

Millennium Pipeline Company, LLC
FERC NGA Gas Tariff
Millennium Pipeline Tariffs
Proposed Effective Date: September 1, 2019
Non-Conforming/Negotiated Rate Service Agreement No. 217726 Consolidated Edison Company
of New York, Inc.
Option Code A

FT-1 SERVICE AGREEMENT

THIS SERVICE AGREEMENT, is made and entered into this 29th day of Aug, 2019 by and between MILLENNIUM PIPELINE COMPANY, L.L.C. ("Transporter") and Consolidated Edison Company of New York, Inc. ("Shipper" or "Con Edison").

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No. 1 (Tariff), on file with the Federal Energy Regulatory Commission (Commission), as the same may be amended or superseded in accordance with the rules and regulations of the Commission.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 September 1, 2019, and shall continue in full force and effect until March 31, 2034. 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.

X 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,

X 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 18 months, 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 the expiration of the initial term of the TSA, Shipper will have a one-time right to renew the term of the TSA for either an additional 5 year or 10 year period at a rate equal to the rate paid by Shipper at the end of the initial 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 Con Edison, 111 Broadway,

Service changes pursuant to this Appendix A become effective as of September 1, 2019. This Appendix A cancels and supersedes the previous Appendix A effective as of April 1, 2019, 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.

CONSOLIDATED EDISON COMPANY
OF NEW YORK, INC.

By 

Its VP ENERGY MANAGEMENT

Date 8/29/19

MILLENNIUM PIPELINE COMPANY, L.L.C.

By 

Its Sr Vice President

Date 8/29/19

Revision No. 2
Control No. _____

Appendix A to Service Agreement No. 217726
Under Rate Schedule FT-1
between Millennium Pipeline Company, L.L.C. (Transporter)
and Consolidated Edison Company of New York, Inc. (Shipper)

Transportation Demand 10,000 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	10,000	1/1-12/31

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

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
600318	Sloatsburg	600318	Sloatsburg	3,000	1/1-12/31
600324	Greenwood Lake	600324	Greenwood Lake	4,600	1/1-12/31
600323	Warwick	600323	Warwick	1,400	1/1-12/31
642498	Minisink	642498	Minisink	1,000	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.

Suite 1601, New York, New York, 10006, Attention: Joanna Ostrowska, 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: FT-1 217726 Revision 1

Section 10. Further Agreement. Shipper, aware of the availability of a maximum recourse reservation rate, elects to pay a negotiated reservation rate for the initial term of the Service Agreement as set forth in Appendix B.

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.

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. MILLENNIUM PIPELINE COMPANY, L.L.C.

By

Its VP ENERGY MANAGEMENT

Date 8/29/19

By

Its Sr Vice President

Date

8/29/19



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

DATE: 8/29/13

NAME: **Consolidated Edison Company of New York, Inc.**
ADDRESS: **111 Broadway, Suite 1601**
New York, NY 10006

Dear _____,

This letter shall serve as an amendment to the FT-1 Service Agreement between Con Edison (Shipper) and Millennium Pipeline Company, L.L.C. (Transporter or Millennium) designated as Transporter's Contract Number: 217726 Revision 2.

Rates and Other Charges: Shipper, aware of the availability of a maximum recourse reservation rate, elects to pay a negotiated reservation rate for the initial term of the TSA, which shall be equal to \$19.769/Dth/Month or \$0.6499/Dth/Day if Millennium receives its requested rolled-in treatment for the Expansion. In the event the FERC requires Millennium to establish incremental rates for the Expansion, for the initial term of the TSA, Shipper shall pay a negotiated reservation rate equal to the lower of the incremental reservation rate or \$0.68/Dth/Day and \$20.685/Dth/Month.

In addition to the reservation rate set forth above, Shipper will pay 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, as well as the fuel retainage percentage applicable to service on the Eastern System Upgrade Project. The charge(s) specified above are applicable to services during the entire term of the FT-1 Service Agreement, regardless of any otherwise applicable maximum recourse rate under Rate Schedule FT-1. Provided, however, if Millennium ceases to use a straight fixed variable rate design to establish its system recourse rates, then the negotiated reservation rate and commodity charges shall be amended such that Millennium and Shipper shall be placed in the same economic position with respect to the negotiated reservation rate and commodity charges as if Millennium had maintained a straight fixed variable rate design.

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 mainline secondary receipt and delivery points (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.

Right of First Refusal:

At the expiration of the initial term if Shipper does not exercise its renewal right under Section 7 of the FT-1 Service Agreement, or, if a renewal term is exercised, at the end of such renewal term, Shipper will have a contractual right of first refusal under Section 4.1 of Millennium's FERC Gas Tariff. Shipper will continue to have a regulatory right of first refusal under any subsequent contract, to the extent consistent with Millennium's FERC Gas Tariff.

Assurance of Payment Requirements:

- (a) For purposes herein, Shipper will be considered Creditworthy if Shipper: (i) has and continues to maintain a long-term senior, or in the absence of a long-term senior, unsecured debt rating, a local long-term issuer rating, or issuer rating, as applicable, from (a) Moody's Investors Service, Inc. ("Moody's") of Baa3 with stable outlook or higher, and (b) Standard & Poor's Financial Services, LLC ("S&P") of BBB- with stable outlook or higher. Millennium and Shipper may mutually agree to use a rating from another nationally recognized rating agency in the event ratings from Moody's or S&P as contemplated herein are no longer available. If at any time and from time to time during the term of the FT-1 Service Agreement, Millennium determines that Shipper is no longer Creditworthy, then Shipper will provide, or cause to be provided either a guaranty ("Guaranty") or a letter of credit ("Letter of Credit") in accordance with Sections (b) or (c) as applicable.
- (b) Guaranty. If Shipper fails to meet the requirements of Section (a) and Shipper elects to provide a Guaranty to satisfy its obligations, such Guaranty shall be issued by Shipper's parent company or by a third party (a "Guarantor"), provided such Guarantor is Creditworthy and Guarantor remains Creditworthy for so long as it guarantees Shipper's payment obligations. The Guaranty shall: (i) guarantee all payment obligations of Shipper under the FT-1 Service Agreement, (ii) remain in effect until Shipper regains the Creditworthy status, and (iii) be in a form acceptable to Millennium.
- (c) Letter of Credit. If at any time and from time to time during the term of the FT-1 Service Agreement, Shipper or its Guarantor fails to meet the requirements of Section (a) and Shipper elects to provide a Letter of Credit to satisfy its obligations, Shipper shall provide, or cause to be provided, at its sole cost, a standby irrevocable Letter of Credit from a Qualified Financial Institution. For purposes herein, a "Qualified Financial Institution" shall mean a major U.S. commercial bank, or the U.S. branch offices of a foreign bank, which is not the Shipper or Shipper's Guarantor (or a subsidiary or affiliate of the Shipper or Shipper's Guarantor) and which has assets of at least \$10 billion dollars and a credit rating of at least "A-" by S&P and at least "A3" by Moody's. The Letter of Credit shall: (i) remain in effect until the earlier of (A) the end of the term of the FT-1 Service Agreement, or (B) until Shipper is Creditworthy, (ii) be in a form acceptable to Millennium in its reasonable discretion, and (iii) be in an amount as set forth in the next sentence of this Section (c) or the reservation charges for the remaining term of the FT-1 Service Agreement, whichever is less. If Shipper (or Shipper's Guarantor, if applicable) is no longer Creditworthy but its highest long-term senior, unsecured debt rating, or in the absence of a long-term senior, unsecured debt rating, a local long-term issuer rating, or issuer rating, as applicable is not more than one rating lower than the rating required in Section (a), then the Letter of Credit will be in an amount equal to 12 months of reservation charges under the FT-1 Service Agreement. If Shipper (or Shipper's Guarantor, if applicable) is no longer Creditworthy but its highest long-term senior, unsecured debt rating, or in the absence of a long-term senior, unsecured debt rating, a local long-term issuer rating, or issuer rating, as applicable is more than one rating lower than the rating required in Section (a), then the Letter of Credit will be in an amount equal to 24 months of reservation charges under the FT-1 Service Agreement.
- (d) Continuing Obligation. The credit support provided to Millennium in this Section shall continue in effect until full and irrevocable payment of all outstanding balances and charges under the FT-1 Service Agreement have been made.
- (e) Millennium Notification. If at any time during the term of the FT-1 Service Agreement, Millennium determines that Shipper is not satisfying the requirements in this Section, Millennium shall notify Shipper in writing, and Shipper shall satisfy, or cause to be satisfied, such requirement(s) as soon as reasonably practicable, but in no event later than the close of the fifth (5th) business day following receipt of such notice from Millennium. If Shipper elects to provide a Letter of Credit pursuant to Section (c), Millennium will accept from Shipper a cash deposit on or before such fifth (5th) business day until such time as Shipper causes such Letter of Credit to be issued, provided that such Letter of Credit shall be issued no later than the close of the fifteenth (15th) business day.
- (f) Failure to Comply. The failure of Shipper to timely satisfy or maintain the requirements set forth in this Section shall in no way relieve Shipper or Millennium of their respective obligations under the FT-1 Service Agreement, nor shall it affect Millennium's right to seek damages or performance under the FT-1 Service Agreement related to Shipper's failure to timely satisfy or maintain such requirements.

- (g) Term of Credit Provisions and Survival. This Section shall survive and shall remain in effect until all payment obligations through the end of the initial term of the FT-1 Service Agreement, have been satisfied in full. If the FT-1 Service Agreement remains in effect after the end of the initial term, then Shipper shall be responsible for complying with the applicable credit provisions under Millennium's FERC Gas Tariff in effect at such time.

Most Favored Nations:

If during the term of this TSA and the first five (5) years of the TSA, Millennium contracts with any local distribution company serving customers in New York to provide firm year-round transportation service under Rate Schedule FT-1 (other than by capacity release) using the capacity created by the Expansion Facilities from any receipt point west of the Sanford meter (642638) to any delivery point east of the Wagoner meter (640203) at a rate less than the rate set forth above, then provided that Shipper has not released or assigned the capacity under this TSA, Millennium shall offer Shipper the same rate provided to such New York local distribution company for the same quantity and period of time.

These terms are effective as of September 1, 2019 and shall continue in full force and effect until March 31, 2034. 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.

If the above meets with your approval, please have this letter executed by an authorized company and return to the Transporter by email to gardner@millenniumpipeline.com.

These terms are effective as of September 1, 2019

CONSOLIDATED EDISON COMPANY OF NEW
YORK, INC.

By: _____

Its: VP ENERGY MANAGEMENT

MILLENNIUM PIPELINE COMPANY L.L.C.

By: _____

Its: Sr. Vice President