

Benefits of Tariff Changes

A summary of recent changes to CGT's FERC Gas Tariff



Capacity

Reliability • Supply Diversity • Information • Support

**DELIVERING
VALUE**

Necessity for Filing

- The first nine months of operation identified items that required either:
 - Clarification
 - Correction
 - Additions
- Other features were added to enhance customer flexibility and balancing
- CGT filed with FERC on July 6, 2007 requesting specific tariff revisions. These revisions were approved by FERC and went into effect on August 6, 2007
- Four categories of the types of revisions requested:
 - Establishing pre-arranged & interim services
 - Enhancements to Shipper service and flexibility
 - Clarifications
 - Administrative Revisions

Establishing Prearranged & Interim Services



- Previously, CGT could reserve capacity only for future expansion projects
- Tariff revisions established conditions for entering into a sale of available unsubscribed pipeline capacity a year or more in the future
 - Once CGT agrees to service with a Prearranged Shipper the capacity commitment is posted and subject to a bidding process
 - CGT will award capacity based on the highest value bid under the specified method with the Prearranged Shipper having rights to match the best bid
 - Beneficial to attracting new industry as well as existing customer expansions
- Capacity will be available on an interim basis up to the commencement date of Prearranged Shipper's Service Agreement
 - Interim Shipper not eligible for automatic renewal or ROFR rights

Enhancing Shipper Service & Flexibility



- CGT added an “ID2+” nomination period to allow Shippers to better balance their transportation agreements
- ID2+ Nominations:
 - Must be submitted within 3 business days after the Gas Day
 - Must be confirmed by all affected parties
 - CGT must determine if nomination is operationally feasible and confirmed by the affected parties
- ID2+ procedures posted on CGT’s Internet Website
 - Currently implemented as an adjustment to the ID2 scheduled quantity
 - May not be available on OFO days
 - Does not excuse Shipper from obligation to pay OFO penalties
 - Programming changes are being implemented to formally incorporate into the daily nomination process on the Internet Website
 - Shippers desiring to submit an ID2+ nomination should send an email to CGTCSchedulers@scana.com containing the following information:
 - Shipper’s contract number
 - Effective gas day
 - Receipt and delivery point information
 - Quantity to be adjusted
 - Applicable upstream or downstream contract
 - Shipper’s contact information

- CGT has revised requirements allowing Shippers additional time to provide their PDA selection to CGT
 - Previously a Pre-Determined Allocation (PDA) was required prior to the start of a Gas Day
 - This PDA modification provides Shippers increased flexibility with the ability to make their selection up to 48 hours after the end of the Gas Day
- CGT has made revisions to provide greater flexibility to Shippers subscribing to upstream pipeline storage services
 - This revision allows a Shipper to deviate from scheduled quantities and utilize this flexibility when Shippers have either positive or negative imbalances

- Clarified that FT maximization is the default election unless Shipper specifically requests otherwise
- Clarified the rate application section of the FT Rate Schedule
 - Better matches the invoice presentation
- Clarified that cash-out quantities due to a prior period adjustment will be cashed-out at the median index price for the month in which the adjustment applies or the median index price for the month in which the adjustment is made, whichever is more advantageous to Shipper
- Clarified that Shippers may pay invoices exceeding \$50,000 by check and payment will be timely if received in sufficient time for CGT to transfer funds on or before the later of:
 - Eleven days after the invoice is rendered
 - The fifteenth of the month

- CGT has revised certain tariff sheets by changing the terms “may” or “shall have the right to” to “will”, eliminating CGT’s discretion in those areas
- CGT deleted Exhibit F to Rate Schedule FT form of service agreement, which contained the one time allocation of upstream transportation and storage contracts held by CGT’s predecessor
- Updated CGT address to reflect its new location and mailing address as follows:

Location

601 Old Taylor Road
Cayce, South Carolina 29033

Mailing

Post Office Box 11538
Columbia, South Carolina 29211-1539