P.S.C. Gas No. 10, Original Sheet No. 59

Standard Rate Rider

PS-TS-2 Pooling Service - Rider-TS-2

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available to TS-2 Pool Managers.

Service under this rider shall not be available for new pool managers until the November 1 following the effective date of this rider.

For the purpose of this rider, a "TS-2 Pool Manager" is defined as an entity which has been appointed by a customer or group of customers served under Rider TS-2 to perform the functions and responsibilities of requesting and receiving information, nominating supply, and other related duties. A customer served under Rider TS-2 must join a Rider PS-TS-2 pool managed by a thirdparty Pool Manager.

RATE

In addition to any charges billed directly to TS-2 Pool Manager as a result of the application of this rider or to Customer as a result of the application of Rider TS-2, the following charge shall apply to the TS-2 Pool Manager:

PS-TS-2 Pool Administrative Charge: \$75 per Customer in TS-2 Pool per month

Other: In the event that TS-2 Pool Manager is determined to be the cause of any billing disadvantages or other penalties imposed on Company by Pipeline Transporter, then TS-2 Pool Manager shall pay such penalties, fees, or charges as determined by Company and in accordance with the payment provisions of this rate schedule in addition to any and all other charges due hereunder.

CHARACTER OF SERVICE

Service under this rider allows a TS-2 Pool Manager to deliver to Company, on an aggregated basis, those natural gas supplies that are needed to satisfy the full requirements of one or more transportation customers that comprise a PS-TS-2 Pool.

The TS-2 Pool Manager will be responsible for arranging for volumes of transportation gas to meet the daily and monthly requirements of the Customers in the TS-2 Pool.

The TS-2 Pool Manager must secure its own upstream capacity from Pipeline Transporter to meet the requirements of the Customers in the TS-2 Pool, up to the total Maximum Daily Quantity of the Customers who are in the TS-2 Pool.

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> > TARIFF BRANCH

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PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

P.S.C. Gas No. 10, Original Sheet No. 59.1

Standard Rate Rider

PS-TS-2 Pooling Service - Rider TS-2

ACTION ALERTS

Company shall have the right to issue an Action Alert ("AA") which will require actions by the TS-2 Pool Manager to alleviate conditions that, in the sole judgment of Company, jeopardize the operational integrity of Company's system. It is the responsibility of the Pool Manager, not Company, to convey an AA to Customers in its TS-2 Pool. Pool Manager shall be responsible for complying with the directives contained in the AA.

Notice of an AA shall be provided to TS-2 Pool Manager at least eighteen (18) hours prior to the beginning of the gas day for which the AA is in effect. TS-2 Pool Manager shall respond to an AA by adjusting its deliveries to Company's system as directed in the AA within the specified timeframe.

Upon issuance of an AA, Company will direct TS-2 Pool Manager to deliver to Company from 0% to 100% of the total MDQ of those Customers in the TS-2 Pool (the PMDQ as defined hereafter). Each Mcf delivered by TS-2 Pool Manager that differs (either more or less) from the volume specified in the AA shall be subject to an Action Alert Charge.

Company may, in its sole discretion, issue an AA to an individual Pool Manager taking service under Rider PS-TS-2 without issuing an AA to all Pool Managers taking service under Rider PS-TS-2.

The Action Alert Charge per Mcf shall be equal to \$5.00 plus the higher of the following: either (a) the daily mid-point price posted in "Platts Gas Daily" for Texas Gas Zone 1 adjusted for Fuel Retention applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS plus the Commodity Charge and any surcharges applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS for the day on which the AA was violated, or (b) the daily mid-point price posted in "Platts Gas Daily" for Lebanon-Hub adjusted for Fuel Retention applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS plus the Commodity Charge and any surcharges applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS for the day on which the AA was violated. Such Action Alert Charge shall be in addition to any other charges under this rider.

Company will not be required to provide service under this rider for any TS-2 Pool Manager that does not comply with the terms or conditions of an AA. Payment of Action Alert Charges hereunder shall not be considered an exclusive remedy for failure to comply with an AA, nor shall the payment of such charges be considered a substitute for any other remedy available to Company.

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P.S.C. Gas No. 10, Original Sheet No. 59.2

Standard Rate Rider

PS-TS-2 Pooling Service - Rider TS-2

IMBALANCES

Company will calculate on a daily and monthly basis the TS-2 Pool Manager's imbalance resulting from the difference between the metered usage of the Customers in the TS-2 Pool and the volumes that the TS-2 Pool Manager has delivered into Company's system for the Customers in the TS-2 Pool. This will be calculated as follows:

Imbalance = Metered Usage - Delivered Volumes

Company will also determine the imbalance percentage. This percentage will be calculated as follows:

> (Metered Usage - Delivered Volumes) Imbalance % =

> > **Delivered Volumes**

The term "day" or "daily" shall mean the period of time corresponding to the gas day as observed by the Pipeline Transporter as adjusted for local time.

CASH-OUT PROVISION FOR MONTHLY IMBALANCES

The cash-out provision shall be applied against the aggregate volume of all Customers in a specific TS-2 Pool. The TS-2 Pool Manager will be responsible for the payment of the cash-out charges incurred by the TS-2 Pool as a result of imbalances under Rider TS-2.

If the monthly imbalance is negative (an over-delivery into Company's system), Company shall purchase the monthly imbalance from TS-2 Pool Manager at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the lower of the following: either (a) the lowest daily mid-point price posted in "Platts Gas Daily" for Texas Gas Zone 1 adjusted for Fuel Retention applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS plus the Commodity Charge and any surcharges applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS during the month in which the imbalance occurred, or (b) the lowest daily mid-point price posted in "Platts Gas Daily" for Lebanon-Hub adjusted for Fuel Retention applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS plus the Commodity Charge and any surcharges applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS during the month in which the imbalance occurred.

The appropriate percentage shall be dependent on the TS-2 Pool Manager's monthly negative imbalance percentage to be applied as follows:

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PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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P.S.C. Gas No. 10, Original Sheet No. 59.3

Standard Rate Rider

PS-TS-2 Pooling Service - Rider TS-2

CASH-OUT PROVISION FOR MONTHLY IMBALANCES (continued)

When Total Net Negative Balance	The following percentage shall be multiplied by the
Percentage is:	above-determined amount:
0% to ≤5%	100%
>5% to ≤10%	90%
>10% to ≤15%	80%
>15% to ≤20%	70%
>20%	60%

If the monthly imbalance is positive (an under-delivery into Company's system), TS-2 Pool Manager shall purchase the monthly imbalance from Company at a price per Mcf which is determined by multiplying the appropriate percentage specified below times the higher of the following: either (a) the highest daily mid-point price posted in "Platts Gas Daily" for Texas Gas Zone 1 adjusted for Fuel Retention applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS plus the Commodity Charge and any surcharges applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS during the month in which the imbalance occurred, or (b) the highest daily mid-point price posted in "Platts Gas Daily" for Lebanon-Hub adjusted for Fuel Retention applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS plus the Commodity Charge and any surcharges applicable to deliveries to Zone 4 under Texas Gas Transmission, LLC's Rate NNS during the month in which the imbalance occurred.

The appropriate percentage shall be dependent on the TS-2 Pool Manager's monthly imbalance percentage to be applied as follows:

When Total Net Positive Imbalance Percentage is:	The following percentage shall be multiplied by the above-determined amount:
0% to ≤5% >5% to ≤10% >10% to ≤15% >15% to ≤20% >20%	100% 110% 120% 130% 140%

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PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

P.S.C. Gas No. 10, Original Sheet No. 59.4

Standard Rate Rider

PS-TS-2 Pooling Service - Rider TS-2

CASH-OUT PROVISION FOR MONTHLY IMBALANCES (continued)

The monthly imbalance percentages stated above will be used to calculate the cash-out price for imbalances that fall within each category. For example, a TS-2 Pool Manager with a negative monthly imbalance percentage of 9% will cash-out at the 0% to 5% price for 5% of the imbalance and at the 5% to 10% price for 4% of the imbalance.

All such adjustments shall be shown and included on the TS-2 Pool Manager's bill. The billing of these charges shall not be construed as a waiver by Company of any other rights or remedies it has under law, the regulations of the PSC of Kentucky, or this rate schedule, nor shall it be construed as an exclusive remedy for failure to comply with the provisions of this rider.

VARIATIONS IN MMBTU CONTENT

All gas delivered by Company will be measured and billed on an Mcf basis. Pipeline Transporter delivers to and bills Company on an MMBtu basis. The reconciliation of the actual deliveries by Pipeline Transporter and the Customer's estimated deliveries by Pipeline Transporter occurs through the operation of the monthly cash-out provision. Changes in billings of the cash-out provision caused by variations in the MMBtu content of the gas shall be corrected on the following bill.

NOMINATIONS AND NOMINATED VOLUME

As further described below, TS-2 Pool Manager shall specify to Company the daily volume of gas required by the Customers in the TS-2 Pool. Such volume shall be stated in Mcf/day and converted to MMBtu/day.

At least ten (10) days prior to the beginning of each calendar month, TS-2 Pool Manager shall provide Company with a schedule setting forth daily volumes of gas to be delivered into Company's system for the Pool Manager's TS-2 Pool.

Any changes in nominated volumes, as well as any other information required to effectuate the delivery of such gas to Company by the Pipeline Transporter, shall be provided by TS-2 Pool Manager to Company no later than 10:00 a.m. Eastern Clock Time on the day prior to the day(s) for which volumes are scheduled to flow. Only those volumes actually confirmed by Company and scheduled on the Pipeline Transporter are considered nominated volumes. Company shall not be obligated to accept from TS-2 Pool Manager daily nominations or changes thereto that are made after the daily deadline for such nominations as set forth above or that are made on weekend days or holidays as such are observed by Company.

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Standard Rate Rider

PS-TS-2 Pooling Service - Rider TS-2

NOMINATIONS AND NOMINATED VOLUME (continued)

Such volumes nominated by TS-2 Pool Manager shall include an allowance for Company's system average lost and unaccounted for gas ("LAUFG") expressed as a percentage and based on historical levels. Effective November 1, 2016, such LAUFG percentage is 2.69%. Such LAUFG percentage shall be revised annually each November 1 with notice provided to TS-2 Pool Manager at least thirty (30) days prior to such November 1. The volumes delivered by the TS-2 Pool Manager to Company for redelivery to Customers in the TS-2 Pool will be increased by TS-2 Pool Manager to cover the effective LAUFG percentage. For example, if the Customers in a TS-2 Pool require 325 Mcf on a given day, and the LAUFG percentage is 5.0%, then the Mcf nominated shall be 342 Mcf [325 / (1 - 0.05)]. The 342 Mcf shall be converted to MMBtu using a standard conversion factor as may be specified by Company from time to time. Such amount does not include any retention by the Pipeline Transporter. The volume nominated by the TS-2 Pool Manager to cover LAUFG shall not be considered in determining whether or not the TS-2 Pool Manager has exceeded the Pool Maximum Daily Quantity ("PMDQ") for the TS-2 Pool.

SUPPLIER CODE OF CONDUCT

Each PS-TS-2 Pool Manager participating in the Company's transportation program under Rider PS-TS-2 must:

- 1. communicate to participating Customers in clear, understandable terms the Customer's rights and responsibilities. This communication must include (a) the PS-TS-2 Pool Manager's customer service address and local or toll-free telephone number; and (b) a statement describing the PS-TS-2 Pool Manager's dispute resolution procedures;
- 2. provide in writing pricing and payment terms that are clearly defined and understandable and that inform consumers whether the price that the Customer will pay is inclusive or exclusive of applicable taxes, and Company approved tariff riders and surcharges;
- refrain from engaging in communications or promotional practices which are fraudulent, deceptive, or misleading;
- deliver gas to the Company on a firm basis on behalf of the Customers enrolled in the PS-TS-2 Pool Manager's pool in accordance with the requirements of the PS-TS-2_Pool Management Agreement;

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PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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P.S.C. Gas No. 10, Original Sheet No. 59.6

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Standard Rate Rider

PS-TS-2 Pooling Service -- Rider TS-2

SUPPLIER CODE OF CONDUCT

- establish and maintain a credit-worthy financial position that enables PS-TS-2 Pool Manager to indemnify the Company and the Customers for costs incurred as a result of any failure by the PS-TS-2 Pool Manager to deliver gas in accordance with the requirements of Rider PS-TS-2 and to assure payment of any applicable charges for any such failure;
- 6. refrain from requesting customer-specific billing, payment, and usage history without first having received the Customer's written approval allowing PS-TS-2 Pool Manager to access such information.

Failure to fulfill any of these obligations shall be considered a violation of the Supplier Code of Conduct.

If the PS-TS-2 Pool Manager fails to comply with the Supplier Code of Conduct, the Company will have the discretion to temporarily suspend or terminate such PS-TS-2 Pool Manager from further participation in the transportation program under Rider PS-TS-2. If service to the PS-TS-2 Pool Manager is suspended or terminated, Customer(s) in the PS-TS-2 Pool Manager's Pool will be returned to sales service under the applicable rate schedule (CGS, IGS, or AAGS) until said Customer(s) join another PS-TS-2 Pool Manager's Pool. If the Company seeks to suspend or terminate service to a PS-TS-2 Pool Manager, Company shall first notify the PS-TS-2 Pool Manager of the alleged violations which merit suspension or termination. Such notice must be in writing and must be sent to the PS-TS-2 Pool Manager as specified in the notice provisions of the PS-TS-2 Pool Management Agreement at least five (5) business days prior to the effective date of the suspension or termination.

SPECIAL TERMS AND CONDITIONS

- 1. No customer shall participate in a TS-2 Pool that does not individually meet the conditions set forth in the "Availability of Service" under Rider TS-2, and no Customer shall participate in more than one pool concurrently. Except as provided for in Section 4 below, no Customer may transfer from one TS-2 Pool to another more frequently than once during a Contract Year.
- 2. To receive service hereunder, the PS-TS-2 Pool Manager shall enter into a PS-TS-2 Pool Management Agreement with Company. The PS-TS-2 Pool Management Agreement shall set forth the specific obligations of the TS-2 Pool Manager and Company under this rider.

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P.S.C. Gas No. 10, Original Sheet No. 59.7

Standard Rate Rider

PS-TS-2
Pooling Service – Rider TS-2

SPECIAL TERMS AND CONDITIONS (continued)

The TS-2 Pool Manager shall submit a signed PS-TS-2 Pool Management Agreement at least thirty (30) days prior to the beginning of a billing period when service under this rider shall commence. Company shall notify the TS-2 Pool Manager of the date when service hereunder will commence. The Customers in the TS-2 Pool shall be set forth in Exhibit A of the PS-TS-2 Pool Management Agreement. In order to join a TS-2 Pool, Customer must have designated in writing its TS-2 Pool Manager as its agent pursuant to Rider TS-2. In order to modify the Customers in the pool, the Pool Manager must request a revised Exhibit A from Company and execute and return said exhibit at least thirty (30) days prior to the beginning of the billing period for which the change is to become effective.

The PMDQ shall be set forth in the Pool Management Agreement. The PMDQ shall be equal to the total of the MDQs of all the Customers in the TS-2 Pool. Company is not obligated to accept volumes for re-delivery on any day in excess of the PMDQ.

- 3. The TS-2 Pool Manager shall upon request of Company agree to maintain a surety bond, an irrevocable letter of credit, or such other financial instrument satisfactory to Company in order to assure TS-2 Pool Manager's performance of its obligations under the PS-TS-2 Pool Management Agreement. In determining the level of the bond or other security to be required of a TS-2 Pool Manager, Company shall consider such factors, including, but not limited to, the following: the volume of natural gas to be transported on behalf of Customers in the TS-2 Pool, the general creditworthiness of the TS-2 Pool Manager, and the TS-2 Pool Manager's prior credit record with Company, if any. In the event that the TS-2 Pool Manager defaults on its obligations under this rider or the PS-TS-2 Pool Management Agreement, Company shall have the right to use the proceeds from such bond, irrevocable letter of credit, or other financial instrument to satisfy TS-2 Pool Manager's obligation hereunder. Specific terms and conditions regarding credit requirements shall be included in the PS-TS-2 Pool Management Agreement. Such credit requirements shall be administered by Company in a non-discriminatory manner.
- 4. The PS-TS-2 Pool Management Agreement may be terminated by Company upon thirty (30) days written notice if a TS-2 Pool Manager fails to meet any condition of this rider and/or Rider TS-2. The PS-TS-2 Pool Management Agreement may also be terminated by Company upon thirty (30) days written notice if the TS-2 Pool Manager has payments in arrears. Written notice of termination of the PS-TS-2 Pool Management Agreement shall be provided both to the TS-2 Pool Manager and to the individual Customers in the TS-2 Pool by Company.

Customers in the TS-2 Pool will be returned to sales service under the applicable rate schedule (CGS, IGS, or AAGS), or will be allowed to enroll in another TS-2 Pool.

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P.S.C. Gas No. 10, Original Sheet No. 59.8

Standard Rate Rider

PS-TS-2 Pooling Service - Rider TS-2

SPECIAL TERMS AND CONDITIONS (continued)

- 5. Company shall directly bill the TS-2 Pool Manager for the PS-TS-2 Pool Administrative Charge, Action Alert Charges, and cash-out charges or payments contained in Rider TS-2. The monthly bill will be rendered at these net charges plus an amount equivalent to 1% thereof, which amount will be deducted provided bill is paid within fifteen (15) days from the date of the bill. If payment is not made within twenty-seven (27) days from the date of the bill then the TS-2 Pool Manager will be considered in default.
- 6. Company shall directly bill the individual Customers in the TS-2 Pool for all Administrative Charges, Distribution Charges, Pipeline Supplier's Demand Component Charges, Gas Cost True-Up Charges, Basic Service Charges, Minimum Annual Threshold Charges, Monthly Telemetry Charges, and other remote metering charges, as provided for in either Rider TS-2 or Customer's otherwise applicable sales rate schedule to which Rider TS-2 is a rider.
- 7. All volumes of natural gas received by Company for Customer shall meet the specifications established by Pipeline Transporter.



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