100 percent of its rated capacity.

c. Periodic testing shall be completed in accordance with the Company's "Sampling Program" on file with the Colorado Public Utilities Commission.

(1) If, upon any test, measuring equipment is found to be not more than one percent (1%) fast or slow, previous readings of such equipment shall be considered correct in computing deliveries of gas; the equipment shall be properly adjusted at once to record accurately.

(2) If, upon any test, any measuring equipment shall be found to be inaccurate by an amount exceeding one percent (1%), then any previous readings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon. In case the period is not known definitely or agreed upon, such adjustment shall be for a period extending over one-half of the time elapsed since the date of last test but not exceeding a correction period of thirty (30) days.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 117  
Cancels Original Sheet No. 117

GENERAL TERMS AND CONDITIONS – continued

- d. If, for any reason, Company's meters are out of service or out of repair so that the quantity of gas delivered is not correctly indicated by the reading thereof, the gas delivered during the period such meters are out of service or out of repair shall be estimated and agreed upon on the basis of the best data available, using the first of the following methods which shall be feasible:
- (1) By using the registration of any check meter or meters if installed and accurately registering;
  - (2) By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation; or
  - (3) By estimating the quantity of delivery by deliveries during preceding period under similar conditions when the meter was registering accurately.
- c. If Company institutes a new method or technique of gas measurement, such as electronic metering, such new method or technique may be substituted by Company in exercise of its reasonable judgment. Company shall promptly inform End-User of any such new technique adopted and the date of its implementation.

7. BILLING

- a. Company shall render invoices on or before the tenth day of each month for all gas delivered, or in the case of transportation service, delivered, in the preceding monthly billing period. When information necessary for billing purposes is in the control of Shipper, such information shall be delivered to Company by Shipper on or before the fifth day of the month following the month in which service was provided.
- b. Both Company and Shipper have the right to examine at reasonable times those books, records and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions hereof.
- c. Each Month Company shall invoice Shipper for any penalties, fees or charges which may be applicable. Shipper shall pay Company such charges within 20 days of the invoice date except where otherwise specified in a rate schedule. Charges more than twenty (20) days overdue shall accrue interest at the deposit interest rate as set forth in the Colorado PUC's Rules Regulating Gas Utilities and Pipeline Operators.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 118  
Cancels Original Sheet No. 118

GENERAL TERMS AND CONDITIONS – continued

8. PAYMENTS

- a. Shipper shall pay to Company at its designated office on or before the twentieth day of each month for the natural gas delivered by Company during the preceding month as billed by Company in the invoice for said month.
- b. Notwithstanding Section 8a above, Shipper's payment shall not be due until ten days from the date the Company's invoice for Distribution Transportation Service is rendered.
- c. With respect to a specific Shipper's account, any payments received shall first be applied to accrued interest, then to penalties due, then to the previously outstanding principal due, and lastly, to the most current principal due. Charges more than twenty (20) days overdue shall accrue interest at the deposit interest rate as set forth in the Commission's Rules Regulating Gas Utilities and Pipeline Operators.
- d. Shipper and each End-User (if different from Shipper) receiving Shipper's gas through Company's distribution system acknowledges that service provided hereunder is for the benefit of End-User and if Shipper or Shipper's agent fails to make timely payment for any service provided hereunder, or is in violation of any rule or regulation of Company or the Colorado Public Utilities Commission, all service provided to Shipper shall be subject to termination in accordance with the Public Utilities Commission's Rules Regulating Gas Utilities and Pipeline Operators. If such termination of Shipper's service is as a result of Shipper's failure to make timely payment, Shipper shall be subject to termination in accordance with the Commission's Rules Regulating Gas Utilities and Pipeline Operators.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 119  
Cancels Original Sheet No. 119

GENERAL TERMS AND CONDITIONS – continued

9. OPERATIONS BY SHIPPER UNDER DISTRIBUTION TRANSPORTATION SERVICE AND COMPANY

- a. Upon request, Shipper shall furnish to Company, as far in advance as operations permit, estimates of the expected daily, monthly and annual quantities of natural gas required by Shipper.
- b. Each Party shall use reasonable efforts to deliver, or cause to be delivered, gas at reasonably uniform hourly and daily rates of flow. However, either Party may request the other to change the rates of delivery or receipt. The Party requested to make such changes will do so to the extent that it can without adversely affecting its deliveries of gas to any other customer or without adversely affecting Company's own gas supply planning.
- c. Company shall deliver volumes for Shipper's account concurrently with the receipt of Receipt Volumes to the extent practicable. The Parties recognize that they may be unable to control exactly the quantities of gas received and delivered on any day and that the quantities received by Company may vary from the quantities delivered on any day. Variations shall be kept to the minimum and shall be balanced as soon as practicable. Company shall be under no obligation to accept from Shipper or for Shipper's account more gas at any Receipt Point than has been nominated by such Shipper for the Receipt Point for that day.

10. Reserved for future use.

11. Reserved for future use.

12. Reserved for future use.

13. POSSESSION OF GAS

- a. Shipper shall be in exclusive control and possession of the gas until such has been received by Company at the Point(s) of Receipt.
- b. Company shall be in control and possession of the gas received from Shipper hereunder and is responsible for any damage or injury caused thereby until the same has been delivered to Shipper for the benefit of End-User at the Point(s) of Delivery. The Point(s) of Delivery of the gas is specified to be the point of division of responsibility between the parties. Thereafter, sole responsibility and liability in relation to the gas shall attach to End-User. Company's responsibility with respect to Shipper's gas shall be deemed to be met if Company exercises due diligence in protecting such gas.

T

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 120  
Cancels First Revised Sheet No. 120

GENERAL TERMS AND CONDITIONS – continued

- c. Company, Shipper, and End-User each indemnifies and saves harmless the other for any and all damages, claims or actions arising out of the maintenance or operation of the other's property or equipment. Neither party shall indemnify the other for any such damages, claims or actions arising out of the negligence of the other party, its employees or agents.

14. PRESSURE

- a. Company shall use due care and diligence to furnish gas hereunder at such uniform pressure as End-User may request but Company shall not be required to deliver at a pressure exceeding the normal operating pressure at Point of Delivery. End-User shall install, operate and maintain such pressure regulating devices as may be necessary or appropriate to regulate the pressure of the gas after its delivery to End-User.
- b. Shipper shall tender gas at the Point(s) of Receipt at a pressure sufficient to enter Company's System. Except with the agreement of Company, Shipper shall not be permitted to tender the gas at any Point of Receipt at a pressure in excess of the pressure specified for that Point of Receipt as set forth in the applicable service agreement.

15. WARRANTY OF TITLE TO GAS

- a. Shipper warrants title to gas hereunder at the time of tender to Company and that this title is free from all liens and adverse claims.
- b. Each Party shall indemnify the other Party against all damages, costs and expenses of any nature whatsoever arising from every title claim against said gas.

16. LIMITATIONS ON OBLIGATIONS

a. FORCE MAJEURE

- (1) It is expressly agreed that Company shall not be liable on any account whatsoever to Shipper or End-User for any failure, interruption or diminution in delivery of gas hereunder or any act, omission or circumstance occasioned by or in consequence of accident to or breakage of pipelines, equipment or machinery, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacements, strikes, lockouts or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, government agency, depletion or destruction of gas wells or fields, diminution or failure of, or interference, partial or entire, with Company's natural gas supply, or, and without limitation by the foregoing, any other causes beyond reasonable control of Company. In every case, Company shall exercise diligence to remove any such interference with its delivery of gas and shall resume such delivery at the earliest practical time.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 121  
Cancels First Revised Sheet No. 121

GENERAL TERMS AND CONDITIONS – continued

- (2) End-User shall not be liable to Company for any failure to receive natural gas hereunder when occasioned by, or in consequence of accident to or breakage of pipelines, equipment or machinery, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacements, strikes, lockouts or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, government agency, or, and without limitation by the foregoing, any other causes beyond reasonable control of End-User. Any such cause or contingency exempting End-User from liability for non-performance (excepting where prevented by valid orders or requirements of Federal, State or other governmental regulatory bodies having jurisdiction in the premises) shall not relieve Shipper of its obligation to pay demand charges or reservation charges or any other amounts owed in accordance with the provisions of the applicable rate schedule. However, Shipper's continuing payment obligation does not include the monthly administrative charge for any month in which no service was provided due to force majeure. In every case, End-User shall exercise diligence to remove any such interference with its receipt of gas and shall resume such receipt at the earliest practicable time.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 123  
Cancels First Revised Sheet No. 123

GENERAL TERMS AND CONDITIONS – continued

b. LIMITATIONS ON CAPACITY FOR RECEIPTS AND DELIVERIES

- (1) See Section 16.e, below, for limitations on capacity for receipts.
- (2) Priorities for Interruption of Service. Whenever Company's system is unable, for any reason, to receive or deliver gas to satisfy the needs of all Shippers or Customers requesting service, Company will reduce deliveries as follows:

PRIORITY 1 (Highest Priority - Firm Sales or Firm Transportation)

Requirements of persons using natural gas in dwellings for residential purposes, including apartment buildings and other multi-unit buildings, and requirements of small commercial consumers (including public and private institutions and local, state and federal governmental agencies) having requirements on a peak day of five hundred (500) therms or less for purposes other than those involving manufacturing or electric power generation, including all requirements:

- (1) in a school, defined as a facility the primary function of which is to deliver instruction to regularly enrolled students in attendance at such facility;
- (2) in a hospital, defined as a facility the primary function of which is delivering medical care to patients who remain at the facility, including nursing and convalescent homes;
- (3) for police and/or fire protection and in sanitation and correctional facilities.

PRIORITY 2 (Second Highest Priority - Firm Sales or Firm Transportation)

Any use of natural gas which has been certified by the Secretary of Agriculture as an essential agricultural use under Section 401(b) of the Natural Gas Policy Act unless the Commission, in consultation with the Secretary of Agriculture determines, by rule or order that the use of an alternative fuel is economically practicable and reasonably available. The definition of "alternative fuel" shall be that stated in 18 CFR 281.303(b) as amended from time to time. Peak day volumes shall be based on current requirements unless such volumes exceed contract or certificate limitations.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 125  
Cancels First Revised Sheet No. 125

GENERAL TERMS AND CONDITIONS – continued

c. PROCEDURES

- (1) Within each priority, receipts, transportation and deliveries shall be reduced pro rata based on daily contract quantity.
  - (a) Receipts, transportation and deliveries shall not be reduced to Shippers or Customers in any priority until receipts, transportation and deliveries to lower priority Shippers or Customers have been fully reduced (the next higher numerical priority)
  - (b) Notwithstanding the above, Company may make deliveries as necessary to forestall irreparable injury to persons or property. Such situations include, but are not limited to, space heating of plant offices and heating for minimum plant protection or maintenance.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 126  
Cancels First Revised Sheet No. 126

GENERAL TERMS AND CONDITIONS – continued

- (2) It is allowable for a Shipper to contract for a lower priority service than that otherwise provided in this section.

d. INDEX OF REQUIREMENTS

Company shall prepare and maintain from information provided by End User an Index of Requirements which shall show the peak day requirements of each consumer or of each class of consumers, when appropriate, subject to reduction in deliveries under this section based upon end use and served directly or indirectly by deliveries from Company included in Priority 1, Priority 2, Priority 3 and Priority 4. Such index shall be prepared in accordance with the procedures contained in Section 16.c., as amended from time to time and interpreted in accordance with the priorities as defined in Section (b) and the rules stated below:

- (1) The requirements of small consumers, such as residential, small commercial, large commercial, irrigation and crop drying, may be grouped by classes.
- (2) Company's obligation to deliver gas to a sales-for-resale Customer or to any Distribution Transportation Shipper shall not exceed its delivery obligation under its service agreement with such consumer or any certificate limitation pertaining thereto.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 127  
Cancels First Revised Sheet No. 127

GENERAL TERMS AND CONDITIONS – continued

e. SUPPLY DEFICIENCIES

- (1) Shipper's gas volumes received, transported, and delivered by Company pursuant to its Distribution Transportation Rates Schedules shall not be subject to reduction under this tariff solely by reason of a deficiency in the gas supply dedicated to Company's Sales Customers. This supply deficiency shall not be made up by using the Distribution Transportation Shipper's supplies, unless agreed to by the Shipper.
- (2) In the event that a receipt and delivery capability limitation is applicable only to a specific pipeline or area of the system, and the only receipt and delivery reductions required relate to that pipeline or area, then the reductions prescribed above may be limited to such pipeline area.
- (3) Company will use reasonable efforts to give at least four (4) hours notice in advance of the time reductions of takes are to commence. However, when reductions are due to an event of force majeure, Company shall give whatever notice is practicable under the circumstances.
- (4) It is allowable for a Shipper to contract for a lower priority service than that otherwise provided in this section.
- (5) Interruption of gas service shall be in accordance with the class by class priorities as set out in Section 16.b, above.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 128  
Cancels Original Sheet No. 128

GENERAL TERMS AND CONDITIONS – continued

17. LIABILITY

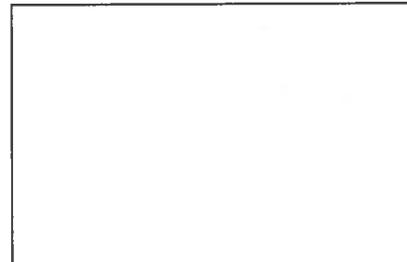
- a. If service under this Tariff is interrupted, Company shall not be liable for damages of any kind, including consequential damages, to any Shipper, End User or other party.
- b. Company shall have the right, without liability to any Shipper, End User or other party, to interrupt the transportation, sale, or delivery of gas when necessary to test, alter, modify, enlarge, repair, or maintain any facility, property or appurtenance related to the operation of its pipeline system.

18. REMEDIES

- a. Company is not required to perform service under the Distribution Transportation Service Agreement on behalf of any Shipper that fails to comply with any and all of the terms and conditions of the Distribution Transportation Service Agreement including the applicable rate schedules and these General Terms and Conditions.
- b. The failure of Shipper to timely pay any bill rendered it by Company shall be handled in accordance with the provisions in the Colorado PUC's rules Regulating the Service of Gas Utilities, and the provisions of this Tariff.
- c. No provision of these General Terms and Conditions regarding specific remedies shall bar either Company or Shipper from asserting any other remedy it may have at law or in equity.

19. DULY CONSTITUTED AUTHORITIES

- a. This Gas Tariff including these General Terms and Conditions and the respective obligations of the parties under the Distribution Transportation Service Agreement are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

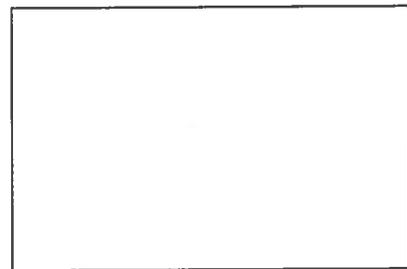
Colo. PUC No. 7  
First Revised Sheet No. 129  
Cancels Original Sheet No. 129

GENERAL TERMS AND CONDITIONS – continued

- b. Each Party's obligations under a Distribution Transportation Service Agreement incorporating these General Terms and Conditions are conditioned upon each Party obtaining from governmental authorities having jurisdiction such authorization as may be necessary.
- c. The Parties recognize that the rates, terms, and conditions for service hereunder may require change from time to time. Accordingly, Company's rates, terms and conditions, may from time to time be changed by appropriate lawful processes, including the filing of changed provisions with the PUC. Company shall be entitled to collect such changed rate from Shipper commencing with the effective date of such change. Shipper shall be obligated to pay the changed rate, made effective in the manner described above, but nothing herein contained shall prejudice the rights of Shipper to contest at any time changes to the charges for the services rendered hereunder by Company.

20. NOTICES

Except as otherwise provided in this Tariff or the Agreement, operational communications may be made by telephone or other mutually agreeable means, provided that the Company shall keep a written log of all communications with Shippers made by telephone, any notice, request, demand, statement or bill provided for in these General Terms and Conditions and the rate schedules to which they apply, or any notice which either Company or Shipper may desire to give to the other, shall be in writing and shall be considered as duly delivered when deposited in the United States mails, postage prepaid and registered, addressed to the Post Office address of Company or Shipper, or at such other address as either shall designate by formal written notice, except that routine communications (including monthly statements and payments) shall be considered as duly delivered when mailed by either registered or ordinary mail, and except that notices pursuant to Section 16, "Limitations on Obligations" may be given orally.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 130  
Cancels Original Sheet No. 130

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS

When the Company reasonably determines that its projected system deliverability or operational integrity, including the ability to provide any Shipper its Distribution Transportation service entitlement, is threatened or compromised, the Company shall be authorized to take action to correct such situation as described below. In such event, the Company shall, to the extent practicable, seek to remedy the situation as provided below; provided, however, that nothing herein shall preclude the Company from bypassing one or more of the steps described below, if, in the Company's reasonable judgment, the situation so requires.

21.1 Operational Alerts. The Company may issue Operational Alerts including by posting such alerts on its interactive website, consisting of the following, as applicable:

- A. A description of the affected portion(s) of the system;
- B. A description of the condition(s) to be corrected and/or designation of Shipper(s) to whom the Operational Alert is addressed;
- C. A list of remedial measures which can be voluntarily undertaken by Shipper or any other entities affecting the system to correct the situation. Remedial measures may include, inter alia, the following:
  - (1) Maximizing the balance of Capacity between segments of the Company's system by shifting inputs or receipts;
  - (2) Changing Receipt Points or Delivery Points;
  - (3) Switching to alternate fuels or other changes in usage;
  - (4) Shipper reliance on storage service or other services from other pipelines;
  - (5) Utilizing existing voluntary arrangements for diversions of Gas between Shippers and/or other Parties;
  - (6) Correction of Imbalances; and/or
  - (7) Performing any other voluntary action which would tend to alleviate or forestall the situation.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 131  
Cancels Original Sheet No. 131

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – continued

D. Any other information, terms and/or conditions which the Company deems appropriate.

Upon issuance of an Operational Alert, the Company may also take such actions as are within its control and discretion to alleviate or forestall the situation, including invoking the provisions of Section 16, Limitations on Obligations, of these General Terms and Conditions. Shippers shall be notified of Operational Alerts via telephone and/or the Company's Interactive Website, and this shall constitute notice that issuance of an Operational Flow Order ("OFO") may be imminent.

21.2 Operational Flow Orders.

A. In the event that, in the Company's judgment, the Operational Alert actions under Section 21.1, above, are not sufficient to alleviate conditions which threaten or could threaten the safe operations or system integrity, of the Company's system or to maintain operations required to provide efficient and reliable service, the Company shall have the right to issue Operational Flow Orders to Shippers if such action is required:

- (1) To alleviate conditions which in the Company's judgment threaten the integrity of the Company's system;
- (2) To maintain pipeline operations at the pressures required to provide efficient and reliable sales and transportation services;
- (3) To have adequate Gas supplies in the system to deliver on demand;
- (4) To correct imbalances;
- (5) To maintain service to all Shippers and for all services;
- (6) To maintain the system in balance for the foregoing purposes; and/or

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 132  
Cancels Original Sheet No. 132

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – Continued

21.2 Operational Flow Orders - Continued

A. Continued

(7) In one of the following situations:

- a. In the event that receipts in a segment of the Company's system exceed scheduled receipts so that high system pressures back off scheduled receipt quantities, the Company may issue an OFO to all Shippers in the affected segment of the system stating that a high pressure condition exists. All such Shippers will be required to review their Receipt Volumes at Receipt Points on the affected portion of the system. Those Shippers who are receiving more than their scheduled volumes, or who are otherwise responsible, in whole or in part, for the high pressure condition, will have four (4) hours in which to make needed adjustments, or be subject to the penalty specified in this section. An OFO issued pursuant to this paragraph will be canceled by the Company when the high pressure condition has been corrected and the system imbalances created by the high pressure condition have been reasonably resolved.
- b. If, in the Company's judgment, impending operating conditions will cause the delivery pressure to one or more Shippers to drop to a level which could jeopardize system integrity, the Company may immediately issue an OFO pursuant to this paragraph requiring that deliveries under all Transportation Services be made at a uniform hourly flow rate effective three (3) hours after issuance of the OFO. Failure to comply with such order on a timely basis will subject non-complying Shippers to the penalty specified in this section. If only one segment of the Company's system is affected by low pressure, the OFO shall be limited to that segment of the system. For the duration of the OFO, increases in scheduled delivery quantities within affected segments of the Company's system will be made on a prospective basis only.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 133  
Cancels Original Sheet No. 133

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – Continued

21.2 Operational Flow Orders - Continued

A. Continued

(7) In one of the following situations - continued:

- c. In the event there is a need for the Company to engage in routine and normal maintenance of the system, to undertake repairs and replacements of lines of pipe, to schedule Department of Transportation compliance activities, to install taps, to make pig runs, to test equipment, or to engage in similar actions affecting the Capacity of any portion of the system, the Company may issue an OFO(s) pursuant to this paragraph which will contain an estimate of the time, duration, and impact of the activity. This provision is in addition to Section 16, Limitations on Obligations, of the General Terms and Conditions of this Tariff as an event of force majeure may affect deliveries without triggering the need for an OFO. An order issued pursuant to this paragraph shall be canceled when such planned maintenance or other activities have been completed.
- d. The Company may, on a non-discriminatory basis, issue such other reasonable OFOs as may be required for the purposes set forth in this section in order to provide the services contemplated in this Tariff.

Before issuing an OFO, the Company will attempt to identify specific Shippers causing a problem and attempt to remedy those problems.

B. The Company will notify affected Shippers by fax, e-mail, telephone or through the Company's interactive website at least twenty-four (24) hours prior to the implementation of an OFO; provided, however, that a shorter notice period may be given where action must be taken to protect the integrity of the system. Such notice shall include, but not be limited to:

- (1) Identification of the Parties subject to the OFO;
- (2) The time the OFO will become effective;
- (3) The estimated duration of the OFO;
- (4) The triggering tariff provision which is the basis for the OFO;

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
First Revised Sheet No. 134  
Cancels Original Sheet No. 134

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – Continued
- 21.2 Operational Flow Orders - Continued
- B. Continued
- (5) Whether the Company is over- or under-delivered;
- (6) Whether actual net receipts need to be equal to or greater than actual deliveries, or actual deliveries need to be equal to or greater than actual net receipts. It is not the Company's responsibility to notify Shipper of actual receipts relative to actual deliveries. Rather, it is the Shipper's responsibility to obtain that information.
- (7) Whether authorized overruns are acceptable; and
- (8) A twenty-four (24) hour contact number for the Company during the duration of the OFO.
- C. Upon issuing an OFO, the Company shall notify all affected Shippers by telephone and on the Company's interactive website. Shippers must notify the Company of the name and telephone number of a person who will be available on a twenty-four (24) hour basis to receive notice of the issuance of an OFO. The Company will give a twenty-four (24) hour phone number in the notice.
- D. If an OFO is issued, the Company will direct one or more Shippers to adjust receipts and/or deliveries at specific point(s) on the Company's system. The Company reserves the right to request holders of firm Capacity under the Transportation Rate Schedules of this Tariff to use their Primary Receipt Point(s) or Primary Delivery Point(s) to maintain the integrity of the system.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

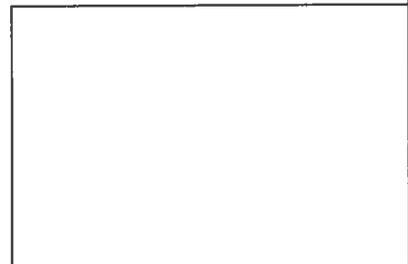
SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 135  
Cancels First Revised Sheet No. 135

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – Continued  
21.2 Operational Flow Orders - Continued

- E. On any Day that an Operational Flow Order is in effect, all quantities tendered on an individual Service Agreement basis to the Company by Shipper and/or taken by a Shipper on a daily basis in violation of the Company's Operational Flow Orders shall constitute unauthorized receipts or deliveries for which a charge of \$2.50 per therm shall be assessed. With respect to quantities tendered or taken on a daily basis in violation of an OFO, the Shipper also shall be assessed a charge equal to the highest spot gas price listed in *Gas Daily's* Daily Price Survey relative to Colorado Interstate Gas Company, Northwest Pipeline Corporation and Questar Pipeline Company, applicable to the "Rockies" (Rocky Mountain) region, plus the maximum rate for interruptible transportation service, including associated surcharges, under the applicable tariff of the upstream pipeline serving the Shipper, all as described in Section 5.5 of the Distribution Transportation Service Rate Schedule of this Tariff, for the Day that the unauthorized deliveries occurred; provided that said unauthorized deliveries shall be excluded from the determination of an offending Shipper's Imbalance for the Monthly Billing Period. Shippers will be exempt from penalties and imbalances that result from complying with an OFO. Imbalances accrued during and in compliance with an OFO will be cashed out at 100% of the index price as noted above and such amount of imbalance will be excluded from the monthly cash out provisions. Upon an OFO becoming effective, as specified in the OFO or as provided in this section, Shippers, Transporting Pipelines, and other Parties shall be permitted the time stated in the OFO, or such lesser time as is required to protect the integrity of the Company's system, to make adjustments in compliance with the OFO(s). If the Shipper, Transporting Pipeline, or other Party adjusts its tenders or takes within such notice period, then no charge, as provided for herein, shall be assessed.
  
- F. Compliance with OFOs and the other terms and conditions of this Tariff is essential to providing deliveries and services under all rate schedules. A failure by one or more Shippers to comply with an OFO may affect the Company's ability to provide such deliveries and services. Shippers failing to comply with an OFO may be held accountable, either directly or as a third party defendant, for any damages so caused to other Shippers and/or to the Company. In such event, and in addition to other remedies available under this Tariff and applicable law, the Company shall have no liability or responsibility for its inability to provide services under the affected rate schedules or Service Agreements and will be indemnified and held harmless by the offending Shipper(s) against any claim relating to such failure to provide deliveries and services. Payment of any penalties pursuant to this Tariff for such non-compliance shall not be construed in any way to entitle Shipper to engage in such actions, nor shall such payments be considered as relieving such Shipper of its responsibilities under this section.



Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
Second Revised Sheet No. 136  
Cancels First Revised Sheet No. 136

22. CONVERSION TO THERMAL BILLING UNITS

The per cubic foot volumetric meter reads, which are already corrected to a standard temperature of 60 degrees Fahrenheit through the use of temperature-compensated meters, are converted to thermal billing units by combining receipt point Btu and atmospheric pressure data.

The Company's system is subdivided into Btu Zones based on the receipt points where natural gas is delivered into the system. The Company's Btu Zones are shown in the table on Sheet No. 136A. This table will be updated periodically. Each Customer's or End-User's meter is assigned to a Btu zone based on the physical location of the meter. Receipt points are equipped with gas quality equipment that measures and records the Btu content of the natural gas passing through that point. The Customer's or End-User's total usage in cubic feet is converted to Btus based on the average daily Btu content of the natural gas in that Btu zone during their billing cycle. At this stage, the amount of Btus used is unadjusted for atmospheric pressure.

Each Customer's or End-User's unadjusted Btus are then adjusted to account for the local atmospheric pressure at the Customer's or End-User's meter based upon available Geographic Information System data based upon altitude. The assigned altitude is converted to an associated fixed conversion factor that will be used to adjust for local atmospheric pressure. The adjusted Btus are then converted to therms for the purpose of determining the Customer's or Shipper's bill.

Advice Letter No.

Michael Noone  
Issuing Officer

Issue Date:

Decision or  
Authority No.

President  
Title

Effective Date: June 1, 2014

SourceGas Distribution LLC

Colo. PUC No. 7  
 Third Revised Sheet No. 136A  
 Cancels Second Revised Sheet No. 136A

22. CONVERSION TO THERMAL BILLING UNITS – continued

Thermal Conversion Information

<u>Town Border Station</u>	<u>BTU Zone (Interconnect / Gas Quality Point ID /1)</u>	<u>Town Border Station</u>	<u>BTU Zone (Interconnect / Gas Quality Point ID /1)</u>	
Akron	TIGT / 37369	Log Hill / Fairway Pines	TSCO / 36133	T
Aspen	RMNG / 7147	Longmont	PSCO / 8916	
Aspen Glen	RMNG / 7147	Los Amigos	RMNG / 9078	
Aspen Village	RMNG / 7147	Manzanola	CIG / 41386	
Avon	RMNG / 9078	Mead	PSCO / 8916	
Bachelor Gulch	PSCO / 40685	Mesa	RMGN / 7153	
Basalt	RMNG / 7147	Missouri Heights	RMNG 7147	
Bayfield	CIG / 41600	Montrose	TSCO / 36133	
Carbondale	RMNG / 7147	Mountain Village	TSCO 36133	
Cedaredge	RMNG / 7153	Naturita	NW / 8915	
Cheraw	CIG / 41386	Norwood	NW / 8915	
Collbran	RMNG / 7153	Nucla	NW / 8915	
Colona	TSCO / 42128	Olathe	TSCO / 36133	
Cordillera	RMNG / 9078	Olney Springs	CIG / 41386	
Cotton Ranch	RMNG / 7147	Orchard City	RMNG / 7153	
Crawford	RMNG / 7153	Ordway	CIG / 41386	
Crowley	CIG / 41386	Otis	TIGT / 37369	T
Dacono	PSCO / 8916	Ourray	TSCO / 36133	
Delta	RMNG / 7153	Ovid	TIGT / 16901	T
Dove Creek	NW / 8915	Pagosa Springs	PSCO / 41602	
Eagle	RMNG / 9078	Panorama	RMNG / 7147	
Eckley	TIGT / 37369	Paoli	TIGT / 19201	T
Edwards	RMNG / 9078	Paonia	TSCO / 36133	
El Jebel	RMNG / 7147	Ranch of the Roaring Fork	RMNG / 7147	
Erie	PSCO / 8916	Redvale	NW / 8915	
Firestone	PSCO / 8916	Ridgway	TSCO / 36133	
Fleming	TIGT / 19201	Rocky Ford	CIG / 41386	T
Fort Lyon	CIG / 41386	Sawpit	TSCO / 36133	
Fowler	CIG / 41386	Snow Mass	RMNG / 7147	
Frederick	PSCO / 8916	SnowMass Village	RMNG / 7147	
Glenwood Springs	RMNG / 9078	Sugar City	CIG / 41386	
Gypsum	RMNG / 9078	Swink	CIG / 41386	T
Haxtun	TIGT / 19201	Telluride	TSCO / 36133	T
Holyoke	TIGT / 19201	Wellington	PSCO / 8917	
Hotchkiss	RMNG / 7153	Whitewater	TSCO / 42128	
Iliff	TIGT / 19201	Wolcott	RMNG / 9078	T
Julesburg	TIGT / 16901	Woody Creek	RMNG / 7147	T
La Junta	CIG / 41386	Wray	TIGT / 37369	T
Las Animas	CIG / 41386	Yuma	TSCO / 36133	

/2 TIGT – Tallgrass Interstate Gas Transmission LLC  
 RMNG – Rocky Mountain Natural Gas LLC  
 PSCO – Public Service Company of Colorado  
 CIG – Colorado Interstate Gas Company  
 TSCO – TransColorado Gas Transmission Company LLC  
 NW – Northwest Pipeline

Advice Letter No.

Michael Noone  
 Issuing Officer

Issue Date:

Decision or  
 Authority No.

President  
 Title

Effective Date: June 1, 2014

**Rocky Mountain Natural Gas LLC  
Calculation of Revenue Adjustment Mechanism Credit**

<b>Line No.</b>	<b>Description</b>	<b>Amount</b>
1	Revenue Included in RAM Calculation	\$ 2,453,321
2	Applicable Contract Demand	113,179
3	Annual Billing Units	1,358,148
4	<b>RAM Credit</b>	<b>\$ (1.8064)</b>

**Rocky Mountain Natural Gas LLC**  
**Applicable Revenue Calculation by Component**

Line No.	Off-System Transportation	2014
1	Revenues to be Credited	
2	Annual Rev.	\$ 1,467,394
3	Addt'l Off-Sys Revenues	\$ -
4	Applicable to RAM (25%)	\$ -
5	Total to RAM	\$ 1,467,394
6	<b>MCS-1</b>	<b>2014</b>
7	Revenues	\$ -
8	Applicable to RAM (70%)	\$ -
9	<b>Liquids</b>	<b>2014</b>
10	Rifle Plant	
11	Total in Revenue Requirement	\$ 266,000
12	Projected Liquids Sales Net Revenue (12 months to date)	684,472
13	Amount to be Credited	266,000
14	Amount to be Shared	418,472
15	Applicable to RAM (75%)	313,854
16	Total To RAM	579,854
17	Piceance Plant	
18	Total in Revenue Requirement	\$ 20,000
19	Projected Liquids Sales Net Revenue (12 months to date)	534,764
20	Amount to be Credited	20,000
21	Amount to be Shared	514,764
22	Applicable to RAM (75%)	386,073
23	Total To RAM	406,073
24	Total to RAM	985,927
25	<b>Operational Purchases and Sales of Gas</b>	<b>2014</b>
26	Purchases	0
27	Sales	0
28	Total to RAM	0
29	<b>Automatic Park and Loan Service</b>	<b>2014</b>
30	Revenue	0
31	<b>Total Revenue included in RAM</b>	<b>\$ 2,453,321</b>

**Rocky Mountain Natural Gas LLC**  
**Base Revenue Calculation for Processing Facilities**

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1	<b>Rifle Plant</b>	
2	Total Net Plant	\$ 959,789
3	Debt %	49.23% 5.18% 2.55%
4	Equity %	50.77% 10.60% 5.38%
5	Debt Cost	24,466
6	Return Cost	51,652
7	Income Tax Expense	0.613150402 31,671
8	Operating Expense	97,000
9	Depreciation Expense	<u>60,293</u>
10	<b>Total Revenue Requirement</b>	<u><u>265,082</u></u>
11	<b>Round to whole Thousands</b>	<b>266,000</b>
12	<b>Piceance</b>	
13	Operating Expense	19,139
14	<b>Total Revenue Requirement</b>	<u><u>19,139</u></u>
15	<b>Round to whole Thousands</b>	<b>20,000</b>

Rocky Mountain Natural Gas LLC  
 Calculation of LSSRS

	<b>Litigated Settlement Special Rate Surcharge (LSSRS)</b>	<u>Amount</u>	<u>Reference</u>
1	Actual Balance as of September 30, 2013	19,117,936	
2	Current Rate (per Mcf)	\$ 0.2699	
3	Projected Shortfall Under Current Rate	8,787,248	
4	Demand Charge Calculation		
5	Projected Balance as of March 31, 2014	17,298,526	
6	Contract Demand	113,197	EGF-9, Forecasted Peak Day 13/14 Winter
7	Remaining Recovery Months	43	April 2014 through October 2017
8	Cumulative Demand Units	4,867,471	Line 6 x Line 7
9	Demand Rate	<u>\$ 3.5539</u>	Line 5 ÷ Line 8
10	Annual Demand Cost	4,827,490	Line 9 x Line 6 x 12
11	Annual Volume (DTh)	9,153,584	Exhibit V, Schedule C, Column B, Lines 3 and 8
12	Rate per DTh	\$ 0.5274	Line 10 ÷ Line 11
13	Interim Rate per Mcf @ 1,060 MMBtu	<u>\$ 0.4975</u>	Line 12 ÷ 1.060