

Columbia Gas Transmission, LLC  
FERC NGA Gas Tariff  
Baseline Tariffs  
Proposed Effective Date: August 1, 2020  
Service Agreement No. 173261 – Range Resources - Appalachia, LLC  
Option Code A

Service Agreement No. 173261  
Revision No. 1

## FTS SERVICE AGREEMENT

THIS AGREEMENT is made and entered into this 23 of July, 2020, by and between COLUMBIA GAS TRANSMISSION, LLC ("Transporter") and RANGE RESOURCES - APPALACHIA, 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No. 1 ("Tariff"), on file with the Federal Energy Regulatory Commission ("Commission"), as the same may be amended or superseded in accordance with the rules and regulations of the Commission.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 as of January 1, 2018, and shall continue in full force and effect until December 31, 2032 ("Initial Term"). 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.

At the end of the Initial Term, Shipper shall have the right to extend its Service Agreement for one (1) or two (2) successive five year terms (each an "Extended Term"), exercisable no later than twelve (12) months prior to the expiration of the Initial Term and the first Extended Term, if applicable. Any Extended Term must be for a minimum quantity of 200,000 Dth/day and at the same rates and commercial terms contained herein. Provided, however, if Shipper elects to extend the Initial Term 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 (excluding the Capital Cost Recovery Mechanism charges) 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.

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 Appendix B.


Section 4. Notices. Notices to Transporter under this Agreement shall be addressed to it at 700 Louisiana, Houston, Texas 77002, Attention: Commercial Operations, and notices to Shipper shall be addressed to it at Range Resources – Appalachia, LLC, 3000 Town Center Blvd., Canonsburg, PA 15317, Attention: Curtis Tipton, 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 No. 173261, Revision 0. Furthermore, Transporter and Shipper acknowledge and agree that (a) the act of executing this Service Agreement does not serve to terminate the “Leach Xpress Project Precedent Agreement” between Transporter and Shipper dated February 28, 2014, as amended on April 17, 2015 (“Precedent Agreement”) and (b) this Service Agreement remains subject to such Precedent Agreement until the Precedent Agreement’s termination.

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

RANGE RESOURCES –  
APPALACHIA, LLC


PMH

By 

Title Curtis Tipton, VP Appalachia

Date 7/23/2020

COLUMBIA GAS TRANSMISSION, LLC


DocuSigned by:  
By   
17F6410035B7436...

Title Manager, USNG Contracts

Date July 28, 2020

DS  


COLUMBIA GAS TRANSMISSION, LLC

DocuSigned by:  
By   
A0EF51A630C148B...

Title Director, Trans. Acct. & Contracts

Date July 28, 2020

DS  


Revision No. 1

Appendix A to Service Agreement No. 173261  
Under Rate Schedule FTS  
between Columbia Gas Transmission, LLC (“Transporter”)  
and Range Resources – Appalachia, LLC (“Shipper”)

Transportation Demand

<u>Begin Date</u>	<u>End Date</u>	<u>Transportation Demand Dth/day</u>	<u>Recurrence Interval</u>
January 1, 2018	December 31, 2032	300,000	1/1-12/31

Primary Receipt Points

<u>Begin Date</u>	<u>End Date</u>	<u>Scheduling Point No.</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)</u>	<u>Recurrence Interval</u>
January 1, 2018	July 31, 2020	643106	Majorsville	643106	Majorsville	300,000	1075 1/	1/1-12/31
August 1, 2020	December 31, 2032	643106	Majorsville	643106	Majorsville	50,000	1075 1/	1/1-12/31
August 1, 2020	December 31, 2032	643053	Gibraltar III	643053	Gibraltar III	250,000		1/1-12/31

Primary Delivery Points

<u>Begin Date</u>	<u>End Date</u>	<u>Scheduling Point No.</u>	<u>Scheduling Point Name</u>	<u>Measuring Point No.</u>	<u>Measuring Point Name</u>	<u>Maximum Daily Delivery Obligation (Dth/day)</u>	<u>Design Daily Quantity (Dth/day)</u>	<u>Minimum Delivery Pressure Obligation (psig)</u>	<u>Recurrence Interval</u>
January 1, 2018	December 31, 2032	801	TCO Leach	801	TCO Leach	300,000	2/	2/	1/1-12/31

- 1/ See Attachment B-1, footnote “\*”.
- 2/ Application of MDDOs, DDQs and ADQs, minimum pressure and/or hourly flowrate shall be as follows: N/A

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.

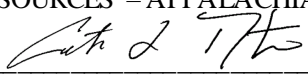
\_\_\_ Yes X No (Check applicable blank) Shipper has a contractual right of first refusal equivalent to the right of first refusal set forth from time to time in Section 4 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

\_\_\_ 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.

RANGE RESOURCES – APPALACHIA, LLC

By  PMH

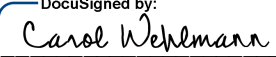
Title Curtis Tipton, VP Appalachia

Date 7/23/2020

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COLUMBIA GAS TRANSMISSION, LLC

DocuSigned by:  
By 

17F6410035B7436  
Title Manager, USNG Contracts

Date July 28, 2020

Appendix B to Service Agreement No. 173261

June 1, 2016

Range Resources - Appalachia, LLC  
3000 Town Center Blvd.  
Canonsburg, PA 15317  
Attention: Curtis Tipton

RE: FTS Service Agreement No. 173261  
Negotiated Rate Letter Agreement

Dear Curtis:

This Negotiated Rate Letter Agreement between Columbia Gas Transmission, LLC ("Transporter" or "TCO") and Range Resources - Appalachia, 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 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" for the transportation service provided shall be those rates and terms agreed upon as set forth in Attachment B-1 hereto, as adjusted pursuant to Paragraph 2, if applicable.
2. Shipper's "Daily Demand Rates" as set forth in Attachment B-1 hereto shall be adjusted as follows:

To the extent Actual Project Costs (as defined below) exceed Estimated Project Costs (as 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 1.0885.

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 .9115.

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 the Precedent Agreement between TCO and Shipper, 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. Notwithstanding the foregoing, TCO shall exclude from the APC all incremental costs (direct, allocated and indirect) related to the Majorsville Booster Compression. 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 "CCO" 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 Transporter to complete the Project in the manner contemplated by the Precedent Agreement between TCO and Shipper, 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 and (d) AFUDC computed in accordance with the regulations of the FERC, and (e) a contingency amount equal to at least 10% of the total EPC. Notwithstanding the foregoing, TCO shall exclude from the EPC all incremental costs (direct, and allocated and indirect) related to the Majorsville Booster Compression. 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 equal \$1,420,000,000, which was presented to and approved by NiSource Inc.'s board of directors for authorization of the Project on August 4, 2014.

Appendix B to Service Agreement No. 173261

"Majorsville Booster Compression" shall mean compression at TCO's proposed Lone Oak compressor station, or other similar required compression as determined by TCO, to enable Shipper to deliver gas at the above-referenced Primary Receipt Point into TCO as part of the Project without requiring Shipper to exceed a maximum pressure of 1075 psig at such Primary Receipt Point for Shipper to effectuate such deliveries into TCO.

Shipper shall have one-time right, exercised no later than thirteen (13) months after the Actual In-Service Date of the Project, to review TCO's books and records as reasonably necessary to verify Project costs for purposes of this provision.

Accepted and agreed to this 1<sup>st</sup> day of June, 2016

Range Resources - Appalachia, LLC

By: 

Title: SENIOR VICE PRESIDENT

Columbia Gas Transmission, LLC

By: 

Title: VICE PRESIDENT



## ATTACHMENT B-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
The Primary Receipt Point will be the new TCO interconnect with the MarkWest Majorsville Plant: Majorsville (meter no. TBD )	Leach (meter no. 801)	300,000 Dth/day	15 years from Actual In-Service Date	\$0.565	maximum applicable	FTS

\* Shipper shall have full secondary receipt and delivery point access, pursuant to the terms and conditions of TCO's FERC Gas Tariff, at no incremental charge. TCO and Shipper may mutually agree to additional Primary Receipt Points to be directly connected to TCO's proposed pipeline route between Majorsville and Clarington; provided, however, that (i) the sum of Shipper's Primary Receipt Point quantities equals Shipper's Transportation Demand quantity reflected above and (ii) Shipper shall be responsible for all costs associated with any new Primary Receipt Points. The Majorsville Primary Receipt Point shall be a TCO-MarkWest mutually agreed upon point of interconnection between the Project and the MarkWest Majorsville processing facility located in Majorsville, West Virginia ("MW Facility"); provided, however, that (a) TCO shall use commercially reasonable efforts to construct the Project's pipeline, including an interconnection riser, to the MW Facility property line for interconnection purposes; (b) the cost of such interconnection and metering facilities, as between TCO and Shipper, shall be borne by Shipper; provided, TCO shall be responsible for the cost and construction of the riser and flange at the interconnection; and (c) TCO shall be obligated to Shipper for the pressure commitment described herein at the Primary Receipt Point. As part of the Project's facilities, TCO shall construct the necessary compression at its Lone Oak compressor station to require Shipper's deliveries at its Majorsville Primary Receipt Point (regardless of the location of such point) into TCO to overcome a prevailing line pressure of no more than 1075 psig.

\*\* 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.

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

**ATTACHMENT B-2**

**Addendum to Negotiated Rate Letter Agreement for  
FTS Service Agreement No. 173261, dated June 1, 2016  
In Docket No. RP18-25 ("Negotiated Rate Letter Agreement")**

Pursuant to this Addendum to the Negotiated Rate Letter Agreement ("Addendum") between Columbia Gas Transmission, LLC ("Transporter" or "TCO") and Range Resources – Appalachia, LLC ("Shipper"), Transporter and Shipper agree as follows:

1. Shipper's one-time audit right in the Negotiated Rate Letter Agreement ("Audit") may be exercised by Shipper no later than by July 31, 2019.
2. Using the Daily Demand Rate adjustment mechanism set forth in the Negotiated Rate Letter Agreement, Transporter unilaterally increased the Daily Demand Rate set forth therein by \$0.05 effective as of January 1, 2018 ("Daily Demand Rate Increase"). Consequently, for the sole purpose of placing a stated rate on file with FERC, the Daily Demand Rate in the Negotiated Rate Letter Agreement, Attachment B-1, is \$0.615 as of January 1, 2018, subject to the outcome and any resolution of the Audit and the terms and conditions of the Negotiated Rate Letter Agreement and this Addendum.
3. Shipper has entered into this Addendum without prejudice or limitation on its right to conduct the Audit and challenge Actual Project Costs, the Daily Demand Rate Increase and its effective date.
4. Instead of Shipper withholding monthly payment to Transporter for the Daily Demand Rate Increase portion of its monthly invoice from Transporter as disputed amounts under GTC Section 10 of Transporter's Tariff since January 1, 2018, Shipper will make payment to Transporter of such disputed amounts, subject to the outcome and any resolution of the Audit. Any such disputed amounts paid by Shipper to Transporter that are subsequently determined should be refunded to Shipper as a result of the Audit and any resolution thereof shall be promptly refunded by Transporter to Shipper with accrued interest calculated in accordance with 18 C.F.R. § 154.501. Transporter and Shipper shall enter into any necessary, amended and restated negotiated rate letter agreement to reflect any revised Daily Demand Rate based on resolution of the Audit.

5. Except as set forth in this Addendum, the terms and provisions of the Negotiated Rate Letter Agreement remain in full force and effect.

Accepted and agreed to this \_\_\_\_ day of  
2018:

Accepted and agreed to this <sup>th</sup>12 day of  
2018:

Columbia Gas Transmission, LLC

By:  EW

Russell A. Mahan

Name: Vice President

Title: \_\_\_\_\_

Range Resources – Appalachia, LLC

By: 

Name: CHAD STEPHENS

Title: SR.V.P. / CORP. DEV.

By:  EW

Name: Jasmin Zerovic

Title: Vice President



**ATTACHMENT B-3**


**Addendum No. 2 to Negotiated Rate Letter Agreement for  
FTS Service Agreement No. 173261, dated June 1, 2016  
In Docket No. RP18-25 ("Negotiated Rate Letter Agreement")**

Pursuant to this Addendum to the Negotiated Rate Letter Agreement ("Addendum") between Columbia Gas Transmission, LLC ("Transporter" or "TCO") and Range Resources – Appalachia, LLC ("Shipper"), Transporter and Shipper agree as follows:

1. Effective August 1, 2020, Transporter and Shipper have mutually agreed to add Gibraltar III (meter no. 643053) as a new Primary Receipt Point. Additionally, Transporter and Shipper have mutually agreed to shift 250,000 Dth/day of Transportation Demand to Gibraltar III (meter no. 643053). Accordingly, the Transportation Demand associated with the Primary Receipt Point at Majorsville – LXP (meter no. 643106) has been reduced to 50,000 Dth/day.
2. Except as set forth in this Addendum No. 2, the terms and provisions of the Negotiated Rate Letter Agreement, including any attachments, shall remain in full force and effect.

Accepted and agreed to this 23 day of  
July, 2020.

RANGE RESOURCES – PMH  
APPALACHIA, LLC

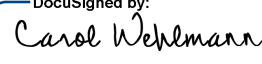
By 

Title Curtis Tipton, VP Appalachia

Date 7/23/2020

Accepted and agreed to this 28 day of  
July, 2020.

COLUMBIA GAS TRANSMISSION,  
LLC

By   
17F6410035B7436...

Title Manager, USNG Contracts

Date July 28, 2020

DS  


COLUMBIA GAS TRANSMISSION,  
LLC

By   
A0EF51A830C148B...

Title Director, Trans. Acct. & Contracts

Date July 28, 2020

DS  
