

Southern Natural Gas Company, L.L.C.

Rates

Effective June 1, 2017

I. TRANSPORTATION RATES

FT & FTNN Reservation Charges ("RC") (per Dth of Transportation Demand per Month)

	<u>Zone 0</u>	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>
Reservation Charge	\$5.08	\$5.74	\$8.59	\$11.37
2016 Expansion RC				\$13.52

FT & FTNN Transportation Charges (per Dth/day)

<u>Receipt Zone</u>	<u>Delivery Zone</u>			
	<u>Zone 0</u>	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>
Zone 0	3.8¢	4.2¢	5.4¢	6.1¢
Zone 1	3.8¢	2.7¢	4.0¢	4.7¢
Zone 2	3.8¢	2.7¢	3.6¢	4.4¢
Zone 3	3.8¢	2.7¢	3.6¢	3.2¢

FT & FTNN Small Shipper (SS) Charges (per Dth/day)

	<u>Zone 0</u>	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>
Small Shipper Charge	42.6¢	48.4¢	64.2¢	85.3¢

Interruptible Transportation Charges (per Dth/day)

<u>Receipt Zone</u>	<u>Delivery Zone</u>			
	<u>Zone 0</u>	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>
Zone 0	21.3¢	23.9¢	35.0¢	45.2¢
Zone 1	21.3¢	10.4¢	21.5¢	31.8¢
Zone 2	21.3¢	10.4¢	19.1¢	29.4¢
Zone 3	21.3¢	10.4¢	19.1¢	17.9¢

Volumetric Surcharges (per Dth/day):

	<u>All Zones</u>
ACA surcharge	\$0.0013
SCRM surcharge	\$0.0005

Transportation Fuel Retention – FT & FTNN (including Small Shipper firm), & IT

	<u>Zone 0</u>	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>
Fuel Retention	2.38%	2.38%	3.02%	3.50%
Intrazone fuel	2.38%	0.74%	0.74%	0.74%
Backhaul fuel	0.16%	0.16%	0.16%	0.16%

Note: For seamless service using a PIN on EEC, Shippers also pay EEC fuel (North to South = 1.25%; South to North = 0.40%), in addition to the applicable SNG fuel. EEC fuel rates are updated each June.

II. PARK AND LOAN RATES

Max Daily Rate:	\$0.5160/Dth/day
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Please call your Account Manager if you have any questions. Contact information for all Account Managers can be found under the CONTACT US tab on the SNG home page.

III. STORAGE RATES

CSS Monthly Reservation Charges (per Dth per month)

Deliverability Charge	\$1.322 times MDWQ
SS Deliv Charge	\$0.496 times MDWQ
Capacity Charge	\$0.0260 times MSQ

CSS Volumetric Charges (per Dth)

Injection Charge:	0.95¢	Injection Fuel:	1.14%
Withdrawal Charge	0.95¢	Withdrawal Fuel:	1.14%

ISS Charges (per Dth)

Average Daily Balance Charge:	\$0.0783/Dth (based on average daily storage inventory during month)		
Injection Charge:	0.95¢	Injection Fuel:	1.14%
Withdrawal Charge:	0.95¢	Withdrawal Fuel:	1.14%

NOTES:

1. Transportation Charges are calculated based on zone of receipt to zone of delivery based on the Dth delivered per day, whether forward haul or backhaul. Deliveries into CSS or ISS storage are considered a Zone 0 delivery and receipts from CSS or ISS storage are considered a Zone 1 receipt.
2. Small Shipper (SS) Charges are volumetric charges paid on each Dth delivered to the market from any receipt zone in lieu of a Reservation Charge and Transportation Charge. The Small Shipper Charge is not assessed on deliveries to CSS or ISS storage. The ACA surcharge, SCRM surcharge, and fuel apply.
3. ACA surcharge is billed for each Dth delivered per day on an FT, FTNN or IT agreement, except it is not charged on deliveries to CSS or ISS storage or pool locations. ACA is revised annually to be effective October 1.
4. SCRM surcharge is billed for each Dth delivered per day on an FT, FTNN or IT agreement, except it is not charged on deliveries to the Storage PIN or Pool PINs. For Supply Pool Balancing Agreements and FTP agreements, the SCRM surcharge is billed on receipts, except it is not charged on receipts from the Storage PIN or Pool PINs. SCRM is filed annually to be effective January 1.
5. Fuel is retained on transportation to storage at Zone 0 fuel, and on transportation from storage based on the zone of delivery fuel rate minus the zone 0 fuel rate, but not less than 0%. Transportation fuel is filed semi-annually to be effective April 1 and October 1.
6. Storage fuel is collected on net Dth withdrawn and injected each day. Storage fuel is filed annually to be effective April 1.