

Columbia Gas Transmission, LLC  
FERC NGA Gas Tariff  
Baseline Tariffs  
Proposed Effective Date: February 19, 2020  
Service Agreement No. 198800 – THQ Marketing, LLC  
Option Code A

FTS SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this 18<sup>th</sup> day of February, 2020, by and between COLUMBIA GAS TRANSMISSION, LLC ("Transporter") and THQ MARKETING, LLC ("Shipper").

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Service to be Rendered. Transporter shall perform and Shipper shall receive service in accordance with the provisions of the effective FTS Rate Schedule and applicable General Terms and Conditions of Transporter's FERC Gas Tariff, Fourth 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No. 1 ("Tariff"), on file with the Federal Energy Regulatory Commission ("Commission"), as the same may be amended or superseded in accordance with the rules and regulations of the Commission.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 hereunder to or for Shipper, the designation of the points of delivery at which Transporter shall deliver or cause gas to be delivered to or for Shipper, and the points of receipt at which Shipper shall 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.

Section 2. Term. Service under this Agreement commenced on March 1, 2019, and shall continue in full force and effect through February 28, 2034 ("Initial Term"). At the end of the Initial Term, Shipper shall have the right to no more than two successive five year extension terms (each an "Extended Term"), each term exercisable no later than twelve (12) months prior to the expiration of the Initial Term and first Extended Term (if applicable), respectively. Any Extended Term must be for a minimum quantity of 150,000 Dth/d and at the same rates and commercial terms contained herein. Provided, however, if Shipper elects to extend at a quantity less than its Initial Term quantity, then such reduced quantity for the first Extended Term shall become the maximum quantity for any second Extended Term. In addition to the rates applicable to Shipper's Extended Term, Shipper shall pay all surcharges applicable to Rate Schedule FTS that are set forth in the Tariff, without exception, as those surcharges may be amended, added or modified from time to time. If Shipper elects to extend its service for two Extended Terms, then Shipper shall have a "Contractual ROFR" pursuant to Section 4.1 of the General Terms and Conditions of Transporter's Tariff. Pre-granted abandonment shall apply upon termination of this Agreement, subject to any right of first refusal Shipper may have under the Commission's regulations and Transporter's Tariff.

Section 3. Rates. Shipper shall pay Transporter the negotiated rates and furnish retainage as set forth in the Negotiated Rate Letter Agreement attached hereto as Exhibit A.

Section 4. Notices. Notices to Transporter under this Agreement shall be addressed to it at 700 Louisiana, Houston, TX 77002, Attention: Transportation Contracts, and notices to Shipper shall be addressed to it at 1320 S. University Drive, Suite 500, Fort Worth, TX 76107, Attention: Appalachian Gas Marketing Division, until changed by either party by written notice.

Section 5. Superseded Agreements. This Service Agreement supersedes and cancels, as of the effective date hereof, the following Service Agreement(s): FTS Service Agreement No. 198800 Revision 1.

Section 6. Credit Annex. The credit requirements appended hereto as Attachment A are incorporated herein by reference with full force and effect and are made a part of this Service Agreement as though restated herein verbatim.

THQ MARKETING, LLC

By

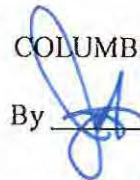
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Title MANAGER - MARKETING

Date 2/18/2020

COLUMBIA GAS TRANSMISSION, LLC

By



Title Director, Supply Team Marketing

Date 2/18/2020

By



Title Jasmin Bertovic  
Vice President

Date \_\_\_\_\_

Legal JR  
Date 2/18/2020

Revision No. 2

Appendix A to Service Agreement No. 198800  
Under Rate Schedule FTS  
between Columbia Gas Transmission, LLC ("Transporter")  
and THQ Marketing, LLC ("Shipper")

Transportation Demand

<u>Begin Date</u>	<u>End Date</u>	<u>Transportation Demand Dth/day</u>	<u>Recurrence Interval</u>
3/1/2019	2/28/2034	250,000	1/1-12/31

Primary Receipt Points

<u>Begin Date</u>	<u>End Date</u>	<u>Scheduling Point</u>	<u>Scheduling Point Name</u>	<u>Measuring Point No.</u>	<u>Measuring Point Name</u>	<u>Maximum Daily Quantity (Dth/day)</u>	<u>Minimum Receipt Pressure Obligation (psig) 1/</u>	<u>Recurrence Interval</u>
2/19/2020	2/28/2034	643205	Fairway Corral	643205	Fairway Corral	100,000		1/1-12/31
2/19/2020	2/28/2034	643131	Interconnect Viking	643131	Interconnect Viking	250,000		1/1-12/31
2/19/2020	2/28/2034	643132	Interconnect	643132	Interconnect	100,000		1/1-12/31

Primary Delivery Points

<u>Begin Date</u>	<u>End Date</u>	<u>Scheduling Point</u>	<u>Scheduling Point Name</u>	<u>Measuring Point No.</u>	<u>Measuring Point Name</u>	<u>Maximum Daily Delivery Obligation (Dth/day) 1/</u>	<u>Design Daily Quantity (Dth/day) 1/</u>	<u>Minimum Delivery Pressure Obligation (psig) 1/</u>	<u>Recurrence Interval</u>
3/1/2019	2/28/2034	P10	TCO Pool	P10	TCO Pool	250,000			1/1-12/31



1/ Application of MDDOs, DDQs and ADQs, minimum pressure and/or hourly flowrate shall be as follows:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The Master List of Interconnects ("MLI") as defined in Section 1 of the General Terms and Conditions of Transporter's Tariff is incorporated herein by reference for purposes of listing valid secondary interruptible receipt points and delivery points.

\_\_\_ Yes X No (Check applicable blank) Transporter and Shipper have mutually agreed to a Regulatory Restructuring Reduction Option pursuant to Section 42 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

X Yes \_\_\_ No (Check applicable blank) Shipper has a contractual right of first refusal equivalent to the right of first refusal, exercisable only at the conclusion of the second Extended Term (if applicable), and in all other respects equivalent to the right of first refusal set forth from time to time in Section 4 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

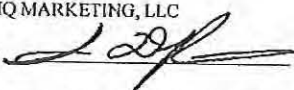
\_\_\_ Yes X No (Check applicable blank) All gas shall be delivered at existing points of interconnection within the MDDOs, ADQs and/or DDQs, as applicable, set forth in Transporter's currently effective Rate Schedule Service Agreement No. Appendix A with Shipper, which are incorporated herein by reference.

\_\_\_ Yes X No (Check applicable blank) This Service Agreement covers interim capacity sold pursuant to the provisions of General Terms and Conditions Section 4. Right of first refusal rights, if any, applicable to this interim capacity are limited as provided for in General Terms and Conditions Section 4.

\_\_\_ Yes X No (Check applicable blank) This Service Agreement covers offsystem capacity sold pursuant to Section 47 of the General Terms and Conditions. Right of first refusal rights, if any, applicable to this offsystem capacity are limited as provided for in General Terms and Conditions Section 47.

THQ MARKETING, LLC

By




Title MANAGER - MARKETING

Date

2/18/2020

COLUMBIA GAS TRANSMISSION, LLC

By



Title

Director, Sharon Tamm Marketing

Date

2/18/2020

By



Title

Jasmin Bertovic  
Vice President

Date

Legal



Date

2/18/2020

Exhibit A to Service Agreement No. 198800

February 13, 2020

THQ Marketing, LLC  
1320 S. University Drive, Suite 500  
Fort Worth, TX 76107  
Attention: Sean DePriest

RE: FTS Service Agreement No. 198800  
Amended and Restated Negotiated Rate Letter Agreement Revision 1

Dear Sean:

This Amended and Restated Negotiated Rate Letter Agreement Revision 1, effective February 19, 2020 between Columbia Gas Transmission, LLC ("Transporter" or "TCO") and THQ Marketing, LLC ("Shipper") shall set forth the applicable rates, calculations thereof, and other rate provisions associated with the transportation service provided by Transporter to Shipper pursuant to the above-referenced FTS Service Agreement. Transporter and Shipper may be referred to individually as a "Party" or collectively as the "Parties".

Shipper and Transporter hereby agree:

1. The "Negotiated Reservation Rates" during the Initial Term and for any Extended Term(s) for the transportation service provided shall be those rates and terms agreed upon as set forth in Attachment A-1 attached hereto.
2. As a result of the operation of the Daily Demand Rate adjustment mechanism set forth in Paragraph 2 of the Negotiated Rate Letter Agreement executed by and between the Parties and dated January 5, 2018, attached hereto as Attachment A-2, the Daily Demand Rate set forth therein is hereby increased \$0.05 ("Daily Demand Rate Increase"). The Daily Demand Rate Increase is included in the Daily Demand Rate set forth in Attachment A-1 attached hereto.
3. Shipper shall have a one-time right, to be exercised no later than six (6) months after the date that Transporter files its statement of costs with the Federal Energy Regulatory Commission pursuant to 18 CFR § 157.20(c)(3) to review Transporter's books and records as reasonably necessary to verify the Project costs used in the calculation of the Daily Demand Rate adjustment mechanism described above.
4. All capitalized terms used but not defined herein shall have the meanings given them in FTS Service Agreement No. 198800.

Exhibit A to Service Agreement No. 198800

5. This Amended and Restated Negotiated Rate Letter Agreement Revision 1 replaces and supersedes the Amended and Restated Negotiated Rate Letter Agreement between the Parties dated November , 2018.

Accepted and agreed to this 18<sup>th</sup> day of February, 2020.

THQ Marketing, LLC

By: [Signature]  
Title: MANAGER - MARKETING  
Date: 2/18/2020

Columbia Gas Transmission, LLC

By: [Signature]  
Title: Director, Short Term Marketing  
Date: 2/18/2020

By: [Signature]  
Title: Jasmin Bertovic  
Vice President  
Date: \_\_\_\_\_

Legal [Signature]  
Date 2/18/2020



Attachment A-1

NEGOTIATED RESERVATION RATES

Primary Receipt Point(s)*	Primary Delivery Point(s)*	Transportation Demand (Dth/day)	Term	Daily Demand Rate**	Daily Commodity Rate	Rate Schedule
Fairway (meter no. 643205)	TCO Pool (meter no. P10)	100,000 Dth/day	2/19/2020 through 2/28/2034	\$0.40	Maximum applicable under Rate Schedule FTS	FTS
Corral Interconnect (meter no. 643131)	TCO Pool (meter no. P10)	250,000 Dth/day	2/19/2020 through 2/28/2034	\$0.40	Maximum applicable under Rate Schedule FTS	FTS
Viking Interconnect (meter no. 643132)	TCO Pool (meter no. P10)	100,000 Dth/day	2/19/2020 through 2/28/2034	\$0.40	Maximum applicable under Rate Schedule FTS	FTS

\* Shipper shall have full secondary receipt and delivery point access, pursuant to the terms and conditions of TCOs FERC Gas Tariff, at no incremental charge. Corral and Viking Interconnect ("Flexible Receipt Points") notwithstanding, Shipper's total delivery rights and capacity and volumes subject to demand rates shall not exceed 250,000 Dth/day.

\*\* In addition, Shipper shall pay all applicable demand and commodity surcharges specified under Rate Schedule FTS, as such may change from time to time, with the exception of the Capital Cost Recovery Mechanism (CCRM) surcharge, which Shipper shall not pay.

\*\*\* The Fairway primary receipt point shall be a mutually agreed upon point of interconnection to Williams' Oak Grove processing facility located west of TCO's proposed Lone Oak compressor station in Marshall County, West Virginia ("Fairway"). Further, TCO at its sole cost and expense, shall install the taps, risers and valves for Shipper's two Flexible Receipt Points; provided, however, that such locations shall be mutually agreeable to TCO, exercising commercially reasonable judgment, including but not limited to consideration of whether the proposed locations are suitable for permitting and construction activities.

For the avoidance of doubt, all receipt point interconnection costs (including the Flexible

Exhibit A to Service Agreement No. 198880

Receipt Points) related to Shipper's service (including, but not limited to, all metering facilities, any laterals or upstream arrangements and or agreements, and any necessary third-party compression required to get into TCO's high pressure pipeline) are the sole responsibility (financially or otherwise) of Shipper.

In addition to the rates above, Shipper shall pay the fuel retention applicable to Rate Schedule FTS, as such may change from time to time.

Nominations directly to the TCO Pool will not incur any fuel retainage, commodity charges, commodity surcharges, or pipeline metering or transfer fees at any time during the term of the Service Agreement.

Attachment A-2

2. Shipper's Daily Demand Rates as set forth in the Negotiated Reservation Rates Table in Attachment 1 hereto shall be adjusted as follows:

Shipper's Daily Demand Rate reflected above shall be adjusted as follows:

To the extent Actual Project Costs (defined below) exceed Estimated Project Costs (defined below), Shipper's Daily Demand Rate shall be multiplied by the Capital Cost Overrun Factor ("CCO Factor"). The CCO Factor shall be equal to  $1 + [(CCO / EPC) \times 50\%]$ . In no event shall the CCO Factor exceed 1.1429.

To the extent Actual Project Costs, as defined below, are less than Estimated Project Costs as defined below, Shipper's Daily Demand Rate shall be multiplied by the Capital Cost Underrun Factor ("CCU Factor"). The CCU Factor shall be equal to  $1 - [(CCU / EPC) \times 50\%]$ . In no event shall the CCU Factor be less than 0.8571.

Any such adjustment to Shipper's Daily Demand Rate shall be effective prospectively beginning as soon as administratively feasible, but no later than the second anniversary date of the Actual In-Service Date and shall remain in effect for the balance of the Initial Term and any Extended Term Service.

"Actual Project Costs" or APC shall mean, subject to any limits on costs as set forth below, all costs and expenses incurred by TCO, including trailing costs up to twelve months subsequent to the Actual In-Service Date, to complete the Project in the manner contemplated by this Precedent Agreement, including but not limited to (a) all costs and expenses incurred for the engineering, design, permitting, construction, pipeline and equipment procurement, installation and start-up of the Project facilities, including all compression costs, (b) all costs and expenses incurred for environmental, right-of-way, legal, consultant, construction management, and regulatory activities, (c) all direct and allocated internal overhead and administrative costs, and (d) an allowance for funds used during construction ("AFUDC") computed in accordance with regulations of the FERC. TCO shall maintain books and records reasonably necessary for Shipper to verify the APC. The Parties acknowledge that TCO's formal books and records that conform with the FERC and accounting policies and guidelines may not match the APC used to determine Shipper's adjusted Daily Demand Rate.

"Capital Cost Overrun" or "CCC" shall be an amount in U.S. dollars equal to the difference between the Actual Project Costs and the Estimated Project Costs, if Actual Project Costs exceed Estimated Project Costs.

"Capital Cost Underrun" or "CCU" shall be an amount in U.S. dollars equal to the difference between the Actual Project Costs and the Estimated Project Costs, if Actual Project Costs are less than Estimated Project Costs.



"Estimated Project Costs" or "EPC" shall mean all costs and expenses that are projected to be incurred by TCO to complete the Project in the manner contemplated by this Agreement, including but not limited to (a) all costs and expenses projected to be incurred for the engineering, design, permitting, construction, pipeline and equipment procurement, installation and start-up of the Project facilities, including all compression costs, (b) all costs and expenses projected to be incurred for environmental, right-of-way, legal, consultant, construction management, and regulatory activities, (c) all direct and allocated internal overhead and administrative costs, (d) AFUDC computed in accordance with the regulations of the FERC, and (e) a contingency amount equal to at least 10% of the total of (a) and (b). For purposes of determining the adjustment to Shipper's Daily Demand Rate pursuant to this provision the Parties agree that the Estimated Project Costs shall be equal to the amount presented to NiSource Inc.'s board of directors ("Board") no later than June 30, 2015. TCO has provided this amount, in sufficient detail by the categories described herein, to Shipper.