



**NOTICE OF OPEN SEASON
NON-BINDING**

Issued By

**KINDER MORGAN COCHIN LLC
and
KINDER MORGAN COCHIN ULC**

for the

MARCELLUS LATERAL PROJECT

on

June 14, 2010

**KINDER MORGAN COCHIN LLC
and
KINDER MORGAN COCHIN ULC**

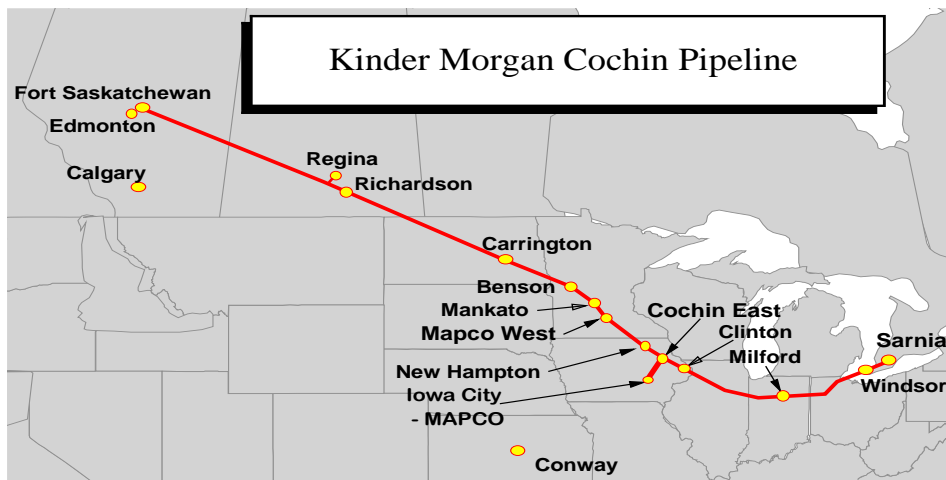
**Notice of Non-Binding Open Season
for the
MARCELLUS LATERAL PROJECT**

PURPOSE OF THE OPEN SEASON

As wet gas production from the Marcellus Shale formation (“Marcellus”) increases, there is a growing need for an NGL transportation solution to provide flow assurance for natural gas producers. Kinder Morgan Cochin LLC and Kinder Morgan Cochin ULC (collectively and independently, “Kinder Morgan”) propose to construct a new pipeline and modify its existing pipeline to transport a demethanized mixture of NGLs (“Y-Grade”) from Marcellus to nearby fractionation plants and petrochemical facilities. Kinder Morgan is proposing to utilize existing pipeline assets in order to provide an attractive transportation solution. The Open Season process will include two phases: Phase 1, this Non-Binding Open Season, which offers prospective shippers an opportunity to provide feedback and express their preferences between now and July 15, 2010; and Phase 2, the Binding Open Season. The initial tariff rate will be set based upon the total volume commitments for firm service received during the Binding Open Season.

COCHIN PIPELINE DESCRIPTION

Kinder Morgan owns and operates a common carrier petroleum products pipeline system that originates at Fort Saskatchewan, Alberta, Canada, crossing the International Boundary near Maxbass, North Dakota, continuing through Minnesota, Iowa, Illinois, Indiana, Ohio and Michigan, re-crossing the International Boundary near Detroit, Michigan, and continuing into Canada to its terminus at the Windsor facility near Windsor, Ontario (the “Cochin Pipeline”). Kinder Morgan currently offers transportation service for propane, field grade butane, and mixed NGLs, but transports only propane at the present time.



PROPOSED PROJECT OVERVIEW

Kinder Morgan is proposing to modify and expand its existing Cochin Pipeline to enable the transportation of Y-Grade from the Marcellus-producing region of Pennsylvania, West Virginia, and Ohio to fractionation plants and petrochemical facilities in Ontario, Canada (“Marcellus Lateral Project”). The target in service date for the Marcellus Lateral Project is mid-2012.

Kinder Morgan is proposing to construct and operate a receipt facility, which will be located near Clarington, Ohio, in Monroe County (“Origin Point”). The Origin Point will be designed to accept Y-Grade receipts via pipeline from nearby gas processing facilities, subject to the execution of a pipeline connection agreement with those facilities. Approximately 230 miles of new 12” – 16” pipeline will be constructed from the Origin Point to the Cochin Pipeline interconnect near Metamora, Ohio, in Fulton County. From Metamora, Ohio, the Y-Grade product will be transported on the existing Cochin Pipeline to the Windsor Terminal in Windsor, Ontario (“Destination Point”). Kinder Morgan is currently only offering Y-Grade service from the Origin Point to the Destination Point and all shippers must make separate arrangements at Windsor either for storage at the Windsor Storage Facility Joint Venture (“WSFJV”) terminal or for delivery into third party pipelines.

Kinder Morgan is continuing to work with Dome NGL Pipeline Ltd. to facilitate the reconnection of the Cochin Pipeline and the Windsor-Sarnia Pipeline (“WSP”) to accommodate shipments directly from Windsor, Ontario, to the Nova Corunna facility and the Provident storage facility in Sarnia, Ontario, without the need for intermediate storage in Windsor, Ontario however, continuous access to the WSP system cannot be assured because WSP is a common carrier pipeline.

PROJECT MAP

Attachment 1 shows the proposed Marcellus Lateral route. Product would flow from the Origin Point near Clarington, Ohio, to the Cochin Pipeline interconnection near Metamora, Ohio, and continuing to Windsor, Ontario, where the Cochin Pipeline connects with the Windsor Storage Facility Joint Venture (“WSFJV”) and the Windsor-Sarnia Pipeline (“WSP”) or Dome Pipeline.

QUALITY SPECIFICATIONS FOR SHIPMENTS ON THE COCHIN PIPELINE

The quality specifications for Y-Grade that will be accepted by Kinder Morgan for transportation are described fully in Attachment 2.

DEFINED SHIPPER CLASSES

Kinder Morgan anticipates offering a binding open season process (“Binding Open Season”) to provide an opportunity for shippers to secure firm capacity, or premium transportation service not subject

to prorationing, for the Marcellus Lateral Project in exchange for term volume commitments for transportation service at a premium rate (“Premium Shippers”). Premium Shippers must sign a binding Transportation Services Agreement (“TSA”).

Ten (10) percent of the maximum pipeline capacity will be reserved for uncommitted shippers that elect to make timely monthly nominations (“Uncommitted Shippers”). Uncommitted Shippers do not make volume or term commitments, are not required to sign a binding TSA, and are charged the standard rate for transportation, subject to the terms and conditions of the proposed Rules and Regulations Tariff. Uncommitted Shippers are subject to prorationing.

Depending on the results of the Binding Open Season, Kinder Morgan will make a decision on whether to proceed with the project, based in part on the strength of Premium Shipper support as expressed in signed Transportation Service Agreements (“TSAs”). At this time, the target in service date for the Marcellus Lateral Project is mid-2012 based upon receipt of shipper commitments in mid-2010; however, Kinder Morgan is not offering a promise or guarantee that this project will be built.

PROPOSED TRANSPORTATION RATES

The total volume commitments received from the Premium Shippers during the Binding Open Season (“Total Firm Commitments”) will be used to set the initial rate for the Premium Shippers (“Initial Rate”). The initial rate for both Uncommitted Shippers and New Shippers will be set at the same level as the Initial Rate for Premium Shippers. The proposed rates are shown in the table below.

Total Firm Commitments	Initial Rate
25,000 – 29,999 bpd	17 cpg
30,000 – 34,999 bpd	16 cpg
35,000 – 39,999 bpd	15 cpg
40,000 – 49,999 bpd	14 cpg
50,000 – 64,999 bpd	13 cpg
65,000 – 94,999 bpd	12 cpg
95,000 – 124,999 bpd	11 cpg
125,000 – 149,999 bpd	10 cpg
≥150,000 bpd	9 cpg

As an example, if Kinder Morgan receives Total Firm Commitments of 100,000 bpd during the Binding Open Season, the Initial Rate will be eleven (11) cents per gallon. As shown, the Initial Rate is not expected to exceed seventeen (17) cents per gallon, or \$7.14 U.S. dollars per barrel. These rates shall be adjusted annually per the FERC index as provided in the commission’s regulations. All rates are subject to FERC and NEB approval of the proposed joint international tariff.

TERMS OF COMMITMENT FOR PREMIUM SHIPPERS

Prospective Premium Shippers may submit an executed TSA for a minimum volume commitment of 2,000 barrels per day (“bpd”), with the choice of a 10-year or a 15-year commitment. The Initial Rate will be the same for the 10-year or 15-year commitment, and will enable a Premium Shipper to secure the firm capacity, not subject to prorationing, for the entire committed term. Attachment 3 contains a table summarizing the proposed transportation terms for Kinder Morgan’s Y-Grade transportation service, including important terms that apply to prospective Premium Shippers.

POTENTIAL FUTURE SERVICE OFFERING

If the Total Firm Commitments received during the Binding Open Season for the Marcellus Lateral Project exceed 80,000 bpd, Kinder Morgan anticipates offering an Open Season for service between Windsor, Ontario, and various Chicago area destinations. This future service offering would require the construction of approximately 75 miles of new 12” – 16” pipeline from Metamora, Ohio, to Windsor, Ontario. The existing 12” Cochin Pipeline between Windsor, Ontario, and Clinton Junction, Iowa, would then be reversed to provide capacity for up to 90,000 bpd of NGL products (potentially a batched line containing Ethane, E-P Mix, Y-Grade, C₅⁺, etc.). New delivery connections would be added based upon shipper commitments and demand. Potential connections being contemplated include Enbridge’s Southern Lights origin facility in Manhattan, Illinois; Aux Sable’s Channahon, Illinois facility; LyondellBasell’s Morris, Illinois facility; LyondellBasell’s Clinton, Iowa facility; ONEOK’s North System pipeline; and Enterprise’s MAPCO pipeline.

OPEN SEASON DOCUMENTS

In addition to this Notice of Open Season, the following documents all form a part of the Open Season package:

Attachment 1	Project Map
Attachment 2	Specification Sheet for Y-Grade
Attachment 3	Term Summary Sheet
Attachment 4	Draft Transportation Services Agreement (“TSA”)
Attachment 5	Draft Joint International Transportation Tariff

The Open Season documents will be posted throughout the Open Season at the following website:
http://www.kindermorgan.com/business/products_pipelines/cochin.cfm

Prospective Premium Shippers are encouraged to download the documents from the Kinder Morgan website. However, the documents may also be obtained by contacting:

Karen Kabin
Senior Account Manager, Business Development
Kinder Morgan Product Pipelines
500 Dallas Street, Suite 1000
Houston, Texas 77002
Telephone (713) 369-9268
Facsimile (832) 397-4525
Mobile (713) 806-5634
e-mail: Karen_Kabin@KinderMorgan.com

The Open Season will be conducted in accordance with the procedures outlined in this Notice and its attachments, which are incorporated herein by reference. Please note that once the Open Season has commenced (the date of this Notice), changes to the Open Season documents, if any, will be posted directly to the Kinder Morgan website specified above and no further notice will be given except as explicitly provided elsewhere in this Notice.

NON-BINDING OPEN SEASON PROCESS AND ANTICIPATED BINDING OPEN SEASON PROCESS

After the commencement of the Non-Binding Open Season, the date of this Notice, Kinder Morgan will be receiving and considering any feedback received from prospective shippers and other interested parties. Based on that information, Kinder Morgan may choose to amend or supplement one or more of the Open Season Documents prior to the issuance of a Binding Open Season.

During the anticipated Binding Open Season, Kinder Morgan will post on its website referenced above a final, executable form of the TSA and final versions of the proposed Transportation Tariff and the proposed Rules and Regulations Tariff for Y-Grade transportation. That posting of the final, executable version of the TSA will not constitute an offer by Kinder Morgan to provide transportation service. Rather, the posting of the final version of the TSA will enable prospective Premium Shippers to download, complete, execute and return originals of the TSA to Kinder Morgan, qualifying them as eligible to receive transportation service that is protected from prorationing, at the Premium Rate, if Kinder Morgan decides to proceed with the Marcellus Lateral Project, and provided that Kinder Morgan executes the TSAs as described below.

Prospective Shippers who desire to commit to long-term service at the Premium Rate must execute and submit two completed originals of the TSA to Kinder Morgan no later than the deadline specified in a future Binding Open Season. Any executed TSAs received after that

deadline will be considered only at the election of Kinder Morgan. Kinder Morgan, at its option, reserves the right to extend the deadline for submission of executed TSAs. Any acceptance of late-filed TSAs or any extension of the deadline for submission of TSAs shall be accomplished by Kinder Morgan in a uniform manner, applied consistently to similarly situated prospective shippers.

Any TSA that has been altered or amended in any way by a potential Premium Shipper, other than by the insertion of the Premium Shipper's name, address, contact information, committed volume and committed term, will not be executed by Kinder Morgan, and in the event the Marcellus Lateral Project proceeds as described in this Notice and in the Open Season documents, the potential Premium Shipper who submitted an altered or amended the TSA will not be eligible for service as a Premium Shipper. If Kinder Morgan determines, at its sole option, not to proceed with the Marcellus Lateral Project, then Kinder Morgan will so notify potential Premium Shippers by way of a notice posted to the Kinder Morgan website, and neither the potential Premium Shippers nor Kinder Morgan will have any further commitments to each other or otherwise in regards to the Marcellus Lateral Project.

REGULATORY SUPPORT

By executing a TSA during the Binding Open Season, a Premium Shipper will indicate its support for the Marcellus Lateral Project and will be deemed to have agreed to take such actions as may be reasonably requested to assist in obtaining the necessary regulatory authorizations, including FERC and NEB approval of the proposed Transportation Tariff and Rules and Regulations Tariff. In addition, the Premium Shipper will agree to take no action that could delay consideration and approval of Kinder Morgan's applications to the FERC, the NEB, or other authorities in respect of Cochin Pipeline or that could be interpreted as evidence of lack of support for the Marcellus Lateral Project as outlined in these Open Season documents.

EXECUTION OF TSA BY KINDER MORGAN

If, after the close of the Binding Open Season, Kinder Morgan decides, at its option to proceed with the Marcellus Lateral Project, then Kinder Morgan will accept each TSA by executing both originals and returning one original to the Premium Shipper and Kinder Morgan will notify all of the Premium Shippers of the Initial Rate as determined by the level of Total Firm Commitments. If a TSA has not been executed by Kinder Morgan and returned to Premium Shippers by Kinder Morgan by a date to be specified in the Binding Open Season, that TSA is a nullity, with no further obligations relating to the Marcellus Lateral Project on the part of the Premium Shipper or Kinder Morgan. A Premium Shipper who has submitted a signed TSA may not withdraw or cancel its TSA prior to a date to be specified in the

Binding Open Season or after the TSA has been executed by Kinder Morgan. The TSA, once executed and delivered by both parties, shall constitute a binding agreement, subject to its terms and conditions.

COMPLETION OF PROJECT

After the completion of the Binding Open Season, if Kinder Morgan determines, at its sole option, to proceed with the Marcellus Lateral Project, then, subject to satisfactory receipt and acceptance of the necessary authorizations, approvals and permits (including regulatory approval of the proposed Transportation Tariff and the proposed Rules and Regulations Tariff), and satisfaction of all other contractual obligations or requirements, Kinder Morgan will commence construction and take the necessary steps to complete the Marcellus Lateral Project, with a target in-service date of mid-2012.

LIMITATIONS AND RESERVATIONS

These Open Season procedures, this Notice and the other Open Season documents are informal marketing documents and they establish no contractual relationship between or among Kinder Morgan or any of its affiliates and any party who receives them. Kinder Morgan is not committing to move forward with the Marcellus Lateral Project unless and until Kinder Morgan has executed TSAs with prospective Premium Shippers, and then, subject to the conditions of the TSAs. Kinder Morgan reserves the right to terminate the Open Season process and the entire Marcellus Lateral Project, in its sole discretion, at any time up until all of the TSAs returned to Kinder Morgan by prospective Premium Shippers have been fully executed by both the prospective Premium Shipper and Kinder Morgan. Prospective Premium Shippers should take careful note of all the conditions precedent in the TSA. These Open Season procedures are intended to be used solely for the Marcellus Lateral Project discussed herein and are not intended to be in lieu of the requirements of the FERC, the NEB, or any applicable federal and state laws and regulations.

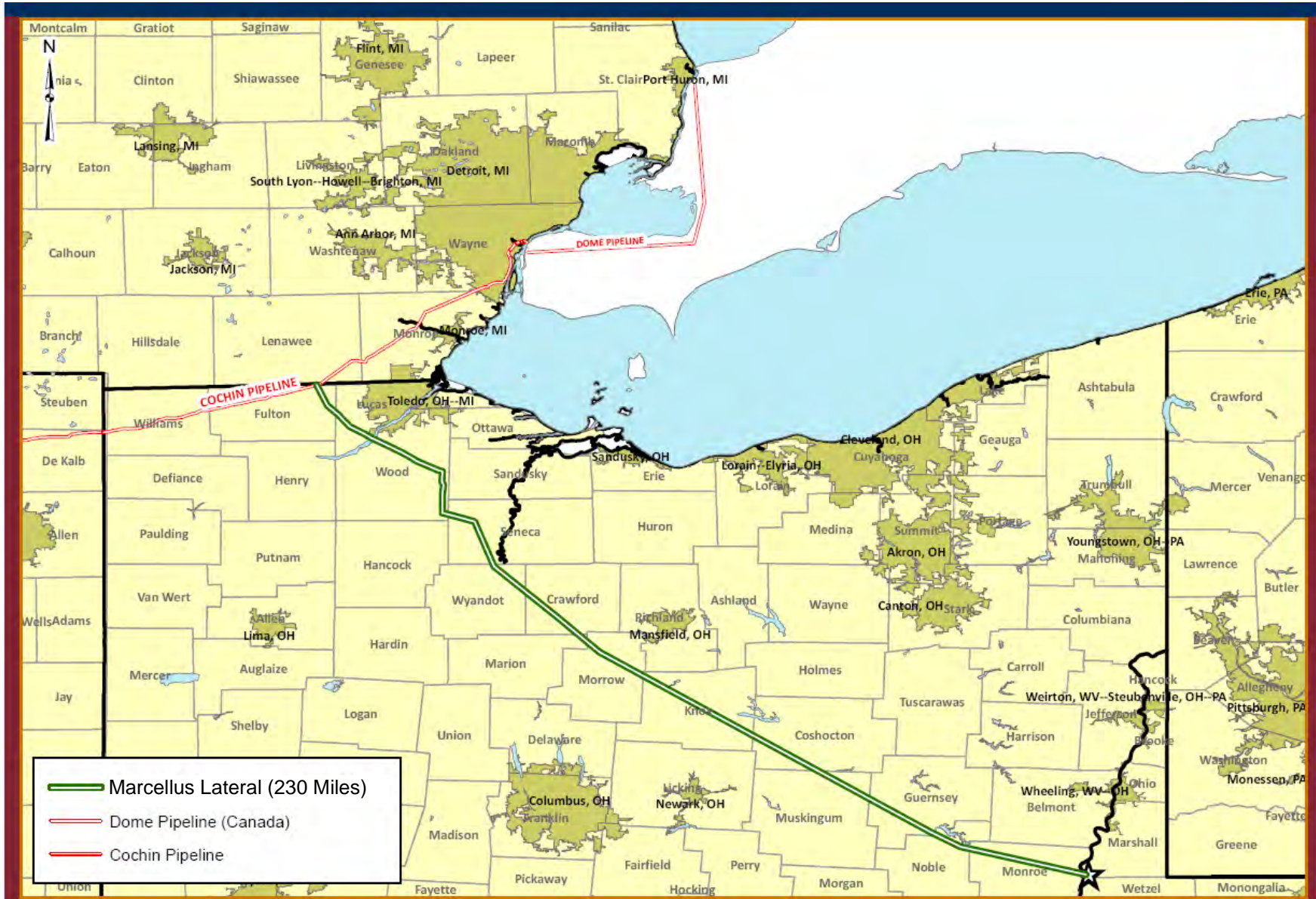
SUBMISSION OF EXECUTED TSAs and INFORMATION REQUESTS

Executed TSAs must be submitted by mail, fax, courier or hand delivery to:

Karen Kabin
Senior Account Manager, Business Development
Kinder Morgan Product Pipelines
500 Dallas Street, Suite 1000
Houston, Texas 77002
Telephone (713) 369-9268
Facsimile (832) 397-4525
Mobile (713) 806-5634
e-mail: Karen_Kabin@KinderMorgan.com

Prospective Premium Shippers are advised to review the Open Season documents carefully, and direct any questions concerning the Open Season, or any requests for information, to Karen Kabin using the contact information shown above.

Attachment 1
PROJECT MAP



Attachment 2

SPECIFICATION SHEET FOR Y-GRADE

Y-Grade (“Product”) Specifications from Marcellus Origin Point

Specification Point	Specifications	Test Method
Carbon Dioxide	≤1,000 ppm by weight	GPA 2165 – latest edition
Methane	1.5 Vol% of the ethane content* or 0.5 Vol% of Total Stream, whichever is less restrictive	GPA 2177 – latest edition
Ethane	≤70 Vol%	
Propylene	≤5 Vol% of propane content	
Butylene	≤1 Vol% of butane content	
Corrosiveness Copper Strip	1-B Color maximum	ASTM D1838
Total Sulfur	≤150 ppm by weight in liquid	ASTM D2784 GPA Std. 2377 (Modified by vaporizing sample)
Hydrogen Sulfide	Zero	GPA Std. 2377 (Modified by vaporizing sample)
The stream shall contain no more than 1 ppm of other contaminants.		
Dryness	No free water	
Color, Saybolt Number, min	+25**	White Cup Test, ASTM D156 (Modified by weathering Sample)
Volatile Residue	375 deg F End Point @ 14.7 psi	ASTM D86
Halides, Fluorides	≤1.0 ppm wt. of NC4 content	
Temperature	≤120°F	If C2 is 50 Mol% or greater the temperature must be 90°F or less. When C2 is less than 50 Mol%, temperature can be higher than 90°F but not greater than 120°F.

*Methane in excess of limits stated herein, as measured at each Shipper’s individual plant stream, shall be considered as a contaminant and Product so contaminated will not be received by Kinder Morgan. If a Product contaminated with methane in excess of the limits set forth herein is received by Kinder Morgan, at Kinder Morgan’s option, Kinder Morgan shall have the right to deduct the methane content in excess of the Specifications from Shipper’s Product delivered to the Origin Points, but Shipper will nevertheless be required to pay tariff on the total volume of methane shipped.

**White Cup Test will be used as an initial check for determining Product color. If Product is other than water clear, Saybolt Test (ASTM D156) will be run on pentanes plus as a final determination of Product color. Kinder Morgan at its option may discontinue Receipt of Products from Shipper if in sole opinion of Kinder Morgan’s representative Product color is off specification based upon White Cup Test. Receipt of Shipper’s Product will be resumed upon its color again meeting Saybolt Plus 25 test (ASTM D156).

Attachment 3

SUMMARY OF PROPOSED TRANSPORTATION TERMS

Commencement of Service	Mid-2012																				
Capacity Available in Open Season (on an annual average basis)	Total Y-Grade Capacity– The Total Firm Commitments received during Open Season, plus 10% reserved for Uncommitted and New Shippers. <u>Premium Shippers</u> – up to 90% of the Total Y-Grade Capacity <u>Uncommitted Shippers</u> – 10% of the Total Y-Grade Capacity																				
Commitment Terms	10-year terms and 15-year terms are available to prospective Premium Shippers.																				
Binding Commitment	Upon execution of the TSAs, Premium Shippers will be committed to ship or pay for capacity pursuant to the terms thereof, notwithstanding any changes to the rates, terms, and conditions required by any state or federal regulators.																				
Minimum Volume Requirement	Premium Shippers: 2,000 bpd for the length of the contract term. Uncommitted Shippers: 10,000 barrels per nomination cycle (month) for fungible Y-Grade shipments.																				
Transportation Rates	<p>Initial Rate will be set using the following rate table based upon firm commitments received during a Binding Open Season</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Total Firm Commitments</th> <th>Initial Rate</th> </tr> </thead> <tbody> <tr> <td>25,000 – 29,999 bpd</td> <td>17 cpg</td> </tr> <tr> <td>30,000 – 34,999 bpd</td> <td>16 cpg</td> </tr> <tr> <td>35,000 – 39,999 bpd</td> <td>15 cpg</td> </tr> <tr> <td>40,000 – 49,999 bpd</td> <td>14 cpg</td> </tr> <tr> <td>50,000 – 64,999 bpd</td> <td>13 cpg</td> </tr> <tr> <td>65,000 – 94,999 bpd</td> <td>12 cpg</td> </tr> <tr> <td>95,000 – 124,999 bpd</td> <td>11 cpg</td> </tr> <tr> <td>125,000 – 149,999 bpd</td> <td>10 cpg</td> </tr> <tr> <td>≥150,000 bpd</td> <td>9 cpg</td> </tr> </tbody> </table> <p>Initial Rate will go into effect upon pipeline completion and shall be adjusted annually per FERC Index methodology as provided in the commission’s regulations</p>	Total Firm Commitments	Initial Rate	25,000 – 29,999 bpd	17 cpg	30,000 – 34,999 bpd	16 cpg	35,000 – 39,999 bpd	15 cpg	40,000 – 49,999 bpd	14 cpg	50,000 – 64,999 bpd	13 cpg	65,000 – 94,999 bpd	12 cpg	95,000 – 124,999 bpd	11 cpg	125,000 – 149,999 bpd	10 cpg	≥150,000 bpd	9 cpg
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125,000 – 149,999 bpd	10 cpg																				
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Prorationing of Premium Shipper Capacity	Premium Shippers will receive firm transportation, not subject to prorationing, except for force majeure events which cause a reduction in total capacity below the capacity which is committed to all Premium Shippers.																				
Prorationing of Uncommitted Shipper Capacity	Uncommitted Shippers will build historical proration rights within the Uncommitted Shipper class of service. New Shippers will be allocated 10% of Uncommitted Shipper capacity, subject to protection of historical Uncommitted Shippers from over-nomination abuses or other gaming behaviors.																				
Future Opportunity for Obtaining Committed Capacity	As the committed capacity under Premium Shipper contracts expires and becomes available in the future, Kinder Morgan may, at its option, hold one or more open seasons in which all interested shippers would be given an opportunity to commit to transport a specified volume of Y-Grade for a specified term at specified rates.																				
Operating Tankage at Origin and Destination	None.																				
Ordinary Deficiency Payments by Premium Shippers	If actual shipments during a given month total less than the product of the volume commitment multiplied by the number of days in such month, the Premium Shipper shall make a payment equal to the deficiency quantity multiplied by the applicable committed rate.																				
Ordinary Deficiency Carry Forward Credits for Premium Shippers	Ordinary deficiency payments shall be treated as prepaid transportation during the Contract Year immediately following the delinquent charge, subject always to there being sufficient available capacity. Prepaid transportation credits will be forfeited at the end of the following Contract Year, whether or not there was sufficient available capacity to permit utilization of credit.																				

Attachment 4

DRAFT TRANSPORTATION SERVICES AGREEMENT (“TSA”)

**TRANSPORTATION SERVICES AGREEMENT
FOR SHIPMENTS ON THE COCHIN PIPELINE
Between**

KINDER MORGAN COCHIN LLC

and

[insert company name]

Dated as of

[insert date]

TRANSPORTATION SERVICES AGREEMENT FOR SHIPMENTS ON THE COCHIN PIPELINE

This Transportation Services Agreement for shipments on the Cochin Pipeline (the “Agreement”) is made and entered into as of the ____ day of _____, 2010 (the “Effective Date”) by and between **KINDER MORGAN COCHIN LLC** a Delaware limited liability company, with offices in the City of Houston in the State of Texas (“Carrier”), and [insert company name] (“Shipper”), a [insert type of entity and state of establishment]. Carrier and Shipper shall be referred to individually in this Agreement as “Party” and collectively as the “Parties.”

WHEREAS, Carrier operates a common carrier petroleum products pipeline system which runs from Fort Saskatchewan, Alberta, Canada, through parts of the United States and Canada to Windsor, Ontario, (Kinder Morgan Cochin ULC is the operator of the Canadian portion, and Kinder Morgan Cochin LLC is the operator of the U.S. portion), referred to herein as the “**Cochin Pipeline**”.

WHEREAS, Carrier proposes to build, own, and operate a new Marcellus Lateral pipeline from an origin point in Monroe County, Ohio (near Clarington, Ohio) to an interconnect point on the Cochin Pipeline in Fulton County, Ohio and to use the existing, Cochin Pipeline between Fulton County, Ohio and Windsor, Ontario for the transportation of de-methanized mixed natural gas liquids (“Y-Grade”, as more fully defined below);

WHEREAS, Carrier conducted a binding open season commencing on [KM to insert date] to determine the level of shipper interest in shipping, and to accept binding commitments to transport Y-Grade from the Marcellus producing region to Windsor, Ontario;

WHEREAS, Carrier proposes to enter into a joint international tariff with Kinder Morgan Cochin ULC in order to provide a single rate for the transportation of Y-Grade from the origin point in Monroe County, Ohio, United States to Windsor, Ontario, Canada;

WHEREAS, Shipper desires to commit to transport a specified volume of Y-Grade on the Cochin Pipeline over a multi-year period, subject to and upon the terms and conditions of this Agreement; and

WHEREAS, in exchange for the commitment by Shipper to transport a specified volume of Y-Grade on the Cochin Pipeline over a multi-year period, Carrier will provide Shipper firm capacity not subject to proration at a rate not to exceed the initial uncommitted tariff rate;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Carrier and Shipper agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions. In this Agreement, including this section, the recitals, definitions and exhibits hereto:

“Barrel” has the meaning given such term in the Rules Tariff.

“Contract Year” means the period beginning on the first day of the month after the Marcellus Lateral is placed in-service or any anniversary thereof and ending 365 days later (366 days later for any such period that includes February 29th).

“Day” means a period of 24 consecutive hours, beginning and ending at 00:00:01, Central time.

“Destination Point” means Windsor, Ontario, Canada.

“FERC” means the Federal Energy Regulatory Commission or any commission, agency or other governmental body succeeding to the powers of such commission.

“Force Majeure Event” or “Force Majeure” means any strike, lockout, or other labor or industrial disturbance; civil disturbance; valid order of any government, court or regulatory body having proper jurisdiction; act of the public enemy or terrorists, war, rebellion, insurrection, riot, sabotage, blockade, or embargo; failure or inability to secure material or labor by reason of priorities or similar regulations or orders of any government or any regulatory body; fire, storm, flood, washout, explosion, landslide, earthquake, lightning, act of God; breakdown or failures of pipe, plant, machinery, or equipment; inability to obtain or the curtailment of electric power, water, or fuel, or any other cause whatsoever, without limitation, by reason of the foregoing examples, beyond the reasonable control of a Party thereby preventing or hindering such Party from carrying out its obligations under this Agreement and which by the exercise of due diligence such Party is unable to prevent or overcome.

“Marcellus Lateral” means the new 12” – 16” pipeline to be built, owned, and operated by Carrier which will originate in Monroe County, Ohio (near Clarington, Ohio) and connect to the existing Cochin Pipeline in Fulton County, Ohio.

“Minimum Annual Volume” means Shipper’s Volume Commitment multiplied by the number of Days in the Contract Year.

“Month” means the period beginning at the first Day of the calendar month and ending at the same hour on the first Day of the next succeeding calendar month.

“NEB” means the National Energy Board of Canada or any commission, agency or other governmental body succeeding to the powers of such commission.

“Origin Point” means the Marcellus Lateral pipeline origin in Monroe County, Ohio, United States.

“Rate Tariff” means the applicable Cochin Pipeline international joint rate tariff for transportation of Y-Grade on file and posted at the FERC and NEB as such tariff may be amended or supplemented from time to time, a copy of which is attached as Exhibit A.

“Rules Tariff” means the applicable Cochin Pipeline rules and regulations tariffs on file and posted at the FERC and NEB as such rules and regulations tariff may be amended or supplemented from time to time. The current Cochin Pipeline Rules Tariffs are filed as FERC No. 44 and NEB No. 121.

“Total Firm Commitments” means the sum of all firm volume commitments received by Carrier on or before [KM to insert date], as represented by the submission and receipt of binding transportation service agreements, in form and substance acceptable to Carrier in its sole discretion, executed by shippers, committing to ship, or otherwise pay to ship, Y-Grade on the Cochin Pipeline from the Origin Point to the Destination Point.

“Volume Commitment” means Shipper’s commitment to ship, or otherwise pay for under the posted Rate Tariff, a minimum throughput of _____ {insert commitment; minimum 2,000} Barrels per day each contract year during the term of this Agreement.

“Y-Grade” means de-methanized mixed natural gas liquids which conform to Cochin’s specifications for Y-Grade as set out in Cochin’s Rate Tariff.

1.2 Interpretation

1.2.1 References to “hereunder”, “herein” and “hereof” refer to the provisions of this Agreement, and references to Articles and Sections herein refer to Articles and Sections of this Agreement.

1.2.2 References to “including” mean “including, without limitation” and “includes” and other derivatives thereof shall have corresponding meanings.

1.2.3 The headings of the Articles, Sections, Exhibits and any other headings, captions or indices herein are inserted for convenience of reference only and shall not be used in any way in construing or interpreting any provision hereof.

1.2.4 Whenever the singular or masculine is used in this Agreement or in the Exhibits, it shall be interpreted as meaning the plural or feminine or body politic or corporate, and vice versa, as the context requires.

1.2.5 Where a term is defined herein, a capitalized or non-capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires.

1.2.6 Words, phrases or expressions which are not defined in this Agreement and which, in the usage or custom of the business of the transportation and distribution or storage of natural gas liquids have an accepted meaning, shall have that meaning.

1.3 Statutory References

Any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto, and all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing the statute so referred to or the regulations made pursuant thereto.

1.4 Exhibits Attached

The following exhibits are attached to and incorporated in this Agreement:
Exhibit A – Draft International Joint Rate Tariff

2. VOLUME COMMITMENT AND DEFICIENCY CHARGE

2.1 Volume Commitment. Shipper guarantees and covenants that each Contract Year it will, in accordance with the provisions of this Agreement, ship, or otherwise pay for the shipment of, _____ {insert commitment; minimum 2,000} Barrels per day on the Cochin Pipeline from the Origin Point to the Destination Point under the current applicable Rate Tariff (“Volume Commitment”). Shipper may not reduce its Volume Commitment once this Agreement is executed by Shipper.

2.2 Deficiency Fee. If the volume of Y-Grade shipped from the Origin Point and delivered to the Destination Point during a Month is less than the Volume Commitment, Shipper agrees to pay Carrier, a Deficiency Fee amount equal to the difference between the Volume Commitment and the volume of Y-Grade shipped multiplied by the current applicable Rate Tariff. Carrier shall submit an invoice for such Deficiency Fee to Shipper within fifteen (15) days after the end of such Month and payment by Shipper of such Deficiency Fee shall be due pursuant to the Cochin Pipeline payment policy, as set out in Carrier’s Rules Tariff.

2.3 Prepaid Transportation. Any Deficiency Fee paid by Shipper pursuant to the provisions of Section 2.2 shall be considered by Carrier as prepaid transportation and shall not bear interest. In the next Contract Year, after the Minimum Annual Volume has been delivered on behalf of Shipper to the Destination Point for such Contract Year, such prepaid transportation shall be credited at the prepaid rate per Barrel to Shipper against Transportation Charges on Y-Grade delivered on behalf of Shipper to the Destination Point.

2.4 Reimbursement Limitations. Upon termination of this Agreement, any prepaid transportation remaining payable to Shipper shall not be reimbursable. Any remaining pre-paid credits at the end the term of this Agreement will automatically expire, unless the Shipper and Carrier enter into another long-term contract, in which case Shipper will be entitled to use those pre-paid credits.

3. TERM

The initial term of this Agreement shall commence on the in-service date of the Marcellus Lateral and shall continue for {insert commitment; 10 or 15} Contract Years (“Initial Term”). The Initial Term shall automatically be extended for five (5) years, unless either Party gives written notice of election not to proceed with the extended term, no later than one hundred eighty (180) days prior to the expiration of the Initial Term.

4. TRANSPORTATION CHARGES

4.1 Tariff Rate. Shipper shall pay Carrier a transportation charge for each Barrel of Y-Grade received by pipeline and transported from the Origin Point to the Destination Point under the terms of this Agreement, at the rate set forth in the posted Rate Tariff on the day of delivery of the Y-Grade. The initial tariff rate (“Initial Rate”) shall be set as outlined in the following table based upon the Total Firm Commitments received. The Initial Rate shall not exceed seventeen (17) cents per gallon.

Total Firm Commitments (in thousands barrels per day)	Initial Rate (U.S. cents per gallon)	Initial Rate (U.S. Dollars per Barrel)
25 – 30	17	\$7.14
30 – 35	16	\$6.72
35 – 40	15	\$6.30
40 – 50	14	\$5.88
50 – 65	13	\$5.46
65 – 95	12	\$5.04
95 – 125	11	\$4.62
125 – 150	10	\$4.20
>150	9	\$3.78

4.2 Rate Adjustments. The transportation charge in the Rate Tariff will be adjusted annually in accordance with the standard FERC methodology for escalating indexed rates for petroleum products pipelines in effect at the time of the escalation. The escalation shall take place annually at the time Carrier escalates its FERC indexed rates. If during the term of this Agreement the FERC indexed rate escalation methodology is discontinued, the rate shall continue to be increased annually as of July 1 using the Producer Price Index for Finished Goods (PPI) published each year. Notwithstanding anything in this Agreement to the contrary, there shall in no event be any downward adjustment of the transportation charges pursuant to this Section 4.2.

5. ADDITIONAL TARIFF PROVISIONS/CREDITWORTHINESS

5.1 Nominations, Measurement and Billing. All rules, regulations, procedures, policies, guidelines, or recommendations which pertain to or govern (a) pipeline nominations for and/or the scheduling of Y-Grade to be tendered and transported by or for the benefit of Shipper under the terms of this Agreement, (b) the sampling, testing, and metering of, or permitted loss allowance for such Y-Grade, and (c) the billing and payment of all such amounts due and owing under the terms of this Agreement, are set forth in the Rate Tariff or Rules Tariff.

5.2 Creditworthiness. Prior to becoming a Shipper, a prospective Shipper must submit to Carrier sufficient financial information to establish credit-worthiness. If, in the sole opinion of Carrier, Shipper is not creditworthy or if Shipper's credit deteriorates, Carrier may require Shipper to prepay tariff related charges or supply a letter of credit from an appropriate financial institution in a form acceptable to Carrier.

6. RECEIPT POINT, STORAGE FACILITIES, AND INTERCONNECTS ON COCHIN PIPELINE.

6.1 Design and Construction. Carrier will work in a commercially reasonable manner in order to design, construct, test, and operate a new 12" – 16" pipeline lateral from an Origin Point in Monroe County, Ohio, to an interconnect point on the Cochin Pipeline in Fulton County, Ohio, and to modify the existing Cochin Pipeline to facilitate Y-Grade shipments from the Origin Point to the Destination Point. Carrier will perform this work in a good, diligent, and workmanlike manner according to the requirements of 49 CFR Part 195 and the then prevailing and generally accepted oil pipeline standards in the industry.

6.2 Storage Facilities. Carrier does not furnish storage facilities or services at Origin Point or Delivery Point.

6.3 Target Completion Date. Subject to all the other provisions in this Agreement, below, Carrier plans to have the origin point completed and ready to receive Y-Grade via pipeline, on or before July 1, 2012; however, the date of completion and the date of commencement of the service are decisions to be made solely by Carrier.

7. CONDITIONS PRECEDENT AND REGULATORY SUPPORT

7.1 Conditions Precedent. Notwithstanding anything in this Agreement to the contrary, subsections 7.1.1 and 7.1.2 set forth conditions precedent to Carrier's commitments and obligations under this Agreement. If either of these conditions is not satisfied to the satisfaction of Carrier in its sole discretion, Carrier shall have the right to terminate this Agreement by written notice to Shipper. If this Agreement is terminated pursuant to this Section 7.1, Carrier and Shipper shall be released from any and all obligations under this Agreement.

7.1.1 Acceptable Commitments. Receipt by Carrier on or before [KM to insert date] of binding agreements, in form and substance acceptable to Carrier in its sole discretion, executed by shippers, committing to ship, or otherwise pay to ship, a minimum aggregate amount of 25,000 barrels per day Y-Grade on the Cochin Pipeline from the Origin Point to the Destination Point.

7.1.2 Government Approvals. Receipt and acceptance by Carrier of all necessary approvals, and authorizations of all governmental authorities to modify and expand the Cochin Pipeline and thereafter operate the Cochin Pipeline to transport Y-Grade, including approval by the FERC and NEB of the rate structure and premium service contemplated herein, and all other approvals and authorizations necessary or, in Carrier's sole opinion, desirable in connection with the provision of Y-Grade transportation, in each case, in form and substance acceptable to Carrier in its sole discretion.

7.1.3 Regulatory Support. Shipper hereby agrees (a) to take all such actions and do all such things as Carrier shall reasonably request in connection with its applications for, and the processing of necessary approvals and authorizations of the FERC, NEB, and other governmental authorities, (b) at all times to support the rate for premium service, including future adjustments to the premium rate permitted in accordance with this Agreement, and (c) not, directly or indirectly, take any action that is designed to or may delay review or approval of the applications to FERC, NEB, or any other governmental authority or indicate a lack of support for the modification of the Cochin Pipeline or the premium rate, including any adjustment as aforesaid.

8. FORCE MAJEURE

8.1 Neither Party shall be liable to the other Party for failure to perform any of its obligations under this Agreement to the extent such performance is hindered, delayed or prevented by Force Majeure. A Party which is unable, in whole or in part, to carry out its obligations under this Agreement due to Force Majeure shall give written notice to that effect as soon as reasonably possible, but in any event within five (5) Days, to the other Party stating the circumstances underlying such Force Majeure. A Party claiming Force Majeure shall use commercially reasonable efforts to remove the cause, condition, event or circumstances of such Force Majeure and shall resume performance of any suspended obligation as soon as reasonably possible after termination of such Force Majeure.

8.2 Notwithstanding anything to the contrary set forth in this Agreement, the following shall not, under any circumstances, constitute an event of Force Majeure: (a) the lack of financial resources, or the inability of a Party to secure funds or make payments as required by this Agreement; (b) availability of more attractive markets for Y-Grade; (c) Shipper's inability to economically receive, transport, and or deliver Y-Grade to, on, or from the Cochin Pipeline under the terms of this Agreement; (d) Carrier's inability to economically receive, transport, and/or redeliver any Y-Grade on Shipper's behalf under the terms of this Agreement; or (e) inefficiencies in operations.

9. COMMON CARRIER PIPELINE.

9.1 It is understood that Cochin Pipeline is operated as a common carrier pipeline and that Shipper's rights as a shipper on the Cochin Pipeline shall be subject to all applicable laws related to common carrier pipelines and the terms and provisions of the Rate Tariff and the Rules Tariff shall generally apply to the transportation services provided under this Agreement.

9.2 To the extent the rate Shipper has agreed to pay a premium rate for transportation of Y-Grade on the Cochin Pipeline, Shipper's nominations of Y-Grade pursuant to this Agreement shall not be reduced if

capacity for Y-Grade shipments is otherwise subject to the prorationing in accordance with the prorationing provisions in Carrier's Rules Tariff.

10. ASSIGNABILITY

This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto, provided, however, that this Agreement and the obligations of the Parties hereunder shall not be assignable by any Party without the prior written consent of the other Party, which shall not be unreasonably withheld, delayed, or conditioned, except that a Party may assign its respective rights, duties, and obligations set forth under this Agreement, without consent, including the performance thereof, in whole or in part to (a) a majority owned or controlled subsidiary, whether direct or indirect, of its ultimate parent entity, (b) the successor of all or of substantially all of its business and assets, or (c) any legal entity that it may merge into or be consolidated with, provided, however, that an assignment to a corporate subsidiary shall not relieve a Party of any of its obligations hereunder which were incurred (or were deemed to have been incurred), whether by contract or operation of applicable law, prior to the effective date of such assignment. This Agreement is not intended to confer any rights or benefits on any persons other than the Parties, it being agreed that all third party beneficiary rights are hereby expressly denied.

11. AUTHORITY OF THE PARTIES

Each Party hereby represents and warrants to the other that, as of the Effective Date:

- (a) It is a legal entity duly organized and validly existing and in good standing under the laws of the respective states set forth in the preamble of this Agreement and has full power and authority to carry on its business as now conducted;
- (b) It has all necessary power and authority to execute and deliver this Agreement and to carry out its obligations hereunder;
- (c) This Agreement constitutes a valid and legally binding obligation of the Party and is enforceable against the Party in accordance with its terms;
- (d) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by the entity or entities legally required to authorize the execution, delivery, and performance of this Agreement and the transactions contemplated hereby; and
- (e) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not conflict with or result in any violation of or default under any provision of the formation or governing documents of the Party or, to the knowledge of the Party, in any violation of or default with respect to any instrument, agreement, permit, franchise, license, judgment, order, decree, statute, law, rule or regulation applicable to the Party.

12. NOTICES

Any notice required or requested to be given hereunder shall be in writing and shall be properly given if delivered in person to the intended recipient, or by United States Postal Service mail, certified or registered, return receipt requested, confirmed overnight courier service, or confirmed facsimile transmission to the Party for whom intended, addressed as follows:

If to Carrier:

Don Lindley
Vice President, Business Development
Kinder Morgan Cochin LLC
500 Dallas Street, Suite 1000
Houston, Texas 77002

If to Shipper:

[Insert Shipper info]

13. GOVERNING LAW AND REGULATIONS

13.1 This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the state of Texas, without regard to its conflict of law provisions that, if applied, might require the application of the laws of another jurisdiction. The Rules Tariff and the Rate Tariff shall be subject to the Interstate Commerce Act, as applied by the Federal Energy Regulatory Commission.

13.2 In the event that any regulatory body having jurisdiction over this Agreement prohibits Carrier from collecting rates, charges or deficiency charges for the service provided hereunder which are at least equal to the rates, charges and deficiency charges provided for in this Agreement, then Carrier shall have the right to terminate this Agreement. Shipper agrees and covenants that it will (a) not protest or file a complaint with any governmental agency or entity, or (b) not file a complaint or pursue any course of litigation in any court, that would challenge or have the effect of challenging the validity of any transportation charge, deficiency charge or any other charge provided for under this Agreement or the Rate Tariff.

14. COUNTERPARTS

This Agreement may be executed electronically or via facsimile in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

15. SAVINGS CLAUSE

If any term, covenant, or condition of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of any such term, covenant, or condition to persons or circumstances other than those as to which it has been held to be invalid or unenforceable, shall not be affected thereby, and, except to the extent of any such invalidity or unenforceability, this Agreement and each term, covenant, and condition of the Agreement shall be valid and shall be enforced to the fullest extent permitted by applicable law.

16. DEFAULT

16.1 If any Party (the “Defaulting Party”)

- (a) fails to pay any amount when due hereunder and does not remedy such default within 30 days after receipt by the Defaulting Party of written notice of such payment default;
- (b) is in default under any of its material obligations under this Agreement, and after written notice is served on the Defaulting Party stating specifically the nature of the default, the Defaulting Party fails to commence to remedy such default within 30 days after receipt by the Defaulting Party of such written notice or having commenced to remedy such default, thereafter fails to proceed diligently to remedy such default; or
- (c) makes an assignment or any general arrangement for the benefit of creditors, files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors or has such petition filed or proceeding commenced against it (however evidenced) which is not removed within 30 days or is unable to pay its debts as they fall due.

(each a “Default”), then this Agreement may, provided the Default is then still continuing, be terminated by the Party not in default (the “Non-Defaulting Party”), by providing written notice of termination to the Defaulting Party without affecting the enforceability of any obligations which arose prior to such termination.

16.2 Rights on Default. The rights of the Non-Defaulting Party specified in this Section are in addition to any other remedies that it may otherwise have with respect to such default under Applicable Law.

17. LIMITATIONS ON LIABILITY

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, EXCEPT TO THE EXTENT INCORPORATED IN THE RATES SET FORTH IN THE RATE TARIFF OR AS OTHERWISE SET FORTH IN THE RULES TARIFF, NEITHER PARTY SHALL BE LIABLE OR RESPONSIBLE TO THE OTHER PARTY HERETO OR SUCH OTHER PARTY’S AFFILIATED ENTITIES FOR ANY CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES, OR FOR LOSS OF PROFITS OR REVENUES (COLLECTIVELY REFERRED TO AS “SPECIAL DAMAGES”) INCURRED BY SUCH PARTY OR ITS AFFILIATED ENTITIES THAT ARISE OUT OF OR RELATE TO THIS AGREEMENT, REGARDLESS OF WHETHER SUCH CLAIM ARISES UNDER OR RESULTS FROM CONTRACT TORT OR STRICT LIABILITY; PROVIDED THAT THE FOREGOING LIMITATION IS NOT INTENDED AND SHALL NOT AFFECT SPECIAL DAMAGES IMPOSED IN FAVOR OF PERSONS THAT ARE NOT PARTIES TO THIS AGREEMENT.

18. INTENTIONALLY DELETED

19. NO WAIVER

No waiver by or on behalf of a Party of any breach of a provision of this Agreement shall be binding upon such Party unless it is expressed in writing and duly executed by such Party or signed by its fully authorized representatives, and such a waiver shall not operate as a waiver of any future breach, whether of a like or different character.

20. ENTIRE AGREEMENT

This Agreement, including any exhibits hereto, constitute the sole and entire Agreement among the Parties with respect to its subject matter and all other matters contained herein, and supersede any and all prior and contemporaneous agreements, understandings, negotiations, or discussions, whether oral or written, and any representation, inducement, promise or agreement with respect to its subject matter that is not embodied herein shall be of no force or effect. This Agreement may only be amended or modified in a writing that references this Agreement and is signed by an officer or other authorized representative of or for both Parties.

THIS AGREEMENT is executed by the Parties hereto on the dates set forth below, but is effective as of the date first written above.

KINDER MORGAN COCHIN LLC

[INSERT SHIPPER NAME]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Attachment 5 (will also be used as "Exhibit A" to TSA)

National Energy Board
Tariff No. XXX

F.E.R.C. No. XX

KINDER MORGAN COCHIN LLC
In Connection with
KINDER MORGAN COCHIN ULC

**INTERNATIONAL JOINT AND PROPORATIONAL UNCOMMITTED AND TERM RATE TARIFF
APPLYING ON REGULAR AND FIRM CAPACITY Y-GRADE TRANSPORTATION**

from
Points in Ohio
to
Delivery Points in Ontario

Governed, except as otherwise provided herein, by Rules and Regulations published by:

Kinder Morgan Cochin LLC's tariff F.E.R.C. No. 44, effective April 1, 2010, supplements thereto or successive reissues thereof, for transportation from Monroe County near Clarington, Ohio to International Boundary near Detroit, Michigan; and

Kinder Morgan Cochin ULC's tariff N.E.B. No. 121, effective April 1, 2010, supplements thereto or successive reissues thereof, on file with the National Energy Board, for transportation from International Boundary near Detroit, Michigan to Windsor Terminal, Ontario; and

The rates listed in Column B in this tariff are applicable to Y-Grade shipped by Premium Shippers under Tariff Item 1 of the Specific Rules and Regulations shown beginning on page 2 hereof.

TABLE OF RATES

Rates in Dollars per Barrel Payable in United States Currency, unless otherwise stated

From	To	Column A Uncommitted Rate	Column B Premium Rate (See Item 1)
Monroe County near Clarington, Ohio	International Boundary near Detroit, Michigan	USD \$7.14/bbl	N/A
International Boundary near Detroit, Michigan	Windsor Terminal, Ontario	CAD \$9.020/m3	N/A
Monroe County near Clarington, Ohio	Windsor Terminal, Ontario	TBD	TBD

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

See Page 2 for exceptions, replacements, and additions to General Rules & Regulations in F.E.R.C. No. 44 and NEB No. 121.

Strikethrough – Cancel Underline – New or Change in Wording [I] Increase [U] Unchanged

ISSUED: TBD

EFFECTIVE: TBD

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**SPECIFIC RULES AND REGULATIONS
APPLICABLE ON TRANSPORTATION OF Y-GRADE**

The following shall apply in place of like numbered rules in F.E.R.C. No. 44 or NEB No. 121.

ITEM 4 SPECIFICATIONS AS TO QUALITY:

The Carrier reserves the right to reject any and all shipments of Y-Grade not conforming to the following specifications:

Specification Point	Specifications	Test Method
Carbon Dioxide	≤1,000 ppm by weight	GPA 2165 – latest edition
Methane	1.5 Vol% of the methane content* or 0.5 Vol% of Total Stream, whichever is less restrictive	GPA 2177 – latest edition
Ethane	≤60 Vol%	
Propylene	≤5 Vol% of propane content	
Butylene	≤1 Vol% of butane content	
Corrosiveness Copper Strip	1-B Color maximum	ASTM D1838
Total Sulfur	≤150 ppm by weight in liquid	ASTM D2784 GPA Std. 2377 (Modified by vaporizing sample)
Hydrogen Sulfide	Zero	GPA Std. 2377 (Modified by vaporizing sample)
The stream shall contain no more than 1 ppm of other contaminants.		
Dryness	No free water	
Color, Saybolt Number, min	+25**	White Cup Test, ASTM D156 (Modified by weathering Sample)
Volatile Residue	375 deg F End Point @ 14.7 psi	ASTM D86
Halides, Fluorides	≤1.0 ppm wt. of NC4 content	
Temperature	≤120°F	If C2 is 50 Mol% or greater the temperature must be 90°F or less. When C2 is less than 50 Mol%, temperature can be higher than 90°F but not greater than 120°F.

*Methane in excess of limits stated herein, as measured at each Shipper's individual plant stream, shall be considered as a contaminant and Product so contaminated will not be received by Kinder Morgan. If a Product contaminated with methane in excess of the limits set forth herein is received by Kinder Morgan, at Kinder Morgan's option, Kinder Morgan shall have the right to deduct the methane content in excess of the Specifications from Shipper's Product delivered to the Origin Points, but Shipper will nevertheless be required to pay tariff on the total volume of methane shipped.

**White Cup Test will be used as an initial check for determining Product color. If Product is other than water clear, Saybolt Test (ASTM D156) will be run on pentanes plus as a final determination of Product color. Kinder Morgan at its option may discontinue Receipt of Products from Shipper if in sole opinion of Kinder Morgan's representative Product color is off specification based upon White Cup Test. Receipt of Shipper's Product will be resumed upon its color again meeting Saybolt Plus 25 test (ASTM D156).

The following shall apply in addition to the rules in F.E.R.C. No. 44.

ITEM 1 DEFINITIONS:

As used in this tariff, the following terms have the following meanings:

- a. "Products" means the Light Hydrocarbon Liquids listed as follows:
 1. Y-Grade (de-methanized mixed natural gas liquids)
- b. "Annual Volume" means the product of the Committed Volume multiplied by the number of days in the relevant year.
- c. "Base Period" is the twelve (12) calendar month period just preceding the Calculation Month, as defined in this Item. Individual months within the Base Period are designated by Nos. 1 through 12, with "Month 1" being the most recent Base Period month and "Month 12" being the oldest Base Period month.
- d. "Base Shipment Percentage" for each Regular Shipper is the total deliveries of Y-Grade on the Carrier's pipeline to be prorated by the Regular Shipper during the Base Period divided by the lesser of (a) 12 or (b) the number of the Base Period month within which the Regular Shipper first delivered Y-Grade on the Carrier's pipeline to be prorated, divided by the total deliveries of all Y-Grade on the Carrier's pipeline during the Base Period.
- e. "Calculation Month" is the calendar month immediately preceding the month for which Capacity is being prorated.
- f. "Cochin Canada Capacity" means the total available capacity of the segment of Carrier's pipeline system between the International Boundary near Detroit, Michigan, and Windsor, Ontario, as modified and expanded, to have an annual average capacity for approximately up to **[to be filled in based on results of Binding Open Season]** barrels per day of timely Y-Grade nominations.
- g. "Cochin Canada Pipeline" means the segment of Carrier's pipeline system between the International Boundary near Detroit, Michigan, and Windsor, Ontario.
- h. "Cochin U.S. Capacity" means the total available capacity of the segment of Carrier's pipeline system between Monroe County near Clarington, Ohio, and the International Boundary near Detroit, Michigan, as modified and expanded, to have an annual average capacity for approximately up to **[to be filled in based on results of Binding Open Season]** barrels per day of timely Y-Grade nominations.
- i. "Cochin U.S. Pipeline" means the segment of Carrier's pipeline system between Monroe County near Clarington, Ohio, and the International Boundary near Detroit, Michigan.
- j. "Committed Volume" means the Volume Commitment or Minimum Volume Commitment as the case may be and as determined in accordance with a Premium Shipper's TSA.
- k. "Deficiency Payment" means payments to be made by a Premium Shipper as determined in accordance with a TSA.
- l. "Excess Canada Capacity" means, for a month, the positive difference resulting from the subtraction of the aggregate nominations for committed volumes from the Cochin Canada Capacity.

- m. “New Shipper” means a Shipper that has not delivered Products on the Pipeline Segment to be prorated within the Base Period. A Shipper that becomes a New Shipper shall remain one for twelve (12) consecutive calendar months.
- n. “Premium Rate” means the rate charged to a Premium Shipper for transportation.
- o. “Premium Shipper” means a Shipper that has committed to transporting or paying for the transportation of certain minimum volumes of Y-Grade for a defined term pursuant to the terms of a TSA entered into with the Carrier.
- p. “Regular Shipper” or “Uncommitted Shipper” means a Shipper that is not a New Shipper or Premium Shipper.
- q. “Services” means the receipt of Y-Grade for a Shipper’s account at a designated Regular Receipt Point and the transportation and delivery of such Y-Grade to a designated Regular Delivery Point.
- r. “TSA” means a Transportation Service Agreement executed by the Carrier and a Premium Shipper pursuant to the Open Season ending on **[to be filled in based on Closure Date of Binding Open Season]**.
- s. “Uncommitted Rate” means the rate charged to a Shipper for transportation of pro-ratable volumes pursuant to the Carrier’s tariff that is not subject to a TSA.
- t. “Uncommitted Volumes” means: (i) volumes of Y-Grade received by Carrier for transportation for a Shipper that is not a Premium Shipper; and (ii) volumes of Y-Grade received by Carrier for transportation for a Premium Shipper in a month that are in excess of the product of such Premium Shipper’s Committed Volume and the number of days in such month as provided for in its TSA.

ITEM 16 APPORTIONMENT WHEN CURRENT OFFERINGS ARE IN EXCESS OF FACILITIES

Cochin U.S. Pipeline Apportionment Policy

When Carrier determines, in its sole discretion, that there has been offered to Carrier, pursuant to properly submitted Notices of Shipment hereunder, more Product than can be immediately transported on the Cochin U.S. Pipeline in a given month, then each Shipper shall be apportioned a share of Cochin U.S. Capacity equal to its pro rata share of the total volume nominated in that month; provided, however, that no Shipper may be apportioned a volume of capacity in the Cochin U.S. Pipeline that exceeds the volume of capacity that such shipper has the right to use in the Cochin Canada Pipeline in the same month.

Cochin Canada Pipeline Apportionment Policy

- a. If, in a month, the aggregate nominations for Service by all Shippers exceed the Cochin Canada Capacity for such month then, as set forth below, Carrier will apportion the Services as outlined in Rule 16(b) below. The method of allocating Service among Shippers is outlined in Rule 16(c) below.
- b. Apportionment of the Services to Uncommitted Volumes will be required in a Month when the aggregate nominations for Uncommitted Volumes exceeds the Excess Canada Capacity. In such Month, Carrier will apportion the Services such that the aggregate Uncommitted Volume is equal to the Excess Canada Capacity.
- c. Where the Services are apportioned among Shippers, capacity will be allocated to:
 - i. nominations for Uncommitted Volumes in the proportion that each such nomination bears to the aggregate nominations for Uncommitted Volumes; and
 - ii. nominations for committed volumes in the proportion that a Premium Shipper’s Committed Volume bears to the aggregate of the committed volumes, provided that;
 - iii. capacity will not be allocated to a Shipper in excess of such Shipper’s nomination.

ITEM 30 DEFICIENCY PAYMENTS

- a. In the event that a Premium Shipper fails to nominate and/or Tender a volume of Y-Grade equal to the Annual Volume, it shall nevertheless pay to the Carrier the Deficiency Payment, which payment shall be equal to the shortfall in the volume nominated and/or Tendered multiplied by the Committed Volume as set forth in the TSA.
- b. Whether or not nominations and Tenders meet Annual Volume requirements will be assessed relative to deliveries.

ITEM 31 MAKE UP RIGHTS

- a. On a space available basis, and without the need for prorating any other Shipper, Premium Shippers who fail to meet their Annual Volume requirements in a Contract Year will be subject to uniform provisions for Premium Shippers with respect to their ability to make up those volumes and their corresponding payment obligations all as set forth in the TSA.
- b. On a space available basis, a Premium Shipper that does not have a need to make up premium volumes will only be allowed to pre-deliver premium volumes to Carrier's facilities in anticipation of a future make-up required, if (i) those barrels are timely identified as premium barrels in the nominating process, and (ii) to the extent that there is excess capacity on Carrier's system without the need for prorating any other Shipper.

ITEM 40 COMPONENT BALANCING

- a. Carrier will transport Product with reasonable diligence considering the quality of the Product, the distance of transportation, and other material elements.
- b. Carrier will deliver a volume of Y-Grade to the Consignee designated by Shipper equal to the Net Volume of Receipts less adjustments provided for herein. The composition of the Y-Grade can vary at origin, and Receipts from all Shippers will be commingled. Due to said commingling, Carrier cannot deliver Y-Grade for a Shipper's account containing Components in the same proportion as contained in Receipts of Y-Grade at the Origin Point.
- c. Carrier will:
 - (1) Notify each Consignee in writing each month of the Net Volume of Y-Grade received from Shipper, less adjustments provided for herein, for Delivery to that Consignee;
 - (2) Notify Shipper in writing within five working days subsequent to the month of Delivery of Net Volume of Y-Grade Delivered during the preceding month to each Consignee designated by Shipper.
 - (3) Notify in writing each Consignee and Shipper the Net Volume of Component imbalances. (A Component imbalance is defined as Net Volume Delivered to Consignee in excess of, or less than, Net Volume received from Shipper for Delivery to that Consignee).
- d. Shipper(s) shall be solely responsible for bringing into balance in a timely manner any accumulated Component imbalances.
- e. Upon furnishing notification as provided in (c) above, Carrier will have fully discharged and satisfied all responsibilities and obligations hereunder.

- f. Each Shipper will be required to furnish his pro rata share of Y-Grade required for line fill. The volume will be based on Carrier's receipts by Shipper to total receipts. New Shippers will be required to deliver a Net Volume of Y-Grade equal to their share of the line fill before any Deliveries to their Consignee(s) will be made.
- g. After satisfaction of line fill requirements, Carrier may at any time after Receipt of consignment of Product tender to the Consignee Y-Grade from the common stream at the Destination Point. At expiration of twenty-four (24) hours after Carrier gives notice of tender to Consignee, Carrier will assess a demurrage charge on all Product, tendered for Delivery and remaining undelivered, at the rate of twenty-one cents (21¢) per barrel for each day of twenty-four (24) hours or fractional part thereof.