

January 20, 2010

**VIA HAND DELIVERY AND ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: Docket 4097 – National Grid, Gas Cost Recovery (“GCR”)**  
**Monthly Filing of GCR Deferred Balances**

Dear Ms. Massaro:

Enclosed please find an original and nine copies of National Grid’s monthly filing of gas costs and gas cost revenue collections data. Based on two months of actual data, and ten month of projected data, the October 31, 2010 deferred gas cost balance is an over-collection of \$121 thousand (see attached Schedule 1, page 2). This calculation is based on the November 1, 2009 starting balance of a \$9.9 million under-collection, plus actual gas costs and gas cost collections for November and December 2009 along with projected costs for January 2010 through October 2010. These projected costs are updated to reflect the January 11, 2009 NYMEX settle.

In December 2009 the Company received a gas cost refund from Tennessee Pipeline of \$594,636.29 . This refund includes the first of three quarterly installments of a refund that will be received over the period from July 1, 2009 to June 2012. The refund is the result of Tennessee Pipeline’s overcollection of its polychlorinated biphenyl (PCB) and hazardous substance list (HSL) environmental cleanup costs under a surcharge mechanism approved by the FERC in Dockets RP91-203-076 and RP92-132-064 in Commission orders issued November 29, 1995 and February 20, 1996. The PCB/HSL surcharges were collected between 1996 and 2001. Attachment 1 is a copy of the negotiated settlement agreement approved by the FERC which describes the history of the PCB/HSL surcharge and the terms of the distribution of the overcollection. As shown on page 40, Lines 310 and 311, Rhode Island customers will receive approximately \$3.2 million over the refund period.

Details are provided on the attached schedules. Schedule 1, pages 1 and 2, summarizes the deferred gas cost activity by GCR category and by month. The Schedule 1 summary shows that for the month of December 2009, the Company incurred actual gas costs of \$39.7 million, working capital of \$292 thousand and GCR revenue collections of \$26.7 million, for a net under-collection of approximately \$13 million. Schedule 2 provides a breakdown of actual gas costs for November and December 2009 and projected gas costs for January 2010 through October 31, 2010. Schedule 3 summarizes actual gas cost revenue collections for November and December 2009 and projected gas cost revenue collections for January 2010 through October 2010. Schedule 4 shows the calculation of inventory finance charges. The calculation of working capital is presented on pages 1 and 2 of Schedule 5. Schedule 6 presents customer class specific throughput. Thank you for your attention to this matter.

If you have any questions, please do not hesitate to contact me at (401) 784-7667 or Gary Beland at (781) 907-2129.

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Docket 4097 Service List

**Docket No. 4097 – National Grid – Annual Gas Cost Recovery Filing  
 (“GCR”) - Service List as of 10/5/09**

<b>Name/Address</b>	<b>E-mail</b>	<b>Phone/FAX</b>
Thomas R. Teehan, Esq. National Grid 280 Melrose St. Providence, RI 02907	<a href="mailto:Thomas.teehan@us.ngrid.com">Thomas.teehan@us.ngrid.com</a>	401-784-7667
	<a href="mailto:Peter.Czekanski@us.ngrid.com">Peter.Czekanski@us.ngrid.com</a>	401-784-4321
	<a href="mailto:Joanne.scanlon@us.ngrid.com">Joanne.scanlon@us.ngrid.com</a>	
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence RI 02903	<a href="mailto:Lwold@riag.ri.gov">Lwold@riag.ri.gov</a>	401-222-2424
	<a href="mailto:Sscialabba@ripuc.state.ri.us">Sscialabba@ripuc.state.ri.us</a>	401-222-3016
	<a href="mailto:Mtobin@riag.ri.gov">Mtobin@riag.ri.gov</a>	
	<a href="mailto:dmacrae@riag.ri.gov">dmacrae@riag.ri.gov</a>	
David C. Fixler, Esq. (for Direct Energy) Rubin and Rudman LLP 50 Rowes Wharf, 3 <sup>rd</sup> Floor Boston, MA 02110	<a href="mailto:dfixler@rubinrudman.com">dfixler@rubinrudman.com</a>	617-330-7000
Bruce Oliver Revilo Hill Associates 7103 Laketree Drive Fairfax Station, VA 22039	<a href="mailto:Boliver.rha@verizon.net">Boliver.rha@verizon.net</a>	703-569-6480
<b>File an original &amp; nine (9) copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02888	<a href="mailto:Lmassaro@puc.state.ri.us">Lmassaro@puc.state.ri.us</a>	401-780-2107
	<a href="mailto:Plucarelli@puc.state.ri.us">Plucarelli@puc.state.ri.us</a>	401-941-1691
	<a href="mailto:Sccamara@puc.state.ri.us">Sccamara@puc.state.ri.us</a>	

	Nov-09 30 actual	Dec-09 31 actual	Jan-10 31 fcst	Feb-10 28 fcst	Mar-10 31 fcst	Apr-10 30 fcst	May-10 31 fcst	Jun-10 30 fcst	Jul-10 31 fcst	Aug-10 31 fcst	Sep-10 30 fcst	Oct-10 31 fcst	Nov - Oct 365
<b>I. Supply Fixed Cost Deferred</b>													
Beginning Balance	(\$802,683)	(\$2,008,988)	(\$2,919,408)	(\$5,182,554)	(\$7,612,058)	(\$9,395,401)	(\$10,273,246)	(\$10,274,427)	(\$9,096,636)	(\$7,552,057)	(\$5,885,871)	(\$4,278,557)	
Supply Fixed Costs (net of cap rel)	\$1,841,268	\$1,804,066	\$2,518,055	\$2,514,271	\$2,518,055	\$2,300,794	\$2,065,655	\$2,477,914	\$2,477,975	\$2,477,975	\$2,477,914	\$2,477,975	\$27,951,918
Capacity Release	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Working Capital	\$13,693	\$13,417	\$18,726	\$18,698	\$18,726	\$17,111	\$15,362	\$18,428	\$18,428	\$18,428	\$18,428	\$18,428	\$207,874
Total Supply Fixed Costs	\$1,854,961	\$1,817,483	\$2,536,782	\$2,532,970	\$2,536,782	\$2,317,905	\$2,081,017	\$2,496,342	\$2,496,403	\$2,496,403	\$2,496,342	\$2,496,403	\$28,159,792
Supply Fixed - Collections	\$1,747,051	\$2,570,825	\$4,641,165	\$4,801,871	\$4,156,637	\$3,031,186	\$1,916,833	\$1,154,138	\$788,528	\$668,625	\$729,343	\$978,464	\$27,184,668
Prelim. Ending Balance	(\$694,774)	(\$2,762,330)	(\$5,023,792)	(\$7,451,455)	(\$9,231,914)	(\$10,108,682)	(\$10,109,062)	(\$8,932,224)	(\$7,388,760)	(\$5,724,279)	(\$4,118,873)	(\$2,760,618)	
Month's Average Balance	(\$748,728)	(\$2,385,659)	(\$3,971,600)	(\$6,317,005)	(\$8,421,986)	(\$9,752,041)	(\$10,191,154)	(\$9,603,326)	(\$8,242,698)	(\$6,638,168)	(\$5,002,372)	(\$3,519,588)	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	(\$769)	(\$2,533)	(\$4,216)	(\$6,057)	(\$8,941)	(\$10,019)	(\$10,819)	(\$9,866)	(\$8,751)	(\$7,047)	(\$5,139)	(\$3,737)	(\$77,896)
Gas Procurement Incentive/(penalty)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NGPMP Credit	\$1,313,445	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$3,013,445
Supply Fixed Ending Balance	\$617,902	(\$2,919,408)	(\$5,182,554)	(\$7,612,058)	(\$9,395,401)	(\$10,273,246)	(\$10,274,427)	(\$9,096,636)	(\$7,552,057)	(\$5,885,871)	(\$4,278,557)	(\$2,918,900)	
<b>II. Storage Fixed Cost Deferred</b>													
Beginning Balance	\$1,674,812	\$1,850,028	\$1,670,455	\$499,474	(\$734,852)	(\$1,699,423)	(\$1,969,854)	(\$1,527,631)	(\$1,176,969)	(\$661,608)	(\$97,808)	\$441,654	
Storage Fixed Costs	\$943,967	\$952,357	\$783,641	\$783,641	\$783,641	\$999,641	\$1,236,041	\$822,521	\$823,721	\$823,721	\$822,521	\$823,721	\$10,599,132
LNG Demand to DAC	(\$77,196)	(\$77,196)	(\$34,020)	(\$34,020)	(\$34,020)	(\$26,460)	(\$26,460)	(\$26,460)	(\$26,460)	(\$26,460)	(\$26,460)	(\$26,460)	(\$441,672)
Supply Related LNG O & M	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549
Working Capital	\$6,829	\$6,892	\$5,958	\$5,958	\$5,958	\$7,621	\$9,379	\$6,304	\$6,312	\$6,312	\$6,304	\$6,312	\$80,140
Total Storage Fixed Costs	\$925,149	\$933,602	\$807,128	\$807,128	\$807,128	\$1,032,351	\$1,270,509	\$853,914	\$855,123	\$855,123	\$853,914	\$855,123	\$10,856,191
TSS Peaking Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage Fixed - Collections	\$751,743	\$1,115,042	\$1,979,260	\$2,041,342	\$1,770,408	\$1,300,897	\$826,431	\$501,863	\$338,787	\$290,919	\$314,628	\$424,099	\$11,655,419
Prelim. Ending Balance	\$1,848,218	\$1,668,587	\$498,323	(\$734,740)	(\$1,698,132)	(\$1,967,970)	(\$1,525,775)	(\$1,175,580)	(\$660,633)	(\$97,405)	\$441,478	\$872,678	
Month's Average Balance	\$1,761,515	\$1,759,307	\$1,084,389	(\$117,633)	(\$1,216,492)	(\$1,833,696)	(\$1,747,814)	(\$1,351,605)	(\$918,801)	(\$379,507)	\$171,835	\$657,166	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	\$1,810	\$1,868	\$1,151	(\$113)	(\$1,291)	(\$1,884)	(\$1,856)	(\$1,389)	(\$975)	(\$403)	\$177	\$698	(\$2,208)
Storage Fixed Ending Balance	\$1,850,028	\$1,670,455	\$499,474	(\$734,852)	(\$1,699,423)	(\$1,969,854)	(\$1,527,631)	(\$1,176,969)	(\$661,608)	(\$97,808)	\$441,654	\$873,375	
<b>III. Variable Supply Cost Deferred</b>													
Beginning Balance	\$44,286,232	\$46,972,599	\$56,312,439	\$47,481,649	\$33,003,904	\$24,271,321	\$13,016,059	\$4,548,090	(\$551,442)	(\$2,690,935)	(\$3,616,649)	(\$4,390,241)	
Variable Supply Costs	\$18,065,386	\$31,739,269	\$31,573,963	\$27,242,830	\$27,208,701	\$15,070,509	\$8,334,862	\$5,130,894	\$4,866,845	\$5,044,797	\$5,694,363	\$11,545,364	\$191,517,784
Variable Delivery Storage	\$0	(\$29,074)	(\$89,361)	(\$69,473)	(\$23,075)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$210,983)
Variable Injections Storage	(\$5,163)	(\$488)	\$0	\$0	(\$1,472)	(\$16,828)	(\$17,350)	(\$13,932)	(\$8,143)	(\$7,185)	(\$361)	(\$9,372)	(\$80,294)
Fuel Cost Allocated to Storage	(\$33,017)	(\$125,895)	(\$380,174)	(\$291,966)	(\$131,159)	(\$95,575)	(\$96,051)	(\$76,163)	(\$40,376)	(\$32,223)	(\$2,691)	(\$54,092)	(\$1,359,382)
Working Capital	\$134,066	\$234,884	\$231,319	\$199,913	\$201,189	\$111,241	\$61,142	\$37,488	\$35,833	\$37,224	\$42,325	\$85,389	\$1,412,013
Total Supply Variable Costs	\$18,161,271	\$31,818,695	\$31,335,747	\$27,081,304	\$27,254,185	\$15,069,347	\$8,282,603	\$5,078,287	\$4,854,159	\$5,042,614	\$5,733,636	\$11,567,289	\$191,279,137
Supply Variable - Collections	\$15,520,233	\$22,531,906	\$40,221,604	\$41,597,620	\$36,017,154	\$26,343,754	\$16,759,890	\$10,179,871	\$6,991,932	\$5,964,982	\$6,503,117	\$8,639,485	\$237,271,547
Deferred Responsibility	\$1,527	\$1,746	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prelim. Ending Balance	\$46,925,744	\$56,257,643	\$47,426,582	\$32,965,333	\$24,240,934	\$12,996,914	\$4,538,772	(\$553,494)	(\$2,689,214)	(\$3,613,303)	(\$4,386,130)	(\$1,462,437)	
Month's Average Balance	\$45,605,988	\$51,615,121	\$51,869,511	\$40,223,491	\$28,622,419	\$18,634,118	\$8,777,415	\$1,997,298	(\$1,620,328)	(\$3,152,119)	(\$4,001,389)	(\$2,926,339)	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	\$46,855	\$54,797	\$55,067	\$38,570	\$30,387	\$19,145	\$9,318	\$2,052	(\$1,720)	(\$3,346)	(\$4,111)	(\$3,107)	\$243,907
Gas Procurement Incentive/(penalty)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supply Variable Ending Balance	\$46,972,599	\$56,312,439	\$47,481,649	\$33,003,904	\$24,271,321	\$13,016,059	\$4,548,090	(\$551,442)	(\$2,690,935)	(\$3,616,649)	(\$4,390,241)	(\$1,465,543)	

	Nov-09 30 actual	Dec-09 31 actual	Jan-10 31 fcst	Feb-10 28 fcst	Mar-10 31 fcst	Apr-10 30 fcst	May-10 31 fcst	Jun-10 30 fcst	Jul-10 31 fcst	Aug-10 31 fcst	Sep-10 30 fcst	Oct-10 31 fcst	Nov - Oct 365
<b>IVa. Storage Variable Product Cost Deferred</b>													
Beginning Balance	(\$30,418,752)	(\$29,547,847)	(\$25,329,368)	(\$10,562,178)	\$71,663	\$2,928,396	\$2,386,066	\$2,216,884	\$2,298,619	\$2,515,035	\$2,787,928	\$3,040,868	
Storage Variable Prod. Costs - LNG	\$31,545	\$743,101	\$1,746,795	\$601,207	\$127,992	\$123,394	\$124,933	\$116,598	\$120,712	\$120,509	\$116,013	\$120,183	\$4,092,982
Storage Variable Prod. Costs - UG	\$933,168	\$4,102,105	\$14,225,892	\$11,219,634	\$3,740,378	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,221,177
Supply Related LNG to DAC	(\$5,299)	(\$124,841)	(\$293,462)	(\$101,003)	(\$21,503)	(\$20,730)	(\$20,989)	(\$19,589)	(\$20,280)	(\$20,246)	(\$19,490)	(\$20,191)	(\$687,621)
Supply Related LNG O & M	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$430,129
Inventory Financing - LNG	\$48,072	\$44,219	\$34,462	\$31,467	\$30,480	\$30,480	\$42,526	\$42,450	\$42,379	\$42,318	\$42,270	\$42,229	\$476,888
Inventory Financing - UG	\$385,002	\$331,274	\$219,774	\$108,709	\$77,132	\$132,806	\$186,694	\$232,133	\$260,170	\$283,426	\$284,504	\$284,504	\$2,786,129
Working Capital	\$7,402	\$35,371	\$116,871	\$87,425	\$28,875	\$1,030	\$1,040	\$988	\$1,013	\$1,012	\$984	\$1,010	\$283,022
Total Storage Variable Product Costs	\$1,395,758	\$4,971,320	\$16,086,175	\$11,983,284	\$4,019,199	\$306,359	\$370,048	\$408,425	\$439,839	\$462,865	\$460,125	\$463,579	\$41,366,977
Storage Variable Product Collections	\$494,064	\$723,726	\$1,299,944	\$1,344,416	\$1,164,058	\$851,418	\$541,672	\$329,009	\$225,976	\$192,785	\$210,178	\$279,224	\$7,656,470
Prelim. Ending Balance	(\$29,517,058)	(\$25,300,253)	(\$10,543,136)	\$76,690	\$2,926,804	\$2,383,337	\$2,214,442	\$2,296,300	\$2,512,482	\$2,785,114	\$3,037,875	\$3,225,223	
Month's Average Balance	(\$29,967,905)	(\$27,424,050)	(\$17,936,252)	(\$5,242,744)	\$1,499,234	\$2,655,867	\$2,300,254	\$2,256,592	\$2,405,550	\$2,650,075	\$2,912,902	\$3,133,046	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	(\$30,789)	(\$29,115)	(\$19,042)	(\$5,027)	\$1,592	\$2,729	\$2,442	\$2,318	\$2,554	\$2,813	\$2,993	\$3,326	(\$63,206)
Storage Variable Product Ending Bal.	(\$29,547,847)	(\$25,329,368)	(\$10,562,178)	\$71,663	\$2,928,396	\$2,386,066	\$2,216,884	\$2,298,619	\$2,515,035	\$2,787,928	\$3,040,868	\$3,228,549	
<b>IVb. Stor Var Non-Prod Cost Deferred</b>													
Beginning Balance	(\$4,875,985)	(\$4,687,669)	(\$4,242,572)	(\$2,952,724)	(\$1,868,438)	(\$1,255,569)	(\$914,318)	(\$654,502)	(\$474,668)	(\$365,423)	(\$273,540)	(\$213,943)	
Storage Variable Non-prod. Costs	\$39,974	\$195,754	\$469,535	\$361,439	\$145,705	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,212,407
Variable Delivery Storage Costs	\$9,610	\$47,211	\$89,361	\$69,473	\$23,075	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$238,730
Variable Injection Storage Costs	\$2,094	\$1,472	\$0	\$0	\$1,472	\$16,828	\$17,350	\$13,932	\$8,143	\$7,185	\$361	\$9,372	\$78,209
Fuel Costs Allocated to Storage	\$7,844	\$6,675	\$380,174	\$291,966	\$131,159	\$95,575	\$96,051	\$76,163	\$40,376	\$32,223	\$2,691	\$54,092	\$1,214,988
Working Capital	\$443	\$1,867	\$6,984	\$5,376	\$2,242	\$836	\$843	\$670	\$361	\$293	\$23	\$472	\$20,409
Total Storage Var Non-product Costs	\$59,965	\$252,979	\$946,055	\$728,253	\$303,652	\$113,239	\$114,245	\$90,765	\$48,879	\$39,701	\$3,075	\$63,936	\$2,764,743
Storage Var Non-Product Collections	(\$133,262)	(\$196,856)	(\$347,610)	(\$358,343)	(\$310,875)	(\$229,127)	(\$146,404)	(\$89,648)	(\$60,811)	(\$52,521)	(\$56,772)	(\$75,829)	(\$2,058,058)
Prelim. Ending Balance	(\$4,682,759)	(\$4,237,834)	(\$2,948,907)	(\$1,866,128)	(\$1,253,912)	(\$913,204)	(\$653,669)	(\$474,088)	(\$364,977)	(\$273,201)	(\$213,693)	(\$74,178)	
Month's Average Balance	(\$4,779,372)	(\$4,462,751)	(\$3,595,739)	(\$2,409,426)	(\$1,561,175)	(\$1,084,387)	(\$783,994)	(\$564,295)	(\$419,822)	(\$319,312)	(\$243,616)	(\$144,061)	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	(\$4,910)	(\$4,738)	(\$3,817)	(\$2,310)	(\$1,657)	(\$1,114)	(\$832)	(\$580)	(\$446)	(\$339)	(\$250)	(\$153)	(\$21,147)
Storage Var Non-Product Ending Bal.	(\$4,687,669)	(\$4,242,572)	(\$2,952,724)	(\$1,868,438)	(\$1,255,569)	(\$914,318)	(\$654,502)	(\$474,668)	(\$365,423)	(\$273,540)	(\$213,943)	(\$74,331)	
<b>GCR Deferred Summary</b>													
Beginning Balance	\$9,863,623	\$15,244,987	\$25,727,275	\$29,519,396	\$23,095,946	\$15,085,052	\$2,480,435	(\$5,455,857)	(\$8,765,367)	(\$8,519,259)	(\$6,850,212)	(\$5,164,491)	
Gas Costs	\$22,274,646	\$39,697,402	\$51,332,029	\$42,815,569	\$34,663,955	\$18,701,362	\$12,030,656	\$8,863,855	\$8,632,455	\$8,833,435	\$9,479,028	\$15,334,718	\$272,659,111
Working Capital	\$162,432	\$292,431	\$379,858	\$317,370	\$256,990	\$137,839	\$87,765	\$63,877	\$61,948	\$63,270	\$68,064	\$111,612	\$2,003,458
Total Costs	\$22,437,078	\$39,989,833	\$51,711,887	\$43,132,940	\$34,920,945	\$18,839,201	\$12,118,422	\$8,927,732	\$8,694,404	\$8,896,705	\$9,547,092	\$15,446,330	\$274,662,569
Collections	\$18,381,356	\$26,746,389	\$47,794,363	\$49,426,906	\$42,797,383	\$31,298,128	\$19,898,421	\$12,075,233	\$8,284,411	\$7,064,790	\$7,700,494	\$10,245,443	\$281,713,319
Prelim. Ending Balance	\$13,919,345	\$28,488,431	\$29,644,799	\$23,225,429	\$15,219,509	\$2,626,124	(\$5,299,565)	(\$8,603,358)	(\$8,355,375)	(\$6,687,344)	(\$5,003,614)	\$36,396	
Month's Average Balance	\$11,891,484	\$21,866,709	\$27,686,037	\$26,372,412	\$19,157,728	\$8,855,588	(\$1,409,565)	(\$7,029,607)	(\$8,560,371)	(\$7,603,301)	(\$5,926,913)	(\$2,564,047)	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	\$12,197	\$20,279	\$29,142	\$25,063	\$20,088	\$8,856	(\$1,747)	(\$7,464)	(\$9,338)	(\$8,322)	(\$6,331)	(\$2,972)	\$79,450
Gas Purchase Plan Incentives/(Penalties)	\$1,313,445	(\$1,313,445)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
NGPMP Credit	\$1,467,990	\$1,467,990	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$3,013,445
<b>Ending Bal. W/ Interest</b>	<b>\$15,244,987</b>	<b>\$25,727,275</b>	<b>\$29,519,396</b>	<b>\$23,095,946</b>	<b>\$15,085,052</b>	<b>\$2,480,435</b>	<b>(\$5,455,857)</b>	<b>(\$8,765,367)</b>	<b>(\$8,519,259)</b>	<b>(\$6,850,212)</b>	<b>(\$5,164,491)</b>	<b>(\$121,122)</b>	
Under/(Over)-collection	\$4,055,722	\$13,243,444	\$3,917,523	(\$6,293,967)	(\$7,876,437)	(\$12,458,928)	(\$7,779,999)	(\$3,147,501)	\$409,992	\$1,831,915	\$1,846,598	\$5,200,887	

Projected Gas Costs using 1-11-10 NYMEX	Nov-09 actual	Dec-09 actual	Jan-10 fcst	Feb-10 fcst	Mar-10 fcst	Apr-10 fcst	May-10 fcst	Jun-10 fcst	Jul-10 fcst	Aug-10 fcst	Sep-10 fcst	Oct-10 fcst	Nov-Oct
<b>SUPPLY FIXED COSTS - Pipeline &amp; Supplier</b>													
Algonquin	\$646,473	\$618,604	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$8,499,601
TETCO/Texas Eastern	\$500,954	\$538,562	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$8,519,182
Tennessee	\$694,705	\$684,131	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$9,124,243
Columbia	\$308,698	\$310,895	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$3,471,639
Westerly Lateral	\$60,149	\$60,153	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$709,093
Others	\$88,971	\$95,457	\$364,912	\$361,128	\$364,912	\$147,650	(\$87,488)	\$324,770	\$324,832	\$324,832	\$324,770	\$324,832	\$2,959,576
Less Credits from Mkter Releases	\$458,683	\$503,735	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$5,331,415
<b>TOTAL SUPPLY FIXED COSTS - Pipeline &amp; Supplier</b>	<b>\$1,841,268</b>	<b>\$1,804,066</b>	<b>\$2,518,055</b>	<b>\$2,514,271</b>	<b>\$2,518,055</b>	<b>\$2,300,794</b>	<b>\$2,065,655</b>	<b>\$2,477,914</b>	<b>\$2,477,975</b>	<b>\$2,477,975</b>	<b>\$2,477,914</b>	<b>\$2,477,975</b>	<b>\$27,951,918</b>
<b>STORAGE FIXED COSTS - Facilities</b>													
Texas Eastern SS-1 Demand	\$88,743	\$89,527	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$1,150,166
Dominion GSS Demand	\$83,348	\$83,348	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$1,001,261
Tennessee FSMA Demand	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$473,138
Columbia FSS Demand	\$0	\$0	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$97,246
Keyspan LNG Tank Lease Payment	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$1,890,000
<b>TOTAL FIXED STORAGE COSTS</b>	<b>\$369,019</b>	<b>\$369,804</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$4,611,811</b>
<b>STORAGE FIXED COSTS - Delivery</b>													
<b>STORAGE DELIVERY FIXED COST \$</b>	<b>\$574,948</b>	<b>\$582,553</b>	<b>\$396,342</b>	<b>\$396,342</b>	<b>\$396,342</b>	<b>\$612,342</b>	<b>\$848,742</b>	<b>\$435,222</b>	<b>\$436,422</b>	<b>\$436,422</b>	<b>\$435,222</b>	<b>\$436,422</b>	<b>\$5,987,320</b>
<b>TOTAL STORAGE FIXED</b>	<b>\$943,967</b>	<b>\$952,357</b>	<b>\$783,641</b>	<b>\$783,641</b>	<b>\$783,641</b>	<b>\$999,641</b>	<b>\$1,236,041</b>	<b>\$822,521</b>	<b>\$823,721</b>	<b>\$823,721</b>	<b>\$822,521</b>	<b>\$823,721</b>	<b>\$10,599,132</b>
<b>TOTAL FIXED COSTS</b>	<b>\$2,785,234</b>	<b>\$2,756,423</b>	<b>\$3,301,696</b>	<b>\$3,297,912</b>	<b>\$3,301,696</b>	<b>\$3,300,435</b>	<b>\$3,301,696</b>	<b>\$3,300,435</b>	<b>\$3,301,696</b>	<b>\$3,301,696</b>	<b>\$3,300,435</b>	<b>\$3,301,696</b>	<b>\$38,551,050</b>
<b>VARIABLE SUPPLY COSTS (Includes Injections)</b>													
Total Pipeline Commodity Charges	8,974,179	\$19,219,155	\$22,689,633	\$18,848,100	\$20,502,808	\$18,299,388	\$12,791,136	\$8,936,656	\$6,940,211	\$6,804,158	\$5,213,011	\$10,854,144	\$160,072,579
Hedging	\$9,053,170	\$13,942,299	\$8,884,330	\$8,394,730	\$7,292,150	\$1,983,952	\$837,532	\$605,346	\$627,567	\$518,171	\$586,483	\$691,220	\$53,416,949
Costs of Injections			\$0	\$0	\$586,257	\$5,212,831	\$5,293,806	\$4,411,108	\$2,700,932	\$2,277,531	\$105,130	\$0	\$20,587,595
<b>TOTAL VARIABLE SUPPLY COSTS</b>	<b>\$18,027,350</b>	<b>\$33,161,453</b>	<b>\$31,573,963</b>	<b>\$27,242,830</b>	<b>\$27,208,701</b>	<b>\$15,070,509</b>	<b>\$8,334,862</b>	<b>\$5,130,894</b>	<b>\$4,866,845</b>	<b>\$5,044,797</b>	<b>\$5,694,363</b>	<b>\$11,545,364</b>	<b>\$192,901,932</b>
<b>VARIABLE STORAGE COSTS</b>													
Underground Storage	\$933,168	\$4,102,105	\$14,225,892	\$11,219,634	\$3,740,378	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,221,177
LNG Withdrawals/Westerly Trucking	\$31,545	\$743,101	\$1,746,795	\$601,207	\$127,992	\$123,394	\$124,933	\$116,598	\$120,712	\$120,509	\$116,013	\$120,183	\$4,092,982
<b>TOTAL VARIABLE STORAGE COSTS</b>	<b>\$964,712</b>	<b>\$4,845,206</b>	<b>\$15,972,686</b>	<b>\$11,820,842</b>	<b>\$3,868,371</b>	<b>\$123,394</b>	<b>\$124,933</b>	<b>\$116,598</b>	<b>\$120,712</b>	<b>\$120,509</b>	<b>\$116,013</b>	<b>\$120,183</b>	<b>\$38,314,159</b>
<b>TOTAL VARIABLE COSTS</b>	<b>\$18,992,062</b>	<b>\$38,006,659</b>	<b>\$47,546,650</b>	<b>\$39,063,671</b>	<b>\$31,077,072</b>	<b>\$15,193,903</b>	<b>\$8,459,795</b>	<b>\$5,247,492</b>	<b>\$4,987,557</b>	<b>\$5,165,307</b>	<b>\$5,810,376</b>	<b>\$11,665,547</b>	<b>\$231,216,091</b>
<b>TOTAL SUPPLY COSTS AFTER CREDITS</b>	<b>\$21,777,296</b>	<b>\$40,763,082</b>	<b>\$50,848,346</b>	<b>\$42,361,584</b>	<b>\$34,378,768</b>	<b>\$18,494,338</b>	<b>\$11,761,491</b>	<b>\$8,547,927</b>	<b>\$8,289,253</b>	<b>\$8,467,003</b>	<b>\$9,110,811</b>	<b>\$14,967,243</b>	<b>\$269,767,141</b>
<b>Storage Costs for FT-2 Calculation</b>													
<b>Storage Fixed Costs - Facilities</b>	<b>\$369,019</b>	<b>\$369,804</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$387,299</b>	<b>\$4,611,811</b>
<b>Storage Fixed Costs - Deliveries</b>	<b>\$574,948</b>	<b>\$582,553</b>	<b>\$396,342</b>	<b>\$396,342</b>	<b>\$396,342</b>	<b>\$612,342</b>	<b>\$848,742</b>	<b>\$435,222</b>	<b>\$436,422</b>	<b>\$436,422</b>	<b>\$435,222</b>	<b>\$436,422</b>	<b>\$5,987,320</b>
<b>Variable Delivery Costs</b>	<b>\$0</b>	<b>\$29,074</b>	<b>\$89,361</b>	<b>\$69,473</b>	<b>\$23,075</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$210,983</b>
<b>Variable Injection Costs</b>	<b>\$5,163</b>	<b>\$488</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,472</b>	<b>\$16,828</b>	<b>\$17,350</b>	<b>\$13,932</b>	<b>\$8,143</b>	<b>\$7,185</b>	<b>\$361</b>	<b>\$9,372</b>	<b>\$80,294</b>
<b>Fuel Costs Allocated to Storage</b>	<b>\$33,017</b>	<b>\$125,895</b>	<b>\$380,174</b>	<b>\$291,966</b>	<b>\$131,159</b>	<b>\$95,575</b>	<b>\$96,051</b>	<b>\$76,163</b>	<b>\$40,376</b>	<b>\$32,223</b>	<b>\$2,691</b>	<b>\$54,092</b>	<b>\$1,359,382</b>
<b>Total Storage Costs</b>	<b>\$982,146</b>	<b>\$1,107,814</b>	<b>\$1,253,176</b>	<b>\$1,145,080</b>	<b>\$939,346</b>	<b>\$1,112,044</b>	<b>\$1,349,442</b>	<b>\$912,616</b>	<b>\$872,239</b>	<b>\$863,129</b>	<b>\$825,573</b>	<b>\$887,185</b>	<b>\$12,249,791</b>
Pipeline Variable	\$18,027,350	\$33,161,453	\$31,573,963	\$27,242,830	\$27,208,701	\$15,070,509	\$8,334,862	\$5,130,894	\$4,866,845	\$5,044,797	\$5,694,363	\$11,545,364	
Less Non-firm Gas Costs	\$181,276	\$338,069											
Less Company Use	\$122,766	\$122,766											
Less Manchester St Balancing	\$9,339	\$9,339											
Plus Cashout													
Less Mkter Over-takes	\$136,755	\$68,890											
Less Mkter W/drawals	\$158,988	\$1,071,261											
Plus Mkter Undertakes	\$468,531	\$112,153											
Plus Mkter Injections	\$0	\$0											
Storage Service Charge													
Plus Pipeline Srchg/Credit	\$178,630	\$75,987											
<b>TOTAL FIRM COMMODITY COSTS</b>	<b>\$18,065,386</b>	<b>\$31,739,269</b>	<b>\$31,573,963</b>	<b>\$27,242,830</b>	<b>\$27,208,701</b>	<b>\$15,070,509</b>	<b>\$8,334,862</b>	<b>\$5,130,894</b>	<b>\$4,866,845</b>	<b>\$5,044,797</b>	<b>\$5,694,363</b>	<b>\$11,545,364</b>	

	Nov-09 actual	Dec-09 actual	Jan-10 fcst	Feb-10 fcst	Mar-10 fcst	Apr-10 fcst	May-10 fcst	Jun-09 fcst	Jul-10 fcst	Aug-10 fcst	Sep-10 fcst	Oct-10 fcst	Total Nov-Oct
<b><u>I. Supply Fixed Cost Collections --</u></b>													
(a) Low Load dth	1,599,798	2,394,199	4,376,577	4,532,312	3,921,026	2,839,646	1,770,403	1,043,737	703,852	587,734	641,995	882,580	25,293,859
Supply Fixed Cost Factor	\$1.0416	\$1.0352	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345
Low Load collections	\$1,666,284	\$2,478,486	\$4,527,569	\$4,688,677	\$4,056,301	\$2,937,614	\$1,831,482	\$1,079,746	\$728,135	\$608,011	\$664,144	\$913,029	\$26,179,477
(b) High Load dth	110,848	129,380	159,166	158,602	140,586	131,108	119,590	104,235	84,620	84,930	91,354	91,685	1,406,102
Supply Fixed Cost Factor	\$0.7286	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137
High Load collections	\$80,767	\$92,339	\$113,596	\$113,194	\$100,336	\$93,571	\$85,351	\$74,392	\$60,393	\$60,614	\$65,199	\$65,435	\$1,005,190
sub-total Dth	1,710,647	2,523,579	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	26,699,962
<b>TOTAL Supply Fixed Collections</b>	<b>\$1,747,051</b>	<b>\$2,570,825</b>	<b>\$4,641,165</b>	<b>\$4,801,871</b>	<b>\$4,156,637</b>	<b>\$3,031,186</b>	<b>\$1,916,833</b>	<b>\$1,154,138</b>	<b>\$788,528</b>	<b>\$668,625</b>	<b>\$729,343</b>	<b>\$978,464</b>	<b>\$27,184,668</b>
<b><u>II. Storage Fixed Cost Collections --</u></b>													
(a) Low Load dth	1,599,798	2,394,199	4,376,577	4,532,312	3,921,026	2,839,646	1,770,403	1,043,737	703,852	587,734	641,995	882,580	25,293,859
Storage Fixed Cost Factor	\$0.4215	\$0.4189	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186
Low Load collections	\$674,245	\$1,002,893	\$1,832,035	\$1,897,226	\$1,641,341	\$1,188,676	\$741,091	\$436,908	\$294,632	\$246,026	\$268,739	\$369,448	\$10,593,260
(b) High Load dth	110,848	129,380	159,166	158,602	140,586	131,108	119,590	104,235	84,620	84,930	91,354	91,685	1,406,102
Storage Fixed Cost Factor	\$0.2946	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886
High Load collections	\$32,660	\$37,339	\$45,935	\$45,773	\$40,573	\$37,838	\$34,514	\$30,082	\$24,421	\$24,511	\$26,365	\$26,460	\$406,470
(c) FT-2 dth	111,676	186,325	252,279	244,941	220,406	185,264	126,591	86,855	49,149	50,766	48,629	70,215	1,633,097
Storage Fixed Cost Factor	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015
FT-2 collection	\$44,838	\$74,810	\$101,290	\$98,344	\$88,493	\$74,384	\$50,826	\$34,872	\$19,733	\$20,383	\$19,524	\$28,191	\$655,689
sub-total Dth	1,822,323	2,709,904	4,788,021	4,935,855	4,282,018	3,156,018	2,016,584	1,234,827	837,621	723,430	781,977	1,044,480	\$28,333,058
<b>TOTAL Storage Fixed Collections</b>	<b>\$751,743</b>	<b>\$1,115,042</b>	<b>\$1,979,260</b>	<b>\$2,041,342</b>	<b>\$1,770,408</b>	<b>\$1,300,897</b>	<b>\$826,431</b>	<b>\$501,863</b>	<b>\$338,787</b>	<b>\$290,919</b>	<b>\$314,628</b>	<b>\$424,099</b>	<b>\$11,655,419</b>
<b><u>III. Variable Supply Cost Collections --</u></b>													
(a) Firm Sales dth	1,710,647	2,523,579	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	26,699,962
Variable Supply Cost Factor	\$8.9363	\$8.8734	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677
Variable Supply collections	\$15,286,855	\$22,392,807	\$40,221,604	\$41,597,620	\$36,017,154	\$26,343,754	\$16,759,890	\$10,179,871	\$6,991,932	\$5,964,982	\$6,503,117	\$8,639,485	\$236,899,071
(b) TSS Sales dth	16,977	5,119											
TSS Variable Supply Cost F.	\$0.0000	\$0.0000											
<b>TSS Surcharge collections</b>	<b>\$0</b>	<b>\$0</b>											
(c) NGV Sales dth	1,515	1,515	0	0	0	0	0	0	0	0	0	0	3,029
Variable Supply Cost Factor	\$8.8677	\$8.0473	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677
<b>Variable Supply collections</b>	<b>\$13,431</b>	<b>\$12,188</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>25,619</b>
(d) Default Sales dth	20,878	12,047											
Variable Supply Cost Factor	\$10.5348	\$10.5348											
<b>Variable Supply collections</b>	<b>\$219,947</b>	<b>\$126,911</b>											
<b>TOTAL Variable Supply Collections</b>	<b>\$15,520,233</b>	<b>\$22,531,906</b>	<b>\$40,221,604</b>	<b>\$41,597,620</b>	<b>\$36,017,154</b>	<b>\$26,343,754</b>	<b>\$16,759,890</b>	<b>\$10,179,871</b>	<b>\$6,991,932</b>	<b>\$5,964,982</b>	<b>\$6,503,117</b>	<b>\$8,639,485</b>	<b>\$237,271,547</b>

	Nov-09 actual	Dec-09 actual	Jan-10 fcst	Feb-10 fcst	Mar-10 fcst	Apr-10 fcst	May-10 fcst	Jun-09 fcst	Jul-10 fcst	Aug-10 fcst	Sep-10 fcst	Oct-10 fcst	Total Nov-Oct
<b><u>IVa. Storage Variable Product Cost Collections --</u></b>													
(a) Firm Sales dth	1,710,647	2,523,579	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	26,699,962
Variable Supply Cost Factor	\$0.2888	\$0.2868	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866
<b>TOTAL Stor Var Product collections</b>	<b>\$494,064</b>	<b>\$723,726</b>	<b>\$1,299,944</b>	<b>\$1,344,416</b>	<b>\$1,164,058</b>	<b>\$851,418</b>	<b>\$541,672</b>	<b>\$329,009</b>	<b>\$225,976</b>	<b>\$192,785</b>	<b>\$210,178</b>	<b>\$279,224</b>	<b>\$7,656,470</b>
<b><u>IVb. Storage Variable Non-product Cost Collections --</u></b>													
(a) Firm Sales dth	1,710,647	2,523,579	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	26,699,962
Variable Supply Cost Factor	(\$0.0732)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)
Stor Var Non-Product collec	(\$125,154)	(\$183,329)	(\$329,295)	(\$340,560)	(\$294,873)	(\$215,677)	(\$137,213)	(\$83,343)	(\$57,243)	(\$48,835)	(\$53,241)	(\$70,732)	(\$1,939,495)
(b) FT-2 dth	111,676	186,325	252,279	244,941	220,406	185,264	126,591	86,855	49,149	50,766	48,629	70,215	
Variable Supply Cost Factor	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)
Stor Var Non-Product collec	(\$8,108)	(\$13,527)	(\$18,315)	(\$17,783)	(\$16,001)	(\$13,450)	(\$9,191)	(\$6,306)	(\$3,568)	(\$3,686)	(\$3,530)	(\$5,098)	<b>(\$118,563)</b>
Total Firm Sales/FT-2 dth	1,822,323	2,709,904	4,788,021	4,935,855	4,282,018	3,156,018	2,016,584	1,234,827	837,621	723,430	781,977	1,044,480	
<b>TOTAL Stor Var Non-Product collec</b>	<b>(\$133,262)</b>	<b>(\$196,856)</b>	<b>(\$347,610)</b>	<b>(\$358,343)</b>	<b>(\$310,875)</b>	<b>(\$229,127)</b>	<b>(\$146,404)</b>	<b>(\$89,648)</b>	<b>(\$60,811)</b>	<b>(\$52,521)</b>	<b>(\$56,772)</b>	<b>(\$75,829)</b>	<b>(\$2,058,058)</b>
<b>Total Gas Cost Collections</b>	<b>\$18,379,829</b>	<b>\$26,744,643</b>	<b>\$47,794,363</b>	<b>\$49,426,906</b>	<b>\$42,797,383</b>	<b>\$31,298,128</b>	<b>\$19,898,421</b>	<b>\$12,075,233</b>	<b>\$8,284,411</b>	<b>\$7,064,790</b>	<b>\$7,700,494</b>	<b>\$10,245,443</b>	<b>\$281,710,046</b>

Line No.	Description (a)	Reference (b)	Nov-09 (c)	Dec-09 (d)	Jan-10 (e)	Feb-10 (f)	Mar-10 (g)	Apr-10 (h)	May-10 (i)	Jun-10 (j)	Jul-10 (k)	Aug-10 (l)	Sep-10 (m)	Oct-10 (n)	Total (p)
1	<b>Storage Inventory Balance</b>		\$26,229,386	\$22,683,959	\$17,451,389	\$10,829,858	\$9,210,203	\$14,439,622	\$19,750,657	\$24,175,751	\$26,885,060	\$29,169,695	\$29,275,151	\$29,275,151	
2	Hedging		\$13,127,938	\$11,197,325	\$5,367,177	\$769,073	(\$763,833)	(\$114,214)	\$387,531	\$863,756	\$1,178,709	\$1,402,698	\$1,413,505	\$1,413,505	
	Hedge Collateral Carrying Average Balance		\$70,499,148	\$45,422,510											
	NE Money Pool Rate		0.21%	0.20%											
	Hedge Collateral Carrying Costs		\$12,337	\$6,924											
3	Subtotal	(1) + (2)	\$39,357,324	\$33,881,284	\$22,818,566	\$11,598,932	\$8,446,370	\$14,325,408	\$20,138,189	\$25,039,507	\$28,063,769	\$30,572,393	\$30,688,656	\$30,688,656	
4	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
5	Return on Working Capital Requirement	(3) * (4)	\$3,316,776	\$2,855,292	\$1,922,999	\$977,482	\$711,805	\$1,207,251	\$1,697,114	\$2,110,165	\$2,365,030	\$2,576,440	\$2,586,238	\$2,586,238	\$24,912,829
6	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
7	Interest Charges Financed	(1) * (6)	\$896,466	\$775,291	\$596,452	\$370,142	\$314,786	\$489,613	\$688,281	\$855,798	\$959,161	\$1,044,901	\$1,048,874	\$1,048,874	\$9,088,639
8	Taxable Income	(5) - (7)	\$2,420,310	\$2,080,001	\$1,326,546	\$607,340	\$397,019	\$717,638	\$1,008,833	\$1,254,367	\$1,405,869	\$1,531,539	\$1,537,364	\$1,537,364	
9	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	
10	Return and Tax Requirement	(8) / (9)	\$3,723,555	\$3,200,002	\$2,040,841	\$934,369	\$610,798	\$1,104,059	\$1,552,050	\$1,929,795	\$2,162,875	\$2,356,214	\$2,365,175	\$2,365,175	\$24,344,907
11	Working Capital Requirement	(7) + (10)	\$4,620,020	\$3,975,292	\$2,637,293	\$1,304,511	\$925,584	\$1,593,672	\$2,240,332	\$2,785,593	\$3,122,036	\$3,401,115	\$3,414,049	\$3,414,049	\$33,433,546
12	Monthly Average	(11) / 12	\$385,002	\$331,274	\$219,774	\$108,709	\$77,132	\$132,806	\$186,694	\$232,133	\$260,170	\$283,426	\$284,504	\$284,504	\$2,786,129
13	<b>LNG Inventory Balance</b>		\$6,232,424	\$5,732,970	\$4,467,870	\$4,079,663	\$3,951,670	\$4,410,058	\$5,513,436	\$5,503,599	\$5,494,364	\$5,486,466	\$5,480,212	\$5,474,846	
14	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
15	Return on Working Capital Requirement	(13) * (14)	\$525,228	\$483,137	\$376,523	\$343,807	\$333,021	\$371,651	\$464,636	\$463,807	\$463,029	\$462,363	\$461,836	\$461,384	\$5,210,421
16	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
17	Interest Charges Financed	(13) * (16)	\$213,011	\$195,941	\$152,702	\$139,434	\$135,060	\$150,727	\$188,438	\$188,102	\$187,786	\$187,516	\$187,302	\$187,119	\$2,113,138
18	Taxable Income	(15) - (17)	\$312,216	\$287,196	\$223,820	\$204,373	\$197,961	\$220,924	\$276,198	\$275,706	\$275,243	\$274,847	\$274,534	\$274,265	
19	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	
20	Return and Tax Requirement	(18) / (19)	\$480,333	\$441,840	\$344,339	\$314,420	\$304,555	\$339,883	\$424,920	\$424,162	\$423,451	\$422,842	\$422,360	\$421,946	\$4,765,051
21	Working Capital Requirement	(17) + (20)	\$693,344	\$637,781	\$497,041	\$453,854	\$439,615	\$490,610	\$613,358	\$612,264	\$611,237	\$610,358	\$609,662	\$609,065	\$6,878,189
22	Monthly Average	(21) / 12	\$57,779	\$53,148	\$41,420	\$37,821	\$36,635	\$40,884	\$51,113	\$51,022	\$50,936	\$50,863	\$50,805	\$50,755	\$573,182
23	System Balancing Factor	Rate Case	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	
24	Balancing Related Inventory Costs	(22) * (23)	\$9,707	\$8,929	\$6,959	\$6,354	\$6,155	\$6,869	\$8,587	\$8,572	\$8,557	\$8,545	\$8,535	\$8,527	\$96,295
25	Supply Related Inventory Costs	(22) - (24)	\$48,072	\$44,219	\$34,462	\$31,467	\$30,480	\$34,016	\$42,526	\$42,450	\$42,379	\$42,318	\$42,270	\$42,229	\$476,888

Line No.	Description (a)	Reference (b)	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Total
1	<b>Supply Fixed Costs</b>		\$1,841,268	\$1,804,066	\$2,518,055	\$2,514,271	\$2,518,055	\$2,300,794	\$2,065,655	\$2,477,914	\$2,477,975	\$2,477,975	\$2,477,914	\$2,477,975	\$27,951,918
2	Capacity Release Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Allowable Working Capital Costs	(1) - (2)	\$1,841,268	\$1,804,066	\$2,518,055	\$2,514,271	\$2,518,055	\$2,300,794	\$2,065,655	\$2,477,914	\$2,477,975	\$2,477,975	\$2,477,914	\$2,477,975	\$27,951,918
4	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
5	Working Capital Requirement	[(3) * (4)] / 365	\$123,087	\$120,601	\$168,330	\$168,077	\$168,330	\$153,806	\$138,088	\$165,647	\$165,651	\$165,651	\$165,647	\$165,651	
6	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
7	Return on Working Capital Requirement	(5) * (6)	\$10,373	\$10,163	\$14,186	\$14,164	\$14,186	\$12,962	\$11,637	\$13,960	\$13,960	\$13,960	\$13,960	\$13,960	
8	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
9	Interest Expense	(5) * (8)	\$4,207	\$4,122	\$5,753	\$5,745	\$5,753	\$5,257	\$4,720	\$5,661	\$5,662	\$5,662	\$5,661	\$5,662	
10	Taxable Income	(7) - (9)	\$6,166	\$6,042	\$8,433	\$8,420	\$8,433	\$7,705	\$6,918	\$8,298	\$8,298	\$8,298	\$8,298	\$8,298	
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	
12	Return and Tax Requirement	(10) / (11)	\$9,486	\$9,295	\$12,973	\$12,954	\$12,973	\$11,854	\$10,642	\$12,766	\$12,767	\$12,767	\$12,766	\$12,767	
13	<b>Supply Fixed Working Capital Requirement</b>	(9) + (12)	\$13,693	\$13,417	\$18,726	\$18,698	\$18,726	\$17,111	\$15,362	\$18,428	\$18,428	\$18,428	\$18,428	\$18,428	\$207,874
14	<b>Storage Fixed Costs</b>		\$943,967	\$952,357	\$783,641	\$783,641	\$783,641	\$999,641	\$1,236,041	\$822,521	\$823,721	\$823,721	\$822,521	\$823,721	\$10,599,132
15	Less: LNG Demand to DAC		\$77,196	\$77,196	\$34,020	\$34,020	\$34,020	\$26,460	\$26,460	\$26,460	\$26,460	\$26,460	\$26,460	\$26,460	\$441,672
16	Less: Credits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Plus: Supply Related LNG O&M Costs		\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$618,591
18	Allowable Working Capital Costs	(14) - (15) + (16)	\$918,320	\$926,710	\$801,170	\$801,170	\$801,170	\$1,024,730	\$1,261,130	\$847,610	\$848,810	\$848,810	\$847,610	\$848,810	\$10,776,051
19	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
20	Working Capital Requirement	[(17) * (18)] / 365	\$61,389	\$61,950	\$53,558	\$53,558	\$53,558	\$68,503	\$84,306	\$56,662	\$56,742	\$56,742	\$56,662	\$56,742	
21	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
22	Return on Working Capital Requirement	(19) * (20)	\$5,173	\$5,221	\$4,513	\$4,513	\$4,513	\$5,773	\$7,105	\$4,775	\$4,782	\$4,782	\$4,775	\$4,782	
23	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
24	Interest Expense	(19) * (22)	\$2,098	\$2,117	\$1,830	\$1,830	\$1,830	\$2,341	\$2,881	\$1,937	\$1,939	\$1,939	\$1,937	\$1,939	
25	Taxable Income	(19) - (23)	\$3,075	\$3,103	\$2,683	\$2,683	\$2,683	\$3,432	\$4,223	\$2,839	\$2,843	\$2,843	\$2,839	\$2,843	
26	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	
27	Return and Tax Requirement	(24) / (25)	\$4,731	\$4,774	\$4,128	\$4,128	\$4,128	\$5,279	\$6,497	\$4,367	\$4,373	\$4,373	\$4,367	\$4,373	
28	<b>Storage Fixed Working Capital Requirement</b>	(23) + (26)	\$6,829	\$6,892	\$5,958	\$5,958	\$5,958	\$7,621	\$9,379	\$6,304	\$6,312	\$6,312	\$6,304	\$6,312	\$80,140
1	<b>Supply Variable Costs</b>		\$18,065,386	\$31,739,269	\$31,573,963	\$27,242,830	\$27,208,701	\$15,070,509	\$8,334,862	\$5,130,894	\$4,866,845	\$5,044,797	\$5,694,363	\$11,545,364	\$191,517,784
2a	Less: Non-firm Sales		\$0	\$29,074	\$89,361	\$69,473	\$23,075	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,983
2b	Less: Variable Delivery Storage Costs		\$5,163	\$488	\$0	\$0	\$1,472	\$16,828	\$17,350	\$13,932	\$8,143	\$7,185	\$361	\$9,372	\$80,294
2c	Less: Variable Injection Storage Costs		\$33,017	\$125,895	\$380,174	\$291,966	\$131,159	\$95,575	\$96,051	\$76,163	\$40,376	\$32,223	\$2,691	\$54,092	\$1,359,382
2d	Less: Fuel Costs Allocated to Storage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2e	Less: Supply Refunds		\$38,180	\$155,458	\$469,535	\$361,439	\$155,705	\$112,403	\$113,401	\$90,095	\$48,519	\$39,408	\$3,052	\$63,464	\$1,650,659
3	Allowable Working Capital Costs	(1) - (2)	\$18,027,206	\$31,583,811	\$31,104,428	\$26,881,391	\$27,052,996	\$14,958,106	\$8,221,461	\$5,040,799	\$4,818,326	\$5,005,389	\$5,691,311	\$11,481,900	\$189,867,125
4	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
5	Working Capital Requirement	[(3) * (4)] / 365	\$1,205,106	\$2,111,356	\$2,079,310	\$1,797,003	\$1,808,474	\$999,939	\$549,599	\$336,974	\$322,102	\$334,607	\$380,460	\$767,557	
6	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
7	Return on Working Capital Requirement	(5) * (6)	\$101,558	\$177,931	\$175,231	\$151,440	\$152,406	\$84,268	\$46,317	\$28,398	\$27,145	\$28,198	\$32,063	\$64,685	
8	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
9	Interest Expense	(5) * (8)	\$41,188	\$72,162	\$71,066	\$61,418	\$61,810	\$34,176	\$18,784	\$11,517	\$11,009	\$11,436	\$13,003	\$26,234	
10	Taxable Income	(7) - (9)	\$60,370	\$105,769	\$104,164	\$90,022	\$90,596	\$50,092	\$27,532	\$16,881	\$16,136	\$16,762	\$19,059	\$38,451	
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	
12	Return and Tax Requirement	(10) / (11)	\$92,878	\$162,722	\$160,252	\$138,495	\$139,379	\$77,065	\$42,358	\$25,971	\$24,824	\$25,788	\$29,322	\$59,156	
13	<b>Supply Variable Working Capital Requirement</b>	(9) + (12)	\$134,066	\$234,884	\$231,319	\$199,913	\$201,189	\$111,241	\$61,142	\$37,488	\$35,833	\$37,224	\$42,325	\$85,389	\$1,412,013

National Grid  
Rhode Island Service Area  
Gas Cost Working Capital Calculation

Line No.	Description (a)	Reference (b)	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Total
14	<b>Storage Variable Product Costs</b>		\$964,712	\$4,845,206	\$15,972,686	\$11,820,842	\$3,868,371	\$123,394	\$124,933	\$116,598	\$120,712	\$120,509	\$116,013	\$120,183	\$38,314,159
15	Less: Balancing Related LNG Commodity (to DAC)		(\$5,299)	(\$124,841)	(\$293,462)	(\$101,003)	(\$21,503)	(\$20,730)	(\$20,989)	(\$19,589)	(\$20,280)	(\$20,246)	(\$19,490)	(\$20,191)	(\$687,621)
16	Plus: Supply Related LNG O&M Costs		<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$430,129</u>
17	Allowable Working Capital Costs	(14) + (15) + (16)	\$995,257	\$4,756,209	\$15,715,069	\$11,755,683	\$3,882,712	\$138,508	\$139,788	\$132,854	\$136,276	\$136,108	\$132,367	\$135,837	\$38,056,667
18	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
19	Working Capital Requirement	[(17) * (18)] / 365	\$66,532	\$317,949	\$1,050,542	\$785,859	\$259,557	\$9,259	\$9,345	\$8,881	\$9,110	\$9,099	\$8,849	\$9,081	
20	Cost of Capital	Rate Case	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	
21	Return on Working Capital Requirement	(19) * (20)	\$5,607	\$26,795	\$88,533	\$66,227	\$21,874	\$780	\$788	\$748	\$768	\$767	\$746	\$765	
22	Weighted Cost of Debt	Rate Case	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	
23	Interest Expense	(19) * (22)	\$2,274	\$10,867	\$35,905	\$26,859	\$8,871	\$316	\$319	\$304	\$311	\$311	\$302	\$310	
24	Taxable Income	(19) - (23)	\$3,333	\$15,928	\$52,627	\$39,368	\$13,003	\$464	\$468	\$445	\$456	\$456	\$443	\$455	
25	1 - Combined Tax Rate	Rate Case	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	
26	Return and Tax Requirement	(24) / (25)	\$5,128	\$24,504	\$80,965	\$60,566	\$20,004	\$714	\$720	\$684	\$702	\$701	\$682	\$700	
27	<b>Storage Var. Product Working Capital Requir.</b>	(23) + (26)	<u>\$7,402</u>	<u>\$35,371</u>	<u>\$116,871</u>	<u>\$87,425</u>	<u>\$28,875</u>	<u>\$1,030</u>	<u>\$1,040</u>	<u>\$988</u>	<u>\$1,013</u>	<u>\$1,012</u>	<u>\$984</u>	<u>\$1,010</u>	<u>\$283,022</u>
1	<b>Storage Variable Non-Product Costs</b>		\$59,522	\$251,112	\$939,071	\$722,877	\$301,410	\$112,403	\$113,401	\$90,095	\$48,519	\$39,408	\$3,052	\$63,464	\$2,744,334
2	Credits		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
3	Allowable Working Capital Costs	(1) - (2)	\$59,522	\$251,112	\$939,071	\$722,877	\$301,410	\$112,403	\$113,401	\$90,095	\$48,519	\$39,408	\$3,052	\$63,464	\$2,744,334
4	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
5	Working Capital Requirement	[(3) * (4)] / 365	\$3,979	\$16,787	\$62,776	\$48,324	\$20,149	\$7,514	\$7,581	\$6,023	\$3,243	\$2,634	\$204	\$4,243	
6	Cost of Capital	Rate Case	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	
7	Return on Working Capital Requirement	(5) * (6)	\$335	\$1,415	\$5,290	\$4,072	\$1,698	\$633	\$639	\$508	\$273	\$222	\$17	\$358	
8	Weighted Cost of Debt	Rate Case	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	
9	Interest Expense	(5) * (8)	\$136	\$574	\$2,146	\$1,652	\$689	\$257	\$259	\$206	\$111	\$90	\$7	\$145	
10	Taxable Income	(7) - (9)	\$199	\$841	\$3,145	\$2,421	\$1,009	\$376	\$380	\$302	\$162	\$132	\$10	\$213	
11	1 - Combined Tax Rate	Rate Case	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	
12	Return and Tax Requirement	(10) / (11)	\$307	\$1,294	\$4,838	\$3,724	\$1,553	\$579	\$584	\$464	\$250	\$203	\$16	\$327	
13	<b>Storage Variable Non-product WC Requir.</b>	(9) + (12)	<u>\$443</u>	<u>\$1,867</u>	<u>\$6,984</u>	<u>\$5,376</u>	<u>\$2,242</u>	<u>\$836</u>	<u>\$843</u>	<u>\$670</u>	<u>\$361</u>	<u>\$293</u>	<u>\$23</u>	<u>\$472</u>	<u>\$20,409</u>

Line No.	Rate Class (a)	Nov-09 (b) actual	Dec-09 (c) actual	Jan-10 (d) fcst	Feb-10 (e) fcst	Mar-10 (f) fcst	Apr-10 (g) fcst	May-10 (h) fcst	Jun-10 (i) fcst	Jul-10 (j) fcst	Aug-10 (k) fcst	Sep-10 (l) fcst	Oct-10 (m) fcst	Nov-Oct (n)
1	<b>SALES (dth)</b>													
2	Residential Non-Heating	53,856	72,115	74,986	74,836	65,606	62,697	59,731	49,819	41,240	37,916	37,067	39,674	669,543
3	Residential Non-Heating Low Income	1,228	1,917	0	0	0	0	0	0	0	0	0	0	3,145
4	Residential Heating	976,902	1,638,849	2,916,336	3,018,749	2,542,355	1,926,568	1,205,748	697,238	460,692	374,569	407,299	558,900	16,724,205
5	Residential Heating Low Income	109,132	175,730	0	0	0	0	0	0	0	0	0	0	284,863
6	Small C&I	124,663	230,236	460,582	481,750	413,015	298,434	162,103	99,689	77,031	67,983	75,604	90,438	2,581,529
7	Medium C&I	311,911	268,199	700,072	729,734	704,566	423,940	292,664	197,283	141,790	129,233	138,056	181,197	4,218,645
8	Large LLF	51,738	76,229	254,864	261,225	220,652	165,100	97,167	43,020	21,798	14,915	19,394	45,677	1,271,781
9	Large HLF	27,350	29,269	50,091	49,275	45,895	41,705	35,008	30,375	23,983	25,952	30,312	28,264	417,479
10	Extra Large LLF	15,382	2,660	44,722	40,855	40,438	25,604	12,721	6,507	2,541	1,034	1,642	6,368	200,473
11	Extra Large HLF	<u>21,508</u>	<u>23,255</u>	<u>34,088</u>	<u>34,491</u>	<u>29,085</u>	<u>26,706</u>	<u>24,851</u>	<u>24,041</u>	<u>19,397</u>	<u>21,061</u>	<u>23,975</u>	<u>23,746</u>	<u>306,205</u>
	<b>Total Sales</b>	1,693,670	2,518,460	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	26,677,866
12	<b>TSS</b>													
13	Medium	2,525	2,511											
14	Large LLF	7,545	(215)											
15	Large HLF	6,907	2,823											
16	Extra Large LLF	0	0											
17	Extra Large HLF	0	0											
18	<b>Total TSS</b>	16,977	5,119											
19	<b>FT-2 TRANSPORTATION</b>													
20	FT-2 Medium	55,472	86,571	115,071	117,550	100,180	82,623	60,705	37,821	21,962	22,767	20,908	33,989	755,617
21	FT-2 Large LLF	39,873	69,264	109,150	101,011	92,479	78,892	44,818	31,731	17,144	11,979	13,000	21,033	630,375
22	FT-2 Large HLF	11,014	17,953	13,625	12,611	13,984	12,674	11,380	9,233	7,343	8,243	8,828	8,245	135,133
23	FT-2 Extra Large LLF	1,075	9,076	3,628	2,894	2,716	1,965	1,094	369	9	0	3	185	23,013
24	FT-2 Extra Large HLF	<u>4,243</u>	<u>3,461</u>	<u>10,805</u>	<u>10,875</u>	<u>11,046</u>	<u>9,111</u>	<u>8,595</u>	<u>7,702</u>	<u>2,691</u>	<u>7,776</u>	<u>5,890</u>	<u>6,764</u>	<u>88,958</u>
25	<b>Total FT-2 Transportation</b>	111,676	186,325	252,279	244,941	220,406	185,264	126,591	86,855	49,149	50,766	48,629	70,215	1,633,097
26	<b>Sales &amp; FT-2 THROUGHPUT</b>													
27	Residential Non-Heating	53,856	72,115	74,986	74,836	65,606	62,697	59,731	49,819	41,240	37,916	37,067	39,674	669,543
28	Residential Non-Heating Low Income	1,228	1,917	0	0	0	0	0	0	0	0	0	0	3,145
29	Residential Heating	976,902	1,638,849	2,916,336	3,018,749	2,542,355	1,926,568	1,205,748	697,238	460,692	374,569	407,299	558,900	16,724,205
30	Residential Heating Low Income	109,132	175,730	0	0	0	0	0	0	0	0	0	0	284,863
31	Small C&I	124,663	230,236	460,582	481,750	413,015	298,434	162,103	99,689	77,031	67,983	75,604	90,438	2,581,529
32	Medium C&I	369,907	357,281	815,142	847,284	804,746	506,563	353,369	235,104	163,752	152,001	158,964	215,185	4,979,298
33	Large LLF	99,156	145,278	364,014	362,236	313,131	243,992	141,985	74,751	38,943	26,894	32,395	66,710	1,909,485
34	Large HLF	45,271	50,045	63,716	61,886	59,879	54,379	46,388	39,608	31,326	34,196	39,140	36,509	562,343
35	Extra Large LLF	16,457	11,735	48,350	43,748	43,154	27,568	13,815	6,876	2,550	1,034	1,644	6,552	223,486
36	Extra Large HLF	<u>25,751</u>	<u>26,716</u>	<u>44,894</u>	<u>45,365</u>	<u>40,131</u>	<u>35,816</u>	<u>33,446</u>	<u>31,744</u>	<u>22,088</u>	<u>28,837</u>	<u>29,865</u>	<u>30,510</u>	<u>395,163</u>
37	<b>Total Sales &amp; FT-2 Throughput</b>	1,822,323	2,709,904	4,788,021	4,935,855	4,282,018	3,156,018	2,016,584	1,234,827	837,621	723,430	781,977	1,044,480	28,333,058
38	<b>FT-1 TRANSPORTATION</b>													
39	FT-1 Medium	55,583	92,625	101,148	102,150	81,439	56,993	34,834	25,608	20,856	22,704	29,877	45,660	669,477
40	FT-1 Large LLF	81,308	145,299	139,587	132,229	132,088	83,716	33,090	27,995	30,457	25,702	30,940	41,632	904,044
41	FT-1 Large HLF	41,419	59,542	63,647	62,742	62,324	45,256	39,801	38,489	34,522	47,361	40,668	38,002	573,774
42	FT-1 Extra Large LLF	34,778	71,391	76,463	75,523	68,149	51,560	25,083	29,860	31,465	28,568	27,615	33,974	554,430
43	FT-1 Extra Large HLF	307,500	399,910	376,712	326,835	348,518	420,903	282,420	256,275	239,946	241,558	289,315	297,281	3,787,172
44	Default	<u>20,878</u>	<u>12,047</u>											32,925
45	<b>Total FT-1 Transportation</b>	541,466	780,815	757,557	699,480	692,518	658,428	415,228	378,227	357,245	365,893	418,416	456,548	6,521,821
46	<b>Total THROUGHPUT</b>													
47	Residential Non-Heating	53,856	72,115	74,986	74,836	65,606	62,697	59,731	49,819	41,240	37,916	37,067	39,674	669,543
48	Residential Non-Heating Low Income	1,228	1,917	0	0	0	0	0	0	0	0	0	0	3,145
49	Residential Heating	976,902	1,638,849	2,916,336	3,018,749	2,542,355	1,926,568	1,205,748	697,238	460,692	374,569	407,299	558,900	16,724,205
50	Residential Heating Low Income	109,132	175,730	0	0	0	0	0	0	0	0	0	0	284,863
51	Small C&I	124,663	230,236	460,582	481,750	413,015	298,434	162,103	99,689	77,031	67,983	75,604	90,438	2,581,529
52	Medium C&I	425,491	449,907	916,290	949,435	886,185	563,556	388,203	260,711	184,607	174,705	188,841	260,845	5,648,775
53	Large LLF	180,464	290,578	503,601	494,466	445,219	327,708	175,075	102,746	69,399	52,596	63,335	108,342	2,813,529
53	Large HLF	86,690	109,587	127,363	124,629	122,203	99,635	86,190	78,097	65,848	81,556	79,808	74,511	1,136,116
54	Extra Large LLF	51,235	83,127	124,814	119,271	111,303	79,128	38,897	36,736	34,015	29,602	29,260	40,527	777,916
55	Extra Large HLF	333,251	426,626	421,606	372,201	388,649	456,719	315,865	288,018	262,033	270,396	319,180	327,791	4,182,335
56	Default	<u>20,878</u>	<u>12,047</u>	0	0	0	0	0	0	0	0	0	0	32,925
57	<b>Total Throughput</b>	2,363,789	3,490,719	5,545,579	5,635,335	4,974,536	3,814,446	2,431,812	1,613,054	1,194,866	1,089,323	1,200,393	1,501,028	34,854,879



April 13, 2009

Ms. Kimberly D. Bose, Secretary  
 Federal Energy Regulatory Commission  
 888 First Street, N.E.  
 Washington, D.C. 20426

Re: Tennessee Gas Pipeline Company  
 Docket Nos. RP91-203-076 and RP92-132-064

Dear Ms. Bose:

Pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602, Tennessee Gas Pipeline Company ("Tennessee") hereby submits an Offer of Settlement in the above-referenced dockets. Accordingly, Tennessee respectfully requests that a copy of this filing be transmitted to Presiding Administrative Law Judge Carmen A. Cintron ("Administrative Law Judge").

Included herewith for filing is an original and fourteen (14) copies of the following documents:

- (1) Explanatory Statement Concerning Amendment to Stipulation and Agreement;
- (2) Amendment to Stipulation and Agreement (including *pro forma* tariff sheets); and
- (3) Supporting Exhibits A and B.

Copies of the above documents are being served in accordance with Rule 602(d)(1). In addition, in accordance with Rule 602(d)(2), Tennessee notifies all parties and participants in this proceeding that comments on the Offer of Settlement are due by May 4, 2009 and reply comments are due by May 14, 2009 unless otherwise ordered by provided by the Administrative Law Judge.<sup>1</sup>

If you have any questions regarding this filing, please contact the undersigned at 713-420-3496. Thank you for your assistance in this matter.

Respectfully submitted,

TENNESSEE GAS PIPELINE COMPANY

/s/ Melissa G. Freeman

Melissa G. Freeman  
 Senior Counsel

Enclosures

cc: All Parties and Participants

<sup>1</sup> Tennessee contemporaneously herewith in the above-captioned dockets submitted its Motion to Shorten Comment Period and Dispense with Answer Period on its Offer of Settlement to April 23<sup>rd</sup> and April 28<sup>th</sup> for comments and reply comments, respectively.

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

<b>In the Matter of</b>	)	
	)	<b>Docket Nos. RP91-203-076</b>
<b>Tennessee Gas Pipeline Company</b>	)	<b>RP92-132-064</b>

**EXPLANATORY STATEMENT CONCERNING  
AMENDMENT TO STIPULATION AND AGREEMENT**

Pursuant to Rule 602 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2007), Tennessee Gas Pipeline Company (“Tennessee”) hereby submits this Explanatory Statement in support of the concurrently filed Amendment to Stipulation and Agreement (“Settlement”), which is submitted to resolve the issues in this proceeding for which settlement judge procedures (“Settlement Proceedings”) were established by the Commission in its order issued on November 12, 2008.<sup>1</sup> Specifically, this Settlement resolves the issues regarding Tennessee’s over-collected Recoverable Cost/Revenue Account under the Stipulation and Agreement filed with the Commission on May 15, 1995 related to the “PCB/HSL Project” as defined therein for the period beginning February 1, 1992 through the present. This Settlement is supported by all of the active participants in the Settlement Proceedings, including the Commission Staff, and they urge prompt approval of the Settlement, without modification or condition, by the Commission.

**I. PROCEDURAL HISTORY**

On May 15, 1995, Tennessee filed with the Commission in the above-captioned dockets a comprehensive settlement agreement (“Stipulation and Agreement” or “Stipulation”) to resolve outstanding issues relating to Tennessee’s recovery through rates charged to its

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<sup>1</sup> *Tennessee Gas Pipeline Company*, 125 FERC ¶ 61,164 (2008) (“November 12<sup>th</sup> Settlement Conference Order”).

customers of the costs of remediating polychlorinated biphenyl (“PCB”) and other hazardous substance list (“HSL”) contamination at specified locations on its pipeline system. The Stipulation established a PCB/HSL cost recovery mechanism that is to apply throughout the duration of Tennessee’s federal and state mandated programs to assess and remediate the PCB/HSL contamination (“PCB/HSL Project” or “Project”). The Commission approved the Stipulation by Orders dated November 29, 1995, and February 20, 1996.<sup>2</sup>

As provided by the Stipulation, on May 30, 2008, Tennessee filed for an extension of the PCB Adjustment Period established by the Stipulation until June 30, 2010 (“2008 Filing”), to allow for recovery of ongoing remediation costs on its system. Tennessee stated that it has made significant progress to date toward completion of the targeted PCB/HSL Project, but that additional remediation and monitoring efforts will be required for the foreseeable future notwithstanding this progress. Tennessee also acknowledged that the existing cost recovery balance may very well exceed what is needed to complete the Project.<sup>3</sup> As such, Tennessee indicated its willingness to discuss with its customers the feasibility of amending the Stipulation to provide for an earlier disposition of some portion of the over-collected balance while providing protection should the retained RCRA balance be insufficient in the event more eligible costs than are predicted are ultimately incurred to complete the Project. Tennessee proposed to report back to the Commission on the results of any such discussions by October 1, 2008.

On June 30, 2008, the Commission issued an order accepting Tennessee’s proposed tariff sheets reflecting a 24-month extension of the PCB Adjustment Period until July 1, 2010

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<sup>2</sup> *Tennessee Gas Pipeline Co.*, 73 FERC ¶ 61,222 (1995); *Tennessee Gas Pipeline Co.*, 74 FERC ¶ 61,174 (1996).

<sup>3</sup> Stipulation, Article IV (B)(4)(b), p. 17. The Stipulation further provides for the establishment of a Recoverable Cost/Revenue Account (“RCRA”) to keep track of the eligible costs incurred by Tennessee, the amount collected through the PCB surcharge, third party (insurance) recoveries and any carrying charges on the net balance in the RCRA. The balance in the RCRA is to be calculated after adjusting all cost and revenue amounts to 1992 dollars.

(“June 30<sup>th</sup> Order”).<sup>4</sup> The Commission conditioned its acceptance upon Tennessee meeting with its customers to discuss amending the Stipulation and reporting back to the Commission by October 1, 2008, as Tennessee proposed in its filing.

On October 1, 2008, Tennessee filed a report in compliance with the June 30<sup>th</sup> Order (“Status Report”) wherein it described the status of its discussions with customers. Three parties filed comments in response to Tennessee’s Status Report.<sup>5</sup> New Jersey Natural and the Tennessee Customer Group each suggested that the settlement discussions would be enhanced by Tennessee convening a meeting of all parties as opposed to the limited group and individual discussions held by Tennessee to date.

On November 12, 2008 in its November 12<sup>th</sup> Settlement Conference Order, the Commission found that Tennessee had complied with the Commission’s June 30<sup>th</sup> Order to meet with its customers, but that sufficient progress had not been made toward settlement.<sup>6</sup> In an effort to assist the parties in their settlement efforts, the Commission ordered the appointment of a settlement judge.

On November 17, 2008, Tennessee filed its “Motion of Tennessee Gas Pipeline Company for Stay of Settlement Judge Procedures” requesting the Commission to stay the appointment of a settlement judge in light of the dramatic changes to the economic environment in which Tennessee was willing to informally pursue discussions with its customers as to the feasibility of amending the Stipulation in favor of the status quo under the Stipulation (“Motion for Stay”).

On November 20, 2008, the Chief Administrative Law Judge, Curtis L. Wagner, Jr.,

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<sup>4</sup> *Tennessee Gas Pipeline Co.*, 123 FERC ¶ 61,318 (June 30, 2008).

<sup>5</sup> Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. (collectively “ConEd”), New Jersey Natural Gas Company (“New Jersey Natural”) and the Tennessee Customer Group filed comments.

<sup>6</sup> 125 FERC ¶ 61,164.

issued an “Order of Chief Judge Holding Appointment of Settlement Judge in Abeyance Pending Commission Action on Motion to Stay Settlement Judge Procedures.” Subsequently, on November 26, 2008, in response to the opposition of several parties to Tennessee’s Motion for Stay,<sup>7</sup> the Commission issued an order denying Tennessee’s request for stay and directing the Chief Administrative Law Judge to appoint a settlement judge to convene a settlement conference as soon as practicable (“November 26<sup>th</sup> Order”).<sup>8</sup>

Following the December 4, 2008 appointment of Judge Carmen A. Cintron as the settlement judge in the proceeding, Tennessee and its customers participated in settlement conferences convened by Judge Cintron in Washington, D.C. on December 15, 2008, February 2, 2009, and February 18, 2009. This Settlement is the product of those settlement conferences.

## **II. TERMS OF THE SETTLEMENT**

In order to resolve and settle the issues in this proceeding, the attached Settlement provides the following:<sup>9</sup>

Article I provides that the Settlement is intended to modify the underlying Stipulation only as expressly provided by the terms of the Settlement and that the Stipulation otherwise will remain in full force and effect.

Article II provides that Article IV of the Stipulation is modified to provide for interim refunds (hereinafter, “Interim Refunds”) to shippers of \$156.6 million (“Interim Refund Amount”) which reflects Tennessee’s representation of the balance in the Recoverable Cost/Revenue Account as of December 31, 2008, plus estimated carrying charges at an annual

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<sup>7</sup> National Fuel Gas Distribution Corporation and The Dominion LDCs filed answers opposing Tennessee’s Motion on the basis that settlement discussions should be continued with the aid of a Settlement Judge.

<sup>8</sup> *Tennessee Gas Pipeline Company*, 125 FERC ¶ 61,232 (2008) (“November 26<sup>th</sup> Order”).

<sup>9</sup> This section is for explanatory purposes. While this section accurately describes the terms of the Settlement, if a dispute arises regarding any matter related to the interpretation of the Settlement, the terms of the Settlement shall control over this Explanatory Statement.

interest rate of 10 percent through June 30, 2009, net of \$10 million to be retained by Tennessee for the customers' share of additional Eligible Costs ("Retained Amount").

The Interim Refund Amount is to be paid in quarterly installments over a three year period amortized at an annual interest rate of 8 percent with the first of the quarterly payments to be made on July 1, 2009. The subsequent quarterly payments will be made on the first business day of each calendar quarter thereafter over a three year period. The first six quarterly installments will be fixed at \$9.60 million, and the last six quarterly installments will be fixed at \$20.06 million to maintain an annual interest rate on the balance at 8 percent throughout the three year period. To the extent the effective date of the Settlement is later than June 10, 2009, the first quarterly installment will be paid with interest no earlier than July 1, 2009 and no later than 20 days after the effective date of the Settlement. Subsequent quarterly installments will only be impacted to the extent the effective date is delayed beyond the date the installment would otherwise be due in which case a similar adjustment will be made to the amount and timing of payment.

The Interim Refund Amount is to be allocated to shippers pro rata based on surcharge collections during the PCB Adjustment Period as provided by the Stipulation and further detailed in Exhibit B to the Settlement. Tennessee will make Interim Refunds by wire transfer to the individual shippers specified on Exhibit B unless the parties agree otherwise or the wire transfer information has not been provided to Tennessee in which event, Tennessee will issue the Interim Refunds at the parties' last known mailing address.

The Settlement provides that the Interim Refund Amount and the remaining balance of the Recoverable Cost/Revenue Account shall be accounted for through the Recoverable Cost/Revenue Account. Additionally, Tennessee may, without penalty, refund all or any portion of the Interim Refund Amount and/or the remaining balance of the Recoverable

Cost/Revenue Account to all shippers subject to the Stipulation at any time and from time to time during the term of the Stipulation. In the event Tennessee makes Interim Refunds early, Tennessee is entitled to re-determine the Interim Refund Amount in accordance with the Settlement. In addition, Tennessee shall be entitled to make Interim Refunds earlier than otherwise required to all shippers whose allocated share of the Interim Refund Amount does not exceed \$10,000. Such early refunds shall have no adverse impact on the allocation to other shippers of the remaining Interim Refund Amount or their respective shares of any Additional Eligible Costs.

The Settlement further provides the manner in which Tennessee shall handle the incurrence or recognition of additional Eligible Costs for which the shippers' share exceeds the \$10 million which has been retained.<sup>10</sup> Specifically, such additional customer share of Eligible Costs shall first be netted against any remaining balance in the Interim Refund Amount in equal amounts over the remaining quarterly installments. To the extent the remaining balance of the Interim Refund Amount is insufficient, Tennessee shall reinstate the PCB adjustment as provided under the Stipulation.

The Settlement provides for the underlying Stipulation to be modified to reflect that effective July 1, 2009, the carrying charges under the Stipulation shall be computed by using the greater of (1) an annual interest rate of 8%; or (2) the then-applicable FERC-prescribed interest rate for pipeline refunds. The 8% annual interest rate replaces the currently existing 10% annual interest rate under the Stipulation.

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<sup>10</sup> It is Tennessee's opinion that the shippers' share of the Eligible Costs during the remaining term of the Stipulation will be adequately funded by the Retained Amount. In the unlikely event the Retained Amount is ultimately determined to be insufficient, the Settlement provides the manner in which a shortfall will be recovered.

Finally, the Settlement clarifies the language in the Stipulation to reflect that the Stipulation's term shall continue as long as (1) Tennessee is incurring Eligible Costs; or (2) cost recovery or the payment of refunds, including Interim Refunds, is incomplete.

Article III specifies the impact of the Commission's order approving the Settlement and the date upon which the Settlement becomes effective and binding. Article III also provides for the filing of the revised tariff sheets included as Exhibit A to the Settlement. Additionally, Article III of the Settlement specifies the clear and indisputable intent of the parties to enter into an Amendment to the Stipulation which is indivisible from the performance under the Stipulation and the applicable burden of proof for any changes to the Settlement during the term of the Stipulation.

### **III. SUPPORT FOR THE AMENDMENT**

The Settlement represents an across-the-board compromise among the conflicting positions of Tennessee and its customers related to the underlying Stipulation and the parties' rights and obligations thereunder. Tennessee submits that this Settlement strikes an appropriate balance among these competing interests.

### **IV. INFORMATION TO BE PROVIDED WITH SETTLEMENT AGREEMENTS**

By order issued October 23, 2003, the Chief Administrative Law Judge requires that the following five questions be answered as part of every Explanatory Statement that is submitted in support of a proposed settlement agreement. The questions, and Tennessee's responses, are as follows:

- A. What are the issues underlying the settlement and what are the major implications?**

The primary issue underlying the Settlement is Tennessee's over-collection of the Recoverable Cost/Revenue Account under the terms of the underlying Stipulation. Because Tennessee is currently incurring Eligible Costs under the Stipulation and anticipates incurring such costs for the foreseeable future, the Stipulation remains in effect. Although Tennessee reduced the PCB surcharge to \$0.00 effective July 1, 2000, and has maintained it at that level to date, the Recoverable Cost/Revenue Account has outpaced Tennessee's incurrence of Eligible Costs under the Stipulation, resulting in an over-collected balance. Accordingly, at the request of Tennessee's customers and as required by the Commission's November 12<sup>th</sup> Settlement Conference Order, Tennessee and its customers undertook negotiations which resulted in this Settlement. Tennessee submits that the Settlement addresses the concerns raised by its customers with regard to Tennessee's over-collection of the Recoverable Cost/Revenue Account.

**B. Whether any of the issues raise policy implications?**

Tennessee does not believe that the Settlement presents any policy implications for the Commission.

**C. Whether other pending cases may be affected?**

This Settlement is tailored to address the specific issues in this proceeding, and it is the product of negotiation between Tennessee and its customers who were active participants in the Settlement Proceedings. Thus, the Settlement only addresses the specific issues contemplated by its terms and does not affect any pending cases.

**D. Whether the settlement involves issues of first impression, or if there are any previous reversals on the issues involved?**



**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

<b>In the Matter of</b>	)	
	)	<b>Docket Nos. RP91-203-076</b>
<b>Tennessee Gas Pipeline Company</b>	)	<b>RP92-132-064</b>

**AMENDMENT TO STIPULATION AND AGREEMENT**  
**(April 13, 2009)**

Pursuant to Rule 602 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.602, Tennessee Gas Pipeline Company (“Tennessee”) and the participating intervenors hereby submit for approval this Amendment to Stipulation and Agreement (“Amendment”) in the captioned proceedings. This Amendment resolves the issues regarding Tennessee’s over-collected Recoverable Cost/Revenue Account under the Stipulation and Agreement filed with the Commission on May 15, 1995 related to the “PCB/HSL Project” as defined therein for the period beginning February 1, 1992 through the present. This Amendment is supported by all of the active participants in the Settlement Proceedings, including the Commission Staff, and they urge prompt approval of the Amendment, without modification or condition, by the Commission.

**DESCRIPTION OF THE PROCEEDINGS**

On May 15, 1995, Tennessee filed with the Commission in the above-captioned dockets a comprehensive settlement agreement (“Stipulation and Agreement” or “Stipulation”) to resolve outstanding issues relating to Tennessee’s recovery through rates charged to its customers of the costs of remediating polychlorinated biphenyl (“PCB”) and other hazardous substance list (“HSL”) contamination at specified locations on its pipeline system. The Stipulation established a PCB/HSL cost recovery mechanism that is to apply throughout the

duration of Tennessee's federal and state mandated programs to assess and remediate the PCB/HSL contamination ("PCB/HSL Project" or "Project"). The Commission approved the Stipulation by Orders dated November 29, 1995, and February 20, 1996.<sup>1</sup> Except as otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Stipulation.

As provided by the Stipulation, on May 30, 2008, Tennessee filed for an extension of the PCB Adjustment Period established by the Stipulation until June 30, 2010 ("2008 Filing"), to allow for recovery of ongoing remediation costs on its system. Tennessee stated that it has made significant progress to date toward completion of the targeted PCB/HSL Project, but that additional remediation and monitoring efforts will be required for the foreseeable future notwithstanding this progress. Tennessee also acknowledged that the existing cost recovery balance may very well exceed what is needed to complete the Project.<sup>2</sup> As such, Tennessee indicated its willingness to discuss with its customers the feasibility of amending the Stipulation to provide for an earlier disposition of some portion of the over-collected balance while providing protection should the retained RCRA balance be insufficient in the event more eligible costs than predicted are ultimately incurred to complete the Project. Tennessee proposed to report back to the Commission on the results of any such discussions by October 1, 2008.

On June 30, 2008, the Commission issued an order accepting Tennessee's proposed tariff sheets reflecting a 24-month extension of the PCB Adjustment Period until July 1, 2010 ("June 30<sup>th</sup> Order").<sup>3</sup> The Commission conditioned its acceptance upon Tennessee meeting with its customers to discuss amending the Stipulation and reporting back to the Commission

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<sup>1</sup> *Tennessee Gas Pipeline Co.*, 73 FERC ¶ 61,222 (1995); *Tennessee Gas Pipeline Co.*, 74 FERC ¶ 61,174 (1996).

<sup>2</sup> Stipulation, Article IV (B)(4)(b), p. 17. The Stipulation further provides for the establishment of a Recoverable Cost/Revenue Account ("RCRA") to keep track of the Eligible Costs incurred by Tennessee, the amount collected through the PCB surcharge, third party (insurance) recoveries and any carrying charges on the net balance in the RCRA. The balance in the RCRA is to be calculated after adjusting all cost and revenue amounts to 1992 dollars.

<sup>3</sup> *Tennessee Gas Pipeline Co.*, 123 FERC ¶ 61,318 (June 30, 2008).

by October 1, 2008, as Tennessee proposed in its filing.

On October 1, 2008, Tennessee filed a report in compliance with the June 30<sup>th</sup> Order (“Status Report”) wherein it described the status of its discussions with customers. Three parties filed comments in response to Tennessee’s Status Report.<sup>4</sup> New Jersey Natural and the Tennessee Customer Group each suggested that the settlement discussions would be enhanced by Tennessee convening a meeting of all parties as opposed to the limited group and individual discussions held by Tennessee to date.

On November 12, 2008, the Commission issued an order wherein it found that Tennessee had complied with the Commission’s June 30<sup>th</sup> Order to meet with its customers, but that sufficient progress had not been made toward settlement.<sup>5</sup> In an effort to assist the parties in their settlement efforts, the Commission ordered the appointment of a settlement judge.

On November 17, 2008, Tennessee filed its “Motion of Tennessee Gas Pipeline Company for Stay of Settlement Judge Procedures” requesting the Commission to stay the appointment of a settlement judge in light of the dramatic changes to the economic environment in which Tennessee was willing to informally pursue discussions with its customers as to the feasibility of amending the Stipulation in favor of the status quo under the Stipulation (“Motion for Stay”).

On November 20, 2008, the Chief Administrative Law Judge, Curtis L. Wagner, Jr., issued an “Order of Chief Judge Holding Appointment of Settlement Judge in Abeyance Pending Commission Action on Motion to Stay Settlement Judge Procedures.” Subsequently, on November 26, 2008, in response to the opposition of several parties to Tennessee’s Motion

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<sup>4</sup> Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. (collectively “ConEd”), New Jersey Natural Gas Company (“New Jersey Natural”) and the Tennessee Customer Group filed comments.

<sup>5</sup> *Tennessee Gas Pipeline Co.*, 125 FERC ¶ 61,164 (November 12, 2008).

for Stay,<sup>6</sup> the Commission issued an order denying Tennessee's request for stay and directing the Chief Administrative Law Judge to appoint a settlement judge to convene a settlement conference as soon as practicable ("November 26<sup>th</sup> Order").<sup>7</sup>

Following the December 4, 2008 appointment of Judge Carmen A. Cintron as the settlement judge in the proceeding, Tennessee and its customers participated in settlement conferences convened by Judge Cintron in Washington, D.C. on December 15, 2008, February 2, 2009, and February 18, 2009. This Amendment is the product of those settlement conferences.

### **I. Effect on Stipulation and Agreement**

Unless specifically provided herein, this Amendment shall have no effect on the Stipulation, which shall remain in full force and effect in all other respects.

### **II. Amendment to Stipulation**

Article IV B of the Stipulation shall be amended to provide for interim refunds (hereinafter, "Interim Refunds"). Such Interim Refunds shall be established and controlled by the addition of the following paragraphs to Article IV B 4 and the revised tariff sheets attached as Exhibit A to this Amendment. In the event of a conflict between the revised tariff sheets and the Stipulation as amended, the Stipulation will control.

- c. Tennessee shall make Interim Refunds to shippers of \$156.6 million, plus interest as described in paragraph d below. ("Interim Refund Amount"). The Interim Refund Amount is based on Tennessee's representation of the balance in the Recoverable Cost/Revenue Account established pursuant to Article IV C 1 as of December 31, 2008, plus estimated carrying charges at an annual interest rate of 10 percent through June 30,

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<sup>6</sup> National Fuel Gas Distribution Corporation and The Dominion LDCs filed answers opposing Tennessee's Motion on the basis that settlement discussions should be continued with the aid of a Settlement Judge.

2009, net of \$10 million to be retained (“Retained Amount”) to apply to the shippers’ share of additional Eligible Costs.

- d. The Interim Refund Amount shall be paid to shippers in quarterly installments over a three year period amortized at an annual interest rate of 8 percent. The first quarterly installment shall be made on July 1, 2009, with subsequent installments paid on the first business day of each calendar quarter thereafter over a three year period (“Interim Refund Period”). The first six quarterly installments shall be fixed at \$9.60 million each, with the balance amortized in six equal quarterly installments such that the annual interest rate on the balance is maintained at 8 percent throughout the three year period, resulting in quarterly installments of \$20.06 million for each of the final six quarters. To the extent the Amendment Effective Date as defined in Article III below is later than June 10, 2009; the first quarterly installment shall be made no earlier than July 1, 2009 and no later than 20 days after the Amendment Effective date with interest at an annual rate of 8 percent from July 1, 2009 to the date of payment. A delayed Amendment Effective date shall have no impact on the timing or amount of subsequent installments provided the Amendment Effective Date precedes the due date of the subsequent installment(s). Any such past due quarterly installment(s) shall also be made no later than 20 days after the Amendment Effective Date with interest at an annual rate of 8 percent to the date of payment.
- e. The Interim Refund Amount will be allocated to shippers pro rata based on surcharge collections during the PCB Adjustment Period consistent with Article IV B 4 b of the Stipulation as detailed on the attached Exhibit B to the Amendment. A shipper that contributed to such surcharge collections shall be entitled to receive its pro rata share of

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<sup>7</sup> *Tennessee Gas Pipeline Company*, 125 FERC ¶ 61,232 (2008) (“November 26<sup>th</sup> Order”).

amounts refunded without regard to the current level of service shipper may have under contract with Tennessee or whether shipper remains a customer on the Tennessee system. Tennessee shall remit the Interim Refund Amount via wire transfer in the amounts and to the individual shippers specified on the attached Exhibit B unless otherwise mutually agreed. In the event a shipper has not provided wire transfer information to Tennessee, Tennessee shall issue shipper's refund at its last known mailing address.

- f. Both the Interim Refund Amount and the remaining balance of the Recoverable Cost/Revenue Account shall be accounted for through the Recoverable Cost/Revenue Account. At any time and from time to time during the term of the Stipulation, Tennessee may, without penalty, refund all or any portion of the Interim Refund Amount and/or the remaining balance of the Recoverable Cost/Revenue Account to all shippers subject to this Stipulation, and Tennessee shall be entitled to re-determine the Interim Refund Amount consistent with Article IV B 4 d. Moreover, Tennessee shall be entitled to make Interim Refunds earlier than otherwise required to all shippers whose allocated share of the Interim Refund Amount as specified on the attached Exhibit B does not exceed \$10,000. The early distribution of such Interim Refunds shall have no adverse impact on the allocation to other shippers of the remaining Interim Refund Amount or their respective shares of any Additional Eligible Costs as defined in paragraph g below.
- g. If at any time during the Interim Refund Period Tennessee incurs or is required to recognize in its financial statements, in accordance with Generally Accepted Accounting Principles, Eligible Costs and the customers' share of the Eligible Costs will exceed the Retained Amount of the Recoverable Cost/Revenue Account

(“Additional Eligible Costs”), such additional customers’ share of Eligible Costs shall first be netted against any remaining Interim Refund Amount balance in equal amounts over the remaining quarterly installments on a pro rata basis to the individual shippers specified on the attached Exhibit B to this Amendment; provided, however, that such amounts withheld from the Interim Refund Amount shall reflect only the share of Additional Eligible Costs properly allocable to shippers still receiving quarterly installments from the Interim Refund Amount. In no event shall the Interim Refund Amount be reduced hereunder to reflect any share of Additional Eligible Costs as a result of the early distribution of Interim Refunds pursuant to the above paragraph f. Should the remaining balance of the Interim Refund Amount be insufficient to fully offset the Additional Eligible Costs, Tennessee shall reinstate the PCB adjustment in a manner consistent with Article IV B of the Stipulation as necessary to provide for recovery of the Additional Eligible Costs.

Article IV C 1 c of the Stipulation shall be superseded hereby:

- c. All carrying charges shall be computed by using the greater of (1) an annual interest rate of 10% for the period ending on June 30, 2009 and 8% thereafter; or (2) the then-applicable FERC-prescribed interest rate for pipeline refunds. Carrying charges shall be compounded quarterly and shall reflect adjustments for tax normalization viz.:

The applicable annual carrying charge rate specified in this Article IV C 1 c shall be converted to a monthly carrying charge rate and such monthly rate shall be multiplied by the prior month’s ending balance of the Recoverable Cost/Revenue Account adjusted for any applicable deferred income taxes recorded consistent with the provisions set forth below.

All income tax timing differences which are the result of differences between the period in which expense or revenue enters into the determination of taxable income and the period in which the expense or revenue enters into the determination of pre-tax book income shall be normalized.

Article XIII B of the Stipulation shall be superseded hereby:

B. This Stipulation shall terminate fifteen (15) calendar years following the Effective Date; provided that the term shall be automatically extended if, at the end of such term, Tennessee is incurring Eligible Costs, or an extension of the term is necessary to complete cost recovery or refunds, including the payment of Interim Refunds, pursuant to Article IV B 4, as amended, or an extension of the term is necessary to effectuate the results of any pending litigation pursuant to the provisions of Article VIII.

### **III. Effective Date of Amendment, Non-Severability and Standard of Review**

A. This Amendment shall become effective and binding on the date that the Commission's order approving this Amendment without modification becomes final ("Amendment Effective Date"). A Commission order becomes final on the last date for filing a request for rehearing when no such request has been filed or, if any requests for rehearing are filed, on the date of the Commission order denying all requests for rehearing. Tennessee shall file the revised tariff sheets in Exhibit A to this Amendment within thirty (30) days after the Amendment Effective Date; provided however, the

timing of such tariff filing shall not delay the payment of the first installment of the Interim Refund Amount as required by amended Article IV B 4 d above.

- B. This Amendment represents a negotiated settlement in the public interest with respect to Tennessee's over-collected Recoverable Cost/Revenue Account under the Stipulation related to the PCB/HSL Project. Accordingly, Tennessee assents to the enforcement of the Stipulation and this Amendment in toto as a single, indivisible agreement. Performance required under this Amendment cannot be separated from the performance contained in the original Stipulation. Any attempts to interpret otherwise would be contrary to the intent of the parties involved in the settlement negotiations and this resulting Amendment.
- C. During the term of this Amendment, any modification to this Amendment must satisfy the "public interest" standard of review as set forth in *United Gas Pipe Line Co., v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *FPC v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956).

## EXHIBIT A

Pro Forma Revised & Redlined Tariff Sheets

## GENERAL TERMS AND CONDITIONS

## XXXIV. PCB ADJUSTMENT

The rates and charges for the Affected Rate Schedules shall be subject to a PCB Adjustment effective July 1, 1995 as provided in this Article. This Article, which is intended to implement the provisions of the Stipulation and Agreement filed with the Commission in Tennessee Gas Pipeline Co., Docket Nos. RP91-203 and RP92-132 (Phase II-PCB Issues) on May 15, 1995, as approved by Commission orders dated November 29, 1995 and February 20, 1996 (73 FERC d 61,222 (1995), order on rehearing 74 FERC d 61,174 (1996) and the Amendment to Stipulation and Agreement filed with the Commission in the above-captioned dockets ("Amendment"), hereinafter collectively referred to as "Stipulation", shall be construed in a manner consistent with the Stipulation. In the event of a conflict between the provisions of this Article and the Stipulation, the Stipulation shall control.

## 1. Definitions

"Eligible Costs" are those costs as defined in the "Stipulation".

"Initial Adjustment Period" is the period commencing on July 1, 1995 and ending on June 30, 2000.

"Recoverable Eligible Costs" equal the following percentages of Transporter's Eligible Costs adjusted to 1992 dollars as described in Section 5.2:

"First Extended Adjustment Period" is the period commencing on July 1, 2000 and ending on June 30, 2002. The applicable sections of this Article XXXIV shall remain in effect throughout the First Extended Adjustment Period.

"Second Extended Adjustment Period" is the period commencing on July 1, 2002 and ending on June 30, 2004. The applicable sections of this Article XXXIV shall remain in effect throughout the Second Extended Adjustment Period.

"Third Extended Adjustment Period" is the period commencing on July 1, 2004 and ending on June 30, 2006. The applicable sections of this Article XXXIV shall remain in effect throughout the Third Extended Adjustment Period.

"Fourth Extended Adjustment Period" is the period commencing on July 1, 2006 and ending on June 30, 2008. The applicable sections of this Article XXXIV shall remain in effect throughout the Fourth Extended Adjustment Period.

"Fifth Extended Adjustment Period" is the period commencing on July 1, 2008 and ending on June 30, 2010. The applicable sections of this Article XXXIV shall remain in effect throughout the Fifth Extended Adjustment Period.

Recovery (%)	Cost Block (\$)
100	0 - 123,000,000
70	123,000,001 - 263,000,000
0	263,000,001 - 283,000,000
50	283,000,001 - 383,000,000

## 2. Affected Rate Schedules and Rates

The Affected Rate Schedules are FT-A, FT-G, FT-GS, FT-BH, FT-IL, IT, IT-X, PAT, NET, NET-284, FS-MA, IS-MA, T-154. The effective rates for services under the Affected Rate Schedules shall be the applicable Rates After Current Adjustment shown on the Summary of Rates and Charges in Transporter's FERC Gas Tariff, reflecting the applicable PCB Adjustment determined pursuant to this Article. The PCB Adjustment shall be a demand surcharge on Transporter's rates for services under firm Affected Rate Schedules and surcharges on Transporter's rates for service under other Affected Rate Schedules calculated in conformance with the Stipulation.

GENERAL TERMS AND CONDITIONS (continued)

Section 6. The cumulative difference shall reflect monthly carrying charges for each month during the period February 1992 through June 1995 based on the applicable annual interest rate and methodology specified in Section 5.1(c). All amounts shall be adjusted pursuant to Section 5.2.

- 5.1(b) Each month commencing July 1995, the balance in the Recoverable Cost/Revenue Account shall be (i) increased by the amount of Recoverable Eligible Costs paid by Transporter in that month, (ii) reduced by an amount equal to the amount collected by the PCB Adjustments for that month, as adjusted for discounting consistent with Sections 5.3 and 5.4, (iii) reduced by any third party recoveries for that month as specified in Section 6 and (iv) debited (in the event of a debit balance) or credited (in the event of a credit balance) with carrying charges, calculated in accordance with this Section 5.1.
- 5.1(c) All carrying charges shall be computed by using the greater of (i) an annual interest rate of 10% for the period ending on June 30, 2009 and 8% thereafter; or (ii) the then-applicable FERC-prescribed interest rate for pipeline refunds pursuant to Section 154.67(c)(2)(iii)(A), or successor provision, of the Commission's regulations. Carrying charges shall be compounded quarterly and shall reflect adjustments for tax normalization as set forth in Section 5.1(d).
- 5.1(d) The applicable annual carrying charge rate specified in Section 5.1 (c) shall be converted to a monthly carrying charge rate and such monthly rate shall be multiplied by the prior month's ending balance of the Recoverable Cost/Revenue Account adjusted for any applicable deferred income taxes. All income tax timing differences which are the result of differences between the period in which expense or revenue enters into the determination of taxable income and the period in which the expense or revenue enters into the determination of pre-tax book income shall be normalized.
- 5.2 The balances in the Recoverable Cost/Revenue Account shall be computed after first adjusting all cost amounts and revenue (including TPR pursuant to Section 6) amounts (exclusive of carrying charges) to 1992 dollars in the following manner:

$$C_{1992} = C_i (I_{1992} / I_i), \text{ where}$$

$$C_{1992} = \text{Costs adjusted to 1992 dollars}$$

GENERAL TERMS AND CONDITIONS (continued)

- 5.4 The revenues under Transporter's Rate Schedules IT, IS, IT-X and PAT to be recorded in the Recoverable Cost/Revenue Account shall be computed as prescribed in Section 6 of Transporter's Rate Schedule IT so that recovery of the PCB Adjustment derived pursuant to this Article for each Dth is treated as an addition to the fixed costs allocated to interruptible services.
- 5.5 Not more than 60 days after this Article has been accepted by the Commission, Transporter shall submit to the Customer Liaison Group as defined in the Stipulation a report showing the balance in the Recoverable Cost/Revenue Account. A similar report shall be submitted no later than 60 days following the end of each succeeding 12-month period commencing July 1 during which the PCB Adjustment was effective.
6. Third-Party Recoveries
- 6.1 For purposes of this Article, Third-Party Recoveries ("TPR") shall be recoveries received by Transporter from insurance carriers and other third-parties that indemnify or otherwise compensate Transporter, in whole or in part, for the types of costs covered by the Stipulation. In the event Transporter receives recoveries from a third-party in response to a claim related to both the types of costs covered by the Stipulation and other types of costs, the full amount of such recoveries shall be deemed to be TPR for purposes of this Article.
- 6.2 Transporter, in accordance with Sections 5.1 and 5.2, shall reflect in the Recoverable/Cost Revenue Account 30/77 of each dollar of any TPR received by Transporter in any month until such time as the total TPR received by Transporter equal \$77 million. Transporter shall reflect in the Recoverable Cost/Revenue Account 60 percent of each dollar of TPR in excess of \$77 million received by Transporter.
7. Term
- The PCB Adjustment shall be effective during the Initial Adjustment Period and the First Extended Adjustment Period and shall be extended thereafter in 24-month increments (24-Month Period) as necessary to collect additional costs to eliminate the balance in the Recoverable Cost/Revenue Account calculated in accordance with Section 5, to reflect additional Eligible Costs or to complete refunds, including the payment of Interim Refunds. Within 120 days of the end of the final 24-Month Period Transporter shall, if necessary, refund to each shipper subject to the Stipulation an amount necessary to ensure that Transporter does not recover more than the amounts provided under the Stipulation. Refunds will be made first to shippers that continued to pay the

## GENERAL TERMS AND CONDITIONS (continued)

PCB Adjustment in effect after the Initial Adjustment Period until such shippers have recovered all amounts paid pursuant to this Article after the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper after the Initial Adjustment Period, to the total amount collected under this Article after the Initial Adjustment Period. Any additional refunds will be made to all shippers that paid the PCB Adjustment in effect during the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper during the Initial Adjustment Period, to the total amount collected under this Article during such period.

## 8. Interim Refunds

- 8.1 Notwithstanding the preceding requirements of this Article XXXIV, Transporter shall make Interim Refunds to shippers of \$156.6 million ("Interim Refund Amount"). The Interim Refund Amount is based on Transporter's representation of the balance in the Recoverable Cost/Revenue Account as of December 31, 2008, plus estimated carrying charges through June 30, 2009, net of \$10.0 million to be retained ("Retained Amount") to apply to the shippers' share of additional Eligible Costs.
- 8.2 The Interim Refund Amount shall be paid to shippers in quarterly installments over a three year period amortized at an annual interest rate of 8 percent. The first quarterly installment will be made on July 1, 2009, with subsequent installments paid on the first business day of each calendar quarter thereafter over a three year period ("Interim Refund Period"). The first six quarterly installments shall be fixed at \$9.60 million each, with the balance amortized in six equal quarterly installments such that the annual interest rate on the balance is maintained at 8 percent throughout the three year period, resulting in quarterly installments of \$20.06 million for each of the final six quarters.
- 8.3 The Interim Refund Amount will be allocated to shippers pro rata based on surcharge collections during the PCB Adjustment Period consistent with Section 7 above and as detailed on Exhibit B to the Amendment. Transporter shall remit the Interim Refund Amount via wire transfer in the amounts and to the individual shippers specified on Exhibit B to the Amendment unless otherwise mutually agreed. In the event a shipper has not provided wire transfer information to Transporter, Transporter shall issue shipper's refund at its last known mailing address.
- 8.4 Both the Interim Refund Amount and the remaining balance of the Recoverable Cost/Revenue Account shall be accounted for through the Recoverable Cost/Revenue Account. At any time and from time to time during the term of the Stipulation, Transporter may, without penalty, refund all or any portion of the Interim Refund Amount and/or the Recoverable Cost/Revenue Account to all shippers subject to the Stipulation, and Transporter shall be entitled to re-determine the Interim Refund Amount consistent with Section 8.2.
- 8.5 Transporter shall be entitled to make Interim Refunds earlier than otherwise required to all shippers whose allocated share of the Interim Refund Amount as specified on Exhibit B to the Amendment does not exceed \$10,000. The early distribution of such Interim Refunds shall have no impact on the allocation to other shippers of the remaining Interim Refund Amount or their respective shares of any Additional Eligible Costs as defined in Section 8.6 below.
- 8.6 If at any time during the Interim Refund Period Transporter incurs or is required to recognize in its financial statements, in accordance with Generally Accepted Accounting Principles, Eligible Costs and the customers' share of the Eligible Costs will exceed the Retained Amount of the

GENERAL TERMS AND CONDITIONS (continued)

Recoverable Cost/Revenue Account ("Additional Eligible Costs"), such additional customers' share of Eligible Costs shall first be netted against any remaining Interim Refund Amount balance in equal amounts over the remaining quarterly installments on a pro rata basis to the individual shippers specified on Exhibit B to the Amendment; provided, however, that such amounts withheld from the Interim Refund Amount shall reflect only the share of Additional Eligible Costs properly allocable to shippers still receiving quarterly installments from the Interim Refund Amount. In no event shall the Interim Refund Amount be reduced hereunder to reflect any share of Additional Eligible Costs as a result of the early distribution of Interim Refunds pursuant to the above Section 8.5. Should the remaining balance of the Interim Refund Amount be insufficient to fully offset the Additional Eligible Costs, Transporter shall reinstate the PCB adjustment in a manner consistent with Section 4 above as necessary to provide for recovery of the Additional Eligible Costs.

9. Disputes

All disputes arising under this Article shall be resolved in accordance with the procedures set forth in Article VIII of the Stipulation.

XXXV. RESERVED FOR FUTURE USE

XXXVI. NORTH AMERICAN ENERGY STANDARDS BOARD (NAESB) STANDARDS

Pursuant to Order No. 587, et al. promulgated by the FERC in Docket No. RM96-1, for NAESB Standards that do not otherwise require implementing tariff provisions, the following NAESB Standards are hereby incorporated, by reference to the NAESB Standard Number and version, into Transporter's FERC Gas Tariff.

NAESB Standards (Version 1.7) 0.3.1, 0.3.2, 1.2.1, 1.2.2, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 1.2.16, 1.2.17, 1.2.18, 1.2.19, 1.3.2(v) and (vi), 1.3.3, 1.3.7, 1.3.15, 1.3.20, 1.3.22, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.47, 1.3.48, 1.3.49, 1.3.50, 1.3.51, 1.3.52, 1.3.53, 1.3.54, 1.3.55, 1.3.56, 1.3.57, 1.3.58, 1.3.59, 1.3.60, 1.3.61, 1.3.62, 1.3.63, 1.3.64, 1.3.65, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7, 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.3.1, 2.3.9, 2.3.10, 2.3.12, 2.3.13, 2.3.15, 2.3.20, 2.3.21, 2.3.23, 2.3.27, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.33, 2.3.34, 2.3.35, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.49, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.12, 2.4.13, 2.4.14, 2.4.15, 2.4.16, 3.3.1, 3.3.2, 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.17, 3.3.20, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.4.1, 3.4.2, 3.4.3, 3.4.4, 4.1.16, 4.1.17, 4.1.18, 4.1.19, 4.1.20, 4.1.21, 4.1.22, 4.1.23, 4.1.24, 4.1.25, 4.1.26, 4.1.27, 4.1.28, 4.1.29, 4.1.30, 4.1.31, 4.1.32, 4.1.33, 4.1.34, 4.1.35, 4.1.36, 4.1.37, 4.1.38, 4.1.39, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20, 4.3.1, 4.3.2, 4.3.3, 4.3.5, 4.3.7, 4.3.8, 4.3.9, 4.3.10, 4.3.11, 4.3.12, 4.3.13, 4.3.14, 4.3.15, 4.3.17, 4.3.20,

## GENERAL TERMS AND CONDITIONS (continued)

4.3.24, 4.3.26, 4.3.27, 4.3.28, 4.3.29, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34,  
 4.3.35, 4.3.36, 4.3.37, 4.3.38, 4.3.39, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44,  
 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.51, 4.3.52, 4.3.53, 4.3.54,  
 4.3.55, 4.3.56, 4.3.57, 4.3.58, 4.3.59, 4.3.60, 4.3.61, 4.3.62, 4.3.64, 4.3.65,  
 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.70, 4.3.71, 4.3.72, 4.3.73, 4.3.74, 4.3.75,  
 4.3.76, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85, 4.3.86,  
 4.3.87, 4.3.88, 5.2.1, 5.2.3, 5.3.10, 5.3.11, 5.3.12, 5.3.17, 5.3.20, 5.3.21,  
 5.3.22, 5.3.23, 5.3.25, 5.3.26, 5.3.27, 5.3.28, 5.3.29, 5.3.30, 5.3.31, 5.3.32,  
 5.3.33, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.43,  
 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.56,  
 5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.4.1, 5.4.2, 5.4.3, 5.4.4, 5.4.5, 5.4.6, 5.4.7,  
 5.4.8, 5.4.9, 5.4.10, 5.4.11, 5.4.12, 5.4.13, 5.4.14, 5.4.15, 5.4.16, 5.4.17,  
 5.4.18, 5.4.19, 5.4.20, 5.4.21, 5.4.22.

NAESB Standard: 2004 Annual Plan Item 2 FERC Order 2004 4.2.1, 4.3.16, 4.3.18,  
 4.3.22, 4.3.23 and 4.3.25.

NAESB Standard: 2005 Annual Plan Item 8 FERC Order 2004 4.3.23.

NAESB Standards (R03035A) 4.3.23, 4.3.89, 4.3.90, 4.3.91, 4.3.92.

## XXXVII. NON-CONFORMING AGREEMENTS

1. TransCapacity Limited Partnership TPA dated October 17, 1997
2. National Capacity Registry Service Corporation TPA dated January 2, 1998

## GENERAL TERMS AND CONDITIONS

## XXXIV. PCB ADJUSTMENT

The rates and charges for the Affected Rate Schedules shall be subject to a PCB Adjustment effective July 1, 1995 as provided in this Article. This Article, which is intended to implement the provisions of the Stipulation and Agreement filed with the Commission in Tennessee Gas Pipeline Co., Docket Nos. RP91-203 and RP92-132 (Phase II-PCB Issues) on May 15, 1995, as approved by Commission orders dated November 29, 1995 and February 20, 1996 (73 FERC d 61,222 (1995), order on rehearing 74 FERC d 61,174 (1996) and the Amendment to Stipulation and Agreement filed with the Commission in the above-captioned dockets ("Amendment"), hereinafter collectively referred to as "Stipulation", shall be construed in a manner consistent with the Stipulation. In the event of a conflict between the provisions of this Article and the Stipulation, the Stipulation shall control.

## 1. Definitions

"Eligible Costs" are those costs as defined in the "Stipulation".

"Initial Adjustment Period" is the period commencing on July 1, 1995 and ending on June 30, 2000.

"Recoverable Eligible Costs" equal the following percentages of Transporter's Eligible Costs adjusted to 1992 dollars as described in Section 5.2:

"First Extended Adjustment Period" is the period commencing on July 1, 2000 and ending on June 30, 2002. The applicable sections of this Article XXXIV shall remain in effect throughout the First Extended Adjustment Period.

"Second Extended Adjustment Period" is the period commencing on July 1, 2002 and ending on June 30, 2004. The applicable sections of this Article XXXIV shall remain in effect throughout the Second Extended Adjustment Period.

"Third Extended Adjustment Period" is the period commencing on July 1, 2004 and ending on June 30, 2006. The applicable sections of this Article XXXIV shall remain in effect throughout the Third Extended Adjustment Period.

"Fourth Extended Adjustment Period" is the period commencing on July 1, 2006 and ending on June 30, 2008. The applicable sections of this Article XXXIV shall remain in effect throughout the Fourth Extended Adjustment Period.

"Fifth Extended Adjustment Period" is the period commencing on July 1, 2008 and ending on June 30, 2010. The applicable sections of this Article XXXIV shall remain in effect throughout the Fifth Extended Adjustment Period.

Recovery (%)	Cost Block (\$)
100	0 - 123,000,000
70	123,000,001 - 263,000,000
0	263,000,001 - 283,000,000
50	283,000,001 - 383,000,000

## 2. Affected Rate Schedules and Rates

The Affected Rate Schedules are FT-A, FT-G, FT-GS, FT-BH, FT-IL, IT, IT-X, PAT, NET, NET-284, FS-MA, IS-MA, T-154. The effective rates for services under the Affected Rate Schedules shall be the applicable Rates After Current Adjustment shown on the Summary of Rates and Charges in Transporter's FERC Gas Tariff, reflecting the applicable PCB Adjustment determined pursuant to this Article. The PCB Adjustment shall be a demand surcharge on Transporter's rates for services under firm Affected Rate Schedules and surcharges on Transporter's rates for service under other Affected Rate Schedules calculated in conformance with the Stipulation.

## GENERAL TERMS AND CONDITIONS (continued)

Section 6. The cumulative difference shall reflect monthly carrying charges for each month during the period February 1992 through June 1995 based on the applicable annual interest rate and methodology specified in Section 5.1(c). All amounts shall be adjusted pursuant to Section 5.2.

- 5.1(b) Each month commencing July 1995, the balance in the Recoverable Cost/Revenue Account shall be (i) increased by the amount of Recoverable Eligible Costs paid by Transporter in that month, (ii) reduced by an amount equal to the amount collected by the PCB Adjustments for that month, as adjusted for discounting consistent with Sections 5.3 and 5.4, (iii) reduced by any third party recoveries for that month as specified in Section 6 and (iv) debited (in the event of a debit balance) or credited (in the event of a credit balance) with carrying charges, calculated in accordance with this Section 5.1.
- 5.1(c) All carrying charges shall be computed by using the greater of (i) an annual interest rate of 10% for the period ending on June 30, 2009 and 8% thereafter; or (ii) the then-applicable FERC-prescribed interest rate for pipeline refunds pursuant to Section 154.67(c)(2)(iii)(A), or successor provision, of the Commission's regulations. Carrying charges shall be compounded quarterly and shall reflect adjustments for tax normalization as set forth in Section 5.1(d).
- 5.1(d) The applicable annual carrying charge rate specified in Section 5.1 (c) shall be converted to a monthly carrying charge rate and such monthly rate shall be multiplied by the prior month's ending balance of the Recoverable Cost/Revenue Account adjusted for any applicable deferred income taxes. All income tax timing differences which are the result of differences between the period in which expense or revenue enters into the determination of taxable income and the period in which the expense or revenue enters into the determination of pre-tax book income shall be normalized.
- 5.2 The balances in the Recoverable Cost/Revenue Account shall be computed after first adjusting all cost amounts and revenue (including TPR pursuant to Section 6) amounts (exclusive of carrying charges) to 1992 dollars in the following manner:

$$C_{1992} = C_i (I_{1992} / I_i), \text{ where}$$

$$C_{1992} = \text{Costs adjusted to 1992 dollars}$$

GENERAL TERMS AND CONDITIONS (continued)

- 5.4 The revenues under Transporter's Rate Schedules IT, IS, IT-X and PAT to be recorded in the Recoverable Cost/Revenue Account shall be computed as prescribed in Section 6 of Transporter's Rate Schedule IT so that recovery of the PCB Adjustment derived pursuant to this Article for each Dth is treated as an addition to the fixed costs allocated to interruptible services.
- 5.5 Not more than 60 days after this Article has been accepted by the Commission, Transporter shall submit to the Customer Liaison Group as defined in the Stipulation a report showing the balance in the Recoverable Cost/Revenue Account. A similar report shall be submitted no later than 60 days following the end of each succeeding 12-month period commencing July 1 during which the PCB Adjustment was effective.
6. Third-Party Recoveries
- 6.1 For purposes of this Article, Third-Party Recoveries ("TPR") shall be recoveries received by Transporter from insurance carriers and other third-parties that indemnify or otherwise compensate Transporter, in whole or in part, for the types of costs covered by the Stipulation. In the event Transporter receives recoveries from a third-party in response to a claim related to both the types of costs covered by the Stipulation and other types of costs, the full amount of such recoveries shall be deemed to be TPR for purposes of this Article.
- 6.2 Transporter, in accordance with Sections 5.1 and 5.2, shall reflect in the Recoverable/Cost Revenue Account 30/77 of each dollar of any TPR received by Transporter in any month until such time as the total TPR received by Transporter equal \$77 million. Transporter shall reflect in the Recoverable Cost/Revenue Account 60 percent of each dollar of TPR in excess of \$77 million received by Transporter.
7. Term
- The PCB Adjustment shall be effective during the Initial Adjustment Period and the First Extended Adjustment Period and shall be extended thereafter in 24-month increments (24-Month Period) as necessary to collect additional costs to eliminate the balance in the Recoverable Cost/Revenue Account calculated in accordance with Section 5~~4~~ to reflect additional Eligible Costs or to complete refunds, including the payment of Interim Refunds. Within 120 days of the end of the final 24-Month Period Transporter shall, if necessary, refund to each shipper subject to the Stipulation an amount necessary to ensure that Transporter does not recover more than the amounts provided under the Stipulation. Refunds will be made first to shippers that continued to pay the

## GENERAL TERMS AND CONDITIONS (continued)

PCB Adjustment in effect after the Initial Adjustment Period until such shippers have recovered all amounts paid pursuant to this Article after the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper after the Initial Adjustment Period, to the total amount collected under this Article after the Initial Adjustment Period. Any additional refunds will be made to all shippers that paid the PCB Adjustment in effect during the Initial Adjustment Period. Such refunds will be made to individual shippers pro rata, based on the ratio of the amount actually collected under this Article from the shipper during the Initial Adjustment Period, to the total amount collected under this Article during such period.

8. Interim Refunds

- 8.1 Notwithstanding the preceding requirements of this Article XXXIV, Transporter shall make Interim Refunds to shippers of \$156.6 million ("Interim Refund Amount"). The Interim Refund Amount is based on Transporter's representation of the balance in the Recoverable Cost/Revenue Account as of December 31, 2008, plus estimated carrying charges through June 30, 2009, net of \$10.0 million to be retained ("Retained Amount") to apply to the shippers' share of additional Eligible Costs.
- 8.2 The Interim Refund Amount shall be paid to shippers in quarterly installments over a three year period amortized at an annual interest rate of 8 percent. The first quarterly installment will be made on July 1, 2009, with subsequent installments paid on the first business day of each calendar quarter thereafter over a three year period ("Interim Refund Period"). The first six quarterly installments shall be fixed at \$9.60 million each, with the balance amortized in six equal quarterly installments such that the annual interest rate on the balance is maintained at 8 percent throughout the three year period, resulting in quarterly installments of \$20.06 million for each of the final six quarters.
- 8.3 The Interim Refund Amount will be allocated to shippers pro rata based on surcharge collections during the PCB Adjustment Period consistent with Section 7 above and as detailed on Exhibit B to the Amendment. Transporter shall remit the Interim Refund Amount via wire transfer in the amounts and to the individual shippers specified on Exhibit B to the Amendment unless otherwise mutually agreed. In the event a shipper has not provided wire transfer information to Transporter, Transporter shall issue shipper's refund at its last known mailing address.
- 8.4 Both the Interim Refund Amount and the remaining balance of the Recoverable Cost/Revenue Account shall be accounted for through the Recoverable Cost/Revenue Account. At any time and from time to time during the term of the Stipulation, Transporter may, without penalty, refund all or any portion of the Interim Refund Amount and/or the Recoverable Cost/Revenue Account to all shippers subject to the Stipulation, and Transporter shall be entitled to re-determine the Interim Refund Amount consistent with Section 8.2.
- 8.5 Transporter shall be entitled to make Interim Refunds earlier than otherwise required to all shippers whose allocated share of the Interim Refund Amount as specified on Exhibit B to the Amendment does not exceed \$10,000. The early distribution of such Interim Refunds shall have no impact on the allocation to other shippers of the remaining Interim Refund Amount or their respective shares of any Additional Eligible Costs as defined in Section 8.6 below.
- 8.6 If at any time during the Interim Refund Period Transporter incurs or is required to recognize in its financial statements, in accordance with Generally Accepted Accounting Principles, Eligible Costs and the customers' share of the Eligible Costs will exceed the Retained Amount of the

8. Disputes

TENNESSEE GAS PIPELINE COMPANY  
Pro Forma FIFTH REVISED VOLUME NO. 1

Sixteenth Revised Sheet No. 412  
Sub Fourteenth Revised Sheet No. 412  
Effective: September 1, 2005  
Issued: August 26, 2005  
Page 2

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TENNESSEE GAS PIPELINE COMPANY  
Pro Forma FIFTH REVISED VOLUME NO. 1

Fifth Revised Sheet No. 412A  
Sub Third Revised Sheet No. 412A  
Effective: September 1, 2005  
Issued: August 26, 2005  
Page 1

GENERAL TERMS AND CONDITIONS (continued)

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XXXVI. NORTH AMERICAN ENERGY STANDARDS BOARD (NAESB) STANDARDS

Pursuant to Order No. 587, et al. promulgated by the FERC in Docket No. RM96-1, for NAESB Standards that do not otherwise require implementing tariff provisions, the following NAESB Standards are hereby incorporated, by reference to the NAESB Standard Number and version, into Transporter's FERC Gas Tariff.

NAESB Standards (Version 1.7) 0.3.1, 0.3.2, 1.2.1, 1.2.2, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 1.2.16, 1.2.17, 1.2.18, 1.2.19, 1.3.2(v) and (vi), 1.3.3, 1.3.7, 1.3.15, 1.3.20, 1.3.22, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.47, 1.3.48, 1.3.49, 1.3.50, 1.3.51, 1.3.52, 1.3.53, 1.3.54, 1.3.55, 1.3.56, 1.3.57, 1.3.58, 1.3.59, 1.3.60, 1.3.61, 1.3.62, 1.3.63, 1.3.64, 1.3.65, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7, 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.3.1, 2.3.9, 2.3.10, 2.3.12, 2.3.13, 2.3.15, 2.3.20, 2.3.21, 2.3.23, 2.3.27, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.33, 2.3.34, 2.3.35, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.49, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.12, 2.4.13, 2.4.14, 2.4.15, 2.4.16, 3.3.1, 3.3.2, 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.17, 3.3.20, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.4.1, 3.4.2, 3.4.3, 3.4.4, 4.1.16, 4.1.17, 4.1.18, 4.1.19, 4.1.20, 4.1.21, 4.1.22, 4.1.23, 4.1.24, 4.1.25, 4.1.26, 4.1.27, 4.1.28, 4.1.29, 4.1.30, 4.1.31, 4.1.32, 4.1.33, 4.1.34, 4.1.35, 4.1.36, 4.1.37, 4.1.38, 4.1.39, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20, 4.3.1, 4.3.2, 4.3.3, 4.3.5, 4.3.7, 4.3.8, 4.3.9, 4.3.10, 4.3.11, 4.3.12, 4.3.13, 4.3.14, 4.3.15, 4.3.17, 4.3.20,

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TENNESSEE GAS PIPELINE COMPANY  
Pro Forma FIFTH REVISED VOLUME NO. 1

Fifth Revised Sheet No. 412A  
Sub Third Revised Sheet No. 412A  
Effective: September 1, 2005  
Issued: August 26, 2005  
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~~5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.56,  
5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.4.1, 5.4.2, 5.4.3, 5.4.4, 5.4.5, 5.4.6, 5.4.7,  
5.4.8, 5.4.9, 5.4.10, 5.4.11, 5.4.12, 5.4.13, 5.4.14, 5.4.15, 5.4.16, 5.4.17,  
5.4.18, 5.4.19, 5.4.20, 5.4.21, 5.4.22.~~

~~NAESB Standard: 2004 Annual Plan Item 2 FERC Order 2004 4.2.1, 4.3.16, 4.3.18,  
4.3.22, 4.3.23 and 4.3.25.~~

~~NAESB Standard: 2005 Annual Plan Item 8 FERC Order 2004 4.3.23.~~

~~NAESB Standards (R03035A) 4.3.23, 4.3.89, 4.3.90, 4.3.91, 4.3.92.~~

~~XXXVII. NON CONFORMING AGREEMENTS~~

- ~~1. TransCapacity Limited Partnership TPA dated October 17, 1997~~
- ~~2. National Capacity Registry Service Corporation TPA dated January 2, 1998~~

GENERAL TERMS AND CONDITIONS (continued)

4.3.24, 4.3.26, 4.3.27, 4.3.28, 4.3.29, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34,  
4.3.35, 4.3.36, 4.3.37, 4.3.38, 4.3.39, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44,  
4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.51, 4.3.52, 4.3.53, 4.3.54,  
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5.3.22, 5.3.23, 5.3.25, 5.3.26, 5.3.27, 5.3.28, 5.3.29, 5.3.30, 5.3.31, 5.3.32,  
5.3.33, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.43,  
5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.56,  
5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.4.1, 5.4.2, 5.4.3, 5.4.4, 5.4.5, 5.4.6, 5.4.7,  
5.4.8, 5.4.9, 5.4.10, 5.4.11, 5.4.12, 5.4.13, 5.4.14, 5.4.15, 5.4.16, 5.4.17,  
5.4.18, 5.4.19, 5.4.20, 5.4.21, 5.4.22.

NAESB Standard: 2004 Annual Plan Item 2 FERC Order 2004 4.2.1, 4.3.16, 4.3.18,  
4.3.22, 4.3.23 and 4.3.25.

NAESB Standard: 2005 Annual Plan Item 8 FERC Order 2004 4.3.23.

NAESB Standards (R03035A) 4.3.23, 4.3.89, 4.3.90, 4.3.91, 4.3.92.

XXXVII. NON-CONFORMING AGREEMENTS

1. TransCapacity Limited Partnership TPA dated October 17, 1997

2. National Capacity Registry Service Corporation TPA dated January 2, 1998

## EXHIBIT B

**Tennessee Gas Pipeline Company  
PCB/HSL Interim Refund Allocation  
Docket Nos. RP91-203 and RP92-132**

Line No.	Shipper Name (1)	Holding Company (2)	PCB Revenue Collected (3)	% (4)	Interim Refund Amount at \$156.6 MM (5)	Quarterly Refund at \$9.6 MM (6)	Quarterly Refund at \$20.06 MM (7)
1	BOWATER INC	AbitibiBowater Inc.	\$63,591.61	0.0720%	\$112,677.32	\$6,907.42	\$14,433.63
2	ADAMS RESOURCES MARKETING, LTD.	Adams Resources & Energy, Inc.	\$2,275.40	0.0026%	\$4,031.76	\$247.16	\$516.46
3	ADAMSVILLE CITY OF	ADAMSVILLE CITY OF	\$15,461.23	0.0175%	\$27,395.59	\$1,679.42	\$3,509.29
4	AFG INDUSTRIES INC	AGC Flat Glass North America	\$116,762.80	0.1321%	\$206,890.80	\$12,682.96	\$26,502.10
5	SOUTHSTAR ENERGY SERVICES LLC	AGL Resources & Piedmont Natural Gas	\$11.41	0.0000%	\$20.22	\$1.24	\$2.59
6	ATLANTA GAS LIGHT CO	AGL Resources Inc.	\$885,307.29	1.0017%	\$1,568,666.85	\$96,163.49	\$200,941.62
7	CHATTANOOGA GAS CO	AGL Resources Inc.	\$644,310.81	0.7290%	\$1,141,647.67	\$69,986.06	\$146,241.71
8	VIRGINIA NATURAL GAS INC	AGL Resources Inc.	\$536,206.49	0.6067%	\$950,098.74	\$58,243.60	\$121,704.86
9	PIVOTAL UTILITY HOLDINGS, INC.	AGL Resources Inc.	\$670,938.15	0.7591%	\$1,188,828.39	\$72,878.37	\$152,285.42
10	ALCAN ALUMINUM CORPORATION	Alcan Inc	\$35,602.45	0.0403%	\$63,083.61	\$3,867.19	\$8,080.83
11	ALCOA, INC.	Alcoa, Inc.	\$311,862.65	0.3529%	\$552,586.21	\$33,875.02	\$70,784.67
12	REYNOLDS METALS COMPANY	Alcoa, Inc.	\$108,756.24	0.1231%	\$192,704.06	\$11,813.28	\$24,684.82
13	ALLIANCE GAS SERVICES INC.	Allegheny Energy	\$31.46	0.0000%	\$55.74	\$3.42	\$7.14
14	CONSTELLATION NEW ENERGY - GAS DIV. LLC	Allegheny Energy	\$4,482.84	0.0051%	\$7,943.10	\$486.93	\$1,017.49
15	MOUNTAINEER GAS CO	Allegheny Energy	\$111,825.00	0.1265%	\$198,141.56	\$12,146.61	\$25,381.35
16	MOUNTAINEER GAS SERVICES INC	Allegheny Energy	\$10,500.00	0.0119%	\$18,604.84	\$1,140.53	\$2,383.23
17	ALLENERGY MARKETING COMPANY, INC.	ALLENERGY MARKETING COMPANY, INC.	\$576.31	0.0007%	\$1,021.15	\$62.60	\$130.81
18	CENTRAL ILLINOIS LIGHT COMPANY	Ameren Corporation	\$1,433.18	0.0016%	\$2,539.44	\$155.67	\$325.29
19	QST ENERGY TRADING, INC.	Ameren Corporation	\$42,841.62	0.0485%	\$75,910.62	\$4,653.52	\$9,723.93
20	AEP ENERGY SERVICES, INC.	American Electric Power Company, Inc.	\$3.90	0.0000%	\$6.91	\$0.42	\$0.89
21	AMERICAN ENERGY MANAGEMENT, INC.	American Energy Management	\$208.18	0.0002%	\$368.87	\$22.61	\$47.25
22	AMGAS, INC.	AMGAS, INC.	\$0.43	0.0000%	\$0.76	\$0.05	\$0.10
23	AMKOR NATURAL GAS COMPANY	AMKOR NATURAL GAS COMPANY	\$41,531.08	0.0470%	\$73,588.49	\$4,511.17	\$9,426.47
24	ANADARKO ENERGY SERVICES COMPANY	Anadarko Petroleum Corporation	\$22.44	0.0000%	\$39.76	\$2.44	\$5.09
25	HOWELL GAS MANAGEMENT COMPANY	Anadarko Petroleum Corporation	\$61.98	0.0001%	\$109.82	\$6.73	\$14.07
26	KERR-MCGEE CORPORATION	Anadarko Petroleum Corporation	\$6,164.01	0.0070%	\$10,921.95	\$669.54	\$1,399.07
27	ORYX GAS MARKETING LIMITED PARTNERSHIP	Anadarko Petroleum Corporation	\$10.44	0.0000%	\$18.50	\$1.13	\$2.37
28	WESTERN GAS RESOURCES, INC.	Anadarko Petroleum Corporation	\$195,907.86	0.2217%	\$347,127.11	\$21,279.82	\$44,465.96
29	ANADARKO E&P COMPANY LP	Anadarko Petroleum Corporation	\$1,012.23	0.0011%	\$1,793.57	\$109.95	\$229.75
30	APACHE CORPORATION	APACHE CORPORATION	\$6.28	0.0000%	\$11.13	\$0.68	\$1.43
31	DOE RUN GAS TRANSMISSION COMPANY	Arch Chemicals, Inc.	\$57,140.04	0.0647%	\$101,245.85	\$6,206.64	\$12,969.30
32	ASHLAND EXPLORATION INC	Ashland Inc.	\$10,641.68	0.0120%	\$18,855.88	\$1,155.92	\$2,415.38
33	ASHLAND PETROLEUM, DIV. OF ASHLAND INC.	Ashland Inc.	\$19,070.00	0.0216%	\$33,789.94	\$2,071.41	\$4,328.39
34	ASHLAND TOWN OF MISS	ASHLAND TOWN OF MISS	\$3,968.03	0.0045%	\$7,030.91	\$431.01	\$900.64
35	ATHENS ALABAMA UTILITY CITY OF	ATHENS ALABAMA UTILITY CITY OF	\$33,164.95	0.0375%	\$58,764.64	\$3,602.43	\$7,527.58
36	ATHENS TENNESSEE UTILITIES BOARD	ATHENS TENNESSEE UTILITIES BOARD	\$82,868.59	0.0938%	\$146,833.99	\$9,001.32	\$18,809.00
37	ATLAS GAS MARKETING INC	Atlas Energy Resources, LLC	\$6,218.50	0.0070%	\$11,018.49	\$675.46	\$1,411.44
38	ATMOS ENERGY CORPORATION (KY)	ATMOS Energy Corp.	\$537,158.68	0.6078%	\$951,785.92	\$58,347.03	\$121,920.98
39	ATMOS ENERGY CORPORATION (LA)	ATMOS Energy Corp.	\$914.58	0.0010%	\$1,620.54	\$99.34	\$207.59
40	ATMOS ENERGY CORPORATION (MS)	ATMOS Energy Corp.	\$624,878.76	0.7070%	\$1,107,216.22	\$67,875.32	\$141,831.15
41	ATMOS ENERGY CORPORATION (TN)	ATMOS Energy Corp.	\$1,285,634.90	1.4547%	\$2,278,003.20	\$139,647.71	\$291,805.52
42	ATMOS ENERGY MARKETING (LA)	ATMOS Energy Corp.	\$2,893.34	0.0033%	\$5,126.67	\$314.28	\$656.71
43	ATMOS ENERGY MARKETING, LLC	ATMOS Energy Corp.	\$2,150.93	0.0024%	\$3,811.21	\$233.64	\$488.20
44	AURORA NATURAL GAS, LLC	AURORA NATURAL GAS, LLC	\$233.33	0.0003%	\$413.43	\$25.34	\$52.96
45	VITOL GAS & ELECTRIC, L.L.C.	Avista Corporation	\$22,570.00	0.0255%	\$39,991.55	\$2,451.59	\$5,122.80
46	SPRAGUE ENERGY CORPORATION	Axel Johnson Inc. Company	\$490.10	0.0006%	\$868.39	\$53.23	\$111.24
47	ZENECA INC	AztraZeneca p.l.c.	\$19,173.68	0.0217%	\$33,973.65	\$2,082.68	\$4,351.92
48	BALDWYN CITY OF	BALDWYN CITY OF	\$11,091.09	0.0125%	\$19,652.19	\$1,204.73	\$2,517.39
49	BATESVILLE CITY OF	BATESVILLE CITY OF	\$27,618.25	0.0312%	\$48,936.49	\$2,999.94	\$6,268.62
50	JOHNS MANVILLE	Berkshire Hathaway Inc.	\$10,863.07	0.0123%	\$19,248.16	\$1,179.96	\$2,465.63
51	AGF DIRECT GAS SALES INC.	Black Hills Corp. or Great Plains Energy	\$448.53	0.0005%	\$794.75	\$48.72	\$101.80
52	UTILICORP UNITED INC	Black Hills Corp. or Great Plains Energy	\$204,228.00	0.2311%	\$361,869.49	\$22,183.57	\$46,354.42
53	AQUILA ENERGY TRANSPORTATION CORPORATION	Black Hills Corporation	\$2.29	0.0000%	\$4.06	\$0.25	\$0.52
54	AQUILA MERCHANT SERVICES, INC.	Black Hills Corporation	\$39,281.72	0.0444%	\$69,602.87	\$4,266.84	\$8,915.92
55	BLACK HILLS ENERGY RESOURCES, INC.	Black Hills Corporation	\$41,782.12	0.0473%	\$74,033.31	\$4,538.44	\$9,483.45
56	PEPPERELL POWER ASSOCIATES LIMITED PART	Black Hills Corporation	\$3,072.00	0.0035%	\$5,443.25	\$333.69	\$697.26
57	BLACKSTONE GAS CO	BLACKSTONE GAS CO	\$13,362.76	0.0151%	\$23,677.33	\$1,451.48	\$3,033.00
58	GULF SOUTH PIPELINE COMPANY, LP	Boardwalk Pipeline	\$502.57	0.0006%	\$890.50	\$54.59	\$114.07
59	TEXAS GAS TRANSMISSION, LLC	Boardwalk Pipeline	\$145,650.00	0.1648%	\$258,075.73	\$15,820.73	\$33,058.74
60	BOLIVAR CITY OF	BOLIVAR CITY OF	\$45,575.27	0.0516%	\$80,754.35	\$4,950.46	\$10,344.39
61	BOONEVILLE MUNICIPAL GAS SYSTEM	BOONEVILLE MUNICIPAL GAS SYSTEM	\$43,712.00	0.0495%	\$77,452.85	\$4,748.07	\$9,921.48
62	BORDEN INCORPORATED	Borden Incorporated	\$87.60	0.0001%	\$155.22	\$9.52	\$19.88
63	BP ENERGY COMPANY	BP Energy Company	\$104,874.34	0.1187%	\$185,825.75	\$11,391.62	\$23,803.73
64	VASTAR GAS MARKETING, INC.	BP Energy Company	\$31,069.07	0.0352%	\$55,050.96	\$3,374.77	\$7,051.87
65	VASTAR RESOURCES, INC.	BP Energy Company	\$165,365.80	0.1871%	\$293,009.95	\$17,962.30	\$37,533.71
66	CRANBERRY PIPELINE CORP	Cabot Oil & Gas Corporation	\$1,177.09	0.0013%	\$2,085.67	\$127.86	\$267.17
67	CALEDONIA NATURAL GAS DISTRICT	CALEDONIA NATURAL GAS DISTRICT	\$4,022.39	0.0046%	\$7,127.23	\$436.92	\$912.98
68	CALGON CARBON CORP	Calgon Carbon Corporation	\$1,760.00	0.0020%	\$3,118.53	\$191.17	\$399.47
69	CALPINE CORPORATION	CALPINE CORPORATION	\$750.00	0.0008%	\$1,328.92	\$81.47	\$170.23
70	CASEY, CITY OF	CASEY, CITY OF	\$26,904.75	0.0304%	\$47,672.25	\$2,922.44	\$6,106.68
71	CENTERPOINT ENERGY ARKLA	Centerpoint Energy	\$4,708.84	0.0053%	\$8,343.55	\$511.48	\$1,068.78
72	CENTERPOINT ENERGY ENTEX	Centerpoint Energy	\$268,552.78	0.3039%	\$475,845.91	\$29,170.63	\$60,954.46
73	CENTERVILLE TOWN OF	CENTERVILLE TOWN OF	\$27,530.83	0.0312%	\$48,781.60	\$2,990.44	\$6,248.78
74	CENTRAL HUDSON GAS & ELECTRIC CORP	CH Energy Group Incorporated	\$690,881.82	0.7817%	\$1,224,166.36	\$75,044.68	\$156,812.11

**Tennessee Gas Pipeline Company  
PCB/HSL Interim Refund Allocation  
Docket Nos. RP91-203 and RP92-132**

Line No.	Shipper Name	Holding Company	PCB Revenue Collected	%	Interim Refund Amount at \$156.6 MM	Quarterly Refund at \$9.6 MM	Quarterly Refund at \$20.06 MM
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
75	CHEROKEE WATER AND GAS DEPARTMENT	CHEROKEE WATER AND GAS DEPARTMENT	\$6,165.77	0.0070%	\$10,925.06	\$669.74	\$1,399.47
76	CHESAPEAKE ENERGY CORPORATION	Chesapeake Energy Corporation	\$225.03	0.0003%	\$398.73	\$24.44	\$51.08
77	CHEVRON USA INC.	Chevron Corporation	\$11,190.08	0.0127%	\$19,827.59	\$1,215.48	\$2,539.86
78	TEXACO ENERGY MARKETING L.P.	Chevron Corporation	\$4.97	0.0000%	\$8.81	\$0.54	\$1.13
79	TEXACO NATURAL GAS INC.	Chevron Corporation	\$96,290.45	0.1090%	\$170,616.06	\$10,459.22	\$21,855.42
80	UNION OIL COMPANY OF CALIFORNIA	Chevron Corporation	\$4,800.00	0.0054%	\$8,505.07	\$521.38	\$1,089.47
81	UNOCAL ENERGY TRADING, INC.	Chevron Corporation	\$735.77	0.0008%	\$1,303.70	\$79.92	\$167.00
82	CIMA ENERGY, LTD.	Cima Energy, Ltd.	\$899.91	0.0010%	\$1,594.54	\$97.75	\$204.26
83	PHIBRO, INC.	Citigroup, Inc.	\$10,360.73	0.0117%	\$18,358.07	\$1,125.40	\$2,351.62
84	CITIZENS GAS UTILITY DISTRICT	CITIZENS GAS UTILITY DISTRICT	\$5,495.26	0.0062%	\$9,736.99	\$596.90	\$1,247.28
85	COOKEVILLE GAS DEPT, CITY OF	City of Cookeville	\$100,705.39	0.1139%	\$178,438.84	\$10,938.78	\$22,857.49
86	DUNLAP GAS SYSTEM	City of Dunlap	\$11,703.85	0.0132%	\$20,737.93	\$1,271.29	\$2,656.47
87	LEXINGTON GAS SYSTEM	City of Lexington	\$78,759.22	0.0891%	\$139,552.66	\$8,554.95	\$17,876.29
88	SOUTH PITTSBURG, CITY OF	City of South Pittsburg	\$43,688.74	0.0494%	\$77,411.63	\$4,745.54	\$9,916.20
89	CLARION RIVER GAS COMPANY	CLARION RIVER GAS COMPANY	\$1,341.24	0.0015%	\$2,376.53	\$145.69	\$304.43
90	CLARKSVILLE GAS DEPT CITY OF	CLARKSVILLE GAS DEPT CITY OF	\$318,159.83	0.3600%	\$563,744.13	\$34,559.03	\$72,213.97
91	M&B GAS SERVICES, INC.	Clearfield Ohio Holdings, Inc.	\$96,777.02	0.1095%	\$171,478.20	\$10,512.07	\$21,965.85
92	PIKE NATURAL GAS CO	Clearfield Ohio Holdings, Inc.	\$49,132.37	0.0556%	\$87,057.15	\$5,336.84	\$11,151.76
93	CLIFTON CITY OF TENNESSEE	CLIFTON CITY OF TENNESSEE	\$3,796.26	0.0043%	\$6,726.55	\$412.36	\$861.65
94	COGEN ENERGY TECHNOLOGY LP	COGEN ENERGY TECHNOLOGY LP	\$9,690.00	0.0110%	\$17,169.61	\$1,052.54	\$2,199.38
95	COKINOS NATURAL GAS COMPANY	Cokinos Energy Corp.	\$2,555.10	0.0029%	\$4,527.36	\$277.54	\$579.94
96	COLLINWOOD CITY OF	COLLINWOOD CITY OF	\$1,606.52	0.0018%	\$2,846.58	\$174.50	\$364.64
97	COLONIAL ENERGY, INC.	Colonial Group, Inc.	\$85,112.44	0.0963%	\$150,809.86	\$9,245.05	\$19,318.30
98	PENNUNION ENERGY SERVICES, L.L.C.	Columbia Gas Systems	\$9.17	0.0000%	\$16.25	\$1.00	\$2.08
99	COMMONWEALTH ALUMINUM CONCAST, INC.	Commonwealth Industries, Inc.	\$66,711.53	0.0755%	\$118,205.47	\$7,246.31	\$15,141.77
100	COMMUNITY NATURAL GAS CO., INC.	COMMUNITY NATURAL GAS CO INC	\$10,537.50	0.0119%	\$18,671.29	\$1,144.60	\$2,391.74
101	COMSTOCK OIL & GAS INC	Comstock Resources Inc	\$2.62	0.0000%	\$4.64	\$0.28	\$0.59
102	CONSOLIDATED EDISON CO OF NEW YORK INC	Con Edison, Inc.	\$1,360,468.74	1.5393%	\$2,410,600.51	\$147,776.28	\$308,790.84
103	CONSOLIDATED EDISON SOLUTIONS, INC.	Con Edison, Inc.	\$12.40	0.0000%	\$21.97	\$1.35	\$2.81
104	ORANGE AND ROCKLAND UTILITIES INC	Con Edison, Inc.	\$2,647,981.55	2.9961%	\$4,691,931.16	\$287,627.96	\$601,022.60
105	ENGLEWOOD NATURAL GAS SYSTEM	ConnectUtilities, LLC	\$3,566.52	0.0040%	\$6,319.48	\$387.40	\$809.51
106	CONOCOPHILLIPS COMPANY	ConocoPhillips Company	\$50,286.89	0.0569%	\$89,102.82	\$5,462.24	\$11,413.81
107	CONOCOPHILLIPS COMPANY	ConocoPhillips Company	\$324.58	0.0004%	\$575.12	\$35.26	\$73.67
108	LOUISIANA LAND AND EXPLORATION CO (THE)	ConocoPhillips Company	\$6.40	0.0000%	\$11.34	\$0.70	\$1.45
109	BALTIMORE GAS AND ELECTRIC COMPANY	Constellation Energy Group Inc.	\$334,372.29	0.3783%	\$592,470.81	\$36,320.05	\$75,893.77
110	CANTERA GAS CO.	CONTINENTAL NATURAL GAS	\$2,704.38	0.0031%	\$4,791.86	\$293.75	\$613.82
111	CORINTH PUBLIC UTILITIES COMMISSION	CORINTH PUBLIC UTILITIES COMMISSION	\$89,639.90	0.1014%	\$158,832.01	\$9,736.83	\$20,345.91
112	COAST ENERGY GROUP, INC.	Cornerstone Propane Partners, L. P.	\$6,333.20	0.0072%	\$11,221.74	\$687.92	\$1,437.47
113	CORNING INC	CORNING INC	\$122.88	0.0001%	\$217.73	\$13.35	\$27.89
114	CORNING NATURAL GAS CORP	CORNING NATURAL GAS CORP	\$211,896.00	0.2398%	\$375,456.33	\$23,016.48	\$48,094.85
115	CORPUS CHRISTI GAS MARKETING, LP	CORPUS CHRISTI GAS MARKETING, LP	\$139.24	0.0002%	\$246.72	\$15.12	\$31.60
116	COUNCE NATURAL GAS CORPORATION	COUNCE NATURAL GAS CORPORATION	\$1,005.75	0.0011%	\$1,782.08	\$109.25	\$228.28
117	CROSSTEX ENERGY SERVICES, L.P.	CROSSTEX ENERGY LP	\$34.02	0.0000%	\$60.28	\$3.70	\$7.72
118	DECATUR ALABAMA CITY OF	DECATUR ALABAMA CITY OF	\$373,703.34	0.4228%	\$662,161.08	\$40,592.25	\$84,820.89
119	DELTA NATURAL GAS COMPANY INC	DELTA NATURAL GAS COMPANY INC	\$212,499.70	0.2404%	\$376,526.02	\$23,082.06	\$48,231.88
120	DEVON GAS SERVICES, L.P.	Devon Energy Corporation	\$1,527.59	0.0017%	\$2,706.72	\$165.93	\$346.72
121	DEVON GAS SERVICES, L.P.	Devon Energy Corporation	\$182.85	0.0002%	\$323.99	\$19.86	\$41.50
122	SEAGULL MARKETING SERVICES INC.	Devon Energy Corporation	\$1,002.72	0.0011%	\$1,776.71	\$108.92	\$227.59
123	DICKSON GAS AUTHORITY	DICKSON GAS AUTHORITY	\$127,894.15	0.1447%	\$226,614.32	\$13,892.07	\$29,028.63
124	DIRECT ENERGY MARKETING LTD	Direct Energy	\$207.64	0.0002%	\$367.92	\$22.55	\$47.13
125	DIRECT GAS SUPPLY CORPORATION	DIRECT GAS SUPPLY CORPORATION	\$8,969.36	0.0101%	\$15,892.72	\$974.27	\$2,035.81
126	DOMINION EXPLORATION & PRODUCTION, INC.	Dominion Resources Inc.	\$2,866.09	0.0032%	\$5,078.40	\$311.32	\$650.53
127	DOMINION TRANSMISSION, INC.	Dominion Resources Inc.	\$1,163,455.44	1.3164%	\$2,061,514.68	\$126,376.38	\$264,073.97
128	HOPE GAS INC	Dominion Resources Inc.	\$159,377.38	0.1803%	\$282,399.14	\$17,311.82	\$36,174.50
129	PEOPLE'S NATURAL GAS COMPANY	Dominion Resources Inc.	\$1,070,550.36	1.2113%	\$1,896,897.14	\$116,284.88	\$242,986.95
130	THE EAST OHIO GAS COMPANY	Dominion Resources Inc.	\$3,530,267.90	3.9944%	\$6,255,245.25	\$383,463.31	\$801,278.54
131	VIRGINIA POWER ENERGY MARKETING, INC.	Dominion Resources Inc.	\$41,095.34	0.0465%	\$72,816.41	\$4,463.84	\$9,327.57
132	VIRGINIA POWER SERVICES ENERGY CORP, INC	Dominion Resources Inc.	\$2,386.07	0.0027%	\$4,227.85	\$259.18	\$541.58
133	MIAMI VALLEY RESOURCES, INC.	DPL Inc.	\$2,060.16	0.0023%	\$3,650.38	\$223.78	\$467.60
134	HOWARD ENERGY CO., INC.	DTE Energy Company	\$88.90	0.0001%	\$157.52	\$9.66	\$20.18
135	CINERGY RESOURCES, INC.	Duke Energy Corporation	\$39,000.00	0.0441%	\$69,103.70	\$4,236.24	\$8,851.98
136	DUKE ENERGY FUELS, L.P.	Duke Energy Corporation	\$3,453.14	0.0039%	\$6,118.58	\$375.09	\$783.77
137	DUKE ENERGY KENTUCKY, INC	Duke Energy Corporation	\$62,910.00	0.0712%	\$111,469.58	\$6,833.38	\$14,278.93
138	DUKE ENERGY OHIO, INC. (REGULATED)	Duke Energy Corporation	\$487,864.00	0.5520%	\$864,441.18	\$52,992.56	\$110,732.38
139	DUKE ENERGY TRADING AND MARKETING, L.L.C	Duke Energy Corporation	\$518,777.42	0.5870%	\$919,216.36	\$56,350.43	\$117,748.92
140	ASSOCIATED NATURAL GAS INC	Duke Energy Corporation	\$14,191.16	0.0161%	\$25,145.17	\$1,541.47	\$3,221.02
141	PAN ENERGY GAS SERVICES, INC.	Duke Energy Corporation	\$24,650.00	0.0279%	\$43,677.08	\$2,677.52	\$5,594.91
142	DYNEGY GAS TRANSPORTATION, INC.	Dynegy Inc.	\$38,193.81	0.0432%	\$67,675.21	\$4,148.67	\$8,669.00
143	DYNEGY MARKETING AND TRADE	Dynegy Inc.	\$80,742.54	0.0914%	\$143,066.88	\$8,770.38	\$18,326.45
144	LG&E ENERGY MARKETING INC.	E.ON-US	\$83,886.79	0.0949%	\$148,638.14	\$9,111.92	\$19,040.11
145	LOUISVILLE GAS & ELECTRIC CO.	E.ON-US	\$613,620.00	0.6943%	\$1,087,266.94	\$66,652.38	\$139,275.70
146	EASTERN NATURAL GAS COMPANY	EASTERN NATURAL GAS COMPANY	\$45,253.20	0.0512%	\$80,183.68	\$4,915.47	\$10,271.29
147	EASTMAN CHEMICAL CO	Eastman Chemical Company	\$154,861.32	0.1752%	\$274,397.17	\$16,821.28	\$35,149.47
148	SITHE MYSTIC L.L.C.	EBG Holdings, LLC	\$216,000.00	0.2444%	\$382,728.17	\$23,462.26	\$49,026.35

**Tennessee Gas Pipeline Company  
PCB/HSL Interim Refund Allocation  
Docket Nos. RP91-203 and RP92-132**

Line No.	Shipper Name	Holding Company	PCB Revenue Collected	%	Interim Refund Amount at \$156.6 MM	Quarterly Refund at \$9.6 MM	Quarterly Refund at \$20.06 MM
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
149	CHANNEL GAS MARKETING COMPANY	El Paso Corporation	\$4,182.54	0.0047%	\$7,410.99	\$454.31	\$949.33
150	COASTAL GAS MARKETING COMPANY	El Paso Corporation	\$6,768.25	0.0077%	\$11,992.59	\$735.18	\$1,536.22
151	COASTAL MERCHANT ENERGY, L.P.	El Paso Corporation	\$28,616.50	0.0324%	\$50,705.28	\$3,108.37	\$6,495.20
152	CORNERSTONE GAS RESOURCES, INC.	El Paso Corporation	\$255.45	0.0003%	\$452.63	\$27.75	\$57.98
153	EASTEX HYDROCARBONS INC., DIV. OF EL PASO	El Paso Corporation	\$151,327.84	0.1712%	\$268,136.24	\$16,437.47	\$34,347.46
154	EL PASO FIELD OPERATIONS COMPANY	El Paso Corporation	\$41.00	0.0000%	\$72.65	\$4.45	\$9.31
155	EL PASO FIELD SERVICES, L.P.	El Paso Corporation	\$445.00	0.0005%	\$788.49	\$48.34	\$101.00
156	EL PASO GAS SERVICES COMPANY	El Paso Corporation	\$44,567.91	0.0504%	\$78,969.42	\$4,841.04	\$10,115.75
157	EL PASO MARKETING, L.P.	El Paso Corporation	\$795,949.51	0.9006%	\$1,410,334.73	\$86,457.30	\$180,659.74
158	HEATH PETRA RESOURCES INC.	El Paso Corporation	\$906.73	0.0010%	\$1,606.63	\$98.49	\$205.80
159	PREMIER GAS COMPANY	El Paso Corporation	\$520.77	0.0006%	\$922.75	\$56.57	\$118.20
160	SONAT MARKETING COMPANY	El Paso Corporation	\$22,929.78	0.0259%	\$40,629.04	\$2,490.67	\$5,204.46
161	SONAT MARKETING COMPANY L.P.	El Paso Corporation	\$10,549.61	0.0119%	\$18,692.74	\$1,145.92	\$2,394.49
162	SONAT MARKETING COMPANY, ET AL	El Paso Corporation	\$26,423.99	0.0299%	\$46,820.40	\$2,870.22	\$5,997.56
163	SOUTHERN NATURAL GAS CO.	El Paso Corporation	\$3,445.75	0.0039%	\$6,105.49	\$374.28	\$782.10
164	TENNECO MARKETING SERVICES COMPANY	El Paso Corporation	\$6,091.23	0.0069%	\$10,792.99	\$661.64	\$1,382.55
165	TENNESSEE GAS MARKETING CO.	El Paso Corporation	\$21,662.95	0.0245%	\$38,384.36	\$2,353.06	\$4,916.92
166	ELIZABETH NATURAL GAS, INC.	ELIZABETH NATURAL GAS, INC.	\$5,348.81	0.0061%	\$9,477.50	\$581.00	\$1,214.04
167	ELK RIVER PUBLIC UTILITY DISTRICT	Elk River Public Utility District	\$161,539.77	0.1828%	\$286,230.66	\$17,546.71	\$36,665.31
168	ENBRIDGE MARKETING (U.S.) L.P.	Enbridge US	\$197,618.27	0.2236%	\$350,157.77	\$21,465.61	\$44,854.18
169	ENBRIDGE MIDCOAST ENERGY, INC.	Enbridge US	\$20,509.88	0.0232%	\$36,341.24	\$2,227.82	\$4,655.21
170	ENBRIDGE PIPELINES (LA INTRASTATE) INC.	Enbridge US	\$16.40	0.0000%	\$29.06	\$1.78	\$3.72
171	ENCANA ENERGY SERVICES, INC.	EnCana Corporation	\$792.78	0.0009%	\$1,404.72	\$86.11	\$179.94
172	ENCINA GAS MARKETING COMPANY, LLC	ENCINA GAS MARKETING COMPANY, L.L.C.	\$681.15	0.0008%	\$1,206.91	\$73.99	\$154.60
173	ENERGY DEVELOPMENT CORP.	ENERGY DEVELOPMENT CORP	\$386.51	0.0004%	\$684.86	\$41.98	\$87.73
174	BERKSHIRE GAS COMPANY THE	Energy East Corp.	\$814,127.30	0.9212%	\$1,442,543.75	\$88,431.80	\$184,785.62
175	CONNECTICUT NATURAL GAS CORP	Energy East Corp.	\$1,911,830.61	2.1632%	\$3,387,552.92	\$207,666.08	\$433,935.58
176	ENERGY EAST SOLUTIONS, INC.	Energy East Corp.	\$1,271.12	0.0014%	\$2,252.28	\$138.07	\$288.51
177	NEW YORK STATE ELECTRIC & GAS CORP	Energy East Corp.	\$1,714,995.24	1.9405%	\$3,038,782.36	\$186,285.51	\$389,259.09
178	ROCHESTER GAS & ELECTRIC CORPORATION	Energy East Corp.	\$1,201,839.11	1.3599%	\$2,129,526.31	\$130,545.67	\$272,786.06
179	SOUTHERN CONNECTICUT GAS CO THE	Energy East Corp.	\$1,418,709.64	1.6052%	\$2,513,796.97	\$154,102.50	\$322,010.01
180	KBC ENERGY SERVICES	Energy East Corp.	\$315.38	0.0004%	\$558.82	\$34.26	\$71.58
181	TXU PORTFOLIO MANAGEMENT COMPANY LP	Energy Future Holdings Corporation	\$468,410.06	0.5300%	\$829,970.95	\$50,879.45	\$106,316.84
182	ENERGYVISION, LLC	Energy Vision, Llc	\$4,225.16	0.0048%	\$7,486.52	\$458.94	\$959.00
183	ENERVAL LLC	ENERVAL LLC	\$485.94	0.0005%	\$861.03	\$52.78	\$110.30
184	BELDEN & BLAKE CORPORATION	Enervest Management Partners	\$25,552.62	0.0289%	\$45,276.43	\$2,775.57	\$5,799.78
185	CLINTON ENERGY MANAGEMENT SERVICES, INC.	Enron Corp.	\$42,930.75	0.0486%	\$76,068.55	\$4,663.21	\$9,744.16
186	ENRON ENERGY SERVICES, INC.	Enron Corp.	\$3,500.00	0.0040%	\$6,201.61	\$380.18	\$794.41
187	ENRON NORTH AMERICA CORP.	Enron Corp.	\$38,678.18	0.0438%	\$68,533.47	\$4,201.29	\$8,778.94
188	EQUITABLE ENERGY, L.L.C.	Equitable Resources Inc.	\$72.37	0.0001%	\$128.24	\$7.86	\$16.43
189	EQUITABLE GAS CO	Equitable Resources Inc.	\$1,602,948.13	1.8137%	\$2,840,247.24	\$174,114.77	\$363,827.33
190	ERI SERVICES, INC.	Equitable Resources Inc.	\$6,118.81	0.0069%	\$10,841.85	\$664.63	\$1,388.81
191	ETOWAH UTILITIES DEPARTMENT	Etowah Utilities Department	\$36,038.88	0.0408%	\$63,856.93	\$3,914.60	\$8,179.88
192	EXXON MOBIL CORPORATION	Exxon Mobil Corp.	\$65,126.41	0.0737%	\$115,396.82	\$7,074.13	\$14,781.99
193	MOBIL NATURAL GAS INC	Exxon Mobil Corp.	\$3,473.23	0.0039%	\$6,154.18	\$377.27	\$788.33
194	FAYETTEVILLE GAS SYSTEM	Fayetteville Gas System	\$46,359.41	0.0525%	\$82,143.75	\$5,035.63	\$10,522.37
195	NORTHEAST OHIO GAS MARKETING, INC.	First Energy Corporation	\$467.96	0.0005%	\$829.17	\$50.83	\$106.21
196	NORTHEAST OHIO NATURAL GAS CORP	First Energy Corporation	\$5,514.14	0.0062%	\$9,770.45	\$598.96	\$1,251.57
197	FLAGG ENERGY DEVELOPEMENT CORP	FLAGG ENERGY DEVELOPEMENT CORP	\$7,162.20	0.0081%	\$12,690.63	\$777.97	\$1,625.63
198	FLORENCE GAS DEPARTMENT CITY OF	FLORENCE GAS DEPARTMENT CITY OF	\$186,444.78	0.2110%	\$330,359.58	\$20,251.93	\$42,318.09
199	FORD MOTOR CO	FORD MOTOR CO	\$146,800.00	0.1661%	\$260,113.40	\$15,945.65	\$33,319.76
200	FOREST HILL, VILLAGE OF	FOREST HILL, VILLAGE OF	\$1,721.98	0.0019%	\$3,051.16	\$187.04	\$390.84
201	FORTIS ENERGY MARKETING & TRADING GP	Fortis Inc.	\$4,109.36	0.0046%	\$7,281.34	\$446.37	\$932.72
202	FOUR SQUARE GAS COMPANY, INC	FOUR SQUARE GAS COMPANY, INC	\$96.21	0.0001%	\$170.48	\$10.45	\$21.84
203	FLORIDA POWER & LIGHT COMPANY	FPL Group Incorporated	\$200.00	0.0002%	\$354.38	\$21.72	\$45.39
204	GAINESBORO GAS SYSTEMS	GAINESBORO GAS SYSTEMS	\$3,342.89	0.0038%	\$5,923.23	\$363.11	\$758.75
205	GALLATIN NATURAL GAS SYSTEM	Gallatin Natural Gas System	\$76,487.84	0.0865%	\$135,528.01	\$8,308.23	\$17,360.74
206	GENERAL SHALE PRODUCTS CORP	General Shale Brick Inc.	\$5,574.96	0.0063%	\$9,878.21	\$605.56	\$1,265.37
207	GGR ENERGY	GGR ENERGY	\$0.04	0.0000%	\$0.07	\$0.00	\$0.01
208	GLOBAL COMPANIES LLC	Global Partners LP	\$3,045.46	0.0034%	\$5,396.22	\$330.80	\$691.24
209	GRAIN PROCESSING CORPORATION	GRAIN PROCESSING CORPORATION	\$26,666.64	0.0302%	\$47,250.34	\$2,896.57	\$6,052.63
210	GRAND ISLE, TOWN OF	GRAND ISLE, TOWN OF	\$2,323.76	0.0026%	\$4,117.45	\$252.41	\$527.43
211	GRANDVIEW TOWN OF	GRANDVIEW TOWN OF	\$2,217.82	0.0025%	\$3,929.74	\$240.90	\$503.39
212	GRAYSON, CITY OF	GRAYSON, CITY OF	\$23,520.65	0.0266%	\$41,676.00	\$2,554.85	\$5,338.57
213	GREAT LAKES ENERGY CORP.	GREAT LAKES ENERGY CORP.	\$3,183.40	0.0036%	\$5,640.63	\$345.79	\$722.55
214	RANGE RESOURCES - APPALACHIA, LLC	GREAT LAKES ENERGY PARTNERS, L.L.C.	\$948.62	0.0011%	\$1,680.85	\$103.04	\$215.31
215	GULF COAST ENERGY INC	Gulf Coast Energy, Inc.	\$10.40	0.0000%	\$18.43	\$1.13	\$2.36
216	H & N GAS, LTD.	H & N GAS, LTD.	\$18,447.25	0.0209%	\$32,686.48	\$2,003.77	\$4,187.04
217	HARDEMAN FAYETTE UTILITY DISTRICT	HARDEMAN FAYETTE UTILITY DISTRICT	\$18,117.16	0.0205%	\$32,101.61	\$1,967.91	\$4,112.12
218	HARDIN COUNTY GAS COMPANY	HARDIN COUNTY GAS COMPANY	\$135.50	0.0002%	\$240.09	\$14.72	\$30.75
219	HARRIMAN UTILITY BOARD	HARRIMAN UTILITY BOARD	\$23,265.04	0.0263%	\$41,223.09	\$2,527.09	\$5,280.56
220	HARRISONBURG, LOUISIANA, TOWN OF	HARRISONBURG, LOUISIANA, TOWN OF	\$2,452.00	0.0028%	\$4,344.68	\$266.34	\$556.54
221	HARTSELLE UTILITIES BOARD, THE CITY OF	HARTSELLE UTILITIES BOARD, THE CITY OF	\$28,959.93	0.0328%	\$51,313.80	\$3,145.67	\$6,573.15
222	HAWKINS COUNTY UTILITY DISTRICT	Hawkins County Utility District	\$40,363.94	0.0457%	\$71,520.45	\$4,384.40	\$9,161.56

**Tennessee Gas Pipeline Company  
PCB/HSL Interim Refund Allocation  
Docket Nos. RP91-203 and RP92-132**

Line No.	Shipper Name	Holding Company	PCB Revenue Collected	%	Interim Refund Amount at \$156.6 MM	Quarterly Refund at \$9.6 MM	Quarterly Refund at \$20.06 MM
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
223	HEMPHILL CITY OF	HEMPHILL CITY OF	\$1,971.68	0.0022%	\$3,493.60	\$214.17	\$447.52
224	HENDERSON, CITY OF	HENDERSON, CITY OF	\$25,796.04	0.0292%	\$45,707.73	\$2,802.01	\$5,855.03
225	HESS ENERGY INC.	Hess Corporation	\$78,641.73	0.0890%	\$139,344.48	\$8,542.19	\$17,849.62
226	HESS ENERGY SERVICES COMPANY, LLC	Hess Corporation	\$35.64	0.0000%	\$63.15	\$3.87	\$8.09
227	CALPINE PRODUCER SERVICES, L.P.	HIGHLAND ENERGY COMPANY	\$183.86	0.0002%	\$325.79	\$19.97	\$41.73
228	PYRON METAL POWDERS, INC.	Hoganas AB	\$6,468.22	0.0073%	\$11,460.97	\$702.59	\$1,468.12
229	HOHENWALD CITY OF	HOHENWALD CITY OF	\$17,805.17	0.0201%	\$31,548.80	\$1,934.03	\$4,041.31
230	HOLLY SPRINGS, CITY OF	HOLLY SPRINGS, CITY OF	\$38,058.04	0.0431%	\$67,434.65	\$4,133.92	\$8,638.18
231	HOLYOKE GAS & ELEC DEPT CITY OF	HOLYOKE GAS & ELEC DEPT CITY OF	\$336,028.16	0.3802%	\$595,404.82	\$36,499.91	\$76,269.61
232	ALLIED SIGNAL INC	Honeywell	\$208,863.30	0.2363%	\$370,082.72	\$22,687.06	\$47,406.51
233	NUI ENERGY, INC.	Houston Energy Services Company LLC	\$6.12	0.0000%	\$10.84	\$0.66	\$1.39
234	HUMPHREYS COUNTY UTILITY DISTRICT	HUMPHREYS COUNTY UTILITY DISTRICT	\$81,014.46	0.0917%	\$143,548.69	\$8,799.92	\$18,388.17
235	HUNT PETROLEUM CORPORATION	HUNT PETROLEUM CORP	\$501.67	0.0006%	\$888.91	\$54.49	\$113.87
236	HUNTSVILLE UTILITIES GAS SYSTEM CITY OF	HUNTSVILLE UTILITIES GAS SYSTEM CITY OF	\$607,048.65	0.6869%	\$1,075,623.24	\$65,938.59	\$137,784.18
237	IDAHO POWER COMPANY	Idacorp Inc.	\$3,600.00	0.0041%	\$6,378.80	\$391.04	\$817.11
238	INDEPENDENT ENERGY MARKETING INC	INDEPENDENT ENERGY MARKETING INC	\$1,120.00	0.0013%	\$1,984.52	\$121.66	\$254.21
239	INFINITE ENERGY, INC.	INFINITE ENERGY, INC.	\$5.04	0.0000%	\$8.93	\$0.55	\$1.14
240	PEOPLES ENERGY RESOURCES CORP.	Integrus Energy Group Inc.	\$6,319.10	0.0071%	\$11,196.75	\$686.39	\$1,434.27
241	THE PEOPLES GAS LIGHT & COKE COMPANY	Integrus Energy Group Inc.	\$46,397.00	0.0525%	\$82,210.37	\$5,039.72	\$10,530.91
242	INVENTORY MGMT & DISTRIBUTION CO, LLC	INVENTORY MGMT & DISTRIBUTION CO, LLC	\$354.00	0.0004%	\$627.25	\$38.45	\$80.35
243	IROQUOIS ENERGY MANAGEMENT, INC.	IROQUOIS ENERGY MANAGEMENT, INC.	\$1,622.13	0.0018%	\$2,874.24	\$176.20	\$368.18
244	IROQUOIS GAS TRANSMISSION SYSTEM	IROQUOIS GAS TRANSMISSION SYSTEM	\$45,929.30	0.0520%	\$81,381.65	\$4,988.91	\$10,424.75
245	IUKA MISSISSIPPI CITY OF	IUKA MISSISSIPPI CITY OF	\$11,804.96	0.0134%	\$20,917.09	\$1,282.27	\$2,679.42
246	J. M. HUBER CORPORATION	J. M. Huber Corporation	\$7,400.00	0.0084%	\$13,111.98	\$803.80	\$1,679.61
247	JAMESTOWN NATURAL GAS SYSTEM	Jamesdown Natural Gas System	\$23,231.43	0.0263%	\$41,163.52	\$2,523.43	\$5,272.93
248	JEFFERSON/COCKE CO. PUBLIC UTILITY DIST.	JEFFERSON/COCKE CO. PUBLIC UTILITY DIST.	\$92,584.35	0.1048%	\$164,049.25	\$10,056.66	\$21,014.23
249	JOSEPH ENERGY INC	JOSEPH ENERGY INC	\$10.40	0.0000%	\$18.43	\$1.13	\$2.36
250	KENTUCKY-OHIO GAS ACQUISITION CORP.	KENTUCKY-OHIO GAS ACQUISITION CORP.	\$510.00	0.0006%	\$903.66	\$55.40	\$115.76
251	K N MARKETING, INC.	Kinder Morgan	\$492.34	0.0006%	\$872.37	\$53.48	\$111.75
252	NORSTAR ENERGY LIMITED PARTNERSHIP	Kinder Morgan Inc.	\$5,443.53	0.0062%	\$9,645.33	\$591.28	\$1,235.54
253	KNOXVILLE UTILITIES BOARD	KNOXVILLE UTILITIES BOARD	\$712,181.81	0.8058%	\$1,261,907.60	\$77,358.32	\$161,646.66
254	KOCH ENERGY SERVICES COMPANY	Koch Industries, Inc.	\$34.91	0.0000%	\$61.86	\$3.79	\$7.92
255	KOCH MIDSTREAM SERVICES COMPANY	Koch Industries, Inc.	\$6.24	0.0000%	\$11.06	\$0.68	\$1.42
256	LAWRENCEBURG CITY OF	LAWRENCEBURG CITY OF	\$17,749.50	0.0201%	\$31,450.16	\$1,927.98	\$4,028.67
257	LAWRENCE-COLBERT COUNTIES GAS DISTRICT	LAWRENCE-COLBERT COUNTIES GAS DISTRICT	\$7,354.47	0.0083%	\$13,031.31	\$798.85	\$1,669.27
258	LENOIR CITY UTILITIES BOARD	Lenoir City Utilities Board	\$23,316.24	0.0264%	\$41,313.81	\$2,532.65	\$5,292.18
259	LEWISBURG GAS DEPARTMENT	Lewisburg Gas Department	\$57,710.18	0.0653%	\$102,256.07	\$6,268.57	\$13,098.70
260	LINDEN CITY OF	LINDEN CITY OF	\$7,179.72	0.0081%	\$12,721.67	\$779.87	\$1,629.61
261	FULTON COGENERATION ASSOCIATES, L.P.	Lion Capital Management Group	\$102,310.00	0.1158%	\$181,282.03	\$11,113.07	\$23,221.70
262	LIVINGSTON GAS SYSTEM	LIVINGSTON GAS SYSTEM	\$17,793.56	0.0201%	\$31,528.22	\$1,932.76	\$4,038.67
263	LOBELVILLE CITY OF	LOBELVILLE CITY OF	\$4,593.02	0.0052%	\$8,138.32	\$498.90	\$1,042.49
264	LOUDON UTILITIES GAS DEPARTMENT	LOUDON UTILITIES GAS DEPARTMENT	\$111,728.80	0.1264%	\$197,971.11	\$12,136.16	\$25,359.52
265	LOUIS DREYFUS ENERGY CORP	Louis Dreyfus Group	\$1,981.82	0.0022%	\$3,511.56	\$215.27	\$449.82
266	LOUISIANA MUNICIPAL GAS AUTHORITY	LOUISIANA MUNICIPAL GAS AUTHORITY	\$86.77	0.0001%	\$153.75	\$9.43	\$19.69
267	LOCKPORT ENERGY ASSOCIATES LP	LS Power Group	\$1,540.40	0.0017%	\$2,729.42	\$167.32	\$349.63
268	MADISONVILLE GAS SYSTEM	MADISONVILLE GAS SYSTEM	\$3,840.20	0.0043%	\$6,804.41	\$417.13	\$871.63
269	MARATHON PETROLEUM COMPANY LLC	Marathon Oil Corporation	\$16,350.00	0.0185%	\$28,970.40	\$1,775.96	\$3,711.02
270	MARSHALL, CITY OF	MARSHALL, CITY OF	\$23,635.00	0.0267%	\$41,878.61	\$2,567.27	\$5,364.53
271	MARTINSVILLE, IL CITY OF	MARTINSVILLE, IL CITY OF	\$7,522.60	0.0085%	\$13,329.22	\$817.12	\$1,707.43
272	MASONITE CORP	Masonite Corp	\$12,744.00	0.0144%	\$22,580.96	\$1,384.27	\$2,892.55
273	CAPITOL DISTRICT ENERGY CENTER COGEN	Maxim Power Corporation	\$46,354.50	0.0524%	\$82,135.06	\$5,035.10	\$10,521.26
274	DTE ENERGY TRADING, INC.	MCN Energy	\$23,600.84	0.0267%	\$41,818.08	\$2,563.56	\$5,356.77
275	MERIDIAN MARKETING CORP.	MERIDIAN MARKETING CORP.	\$646.38	0.0007%	\$1,145.31	\$70.21	\$146.71
276	KOCH ENERGY TRADING, LP	Merill Lynch	\$15,959.44	0.0181%	\$28,278.37	\$1,733.54	\$3,622.38
277	MG NATURAL GAS CORP	MG NATURAL GAS CORP	\$145.10	0.0002%	\$257.10	\$15.76	\$32.93
278	MIDDLE TENNESSEE NATURAL GAS UTIL DIST.	MIDDLE TENNESSEE NATURAL GAS UTIL DIST.	\$361,928.50	0.4095%	\$641,297.38	\$39,313.25	\$82,148.31
279	MONTEAGLE PUBLIC UTILITY BOARD	MIDDLE TENNESSEE NATURAL GAS UTIL DIST.	\$4,502.72	0.0051%	\$7,978.33	\$489.09	\$1,022.00
280	MIRANT ENERGY TRADING, LLC	Mirant Corporation	\$2,700.19	0.0031%	\$4,784.44	\$293.30	\$612.87
281	BETHLEHEM STEEL CORPORATION	Mittal Steel USA	\$118,825.00	0.1344%	\$210,544.79	\$12,906.96	\$26,970.17
282	MONSANTO COMPANY	MONSANTO COMPANY	\$591.28	0.0007%	\$1,047.68	\$64.23	\$134.21
283	MOREHEAD UTILITY PLANT BOARD	MOREHEAD UTILITY PLANT BOARD	\$34,905.79	0.0395%	\$61,849.20	\$3,791.52	\$7,922.70
284	MORGANTOWN CITY OF	MORGANTOWN CITY OF	\$30,855.00	0.0349%	\$54,671.66	\$3,351.52	\$7,003.28
285	DARTMOUTH POWER ASSOCIATES L.P.	Morris Energy Group	\$25,218.00	0.0285%	\$44,683.51	\$2,739.22	\$5,723.83
286	MOULTON CITY OF	MOULTON CITY OF	\$9,000.31	0.0102%	\$15,947.56	\$977.63	\$2,042.84
287	MT PLEASANT GAS SYSTEM	MT PLEASANT GAS SYSTEM	\$22,823.80	0.0258%	\$40,441.25	\$2,479.16	\$5,180.41
288	MURPHY EXPLORATION & PRODUCTION COMPANY	Murphy Oil Corp.	\$1,375.24	0.0016%	\$2,436.77	\$149.38	\$312.14
289	WESTVACO CORPORATION	MWV Corporation	\$79,962.25	0.0905%	\$141,684.28	\$8,685.63	\$18,149.34
290	ORCHARD GAS CORPORATION	NATIONAL ENERGY & GAS TRANSMISSION, INC.	\$47,230.08	0.0534%	\$83,686.50	\$5,130.21	\$10,719.99
291	NATIONAL FUEL GAS DISTRIBUTION CORP.	National Fuel Gas Company	\$6,479,853.88	7.3318%	\$11,481,586.19	\$703,852.03	\$1,470,757.46
292	NATIONAL FUEL GAS SUPPLY CORP	National Fuel Gas Company	\$59,821.80	0.0677%	\$105,997.63	\$6,497.94	\$13,577.99
293	NATIONAL FUEL RESOURCES INC	National Fuel Gas Company	\$18,033.11	0.0204%	\$31,952.68	\$1,958.78	\$4,093.04
294	NATIONAL GAS & OIL CORP	NATIONAL GAS & OIL CORP	\$18,134.26	0.0205%	\$32,131.91	\$1,969.77	\$4,116.00
295	BOSTON GAS CO	National Grid USA	\$4,104,015.43	4.6436%	\$7,271,862.57	\$445,784.68	\$931,504.24
296	BOSTON-EL PASO ENERGY MARKETING CO.	National Grid USA	\$133,549.83	0.1511%	\$236,635.56	\$14,506.39	\$30,312.32

**Tennessee Gas Pipeline Company  
PCB/HSL Interim Refund Allocation  
Docket Nos. RP91-203 and RP92-132**

Line No.	Shipper Name (1)	Holding Company (2)	PCB Revenue Collected (3)	% (4)	Interim Refund Amount at \$156.6 MM (5)	Quarterly Refund at \$9.6 MM (6)	Quarterly Refund at \$20.06 MM (7)
297	BOSTON-ENRON	National Grid USA	\$133,468.33	0.1510%	\$236,491.15	\$14,497.54	\$30,293.82
298	COLONIAL GAS CO	National Grid USA	\$1,844,594.10	2.0871%	\$3,268,417.25	\$200,362.74	\$418,674.65
299	ENERGYNORTH NATURAL GAS INC	National Grid USA	\$1,270,526.67	1.4376%	\$2,251,233.10	\$138,006.63	\$288,376.35
300	ESSEX COUNTY GAS CO	National Grid USA	\$586,674.80	0.6638%	\$1,039,523.02	\$63,725.55	\$133,159.85
301	ESSEX-BOSTON	National Grid USA	\$39,194.12	0.0443%	\$69,447.66	\$4,257.33	\$8,896.04
302	ESSEX-EL PASO ENERGY MARKETING CO.	National Grid USA	\$27,036.51	0.0306%	\$47,905.72	\$2,936.75	\$6,136.58
303	ESSEX-ENRON	National Grid USA	\$27,037.00	0.0306%	\$47,906.58	\$2,936.80	\$6,136.69
304	KEYSPAN ENERGY DELIVERY NEW YORK	National Grid USA	\$1,187,131.42	1.3432%	\$2,103,465.91	\$128,948.10	\$269,447.80
305	LONG ISLAND LIGHTING CO	National Grid USA	\$373,712.81	0.4228%	\$662,177.86	\$40,593.28	\$84,823.04
306	NEW ENGLAND POWER COMPANY	National Grid USA	\$83,017.30	0.0939%	\$147,097.50	\$9,017.47	\$18,842.76
307	NIAGARA MOHAWK POWER CORPORATION	National Grid USA	\$2,930,458.17	3.3157%	\$5,192,448.58	\$318,311.02	\$665,137.41
308	PROVIDENCE ENERGY SERVICES INC.	National Grid USA	\$7.65	0.0000%	\$13.56	\$0.83	\$1.74
309	SELECT ENERGY NEW YORK, INC.	National Grid USA	\$1,709.62	0.0019%	\$3,029.26	\$185.70	\$388.04
310	THE NARRANGANSETT ELECTRIC COMPANY	National Grid USA	\$974,881.20	1.1031%	\$1,727,381.93	\$105,893.15	\$221,272.55
311	THE NARRANGANSETT ELECTRIC COMPANY	National Grid USA	\$817,236.64	0.9247%	\$1,448,053.17	\$88,769.54	\$185,491.36
312	NATURAL GAS OF KENTUCKY	NATURAL GAS OF KENTUCKY	\$119.33	0.0001%	\$211.44	\$12.96	\$27.08
313	NESI INTEGRATED ENERGY RESOURCES, INC.	NESI INTEGRATED ENERGY RESOURCES, INC.	\$0.33	0.0000%	\$0.58	\$0.04	\$0.07
314	NEW ALBANY CITY OF	NEW ALBANY CITY OF	\$54,714.86	0.0619%	\$96,948.70	\$5,943.22	\$12,418.84
315	NEW JERSEY NATURAL GAS CO	New Jersey Resources	\$6,829.58	0.0077%	\$12,101.25	\$741.84	\$1,550.14
316	NJR ENERGY SERVICES COMPANY	New Jersey Resources	\$58,798.16	0.0665%	\$104,183.86	\$6,386.75	\$13,345.65
317	NEXEN PETROLEUM SALES U.S.A. INC.	Nexen Inc.	\$667.04	0.0008%	\$1,181.93	\$72.46	\$151.40
318	NICOR GAS COMPANY	Nicor Inc.	\$4,096,748.62	4.6354%	\$7,258,986.58	\$444,995.35	\$929,854.86
319	BAY STATE GAS COMPANY	NiSource Inc.	\$2,498,085.86	2.8265%	\$4,426,332.55	\$271,346.06	\$567,000.20
320	COLUMBIA ENERGY MARKETING CORPORATION	NiSource Inc.	\$6.27	0.0000%	\$11.11	\$0.68	\$1.42
321	COLUMBIA ENERGY SERVICES	NiSource Inc.	\$207,756.71	0.2351%	\$368,121.97	\$22,566.86	\$47,155.34
322	COLUMBIA GAS OF KENTUCKY INC	NiSource Inc.	\$242,090.22	0.2739%	\$428,957.15	\$26,296.22	\$54,948.15
323	COLUMBIA GAS OF OHIO INC	NiSource Inc.	\$1,159,500.91	1.3119%	\$2,054,507.69	\$125,946.83	\$263,176.40
324	COLUMBIA GAS OF PENNSYLVANIA INC	NiSource Inc.	\$1,001,812.11	1.1335%	\$1,775,100.53	\$108,818.42	\$227,385.16
325	COLUMBIA GAS TRANSMISSION CORPORATION	NiSource Inc.	\$24,150.60	0.0273%	\$42,792.20	\$2,623.28	\$5,481.55
326	ENERGYUSA-TPC CORP.	NiSource Inc.	\$24,047.78	0.0272%	\$42,610.01	\$2,612.11	\$5,458.22
327	NORTHERN INDIANA PUBLIC SERVICE COMPANY	NiSource Inc.	\$2,306,194.97	2.6094%	\$4,086,323.06	\$250,502.56	\$523,445.98
328	NORTHERN UTILITIES INC	NiSource Inc.	\$505,358.28	0.5718%	\$895,439.11	\$54,892.82	\$114,703.12
329	NOBLE ENERGY MARKETING, INC.	Noble Energy, Inc.	\$95,698.53	0.1083%	\$169,567.24	\$10,394.93	\$21,721.07
330	NOBLE GAS PIPELINE, INC.	Noble Energy, Inc.	\$320.73	0.0004%	\$568.30	\$34.84	\$72.80
331	NORANDAL USA, INC.	Norandal Usa, Inc.	\$17,100.00	0.0193%	\$30,299.31	\$1,857.43	\$3,881.25
332	PROJECT PENNY PRODUCERS, THE	Norse	\$85,334.38	0.0966%	\$151,203.11	\$9,269.16	\$19,368.67
333	NORTH ALABAMA GAS DISTRICT	NORTH ALABAMA GAS DISTRICT	\$121,511.46	0.1375%	\$215,304.90	\$13,198.77	\$27,579.93
334	YANKEE GAS SERVICES COMPANY	Northeast Utilities Service Company	\$1,558,827.88	1.7638%	\$2,762,071.03	\$169,322.36	\$353,813.19
335	NORTHWEST ALABAMA GAS DISTRICT	NORTHWEST ALABAMA GAS DISTRICT	\$10,560.00	0.0119%	\$18,711.15	\$1,147.04	\$2,396.84
336	NSTAR GAS COMPANY	NSTAR	\$2,050,580.87	2.3202%	\$3,633,403.07	\$222,737.35	\$465,428.26
337	NYCOTEX GAS TRANSPORT	NYCOTEX GAS TRANSPORT	\$3,360.00	0.0038%	\$5,953.55	\$364.97	\$762.63
338	OAK RIDGE UTILITY DISTRICT	OAK RIDGE UTILITY DISTRICT	\$110,062.00	0.1245%	\$195,017.72	\$11,955.11	\$24,981.20
339	OCCIDENTAL CHEMICAL CORPORATION	Occidental Petroleum Corporation	\$6,010.11	0.0068%	\$10,649.25	\$652.83	\$1,364.14
340	OXY USA INC.	Occidental Petroleum Corporation	\$225.47	0.0003%	\$399.51	\$24.49	\$51.18
341	VINTAGE PETROLEUM INC	Occidental Petroleum Corporation	\$52.98	0.0001%	\$93.88	\$5.76	\$12.03
342	OLIN CORPORATION	Olin Corporation	\$2,380.32	0.0027%	\$4,217.66	\$258.55	\$540.27
343	OLIVE HILL CITY OF	OLIVE HILL CITY OF	\$7,936.71	0.0090%	\$14,062.98	\$862.10	\$1,801.43
344	ONEOK ENERGY SERVICES COMPANY, L.P.	ONEOK, Inc	\$33,611.95	0.0380%	\$59,556.67	\$3,650.98	\$7,629.03
345	ONYX GATHERING COMPANY, L. C.	ONYX GATHERING COMPANY, L. C.	\$35.76	0.0000%	\$63.36	\$3.88	\$8.12
346	OPTIMUM ENERGY SOURCES, INC.	OPTIMUM ENERGY SOURCES, INC.	\$10.95	0.0000%	\$19.40	\$1.19	\$2.48
347	OSRAM SYLVANIA, INC.	Osram Sylvania, Inc.	\$13,764.42	0.0156%	\$24,389.03	\$1,495.11	\$3,124.16
348	PARSONS, CITY OF	PARSONS, CITY OF	\$18,437.48	0.0209%	\$32,669.17	\$2,002.71	\$4,184.83
349	PELICAN GAS MANAGEMENT, INC.	PELICAN GAS MANAGEMENT, INC.	\$0.08	0.0000%	\$0.14	\$0.01	\$0.02
350	PEMEX GAS Y PETROQUIMICA BASICA	PEMEX	\$133,200.00	0.1507%	\$236,015.70	\$14,468.40	\$30,232.92
351	NORTH SHORE GAS COMPANY	Peoples Energy Corporation	\$10,425.27	0.0118%	\$18,472.43	\$1,132.41	\$2,366.26
352	DELMARVA POWER & LIGHT CO	Pepco Holdings Inc	\$31,415.75	0.0355%	\$55,665.24	\$3,412.43	\$7,130.55
353	PERRY GAS COMPANIES, INC.	Perry Gas Companies, Inc.	\$320.72	0.0004%	\$568.28	\$34.84	\$72.80
354	PERRY GAS PROCESSORS, INC.	Perry Gas Companies, Inc.	\$76.00	0.0001%	\$134.66	\$8.26	\$17.25
355	PETRO SOURCE GAS VENTURES	PETRO SOURCE GAS VENTURES	\$85.25	0.0001%	\$151.05	\$9.26	\$19.35
356	PETROCOM ENERGY GROUP, LTD.	Petrocom Energy Group, LTD	\$5,297.10	0.0060%	\$9,385.88	\$575.38	\$1,202.30
357	KCS ENERGY MARKETING INC	Petrohawk Energy Corporation	\$285.53	0.0003%	\$505.93	\$31.01	\$64.81
358	NEG ENERGY TRADING-GAS CORPORATION	PG&E Corporation	\$15,830.75	0.0179%	\$28,050.34	\$1,719.56	\$3,593.17
359	PG&E TEXAS VGM, L.P.	PG&E Corporation	\$84,166.91	0.0952%	\$149,134.48	\$9,142.34	\$19,103.69
360	SELKIRK COGEN PARTNERS, L. P.	PG&E Corporation	\$661,927.91	0.7490%	\$1,172,863.23	\$71,899.66	\$150,240.33
361	PIEDMONT NATURAL GAS COMPANY INC	Piedmont Natural Gas Company, Inc.	\$2,129,579.63	2.4096%	\$3,773,380.15	\$231,318.32	\$483,358.91
362	PITTSBURGH CORNING CORPORATION	Pittsburgh Corning Corporation	\$77,053.43	0.0872%	\$136,530.18	\$8,369.67	\$17,489.12
363	PITTSFIELD GENERATING COMPANY L.P.	Pittsfield Generating Company, LP	\$141,869.23	0.1605%	\$251,376.62	\$15,410.06	\$32,200.61
364	POGO PRODUCING COMPANY	Plains Exploration & Production Company	\$3,660.95	0.0041%	\$6,486.79	\$397.66	\$830.94
365	POLARIS PIPELINE CORP THE	POLARIS PIPELINE CORP THE	\$10.44	0.0000%	\$18.50	\$1.13	\$2.37
366	PONTOTOC MISSISSIPPI, CITY OF	PONTOTOC MISSISSIPPI, CITY OF	\$35,082.97	0.0397%	\$62,163.14	\$3,810.77	\$7,962.92
367	PORTLAND, TENNESSEE CITY OF	PORTLAND, TENNESSEE CITY OF	\$46,754.34	0.0529%	\$82,843.53	\$5,078.53	\$10,612.01
368	POWELL CLINCH UTILITY DISTRICT	Powell Church Utility District	\$69,748.21	0.0789%	\$123,586.13	\$7,576.16	\$15,831.02
369	PPL GAS UTILITIES CORPORATION	PPL	\$456,869.74	0.5169%	\$809,522.78	\$49,625.92	\$103,697.49
370	PRIOR INTRASTATE CORP	PRIOR INTRASTATE CORP	\$30.33	0.0000%	\$53.74	\$3.29	\$6.88

**Tennessee Gas Pipeline Company  
PCB/HSL Interim Refund Allocation  
Docket Nos. RP91-203 and RP92-132**

Line No.	Shipper Name (1)	Holding Company (2)	PCB Revenue Collected (3)	% (4)	Interim Refund Amount at \$156.6 MM (5)	Quarterly Refund at \$9.6 MM (6)	Quarterly Refund at \$20.06 MM (7)
371	PROCTER AND GAMBLE PAPER PRODUCTS CO	Proctor & Gamble Company	\$611,419.94	0.6918%	\$1,083,368.68	\$66,413.41	\$138,776.35
372	PROGAS INC.	PROGAS INC	\$1.46	0.0000%	\$2.59	\$0.16	\$0.33
373	PROJECT ORANGE ASSOCIATES LLC	Project Orange Associates LP	\$60,000.00	0.0679%	\$106,313.38	\$6,517.30	\$13,618.43
374	PROVENCAL VILLAGE OF	PROVENCAL VILLAGE OF	\$1,205.53	0.0014%	\$2,136.07	\$130.95	\$273.62
375	PS ENERGY GROUP, INC.	PS Energy Group Inc.	\$1,153.05	0.0013%	\$2,043.08	\$125.25	\$261.71
376	PUBLIC SERVICE ELECTRIC AND GAS CO	Public Service Enterprise Group, Inc.	\$1,857,403.19	2.1016%	\$3,291,113.54	\$201,754.09	\$421,581.98
377	PULASKI CITY OF	PULASKI CITY OF	\$3,134.70	0.0035%	\$5,554.34	\$340.50	\$711.49
378	RANGE ENERGY SERVICES COMPANY	Range Energy Services Company	\$1,832.21	0.0021%	\$3,246.47	\$199.02	\$415.86
379	PAWTUCKET POWER ASSOCIATES L.P.	Red Rock Power Partners	\$24,198.62	0.0274%	\$42,877.29	\$2,628.49	\$5,492.45
380	RELIANT ENERGY HL&P	Reliant Energy Inc.	\$107.02	0.0001%	\$189.63	\$11.62	\$24.29
381	RELIANT ENERGY SERVICES, INC.	Reliant Energy Inc.	\$22,811.46	0.0258%	\$40,419.40	\$2,477.82	\$5,177.61
382	RENAISSANCE ENERGY (U.S.) INC.	RENAISSANCE ENERGY (U.S.) INC.	\$217.31	0.0002%	\$385.05	\$23.60	\$49.32
383	RESOURCE ENERGY SERVICES CO., LLC	RESOURCE ENERGY SERVICES CO., LLC	\$2,839.52	0.0032%	\$5,031.32	\$308.43	\$644.50
384	ROANOKE GAS COMPANY	RGC Resources Inc.	\$173,213.30	0.1960%	\$306,914.86	\$18,814.70	\$39,314.89
385	RICHMOND, CITY OF VIRGINIA	RICHMOND, CITY OF VIRGINIA	\$57,391.20	0.0649%	\$101,690.88	\$6,233.92	\$13,026.30
386	RIDGETOP NATURAL GAS, CITY OF	RIDGETOP NATURAL GAS, CITY OF	\$2,384.94	0.0027%	\$4,225.85	\$259.06	\$541.32
387	RILEY NATURAL GAS COMPANY	RILEY NATURAL GAS COMPANY	\$577.93	0.0007%	\$1,024.03	\$62.78	\$131.17
388	RIPLEY CITY OF	RIPLEY CITY OF	\$42,858.69	0.0485%	\$75,940.87	\$4,655.38	\$9,727.80
389	ROCKWOOD WATER SEWER & GAS	ROCKWOOD WATER SEWER & GAS	\$31,437.63	0.0356%	\$55,704.02	\$3,414.81	\$7,135.52
390	RUSSELLVILLE, ALABAMA GAS BOARD CITY OF	RUSSELLVILLE, ALABAMA GAS BOARD CITY OF	\$30,617.95	0.0346%	\$54,251.64	\$3,325.77	\$6,949.48
391	SAINT-GOBAIN CONTAINERS L.L.C.	Saint-Gobain Corporation	\$72,000.00	0.0815%	\$127,576.06	\$7,820.75	\$16,342.12
392	RHONE-POULENC AG COMPANY	Sanofi-Aventis	\$4,680.00	0.0053%	\$8,292.44	\$508.35	\$1,062.24
393	RHONE-POULENC BASIC CHEMICALS	Sanofi-Aventis	\$4,599.05	0.0052%	\$8,149.01	\$499.56	\$1,043.86
394	SANTA FE MINERALS INC	Sante Fe Minerals Inc.	\$750.52	0.0008%	\$1,329.84	\$81.52	\$170.35
395	SAVANNAH CITY OF	SAVANNAH CITY OF	\$28,866.32	0.0327%	\$51,147.93	\$3,135.51	\$6,551.90
396	PUBLIC SERVICE CO. OF NO. CAROLINA, INC.	SCANA Corporation	\$174,698.15	0.1977%	\$309,545.85	\$18,975.99	\$39,651.91
397	SCANA ENERGY MARKETING, INC.	SCANA Corporation	\$14,136.18	0.0160%	\$25,047.75	\$1,535.49	\$3,208.54
398	SCOTTSVILLE, KY CITY OF	SCOTTSVILLE, KY CITY OF	\$25,763.40	0.0292%	\$45,649.91	\$2,798.46	\$5,847.62
399	SEITEL GAS & ENERGY CORP.	Seitel Inc.	\$8,449.77	0.0096%	\$14,972.06	\$917.83	\$1,917.88
400	SEMPRA ENERGY TRADING LLC	Sempra Energy	\$149,417.85	0.1691%	\$264,751.95	\$16,230.00	\$33,913.95
401	SEMPRA ENERGY TRADING SERVICES CORP.	Sempra Energy	\$69,637.23	0.0788%	\$123,389.49	\$7,564.11	\$15,805.83
402	SENATOBIA CITY OF	SENATOBIA CITY OF	\$43,326.32	0.0490%	\$76,769.46	\$4,706.17	\$9,833.94
403	SEVIER COUNTY UTILITY DISTRICT	Sevier County Utility District	\$49,418.44	0.0559%	\$87,564.03	\$5,367.91	\$11,216.70
404	SIPCO GAS TRANSMISSION CORP	Sevier County Utility District	\$50.02	0.0001%	\$88.63	\$5.43	\$11.35
405	SHEFFIELD, ALABAMA CITY OF	SHEFFIELD, ALABAMA CITY OF	\$55,187.23	0.0624%	\$97,785.68	\$5,994.52	\$12,526.06
406	CATEX CORAL ENERGY, L.L.C.	Shell Oil Company	\$31,840.56	0.0360%	\$56,417.96	\$3,458.57	\$7,226.97
407	CATEX VITOL GAS, INC.	Shell Oil Company	\$24,471.37	0.0277%	\$43,360.57	\$2,658.12	\$5,554.36
408	PENNZOIL PRODUCTS COMPANY	Shell Oil Company	\$2,400.00	0.0027%	\$4,252.54	\$260.69	\$544.74
409	SHELL ENERGY NORTH AMERICA (US), L.P.	Shell Oil Company	\$169,866.79	0.1922%	\$300,985.22	\$18,451.20	\$38,555.32
410	SHELL ENERGY SERVICES, LLC	Shell Oil Company	\$0.74	0.0000%	\$1.31	\$0.08	\$0.17
411	SHUQUALAK TOWN OF	SHUQUALAK TOWN OF	\$3,507.57	0.0040%	\$6,215.03	\$381.00	\$796.13
412	SMITH PRODUCTION INC	Smith Production Inc.	\$856.28	0.0010%	\$1,517.23	\$93.01	\$194.35
413	SOLUTIA, INC.	Solutia, Inc.	\$16,826.00	0.0190%	\$29,813.82	\$1,827.67	\$3,819.06
414	SOMERSET GAS SERVICE	SOMERSET GAS SERVICE	\$1,043.00	0.0012%	\$1,848.08	\$113.29	\$236.73
415	SOUTH JERSEY RESOURCES GROUP, LLC	South Jersey Industries	\$5,842.42	0.0066%	\$10,352.12	\$634.61	\$1,326.08
416	SOUTHERN INDIANA GAS & ELECTRIC CO	Southern Indiana Gas and Electric Company	\$117,580.68	0.1330%	\$208,339.99	\$12,771.80	\$26,687.74
417	TRUNKLINE GAS COMPANY, LLC	Southern Union Company	\$426.00	0.0005%	\$754.83	\$46.27	\$96.69
418	SOUTHWEST GAS DISTRIBUTORS INC	SOUTHWEST GAS DISTRIBUTORS INC	\$19.07	0.0000%	\$33.79	\$2.07	\$4.33
419	UNION GAS LIMITED	Spectra Energy Corporation	\$2,619.00	0.0030%	\$4,640.58	\$284.48	\$594.44
420	EAST TENNESSEE NATURAL GAS COMPANY	Spectra Energy Partners	\$7,481.28	0.0085%	\$13,256.00	\$812.63	\$1,698.06
421	SPRINGFIELD CITY OF	SPRINGFIELD CITY OF	\$89,082.39	0.1008%	\$157,844.17	\$9,676.27	\$20,219.37
422	STAND ENERGY CORPORATION	Sland Energy Corporation	\$251.57	0.0003%	\$445.75	\$27.33	\$57.10
423	DISTRIGAS OF MASSACHUSETTS LLC	Suez Energy North America	\$464,702.78	0.5258%	\$823,402.05	\$50,476.75	\$105,475.38
424	SUPERIOR NATURAL GAS CORPORATION	SUPERIOR NATURAL GAS CORPORATION	\$969.83	0.0011%	\$1,718.43	\$105.34	\$220.13
425	SWEETWATER UTILITIES BOARD	SWEETWATER UTILITIES BOARD	\$9,511.41	0.0108%	\$16,853.16	\$1,033.14	\$2,158.84
426	T W PHILLIPS GAS & OIL CO	T W Phillips Gas and Oil Company	\$276,059.20	0.3124%	\$489,146.44	\$29,985.99	\$62,658.22
427	TECO GAS MARKETING COMPANY	TECO Energy	\$460.64	0.0005%	\$816.20	\$50.04	\$104.55
428	KINDER MORGAN TEJAS PIPELINE, L.P.	Tejas Gas Marketing Company	\$10.40	0.0000%	\$18.43	\$1.13	\$2.36
429	TENNESSEE AIR NATIONAL GUARD	TENNESSEE AIR NATIONAL GUARD	\$4,906.93	0.0056%	\$8,694.54	\$533.00	\$1,113.75
430	TENNESSEE VALLEY AUTHORITY	TENNESSEE VALLEY AUTHORITY	\$1,914.93	0.0022%	\$3,393.05	\$208.00	\$434.64
431	TEXAS GENERAL LAND OFFICE	TEXAS GENERAL LAND OFFICE	\$13.84	0.0000%	\$24.52	\$1.50	\$3.14
432	TEXAS-OHIO GAS INC	Texas-Ohio Gas Inc.	\$13,722.23	0.0155%	\$24,314.29	\$1,490.53	\$3,114.59
433	TEXEX ENERGY PARTNERS, LTD.	TEXEX ENERGY PARTNERS, LTD.	\$11,509.48	0.0130%	\$20,393.53	\$1,250.18	\$2,612.35
434	UCAR CARBON COMPANY INC	The Dow Chemical Company	\$50,966.65	0.0577%	\$90,307.28	\$5,536.08	\$11,568.10
435	UNION CARBIDE CORPORATION	The Dow Chemical Company	\$203,396.27	0.2301%	\$360,395.75	\$22,093.23	\$46,165.64
436	TIMKEN COMPANY, THE	The Timken Company	\$57,259.37	0.0648%	\$101,457.29	\$6,219.60	\$12,996.38
437	LATROBE STEEL COMPANY	The Watermill Group & Hicks Holdings, LLC	\$6,099.60	0.0069%	\$10,807.82	\$662.55	\$1,384.45
438	TRANSCO ENERGY MARKETING COMPANY (TEMCO)	The Williams Company Inc.	\$3,454.46	0.0039%	\$6,120.92	\$375.23	\$784.07
439	TRANSCO GAS MKTG CO AGT FOR TRANSCO P/L	The Williams Company Inc.	\$3,029.26	0.0034%	\$5,367.51	\$329.04	\$687.56
440	WILLIAMS GAS MARKETING, INC.	The Williams Company Inc.	\$8,706.05	0.0099%	\$15,426.16	\$945.66	\$1,976.05
441	TISHOMINGO NATURAL GAS DEPT TOWN OF	TISHOMINGO NATURAL GAS DEPT TOWN OF	\$3,848.68	0.0044%	\$6,819.44	\$418.05	\$873.55
442	TORCH ENERGY MARKETING INC	Torch Energy Advisors Inc.	\$344.94	0.0004%	\$611.20	\$37.47	\$78.29
443	TORCH GAS, LC	TORCH GAS, LC	\$9.36	0.0000%	\$16.58	\$1.02	\$2.12
444	OCEAN STATE POWER	TransCanada Corporation	\$276,871.58	0.3133%	\$490,585.89	\$30,074.23	\$62,842.61

**Tennessee Gas Pipeline Company  
PCB/HSL Interim Refund Allocation  
Docket Nos. RP91-203 and RP92-132**

Line No.	Shipper Name (1)	Holding Company (2)	PCB Revenue Collected (3)	% (4)	Interim Refund Amount at \$156.6 MM (5)	Quarterly Refund at \$9.6 MM (6)	Quarterly Refund at \$20.06 MM (7)
445	OCEAN STATE POWER II	TransCanada Corporation	\$240,000.00	0.2716%	\$425,253.52	\$26,069.18	\$54,473.73
446	TRANSCANADA ENERGY MARKETING USA, INC.	TransCanada Corporation	\$147,378.16	0.1668%	\$261,137.84	\$16,008.45	\$33,450.99
447	TRANSCANADA GAS SERVICES INC.	TransCanada Corporation	\$8,862.53	0.0100%	\$15,703.42	\$962.66	\$2,011.56
448	TRIAD ENERGY RESOURCES CORP.	Triad Energy Resources Corporation	\$356.13	0.0004%	\$631.02	\$38.68	\$80.83
449	TRONOX LLC	Tronox	\$98,465.86	0.1114%	\$174,470.64	\$10,695.52	\$22,349.18
450	TUSCUMBIA, AL WATER WORKS & GAS BOARD	TUSCUMBIA, AL WATER WORKS & GAS BOARD	\$24,370.42	0.0276%	\$43,181.69	\$2,647.15	\$5,531.45
451	HONESDALE GAS COMPANY	UGI Corporation	\$88,399.04	0.1000%	\$156,633.34	\$9,602.04	\$20,064.27
452	PG ENERGY INC.	UGI Corporation	\$1,076,420.47	1.2179%	\$1,907,298.32	\$116,922.50	\$244,319.31
453	PG ENERGY SERVICES INC.	UGI Corporation	\$5,612.63	0.0064%	\$9,944.96	\$609.65	\$1,273.92
454	UGI UTILITIES, INC.	UGI Corporation	\$262,169.40	0.2966%	\$464,535.25	\$28,477.26	\$59,505.60
455	UNICOI COUNTY UTILITY DISTRICT	UNICOI COUNTY UTILITY DISTRICT	\$21,304.76	0.0241%	\$37,749.68	\$2,314.16	\$4,835.62
456	UNITED STATES DEPARTMENT OF ENERGY	UNITED STATES DEPARTMENT OF ENERGY	\$101,868.94	0.1153%	\$180,500.52	\$11,065.17	\$23,121.59
457	FITCHBURG GAS AND ELECTRIC LIGHT CO	Unifil Corporation	\$360,065.93	0.4074%	\$637,997.10	\$39,110.93	\$81,725.55
458	UNITED STATES GYPSUM COMPANY	USG Corporation	\$65,391.45	0.0740%	\$115,866.44	\$7,102.92	\$14,842.15
459	USGEN NEW ENGLAND, INC.	USGEN NEW ENGLAND, INC.	\$24,780.00	0.0280%	\$43,907.43	\$2,691.64	\$5,624.41
460	VAIL TRADING, L.L.C.	VAIL TRADING COMPANY	\$64,724.83	0.0732%	\$114,685.26	\$7,030.51	\$14,690.84
461	SIGCORP ENERGY SERVICES, INC.	Vectren Corporation	\$20,004.91	0.0226%	\$35,446.49	\$2,172.97	\$4,540.59
462	VERNON PARISH, GAS UTILITY	VERNON PARISH, GAS UTILITY	\$912.44	0.0010%	\$1,616.75	\$99.11	\$207.10
463	VINA GAS BOARD OF THE TOWN OF	VINA GAS BOARD OF THE TOWN OF	\$1,715.44	0.0019%	\$3,039.56	\$186.33	\$389.36
464	VISTA RESOURCES INC	Vista Resources Inc.	\$2,041.80	0.0023%	\$3,617.84	\$221.78	\$463.44
465	VISY PAPER, INC.	Visy Industries	\$3.31	0.0000%	\$5.86	\$0.36	\$0.75
466	WALNUT TOWN OF	WALNUT TOWN OF	\$5,469.00	0.0062%	\$9,690.47	\$594.05	\$1,241.32
467	SELMER UTILITY DIVISION	Walter Oil and Gas Corporation	\$18,230.10	0.0206%	\$32,301.73	\$1,980.18	\$4,137.76
468	WALTER OIL & GAS CORPORATION	Walter Oil and Gas Corporation	\$460.00	0.0005%	\$815.07	\$49.97	\$104.41
469	WARD MANUFACTURING INC	Ward Manufacturing	\$1,526.50	0.0017%	\$2,704.79	\$165.81	\$346.48
470	WAYNESBORO CITY OF	WAYNESBORO CITY OF	\$6,697.29	0.0076%	\$11,866.87	\$727.47	\$1,520.11
471	WHEELED ELECTRIC POWER COMPANY	Wepco	\$2.19	0.0000%	\$3.88	\$0.24	\$0.50
472	WEST TENNESSEE PUBLIC UTILITY DISTRICT	WEST TENNESSEE PUBLIC UTILITY DISTRICT	\$166,867.81	0.1888%	\$295,671.35	\$18,125.45	\$37,874.63
473	WESTFIELD, CITY OF, GAS & ELECTRIC LIGHT	WESTFIELD, CITY OF, GAS & ELECTRIC LIGHT	\$155,190.84	0.1756%	\$274,981.05	\$16,857.08	\$35,224.27
474	WEYERHAEUSER COMPANY	Weyerhaeuser Company	\$1,250.50	0.0014%	\$2,215.75	\$135.83	\$283.83
475	WASHINGTON GAS LIGHT CO	WGL Holdings Inc.	\$165,110.56	0.1868%	\$292,557.70	\$17,934.57	\$37,475.78
476	CALEDONIA POWER I, LLC	Wood Group Power Solutions	\$7,060.32	0.0080%	\$12,510.11	\$766.90	\$1,602.51
477	CENERPRISE, INC.	Xcel Energy Inc	\$2,122.36	0.0024%	\$3,760.59	\$230.53	\$481.72
478	E PRIME INC.	Xcel Energy Inc	\$4,850.75	0.0055%	\$8,595.00	\$526.90	\$1,100.99
479	NORTH AMERICAN ENERGY CONSERVATION INC.	York Research Corporation	\$1,479.94	0.0017%	\$2,622.29	\$160.75	\$335.91
480	YUMA GAS CORPORATION	YUMA GAS CORPORATION	\$558.79	0.0006%	\$990.12	\$60.70	\$126.83
481	Grand Total		\$88,380,220	100.0000%	\$156,600,000.00	\$9,600,000.00	\$20,060,000.00