SERVICE CLASSIFICATION No. 19 – continued

II. MONTHLY IMBALANCE TRADING AND CASH OUT - continued

2, Daily Balancing Program - continued

2) If the Seller has a negative monthly imbalance that exceeds 5% then:

The Seller's negative daily imbalance quantity will be purchased by the Seller at the following average daily cash out prices for the month:

>-5% to -10%	105% of the Monthly Cash Out Price in a) above.
>-10% to -15%	110% of the Monthly Cash Out Price in a) above.
>-15% to -20%	120% 0f the Monthly Cash Out Price in a) above.
>-20%	150% of the Monthly Cash Out Price in a) above.

J. MANDATORY CAPACITY PROGRAM

Sellers serving customers taking service under SC 17 must participate in the Company's Mandatory Capacity Program subject to the terms and conditions of this Service Classification and the Company's GTOP Manual. Sellers serving customers taking service under SC 18 are not eligible to participate in the Company's Mandatory Capacity Program. The Mandatory Capacity Program consists of three capacity tiers: 1) Tier 1 – Pipeline Capacity Release; 2) Tier 2 – Retail Access Storage and 3) Tier 3 – Peaking Service. The Company also offers an optional Gulf Coast Storage capacity release as part of this program as described in the GTOP Manual.

1. Tier 1 – Pipeline Capacity Release

Subject to the conditions described below, the Company will release interstate and/or intrastate pipeline transportation capacity to the Seller or Seller's Agent each month of the Gas Year. The amount of pipeline transportation capacity released (the "Tier 1 Capacity Release Volume") will be determined each month as follows:

a) The Company will first provide the Seller a share of the Company's pipeline transportation capacity equal to the Seller's Base Component multiplied by the Factor of Adjustment.