N **Allocation of Gas Delivered to the City Gate** **Natural Gas**

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N 1. On any given gas day, in the event the total gas supply volumes (therms) to be delivered to any of the
N company's gate stations (i.e., company-owned supply plus supplies nominated by Marketers) cannot be
N utilized by all of the company's customers which are served from that gate station (i.e., total supplies
N exceed anticipated customer demand), the company may allocate available gate station capacity among the
N Marketers seeking to deliver natural gas supplies to that gate station. This allocation may be required for
N system integrity, economics, safety reasons, or other situations at the sole discretion and interpretation of
N the company, when the distribution system, pipeline delivery system, or other gas supply/distribution
N resources dictate.
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N 2. The company shall inform the Marketer(s) of the gate stations and associated pipeline system(s) for which
N the following allocation procedures will be performed.
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N a. The company will determine the daily available Transportation Customer capacity ("Daily Available
N Transportation Customer Capacity") of each gate station for the designated pipeline system(s) by
N subtracting the daily volume the company will transport through the gate station for system gas
N requirements from the estimated daily operational capacity of the gate station.
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N b. Marketers will nominate their transportation requirements in accordance with the Nominations
N Procedure as found on SCHEDULE GT-280.
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N c. If the sum of all Marketer Transportation Service Provider (TSP) Supply Nominations exceeds the
N Daily Available Transportation Customer Capacity, the amount of capacity allocated to each Marketer
N will be equal to the Marketer's TSP Supply Nomination times the ratio of the Daily Available
N Transportation Customer Capacity to the sum of all Marketers' TSP Supply Nominations.
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N d. Marketer TSP Supply Nominations in excess of the allocated amounts will be refused by the company.
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N 3. The company will notify the Marketers as soon as possible of such allocation.