

## YANKEE GAS SERVICES COMPANY

### CAPACITY RELEASE SERVICE

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**AVAILABILITY:** Capacity Release Service is a FERC-regulated service available to TRS Operators as outlined in Rate TRS on a pool-specific basis, provided the Company's facilities and gas supply are adequate, in its opinion, to render the required service. This service shall only be available to Operators that have firm customer pools. The service is performed through access to each interstate pipeline's FERC-regulated electronic bulletin board.

Operators receive service under this Rider for the principal purpose of baseloading long haul supplies to be delivered to the Company's citygates.

The Company reserves its rights to terminate service under this Rider to ensure the integrity of its distribution system and continuous service to its firm customers.

**MONTHLY RATE:** Rates for this service shall be charged according to the applicable pipeline's maximum FERC-approved tariff rates. According to FERC guidelines, the Operator will be billed directly by the interstate pipeline through which the Capacity Release was transacted. Yankee then receives a credit on its invoice from the pipeline equal to the demand charge amount billed to the Operator.

**VOLUMES:** The Company will make available annually, for service commencing on November 1<sup>st</sup>, a total available Capacity Release Volume (CRV). During this open season, each Operator with a firm customer Pool will be informed of their mandatory CRV, based on a percentage of its historical peak day load, not to exceed the Company's available CRV, to remain in effect for a 12-month period. In the event that a material change to the composition of an Operator's pool occurs during any such 12-month period, the Company will inform the Operator of its new CRV for the remainder of that 12-month period.

The CRV to be released by the Company shall be set at 12.5% of the historical peak day load of each Operator, per the decision in Docket No. 05-05-10.

For pools on the Tennessee Gas Pipeline, the Capacity Release shall be long haul from Tennessee's 100, 500, and 800 legs, based on the pro rata share of the Company's contractual entitlements. For pools on the Algonquin Gas Transmission system, the Capacity Release shall be long haul from Texas Eastern's ELA, WLA, STX, ETX, and M1 legs, based on the pro rata share of the Company's contractual entitlements, plus corresponding transportation on Algonquin Gas Transmission.

### **OTHER TERMS AND CONDITIONS OF SERVICE:**

Operators will not be allowed to re-release capacity during the winter period (November through March).

Nominations to the interstate pipeline for service under this Rider are the responsibility of the Operator to whom the capacity has been released.

Capacity Release will be done monthly during the period November through March. Capacity release during the summer months (April through October) will be done in three stages: the period of April through June, the period of July and August, and the period of September and October.

Operators will be permitted to appoint a wholesale marketer as their agent for Capacity Release.

The recall language that will be used for each Capacity Release will state:

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"Yankee retains the right under its Supplier of Last Resort Obligation to recall capacity from the Replacement Shipper for any of the following reasons:

- The Replacement Shipper fails to comply with Yankee's Operational Performance and Financial Terms, as filed with the Connecticut Department of Public Utility Control.
- The Replacement Shipper ceases to be an approved Operator in Yankee's service territory.
- The Replacement Shipper fails to comply with tariff and applicable FERC and state regulations.
- The Replacement Shipper fails to pay the applicable interstate pipeline for any amounts due related to the capacity release.
- The Replacement Shipper fails to deliver an appropriate amount of gas to Yankee's citygates."

**MINIMUM MONTHLY CHARGE:** The minimum monthly charge under this Rider is the maximum FERC-approved tariff rates for each pipeline.

**NOMINATION SCHEDULING:** Nominations for this service will be in compliance with both the nomination deadlines established by the applicable interstate pipeline, as well as the nomination schedule established in Rate TRS.

**TERM OF SERVICE:** Annual service will commence November 1<sup>st</sup> for a 12-month period ending October 31<sup>st</sup>.

Supersedes Rider CR  
Effective 11/01/06

Effective 11/01/07