LEAF: 198.2 REVISION: 0 SUPERSEDING REVISION:

SERVICE CLASSIFICATION NO. 14

INTERRUPTIBLE TRANSPORTATION SERVICE TO ELECTRIC GENERATION FACILITIES (Cont'd)

MONTHLY RATE COMPONENTS (Cont'd)

- 5. Charges for Over- and Under-Deliveries: (Cont'd)
 - C. <u>Month End Cash Out (Cont'd)</u>

The over-delivery Index Price will be equal to the average of the daily averages of the "Midpoint" rates for "Tennessee, zone 0" and "Tennessee, zone 1" (500 and 800 legs) receipt points as published in Platt's Gas Daily in the table "Daily Price Survey," plus the Company's weighted average cost of transportation and fuel losses.

The under-delivery Index Price will be equal to the average of the "Midpoint" rates of the higher of "Transco, zone 6 N.Y." and "Iroquois, zone 2" receipt points as published in Platt's Gas Daily in the table "Daily Price Survey" under the Citygates heading for the applicable month.

MINIMUM ANNUAL BILL

The Customer will be obligated to pay a minimum annual charge for transportation service if the actual annual charges paid by the customer are less than calculated charges determined at the end of each year. The calculated charges will be derived by multiplying 50% of the Customer's projected annual requirements as derived from the Customer's Maximum Daily Quantity (MDQ) by the actual monthly rates which were in effect during the previous twelve-month period. The actual monthly rates to be used in the calculation will be the lower of the actual monthly rates under Service Classification No. 9 or the actual Fixed and Variable rates under this service classification. The Customer will be charged the difference between the actual charges incurred and the calculated charges. Customers will not receive a refund in the event their annual bill was greater than the calculated charges.

INCREASE IN RATES AND CHARGES

The rates and charges under this Service Classification shall be increased pursuant to General Information, Section 28 to reflect the tax rates applicable within the municipality where the customer takes service.