

RATE SCHEDULE NO. 180

INTERRUPTIBLE TRANSPORTATION SERVICE
FOR CUSTOMERS QUALIFYING FOR SERVICE ON RATE SCHEDULE NO. 150

Interruptible transportation Service under this Rate Schedule may be offered to a large commercial or industrial Customer that is presently connected to PSNC's system, has qualified for Service on Rate Schedule No. 150, has obtained an independent supply of Gas, and has made arrangements to have Gas delivered to one of PSNC's existing Receipt Points. All transportation under this Rate Schedule is provided in accordance with PSNC's Transportation Pooling Agreement, as may be revised from time to time.

Once a qualified Customer elects Service under this Rate Schedule, Service will be provided for a term extending through the following August 31. Subject to the consent of PSNC, Customer may elect to discontinue Service under this Rate Schedule and receive Service from Rate Schedule No. 150 by giving written notice to PSNC prior to June 1 of any year. PSNC will grant such consent if it has, or is able to acquire under commercially reasonable terms and conditions, the necessary Gas supplies and capacity to provide Service to Customer under Rate Schedule No. 150. Proper notice having been provided and consent obtained, Customer shall discontinue Service under this Rate Schedule effective the first September 1 following the notice.

Gas transported under this Rate Schedule shall be separately measured from Gas purchased or transported under any other Rate Schedule. Neither separate Accounts nor separate locations may be combined to qualify for the minimum quantity provision of this Rate Schedule.

PSNC may refuse transportation Service if PSNC determines that:

- 1) it does not have Gas delivery capacity in excess of the requirements of its other existing Customers; or
- 2) the requested Service would require an uneconomic enlargement or extension of PSNC's facilities; or
- 3) the provision of the requested Service might unreasonably increase the average cost of Gas purchased by PSNC for sales to other Customers due to PSNC's demand charge obligations, minimum bill obligations, or the take or pay obligations of Transcontinental Pipe Line Corporation.

PSNC will attempt to deliver Gas transported for Customer's Account under this Rate Schedule on a day-to-day basis in accordance with Customer's requirements; however, PSNC reserves the right to suspend Service on any day when, in PSNC's sole opinion, its operating conditions are such that this is necessary.

Rate

The applicable monthly Facilities Charge and the applicable Transportation Charge are set forth in the currently effective Summary of Rates and Charges of this Tariff and are incorporated herein by reference.

When Customer has the installed and operable capability to burn an alternate fuel and the equivalent alternate fuel cost is less than the combined cost of Gas received from Customer's independent supply and the Transportation Charge applicable under this Rate Schedule, Customer may be served under Rate Schedule No. 165. In order to receive Service under Rate Schedule No. 165, Customer must maintain separately metered Accounts for each type of alternate fuel.

The minimum monthly bill is the Facilities Charge. The Facilities Charge will be waived in any month when PSNC is unable to deliver any Gas during that billing month. Service under this Rate Schedule is subject to Rider A of this Tariff.

Payment of Bills

Bills are due and payable upon receipt and become past due 15 days after the billing date. Late payment charges will be added to the total balances in arrears on the next billing date at the rate of 1% per month. A charge will be imposed for checks and drafts returned to PSNC. Reconnection charges will be made to restore Service for: (a) Customers whose Service was discontinued for nonpayment of bill or (b) Customers whose Service was discontinued and reconnected at the request of Customer at the same Premises within the past year.

RATE SCHEDULE NO. 180 (Continued)

The charges above are set forth in the currently effective Summary of Rates and Charges of this Tariff under the heading of Miscellaneous Fee Schedule and are described in PSNC's approved Rules and Regulations.

Balancing of Transportation Quantities

At any time when Customer is consistently using more or less Gas than is being delivered to PSNC for Customer's Account, it shall be Customer's or its agent's responsibility to bring its supply and requirements into balance in accordance with PSNC's Transportation Pooling Agreement, as it may be revised from time to time. Customer, Customer's agent, and PSNC shall strive to keep the transportation quantities within a reasonable operating balance at all times. Customer or its agent shall notify PSNC immediately in the event of increases or reductions in the quantity of Gas being transported.

Inability to Obtain Independent Supply of Gas

In the event Customer is unable to obtain its independent supply of Gas, PSNC may, at its sole discretion, supply Gas to Customer. The Energy Charge for such Gas will be the Rate Schedule No. 150 Energy Charge set forth in the currently effective Summary of Rates and Charges of this Tariff; provided that, when PSNC is required to purchase incremental quantities of Gas to accommodate Customer's supply requirements, the Energy Charge shall be calculated on a daily basis as the higher of: (a) the Rate Schedule No. 150 Energy Charge or (b) the sum of the daily commodity cost of Gas supplied and the Rate Schedule No. 180 Transportation Charge. The daily commodity cost of Gas shall be the absolute high price for the day of consumption as published in **Gas Daily** in the "Daily price survey," "Citygates," "Transco, zone 5 delivered," "Absolute," high end of the range. For days of consumption when **Gas Daily** is not published, the daily price published by **Gas Daily** on the nearest subsequent day shall be used.

Unauthorized Gas

In the event a Customer fails to discontinue the use of Gas after two hours' notice that Gas under this Rate Schedule is not available, all Gas so used, other than an allowance of 10 Therms per day for pilot usage, shall be paid for by Customer at the rate for Unauthorized Gas set forth in the currently effective Summary of Rates and Charges of this Tariff plus the cost of Gas used, as calculated under Rider A of this Tariff. In addition, Customer shall reimburse PSNC for any expenses or liabilities imposed on PSNC that are caused by Customer's failure to discontinue use of Gas.

Rules and Regulations

Service under this Rate Schedule is subject to all lawful orders, rules, and regulations of duly constituted governmental authorities having jurisdiction over either PSNC or Customer, or both, including any orders of the Commission requiring PSNC to curtail or discontinue Service hereunder or setting priorities for such curtailment or discontinuance of Service. PSNC shall not be liable for any damages that may result to Customer or any other person, firm, or corporation by reason of PSNC's curtailing Service in accordance with any order by a duly constituted governmental authority or in accordance with any order of priorities which may be deemed practicable under existing conditions by PSNC. Service under this Rate Schedule is subject to PSNC's Rules and Regulations as approved by the Commission, which are incorporated herein by reference.