

Millennium Pipeline Company, LLC
FERC NGA Gas Tariff
Millennium Pipeline Tariffs
Proposed Effective Date: November 1, 2019
Non-Conforming/Negotiated Rate Service Agreement No. 142020 – SWN Energy Services Company, LLC
Option Code A

Service Agreement No. 142020
Control No. _____

FT-1 SERVICE AGREEMENT

THIS SERVICE AGREEMENT, is made and entered into this 31st day of October, 2019 by and between MILLENNIUM PIPELINE COMPANY, L.L.C. ("Transporter") and SWN Energy Services Company, LLC ("Shipper").

In consideration of the mutual covenants contained in this Service Agreement, the parties agree as follows:

Section 1. Definitions. Capitalized terms not defined in this Service Agreement have the same meaning given to such terms in Transporter's FERC Gas Tariff.

Section 2. Service to be Rendered. Transporter will perform and Shipper will receive service in accordance with the provisions of the effective Rate Schedule and applicable General Terms and Conditions of Transporter's FERC Gas Tariff, First Revised Volume No. 1 (Tariff), on file with the Federal Energy Regulatory Commission (Commission), as the same may be amended or superseded in accordance with the rules and regulations of the Commission. The maximum obligation of Transporter to deliver gas under this Service Agreement to or for Shipper, the designation of the points of delivery at which Transporter will deliver or cause gas to be delivered to or for Shipper, and the points of receipt at which Shipper will deliver or cause gas to be delivered, are specified in Appendix A, as the same may be amended from time to time by agreement between Shipper and Transporter, or in accordance with the rules and regulations of the Commission. Service under this Service Agreement will be provided subject to the provisions of Part 284 of the Commission's regulations.

Section 3. Term. Service under this Agreement shall commence as of November 1, 2019, and shall continue in full force and effect until May 31, 2023. Pre-granted abandonment shall apply upon termination of this Service Agreement, subject to any right of first refusal Shipper may have under the Commission's regulations and Transporter's Tariff.

☒ Shipper's right to extend this Service Agreement pursuant to Section 7 below,

☐ Shipper's right of first refusal as a long-term shipper paying maximum rates under Transporter's FERC Gas Tariff and FERC regulations,

☒ Shipper's contractual right of first refusal, granted under this Service Agreement, which is equal to the rights of long-term shippers paying maximum rates under Transporter's FERC Gas Tariff and FERC regulations,

☐ None of the above.

Section 4. Rates. Shipper must pay Transporter the charges and furnish Retainage as described in the above-referenced Rate Schedule, unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Service Agreement.

Section 5. Changes in Rates and Terms. Transporter has the unilateral right to file with the FERC or other appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to Rate Schedules FT-1, FT-2, BH-1 and HT-1, (b) the terms or conditions of Rate Schedules FT-1, FT-2, BH-1 and HT-1, or (c) any provisions of the General Terms and Conditions of Service applicable to Rate Schedules FT-1, FT-2, BH-1 and HT-1. Transporter agrees that Shipper may protest or contest any such filings, or seek any authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure that the provisions referred to in (a), (b) or (c) of this Section 5 are just and reasonable.

Section 6. Pledge and Assignment. Any company which succeeds by purchase, merger, or consolidation to the properties, substantially as an entirety, of Shipper, or of Transporter, as the case may be, is entitled to the rights and is subject to the obligations of its predecessor in title under this Service Agreement; and either the Shipper or Transporter may assign or pledge this Service Agreement under the provisions of any mortgage, deed of trust, indenture, bank credit agreement, assignment or similar instrument which they have executed or may execute hereafter. Otherwise, neither Shipper nor Transporter may assign this Service Agreement or any of their rights hereunder unless they first obtain the consent in writing of the other party which consent will not be withheld unreasonably; provided further, however, that neither Shipper nor Transporter may be released from its obligations under this Service Agreement without the consent of the other, which consent will not be withheld unreasonably.

Section 7. Special Provisions.

Check that which applies:

☐ Yes ☒ No Shipper has entered into a Consent Agreement.

☒ Yes ☐ No Shipper may be entitled to extend this Service Agreement upon providing Transporter written notice of its intent to extend and, if applicable, the requested level of capacity for the extension term pursuant to Section 4.1(b)(2) of the General Terms and Conditions of Transporter's FERC Gas Tariff within the period that ends on the date that is twelve (12) months prior to the end of the term, which extension is subject to the following limitations on the rates, level of capacity, and/or contract length applicable to the extension term(s):

At its sole option, Shipper will have the right to renew the term of the Service Agreement, three (3) separate times for periods between five and ten years for each renewal. Such renewals may be for a reduced capacity. Shipper must notify Millennium of its decision to exercise such renewal right at least twelve (12) months before the end of the initial term and any renewal term.

Section 8. Notices. Notices to Transporter under this Agreement should be addressed to it at Millennium Pipeline Company, L.L.C., One Blue Hill Plaza, 7th Floor, P.O. Box 1565, Pearl River,

NY 10965 and notices to Shipper should be addressed to it at SWN Energy Services Company, LLC, 1000 Energy Drive Spring, TX 77389, Attention: Lucy Erwin, until changed by either party by written notice.

Section 9. Superseded Agreements. This Service Agreement supersedes and cancels, as of the first day of the term of this Service Agreement, the following Service Agreements:
Contract 142020 Rev. 4

Section 10. Further Agreement.
Negotiated Rate Letter dated November 1, 2019

Section 11. Voluntary Interruption Commitments. To the extent that Shipper has been awarded a Voluntary Interruption Commitment ("VIC") pursuant to Section 15.6 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter, on Shipper's behalf, shall complete a Voluntary Interruption Commitment Confirmation ("VIC Confirmation") specifying the VIC Quantity, VIC Credit, and other terms consistent with Section 15.6 of the General Terms and Conditions of Transporter's Tariff. Such VIC Confirmation shall become effective and shall be incorporated in and made a part of this Service Agreement, as of the time and date set forth in Section 15.6 of the General Terms and Conditions of Transporter's Tariff. Shipper's rights and Transporter's obligations shall be limited to the extent specified in each VIC Confirmation executed and made a part of this agreement and pursuant to Section 15.6(e)(i) of the General Terms and Conditions of Transporter's Tariff.

SWN ENERGY SERVICES COMPANY, LLC

By: 

Its: Jason Kurtz
VP Marketing & Transportation

Date: 10-30-2019

MILLENNIUM PIPELINE COMPANY, L.L.C.

By: 

Its: Richard R. Gardner
Sr Vice President

Date: 11/1/19

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Revision No. 5
Control No. _____

Appendix A to Service Agreement No. 142020
Under Rate Schedule FT-1
between Millennium Pipeline Company, L.L.C. (Transporter)
and SWN Energy Services Company, LLC (Shipper)

Transportation Demand 50,000 Dth/day
MHRQ (if applicable) _____ Dth
MHDQ (if applicable) _____ Dth
Hourly Delivery Period (if applicable) _____ Hours

Primary Receipt Points

Scheduling Point No.	Scheduling Point Name	Measuring Point No.	Measuring Point Name	Maximum Daily Quantity (Dth/day)	Recurrence Interval
640168	Stagecoach	640168	Stagecoach	50,000	1/1-12/31

Receipts at all points shall not combine to exceed Shipper's MDQ.

Minimum Receipt Point Pressure: _____ 1/

Primary Delivery Points

Scheduling Point No.	Scheduling Point Name	Measuring Point No.	Measuring Point Name	Maximum Daily Delivery Obligation (Dth/day)	Recurrence Interval
633395	Ramapo	633395	Ramapo	50,000	1/1-12/31

Deliveries at all points shall not combine to exceed Shipper's MDQ.

Minimum Delivery Point Pressure: _____ 1/

1/ If a minimum pressure is not specifically stated, then Transporter's obligation shall be as stated in Section 13 (Pressure) of the General Terms and Conditions.

The Master List of Interconnects (MLI) as defined in Section 1 of the General Terms and Conditions of Transporter's FERC Gas Tariff is incorporated into this Service Agreement by reference for the purposes of listing valid secondary receipt points and delivery points.

Service changes pursuant to this Appendix A become effective as of November 1, 2019. This Appendix A cancels and supersedes the previous Appendix A effective as of October 12, 2018 to the Service Agreement referenced above. With the exception of this Appendix A, all other terms and conditions of said Service Agreement remain in full force and effect.

SWN ENERGY SERVICES COMPANY, LLC

By: 

Its: Jason Kurtz
VP, Marketing & Transportation

Date: 10-30-2019

MILLENNIUM PIPELINE COMPANY, L.L.C.

By: 

Its: Richard R. Gardner
Sr Vice President

Date: 11/1/19

Bm



One Blue Hill Plaza, 7th Floor
Post Office Box 1565
Pearl River, NY 10965
845.620.1300 Voice | 845.620.1320 Fax

DATE: November 1, 2019

NAME: **SWN Energy Services Company, LLC**
ADDRESS: 1000 Energy Drive
Spring, TX 77389

Dear Lucy Erwin,

This negotiated rate letter shall serve as an amendment to the FT-1 Service Agreement between SWN Energy Services Company, LLC (Shipper) and Millennium Pipeline Company, L.L.C. (Transporter or Millennium) designated as Transporter's Contract Number: 142020 Revision 5.

Rates and Other Charges: Shipper, aware of the availability of a maximum recourse reservation rate, elects to pay a negotiated reservation rate of \$0.45/dth/day under Rate Schedule FT-1 of Millennium's Tariff, plus all applicable commodity charges, the FERC's annual charge adjustment, and all other surcharges in effect from time to time under Rate Schedule FT-1 of Millennium's Tariff, provided however, that all charges other than the reservation charge may not cumulatively exceed \$.0075/dth/day; provided however, if Millennium is required by law to collect surcharges in excess of \$.0075/dth/day, Millennium will apply a monthly credit equal to the aggregate excess surcharges in the preceding month on Shipper's monthly invoice and any credit provided for hereunder shall be refunded to Shipper within sixty (60) days of the expiration of the Agreement.

Subject to the remainder of this paragraph, the reservation charge specified above is applicable to services during the entire term of the Service Agreement, regardless of any otherwise applicable maximum recourse reservation rate. If at any point during the term of the Service Agreement, Transporter's maximum recourse rate is reduced below that rate set forth above, whether by virtue of a rate case under Section 4 of the Natural Gas Act or an action under Section 5 of the Natural Gas Act, Shipper may elect to convert the Service Agreement to a standard form agreement under Transporter's then-effective tariff at all applicable maximum recourse rates, and all other terms and conditions of the Service Agreement will be replaced as of the effective date of Service Agreement with the terms provided for under the standard form agreement found in Transporter's then-effective Tariff; provided however, that Shipper may not exercise its election hereunder with respect to any reduction of Transporter's maximum recourse reservation rate if Shipper has actively participated (as opposed to merely intervening or responding to discovery request) in the action under Section 5 of the NGA that gave rise to the reduction unless such participation by Shipper occurred after the seventh anniversary of the In-Service Date; provided further that Shipper may not exercise its election hereunder with respect to any reduction of Transporter's maximum recourse reservation rate arising from an action initiated by Shipper under Section 5 of the NGA until after the end of the initial term of the Service Agreement. The foregoing shall not affect Shipper's right to participate in an action under Section 5 of the NGA with respect to Millennium.

Retainage will also be assessed on the receipt volumes tendered for transportation by Shipper as provided for in Transporter's Tariff from time to time. However, at the end of each annual period under the term of the Service Agreement, Transporter will undertake the following calculations:

1. Transporter will calculate the average price for preceding two annual periods of natural gas based on the Gas Daily rate for Dominion South Point gas:

2. Transporter will determine the value of the gas provided by Shipper as retainage under Millennium's Tariff with respect to the Service Agreement by multiplying all retainage provided by Shipper in such two annual periods under the Service Agreement by the average price determined in accordance with paragraph 1 above;
3. Transporter will determine the value of gas that would have been provided by Shipper as retainage under Transporter's Tariff under this Agreement if Transporter's retainage percentage was 2% during such two annual periods and Shipper had transported the volumes of gas that it did under the Service Agreement during such two annual periods by multiplying Shipper's transported volumes during such two annual periods by .02 and further multiplying that product by the price of gas calculated under paragraph 2 above;
4. If the amount so calculated in paragraph 2 above is greater than the amount calculated in paragraph 3 above, then over the subsequent annual period Transporter will apply a monthly credit equal to such excess amount divided by 12 to the reservation charges on Shipper's monthly invoices under the Service Agreement, provided however, that the reduction in the reservation charge provided for in this subsection will never reduce the reservation charge under the Service Agreement below a rate of \$.30/dth/day.
5. Any credit provided for retainage shall be refunded to Shipper at the expiration or conversion of the Service Agreement within sixty (60) days of (A) the expiration or conversion of the Service Agreement or (B) the date on which Shipper's election to be subject to Transporter's maximum recourse rate becomes effective.

Notwithstanding Shipper's payment of the negotiated rates set forth herein, Shipper shall be eligible for any sharing with other shippers in any credits, refunds or other offsets provided under Transporter's Tariff for amounts collected by Transporter for scheduling penalties, imbalance charges, cash-outs and similar charges.

Applicability of Rates to Primary Receipt and Delivery Points:

The rates specified above are applicable to the primary receipt point of Stagecoach, with the right at any time to move all or any portion of that amount to any current and future point east of Stagecoach (collectively, the "East of Stagecoach Points"); provided that any election by Shipper to move to any East of Stagecoach Point following the commencement of transportation services to that point shall be subject to there being sufficient capacity at such point when the change is requested.

The rates specified above are applicable to the primary delivery point of Ramapo.

Applicability of Rates to Secondary Receipt and Delivery Points:

The rates specified above are also applicable to receipts and deliveries at all current in-path secondary receipt and delivery points and the following receipt and delivery points: Receipts (East Pool) and Deliveries (N/A) (each a "Qualifying Secondary Point"). If Shipper uses any points other than a Qualifying Secondary Point, then Shipper shall pay Millennium's applicable maximum tariff rates solely with respect to those volumes that are received at or delivered to a point that is not a Qualifying Secondary Point. In addition, the segmentation of capacity by Shipper shall not result in a change in the rates specified above unless such segmentation results in Shipper's use of points other than its Primary Receipt Points or Qualifying Secondary Points.

Credit Support: For purposes of applying section 3.9(b) of the General Terms and Conditions of the Tariff, if Shipper or a Guarantor is rated by multiple agencies, the higher rating will apply.

If the above meets with your approval, please have this letter executed by an authorized company representative of SWN Energy Services Company, LLC and return to the Transporter by caroline_klara@tcenergy.com.

These terms are effective as of November 1, 2019.

SWN ENERGY SERVICES COMPANY, LLC

By: 

Its: Jason Kurtz
VP, Marketing & Transportation

MILLENNIUM PIPELINE COMPANY, L.L.C.

By: 

Its: Richard R Gardner
Sr Vice President

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