

July 1, 2019

Ms. Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, DC 20426

Re: Enable Gas Transmission, LLC
Docket No. RP19-<u>1354</u>-000
Filing for Amended Negotiated Rate Agreement

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act<sup>1</sup> and Part 154 of the Regulations of the Federal Energy Regulatory Commission ("Commission" or "FERC"),<sup>2</sup> Enable Gas Transmission, LLC ("EGT") hereby submits for filing as part of its FERC Gas Tariff, Second Revised Volume Negotiated Rates and Non-Conforming Service Agreements ("2<sup>nd</sup> Revised NRNCA"), the following tariff record, to be effective July 1, 2019:

# 2.34, Encana Marketing (USA) Inc. 1011022 (RS FT), Version 11.0.0

## I. Statement of the Nature, the Reasons, and the Basis for the Proposed Changes.

This filing complies with the requirements of the Commission's Natural Gas Pipeline Negotiated Rate Policies and Practices,<sup>3</sup> and with Section 12.3 of the General Terms and Conditions of EGT's FERC Gas Tariff, Ninth Revised Vol. No. 1, ("Tariff") which allows EGT and its shippers to negotiate rates as provided for in the Commission's Policy Statement. EGT submits for filing herein an amended and restated Rate Schedule FT agreement (TSA No. 1011022) with Encana Marketing (USA) Inc. ("Encana").

The original Shipper under TSA No. 1011022 was Newfield Exploration Mid-Continent Inc. ("Newfield"). Earlier this year, Encana purchased 100% of Newfield's stock, and Encana and Newfield submitted a joint petition requesting temporary waivers of Commission regulations and policies and EGT's tariff provisions as necessary for Newfield to assign TSA No. 1011022 to

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<sup>&</sup>lt;sup>1</sup> 15 U.S.C. § 717c (2012).

<sup>&</sup>lt;sup>2</sup> 18 C.F.R. Part 154.

<sup>&</sup>lt;sup>3</sup> Natural Gas Pipeline Negotiated Rate Policies and Practices, 104 FERC ¶61,134 (2003), as modified on rehearing and clarification, 114 FERC ¶61,042 (2006) ("Policy Statement").

Encana.<sup>4</sup> The Commission approved the petition effective March 15, 2019.<sup>5</sup> EGT and Encana entered into amended TSA No. 1011022, effective April 1, 2019, reflecting the substitution of Encana for Newfield as shipper, and Encana's parent, Encana Corporation, for Newfield's parent in the credit support requirements contained in Attachment A to the TSA. On May 7, 2019, EGT filed a tariff record reflecting an amendment to TSA No. 1011022 for Commission approval in Docket No. RP19-1214. On May 22, 2019, the Commission issued a Letter Order in Docket No. RP19-1214 accepting the filing to be effective May 7, 2019. Subsequently, Encana requested an amendment to TSA No. 1011022 to reallocate quantities among certain of its Primary Receipt Points.

EGT is submitting an entire copy of the above-described negotiated rates agreement as provided in Section 12.3 of the General Terms and Conditions of the Tariff for Commission review and inclusion as a tariff record. A clean version is attached as Appendix A. Pursuant to Section 154.201(a) of the Commission's regulations, EGT is attaching, as Appendix B, a marked version of the agreement showing changes from the previously filed version.

EGT hereby confirms that the negotiated rates agreement submitted herein does not deviate in any material aspect from the Rate Schedule FT Form of Service Agreement in the Tariff. EGT requests that the Commission grant EGT any waivers of the Commission's regulations (including the 30-day notice period prescribed in 18 C.F.R. § 154.207) which are necessary to place the attached tariff record into effect July 1, 2019. Additionally, EGT requests all such further relief and waivers as may be appropriate to permit the parties to implement the transaction as contemplated.

# II. Materials Included in this Filing.

In accordance with Section 154.7(a)(1) of the Commission's regulations, EGT submits herewith an eTariff XML filing package containing the transmittal letter and all components of the filing, filed as a zip (compressed) file, as listed below:

Appendix A– Clean version of the above referenced tariff record; and

Appendix B – Marked version of the tariff record referenced above.

<sup>&</sup>lt;sup>4</sup> Encana Marketing (USA) Inc and Newfield Exploration Mid-Continent, Inc., Joint Petition for Temporary Waivers of Capacity Release Regulations and Policies and Related Pipeline Tariff Provisions, FERC Docket No. RP19-665, February 15, 2019.

<sup>&</sup>lt;sup>5</sup> Encana Marketing (USA) Inc., 166 FERC ¶61,185 (2019).

# III. Communications.

EGT requests that all correspondence and communications concerning this filing be sent to each of the following persons and that each be included on the Commission's official service list for this filing:

Lisa Yoho
Senior Director, Regulatory & FERC Compliance
Enable Gas Transmission, LLC
910 Louisiana Street, 48<sup>th</sup> Floor
Houston, TX 77002
(346) 701-2539
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Enable Gas Transmission, LLC
910 Louisiana Street, 48<sup>th</sup> Floor
Houston, TX 77002
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jonathan.christian@enablemidstream.com

# IV. Subscription, Posting and Certification of Service.

In accordance with Sections 385.2005 and 385.2011(c)(5) of the Commission's regulations,<sup>6</sup> the undersigned states that she has read this filing and knows its contents and to her best knowledge and belief, the statements and information contained in the tariff record attached hereto are true and the electronic media accompanying this filing contains the same information as that available for public inspection.

Pursuant to Sections 154.2(d), 154.7(b) and 154.208(b) of the Commission's regulations, a copy of this tariff filing is being sent by electronic mail to each of EGT's customers and interested State Commissions. This tariff filing is also available for public inspection during regular business hours in a convenient form and place at EGT's offices at 910 Louisiana Street, Houston, Texas 77002, and on its website at <a href="http://pipelines.enablemidstream.com">http://pipelines.enablemidstream.com</a>.

If there are any questions concerning this filing, please contact the undersigned at (346) 701-2539.

<sup>&</sup>lt;sup>6</sup> 18 C.F.R. §§ 385.2005, 385.2011(c) (5).

Respectfully submitted,

ENABLE GAS TRANSMISSION, LLC

/s/ Lisa D. Yoho Lisa Yoho Sr. Director, Regulatory & FERC Compliance

Enclosures



# Enable Gas Transmission, LLC

## FERC NGA Gas Tariff

Second Revised Volume Negotiated Rates and Non-Conforming Agreements

Section 2.34, Version 11.0.0

Effective July 1, 2019

Encana Marketing (USA) Inc. 1011022 (RS FT)

Option Code "A"

TSA No.: 1011022

THIS TRANSPORTATION SERVICE AGREEMENT ("Agreement"), between Enable Gas Transmission, LLC, a Delaware limited liability company ("Transporter"), and Shipper (defined below), covering the transportation of natural gas by Transporter on behalf of Shipper as more particularly described herein, is entered into in accordance with the following terms and conditions:

## 1) SHIPPER INFORMATION:

Shipper's Name: Encana Marketing (USA) Inc.

370 17th Street, Suite 1700

Denver, CO 80202 Attn: Lisa Walsh

Email: Lisa.Walsh@Encana.com

Type of Entity: Delaware corporation

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's Internet Web Site.

2) REGULATORY AUTHORITY: Part 284: Subpart G

#### 3) TERM, CONTRACT DEMAND AND POINTS:

The term (including term extensions), Contract Demand, Receipt Entitlement(s), and Receipt and Delivery Points for this Agreement shall be shown below or on any designated Attachment, as applicable. Absent designation of MRO's for any specific physical Point of Receipt, Transporter shall have no obligation to permit Shipper to utilize any such Point of Receipt or to receive any specific quantities on Shipper's behalf at such point.

Term: Effective Date: Originally October 1, 2018, as amended and restated July 1, 2019, subject to

FERC approval

Primary Term End Date: The end of the Day on September 30, 2028

Evergreen/Term Extension? Yes

After Primary Term End Date, Agreement will continue year to year thereafter and until terminated by written notice given by either party to the other party at least one hundred and eighty (180) days prior to the end of the primary term or any

extended term thereafter.

Contract Demand (Dth/D): 205,000

Receipt Entitlement(s) (Dth/D): West 1 Pooling Area 205,000

Primary Receipt Point(s): Maximum Receipt Obligation (Dth/D)
Okarche Aggregate Point (Meter No. 290506) Maximum Receipt Obligation (Dth/D)
145,000 (July 1, 2019 – July 31, 201

Okarche Aggregate Point (Meter No. 290506) 145,000 (July 1, 2019 – July 31, 2019) 160,000 (August 1, 2019 and thereafter)

Markwest Arapaho Plant (Meter No. 810010) 20,000 (July 1, 2019 – July 31, 2019)

5,000 (August 1, 2019 - March 31, 2021) 30,000 (April 1, 2021 and thereafter)

Oneok Westex Summary RE (Meter No. 805222) 30,000 (July 1, 2019 – October 31, 2019)

Markwest Buffalo Crk PI (Meter No. 730040) 10,000 (July 1, 2019 - October 31, 2019)

40,000 (November 1, 2019 – March 31, 2021)

15,000 (April 1, 2021 and thereafter)

Primary Delivery Point(s): Maximum Delivery Obligation (Dth/D)

EGT GLF Cross Bennington (Meter No. 290482) 120,000

CGT PV Core Del (Meter No. 805092) 45,000 (May 7, 2019 – October 31, 2023) TGT PV Core Del (Meter No. 801532) 45,000 (November 1, 2023 and thereafter)

TGT @ Helena, AR TG09303 (Meter No. 801530) 40.000

TSA No.: 1011022 (continued)

RATE: Unless provided otherwise in an Attachment to this Agreement in effect during the term of this Agreement, in a capacity release award, or below, Shipper shall pay, or cause to be paid, to Transporter each month for all services provided hereunder the maximum applicable rate, and any other charges, fees, direct bill amounts, taxes, assessments, or surcharges provided for in Transporter's Tariff, as on file and in effect from time to time, for each service rendered hereunder. If any applicable Attachment or this Agreement provides for a rate other than the maximum applicable rate, the following shall apply:

Shipper agrees to pay the rates specified below or on any designated Attachment for performance of certain gas transportation service under the Agreement. These rates are applicable only in accordance with the following:

- (a) <u>Term, Points and/or Rates</u>: The term of the rates, and the Receipt Point(s) and the Delivery Point(s) eligible for such rates, are specified below.
  - (i) Negotiated Rate.
  - (ii) Description of Rate(s)/Points:

The rate which Transporter shall bill and Shipper shall pay under the Agreement for services up to Contract Demand (as in effect on the Effective Date hereof) shall be achieved by adjusting, if required, Transporter's then-effective applicable maximum Tariff rates to a level which yields a unit rate ("Transmission Allowance"), of \$0.2528 per Dth, when calculated on an assumed 100% load factor basis, based on Shipper's Contract Demand and the average number of Days in the Service Month during a calendar year regardless of the quantity of gas transported. The applicable Maximum Commodity Rate shall be paid for each Dth delivered hereunder. The applicable Transmission Allowance shall not be subject to refund or reduction if it exceeds the applicable maximum Tariff rate. Shipper hereby elects to be billed on a levelized basis to the extent Transporter so determines and such option is available under the Tariff.

As described above, the Transmission Allowance includes a Reservation Charge. Shipper shall pay the Reservation Charge each Month based on the Dth of Contract Demand specified in the Agreement, regardless of the quantity of gas transported during the Service Month. The Reservation Charge (expressed as a unit rate on an assumed 100% load factor basis) will be calculated by subtracting the applicable Maximum Commodity Rate from the applicable Transmission Allowance. Notwithstanding anything to the contrary in this Agreement, if Transporter revises the gas quality specifications contained in Section 4 of the Tariff and: (a) gas tendered by Shipper hereunder meets the gas quality specifications existing as of March 8, 2017; (b) gas tendered by Shipper fails to meet the revised gas quality specifications; and (c) Transporter refuses to accept such gas tendered by Shipper, then Transporter shall credit to Shipper an amount equal to the applicable 100 percent load factor based unit rate Reservation Charge multiplied by the volume of gas which Transporter refuses to accept.

Shipper shall provide or pay and Transporter shall retain or charge system Fuel Use and LUFG allowances or charges (including the EPC surcharge), calculated pursuant to Section 27 of the Tariff and set forth in the Statement of Effective Rates and Charges for Transportation of Gas for Rate Schedule FT service, as revised from time to time.

The Receipt Point(s) eligible for the rates specified herein shall be those listed in Section 3 of the Agreement (as such Agreement provides on the Effective Date of this Agreement) and all other generally available points and Pools, including EGT West Transfer (Meter No. 290644).

The Delivery Point(s) eligible for the rates specified herein shall be those listed in Section 3 of the Agreement (as such Agreement provides on the Effective Date hereof) and all generally available Secondary Delivery Points on Transporter's system, including EGT NGPL Bryan (Meter No. 290483) and EGT/MEP Bennington (Meter No. 302020).

If scheduled maintenance or other operational circumstances adversely affect the availability of primary firm capacity under the Agreement and Transporter notifies Shipper of the availability of non-primary capacity to receive and/or deliver other than at the points specified above, then such optional non-primary points as designated by Transporter shall be deemed eligible for the rates, quantities, and the period specified in the

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notice. Transporter may make such notification via e-mail, in writing or via Internet Web Site posting and the document in which such notice appears shall be deemed to amend this Agreement for the purposes hereof.

(iii) Term of Rate:

Begin Date(s): July 1, 2019

End Date(s): The end of the Day on September 30, 2028.

- (b) Authorized Overrun: Unless Transporter agrees otherwise, the rate for any authorized overrun quantities shall be the greater of the maximum Tariff rate or the rate(s) described above. Forty percent (40%) of the charges for Authorized Overrun service paid by Shipper during the term of this Agreement shall be credited to Shipper on the invoice for the final month of service of the Primary Term of this Agreement ("AOR Credit") as long as, for any given Day in which Authorized Overrun Charges were incurred, all the receipts used on that Day were from the receipt points listed under Section 3 of this Agreement. The AOR Credit shall be first applied as an offset against invoiced charges for service for the final month of service of the Primary Term of this Agreement and will then be applied against any remaining unpaid charges for service under this Agreement. Transporter shall pay to Shipper the AOR Credit remaining, if any, after such application
- (c) General: In consideration for Shipper's continuing compliance with the provisions of the Agreement, the transportation rates and charges as defined above or on any applicable Attachment for the specified services provided under the Agreement only apply to receipts from, and subsequent deliveries to, the Points of Receipt and Delivery, quantities and/or time periods described above or on any applicable Attachment and to reserved capacity necessary to effect such service. In addition to any rate or amount referred to herein (including discounted rates, Negotiated Rates, overrun rates and maximum Tariff rates), except as specifically provided otherwise herein or on any applicable Attachment, Shipper shall provide or pay and Transporter shall retain or charge Fuel Use and LUFG allowances or charges (including the EPC surcharge) in such quantities or amounts as authorized from time to time by the Tariff and shall pay any applicable charges, penalties, surcharges, fees, taxes, assessments and/or direct billed amounts provided for in the Tariff. The rate in any month shall never be below Transporter's applicable minimum Tariff rate, unless Transporter otherwise agrees. Transporter shall not be responsible for the payment and satisfaction of any taxes assessed or levied on the receipt, transmission (and any activities in connection therewith), delivery, use and/or consumption with respect to Gas delivered or received by Shipper, unless Transporter agrees otherwise.

#### (d) Rate-Related Provisions:

- (i) Consideration for Rate Granted: Transporter agrees to the rates specified herein or on any applicable Attachment in exchange for Shipper's agreement to forego credits or other benefits to which Shipper would otherwise be entitled, but only to the extent such credits or benefits would result in a greater economic benefit over the applicable term than that represented by the agreed-upon rate. Accordingly, unless Transporter otherwise agrees, Shipper will not receive credits (with the exception of (1) penalty revenue credits provided pursuant to Section 31 of the General Terms and Conditions of Transporter's Tariff, and (2) capacity release credits; and (3) reservation charge credits in accordance with Section 18, GT&C, of the Tariff) from rates, refunds or other revenues collected by Transporter or Shipper if to do so would effectively result in a lower rate or greater economic benefit to Shipper; provided, however, that Transporter and Shipper can agree pursuant to Section 19.8 of the General Terms and Conditions of Transporter's Tariff that Transporter will retain some or all of the capacity release credits to the extent those credits exceed the amount of the Shipper's invoiced demand component. If the parties' agreement to the foregoing is determined invalid or if Shipper seeks to obtain credits or benefits inconsistent therewith, unless Transporter otherwise agrees, it will have the right to immediately terminate or modify any provisions herein or on any applicable Attachment that would allow Shipper to pay amounts less than the maximum applicable Tariff rate.
- (ii) <u>Limitation on Agreed Upon Rate</u>: Unless Transporter agrees otherwise, if at any time receipts and/or deliveries are initially sourced into the system, nominated, scheduled and/or made, by any means, including by temporary Replacement Shipper, or by operation of any Tariff mechanisms, with respect to the capacity obtained by, through or under the Agreement at points, or under conditions, other than

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those specified herein or on any applicable Attachment, then as of such date, and for the remainder of the Service Month in which such non-compliance occurred, or the remainder of the term of the Agreement, whichever is shorter, Shipper shall be obligated to pay no less than the maximum applicable Tariff rates for service under the Agreement.

- (iii) Regulatory Authority: This Agreement (including any applicable Attachment) is subject to Section 16 of the GT&C of Transporter's Tariff. Transporter and Shipper hereby acknowledge that this Agreement is subject to all valid and applicable federal and local laws and to the orders, rules and regulations of any duly constituted federal or local regulatory body or governmental authority having jurisdiction. Any provision of this Agreement which is determined by any court or regulatory body having jurisdiction to be invalid or unenforceable will be ineffective to the extent of such determination only, without invalidating, or otherwise affecting the validity of, the remaining provisions. Unless the parties agree otherwise, if Transporter has made a good faith determination that a federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction (1) requires performance by Transporter that is inconsistent with the terms specified herein or on any applicable Attachment or (2) conditions or prohibits the granting of selective discounts or other rates specified herein or on any applicable Attachment, then Transporter may provide notice that it intends to renegotiate the rates under the Agreement. If the parties fail to reach agreement within forty-five (45) days of any renegotiation notice given pursuant to the terms of this paragraph, then: (1) the rate provisions herein or on any applicable Attachment shall be terminated, and the rate for service herein or under any applicable Attachment shall be Transporter's applicable maximum Tariff rate, or (2) if Transporter's applicable maximum Tariff rate is greater than the rate for service herein or on any applicable Attachment, at the Shipper's option, the Agreement and any applicable Attachment shall terminate. The effective date of this renegotiation or termination shall be the first day of the month following the end of the 45-day renegotiation period; provided, however, that the effective date will comply with the requirements of the applicable federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction.
- (iv) Entire Agreement: Any applicable Attachment shall supplement the Agreement with respect to the matters agreed to, and together shall constitute the entire understanding of the parties relating to said matters as of the effective date stated therein. Unless otherwise specified, all prior agreements, correspondence, understandings and representations are hereby superseded and replaced by any applicable Attachment and the Agreement. Except as otherwise provided herein, all terms used herein with initial capital letters are so used with the respective meanings ascribed to them in Transporter's Tariff.
- (v) <u>Failure to Exercise Rights:</u> Failure to exercise any right under any Attachment, if applicable, or the Agreement shall not be considered a waiver of such right in the future. No waiver of any default in the performance of any applicable Attachment or the Agreement shall be construed as a waiver of any other existing or future default, whether of a like or different character.
- (e) <u>Inability to Collect Negotiated Rates</u>: If Transporter is unable to collect Negotiated Rates due to a change in Commission policy or rejection of the transaction by the Commission prior to or during the term of such transaction, then, unless the parties agree otherwise, Shipper shall pay the maximum Tariff rate for the services. In such event, Transporter shall notify Shipper in writing of the requirement to pay maximum Tariff rates and, if the maximum Tariff rates are greater than the Negotiated Rates under such transaction, Shipper shall have no more than thirty (30) days from the date of such notification to give notice in writing of termination of the applicable Agreement, with such termination to be effective no earlier than the end of the Month following the Month in which such termination notice is received.

(continued)

## 5) OTHER PROVISIONS:

- Payments shall be received by Transporter within the time prescribed by Section 14 of the GT&C of Transporter's Tariff. Amounts past due hereunder shall bear interest as provided in Section 14 of the GT&C of the Tariff. Shipper shall pay all costs associated with the collection of such past due amounts including, but not limited to, attorneys' fees and court costs. Shipper hereby represents and warrants that the party executing this Agreement on its behalf is duly authorized and possesses all necessary corporate or other authority required to legally bind Shipper.
- 5.2) Do the parties agree that the provisions of Section 13.4 of the GT&C of Transporter's Tariff shall apply with respect to third-party transportation? No
- 5.3) Does this Agreement supersede, cancel, amend, restate, substitute or correct pre-existing Transportation Service Agreement(s) between the parties? Yes Effective July 1, 2019, this Agreement amends and restates Transportation Service Agreement No. 1011022, originally effective October 1, 2018, as subsequently amended, restated and/or superseded prior to or as of the effective date hereof, assigned by Newfield Exploration Mid-Continent Inc., the original Shipper hereunder, to Encana Marketing (USA) Inc. pursuant to waivers granted by the Federal Energy Regulatory Commission in Docket No. RP19-665.
- 5.4) Is this Agreement entered into pursuant to and subject to CAPACITY RELEASE, Section 19 of the GT&C of Transporter's Tariff? No
- 5.5) Does this Agreement include any other terms/provisions permitted by the Tariff? Yes In accordance with Section 21.1 of the GT&C of the Tariff, the parties hereby agree that Shipper shall have a contractual "right of first refusal" ("ROFR") which will provide to it the same rights and obligations regarding extending service under the Agreement as to reserved capacity on Transporter's system beyond the termination or expiration date as would be available to Shippers eligible to invoke the provisions of Section 21 of the GT&C of the Tariff, as on file and in effect from time to time.
- 5.6) This Agreement is subject to the collateral or credit provisions as follows or set forth on Attachment A hereto.
- 5.7) As permitted by the applicable Form of Service Agreement in Transporter's Tariff, this Agreement contains two signature pages to facilitate execution in counterparts. Taken together, the counterparts will be considered one original.
- All modifications, amendments or supplements to the terms and provisions hereof shall be effected only by supplementary written (or electronic, to the extent Transporter permits or requires) consent of the parties.

TSA No.: 1011022 (continued)

7) **SIGNATURE:** This Agreement constitutes a contract with Transporter for the transportation of natural gas, subject to the terms and conditions hereof, the General Terms and Conditions attached hereto, and any applicable attachment(s), all of which are incorporated herein by reference and made part of this Agreement.

ENABLE GAS TRANSMISSION, LLC		ENCANA MARKETING (USA) INC.	
Ву:		BV: Ha LWash	
Name:	Rodney J. Sailor	Name: USA WAISA	
Title:	President & Chief Executive Officer	Title: Director of GAS metg.	
Date: _		Date: 6/27/19	

## AMENDED AND RESTATED FIRM (RATE SCHEDULE FT) TRANSPORTATION SERVICE AGREEMENT TSA No.: 1011022 (continued)

7) SIGNATURE: This Agreement constitutes a contract with Transporter for the transportation of natural gas, subject to the terms and conditions hereof, the General Terms and Conditions attached hereto, and any applicable attachment(s), all of which are incorporated herein by reference and made part of this Agreement.

	ENABLE GAS TRANSMISSION, LLC	ENCANA MARKETING (USA) INC.
C5/4-	By: Sen Ja	By:
OB.	Name: Rodney J. Sallor Title: President & Chief Executive Officer	Name:
78	Date:	Date:
YF		

#### **GENERAL TERMS AND CONDITIONS**

- 1. This Agreement shall be subject to the provisions of Rate Schedule FT as well as the General Terms and Conditions ("GT&C") set forth in Transporter's Tariff, as on file and in effect from time to time, all of which by this reference are made a part hereof.
- 2. In accordance with Section 12.2 of the GT&C of Transporter's Tariff, Transporter shall have the right at any time, and from time to time, to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, and as set forth in said Rate Schedule and in said GT&C of Transporter's Tariff, in accordance with the Natural Gas Act or other applicable law. Nothing contained in the foregoing provision shall preclude or prevent Shipper from protesting any such changes or modifications; however, Shipper agrees to pay all rates and charges, and to comply with all terms and conditions, in effect under the Tariff.
- 3. Upon Shipper's failure to pay when due all or any part of amounts billed in connection with services rendered or to comply with the terms of this Agreement, Transporter may terminate this Agreement and/or suspend service, as appropriate, in accordance with the provisions of Section 14 of the GT&C of Transporter's Tariff.
- 4. In accordance with Section 21.1 of the GT&C of Transporter's Tariff, upon termination hereof for whatever reason, Shipper agrees to stop delivering gas to Transporter for service and, unless otherwise agreed by Transporter, to seek no further service from Transporter hereunder. Shipper agrees to cooperate with and assist Transporter in obtaining such regulatory approvals and authorizations, if any, as are necessary or appropriate in view of such termination and abandonment of service hereunder.
- 5. In accordance with Section 5.7(e) of the GT&C of Transporter's Tariff, termination of this Agreement shall not relieve either party of any obligation that might otherwise exist to cash-out or correct any Imbalance hereunder nor relieve Shipper of its obligation to pay any monies due hereunder to Transporter and any portions of this Agreement necessary to accomplish such purposes shall be deemed to survive for the time and to the extent required.
- 6. In accordance with Sections 2.1 and 2.2 of Rate Schedule FT of Transporter's Tariff, subject to the provisions of the Tariff and this Agreement, Transporter shall receive, transport, and deliver, for the account of Shipper for the purposes contemplated herein, on a firm basis a quantity of Gas up to the quantity or quantities specified in the Agreement.
- 7. In accordance with Sections 2.1 and 3.3 of Rate Schedule FT of Transporter's Tariff, Gas shall be (i) tendered to Transporter for transportation hereunder at the Point(s) of Receipt and (ii) delivered by Transporter after transportation to Shipper, or for Shipper's account, at the Point(s) of Delivery on the terms and at the points shown in this Agreement. Subject to the provisions of the Tariff, Transporter shall tender for delivery quantities of Gas thermally-equivalent to those delivered by Shipper, less, as applicable, Fuel Use and LUFG, or Alternate Fuel Retentions, retained.
- 8. Except as otherwise permitted in the Tariff, and in accordance with Section 19 of the GT&C of Transporter's Tariff, this Agreement shall not be assigned by Shipper in whole or in part, nor shall Shipper agree to provide services to others by use of any capacity contracted for under the Agreement, without Transporter's prior written consent. In addition to all other rights and remedies, Transporter may terminate the Agreement immediately if it is assigned by Shipper or if Shipper subcontracts the capacity to others contrary to the provisions hereof, whether the assignment or contract be voluntary, or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives. Shipper may request that Transporter consent to Shipper's assignment of this Agreement to an entity with which Shipper is affiliated subject to the assignee's satisfaction of the criteria in Section 14 of the GT&C of Transporter's Tariff, in the situation in which, after Shipper obtains the Agreement, a corporate reorganization results in a transfer to an affiliate of the function for which the capacity was obtained. Any person which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of either party hereto, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement; and either party may assign or pledge this Agreement under the provisions of any mortgage, deed of trust, indenture, bank credit agreement, assignment or similar instrument which it has executed or may execute hereafter.
- 9. Any notice, statement, or bill provided for in this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand delivered, or, if received, when mailed by United States mail, postage prepaid, to the addresses specified herein, or such other addresses as either party shall designate by written notice to the other. Additionally, notices shall be considered as having been given, if received, when sent via facsimile or through electronic data interchange.

ATTACHMENT A

Shipper's Credit Support Obligation. Shipper shall maintain creditworthiness consistent with the terms of this Attachment A throughout the term of this Transportation Service Agreement. Shipper must demonstrate creditworthiness as provided in this Attachment A or shall undertake other actions as provided below to provide required credit support.

#### 1. Credit Support

(a) Definitions. The following definitions will apply to this Attachment A:

"Adequate Assurance of Performance" means sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to EGT, including, but not limited to a cash security deposit or a standby irrevocable letter of credit.

"Creditworthy" or "Creditworthiness" means maintaining a Minimum Credit Rating or, in the alternative, notwithstanding the failure to meet or maintain a Minimum Credit Rating, if EGT determines that the financial position of Shipper or its Guarantor is and remains reasonably acceptable to EGT, as determined in accordance with the criteria set forth in Section 2 of this Attachment A, during the term of this Agreement.

"Guarantor" means Encana Corporation.

"Minimum Credit Rating" means a long-term senior unsecured debt rating from either (1) Moody's or an applicable successor agency of Baa3 or higher, or (2) S&P or an applicable successor agency of BBB- or higher.

"Moody's" means Moody's Investors Service, Inc. or any successor thereto.

"S&P" means Standard & Poor's Financial Services LLC or any successor thereto.

- (b) If Shipper is not Creditworthy, Shipper's Guarantor must provide a guaranty in a form acceptable to Enable upon the Effective Date in the amount of \$116.65 million, provided, if Shipper later becomes Creditworthy, any guaranty provided hereunder shall terminate immediately and have no further force or effect and Transporter shall return such guaranty to Guarantor; provided further that, if Shipper fails to maintain Creditworthiness, the guaranty provided for hereunder shall be reinstated immediately. This maximum guarantee amount shall be adjusted downward as necessary such that at any time the maximum guarantee amount shall not exceed the total demand charges remaining under the primary term and any extension term of this Agreement.
- (c) Adequate Assurance. If Guarantor, beginning on the Effective Date, at any time fails to maintain Creditworthiness, EGT may demand Adequate Assurance of Performance in an amount equal to the lesser of: (i) \$36,529,565.00; or (ii) all of the reservation charges that will be payable during the remaining term of this Agreement. If Transporter demands Adequate Assurance of Performance, Shipper shall provide Adequate Assurance of Performance within five (5) business days after receipt of a written demand from Transporter.
- (d) Default. If Shipper fails to provide Adequate Assurance of Performance as and when due at any time after the commencement of service under this Agreement, Transporter shall have the right, at its sole election, to terminate or suspend this Agreement in accordance with the provisions of Transporter's FERC Gas Tariff in addition to any other remedies Transporter may have under this Transportation Service Agreement, Transporter's FERC Gas Tariff, at law or in equity.
- (e) Security Interest. Shipper hereby grants to Transporter a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Shipper to Transporter. Upon the return by Transporter to Shipper of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.
- (f) Return of Adequate Assurance. If Shipper provides Adequate Assurance of Performance, and if Shipper or Guarantor subsequently achieves Creditworthiness, then Shipper will no longer be required to provide Adequate Assurance of Performance for so long as Guarantor maintains Creditworthiness. In such event, if Shipper has provided Adequate Assurance of Performance in the form of cash, Transporter shall return such Adequate Assurance of Performance to Shipper within five (5) business days after receipt of a written demand from Shipper.
- (g) Transporter Tariff Obligation. This Attachment A shall be in addition to, and not in lieu of, any requirements under Transporter's FERC Gas Tariff.

ATTACHMENT A (continued)

## 2. Determination of Reasonably Acceptable Financial Position

The financial position of Shipper shall be deemed to be reasonably acceptable to Transporter as long as each of the following criteria is satisfied with respect to Encana Marketing (USA) Inc., a Delaware corporation and Shipper's ultimate parent company ("Parent"), as of such time:

- (a) Parent shall have provided and maintained a guaranty in a form acceptable to Transporter in the amount set forth in Section 1 (b) of this Attachment A.
- (b) Parent shall maintain a long-term senior unsecured debt rating from either (1) Moody's Investors Services, Inc. or an applicable successor agency of Ba3 or higher, or (2) Standard & Poor's Financial Services, LLC or any applicable successor agency of BB- or higher.

#### Governing Law

GOVERNING LAW, JURISDICTION AND VENUE: THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. BOTH PARTIES HEREBY IRREVOCABLY CONSENT TO THE PERSONAL JURISDICTION AND VENUE IN THE STATE AND FEDERAL COURTS OF HARRIS COUNTY, TEXAS.



# Enable Gas Transmission, LLC

## FERC NGA Gas Tariff

Second Revised Volume Negotiated Rates and Non-Conforming Agreements

Section 2.34, Version <u>1011</u>.0.0

Effective May 7 July 1, 2019

Encana Marketing (USA) Inc. 1011022 (RS FT)

Option Code "A"

# TSA No.: 1011022

THIS TRANSPORTATION SERVICE AGREEMENT ("Agreement"), between Enable Gas Transmission, LLC, a Delaware limited liability company ("Transporter"), and Shipper (defined below), covering the transportation of natural gas by Transporter on behalf of Shipper as more particularly described herein, is entered into in accordance with the following terms and conditions:

(continued)

#### 1) SHIPPER INFORMATION:

Shipper's Name: Encana Marketing (USA) Inc.

370 17th Street, Suite 1700

Denver, CO 80202 Attn: Lisa Walsh

Email: Lisa.Walsh@Encana.com

Type of Entity: Delaware corporation

Transporter's wire transfer information and addresses for notices and payments shall be located on Transporter's Internet Web Site.

2) REGULATORY AUTHORITY: Part 284: Subpart G

## 3) TERM, CONTRACT DEMAND AND POINTS:

The term (including term extensions), Contract Demand, Receipt Entitlement(s), and Receipt and Delivery Points for this Agreement shall be shown below or on any designated Attachment, as applicable. Absent designation of MRO's for any specific physical Point of Receipt, Transporter shall have no obligation to permit Shipper to utilize any such Point of Receipt or to receive any specific quantities on Shipper's behalf at such point.

Term: Effective Date: Originally October 1, 2018, as amended and restated May 7 July 1, 2019, subject

to

FERC approval

Primary Term End Date: The end of the Day on September 30, 2028

Evergreen/Term Extension? Yes

After Primary Term End Date, Agreement will continue year to year thereafter and until terminated by written notice given by either party to the other party at least one hundred and eighty (180) days prior to the end of the primary term or any

extended term thereafter.

Contract Demand (Dth/D): 205,000

Receipt Entitlement(s) (Dth/D): West 1 Pooling Area 205,000

Primary Receipt Point(s): Maximum Receipt Obligation (Dth/D)

Okarche Aggregate Point (Meter No. 290506) 460145,000 (July 1, 2019 – July 31, 2019)

<u>160,000 (August 1, 2019 and thereafter)</u>
Markwest Arapaho Plant (Meter No. 810010)

<u>20,000 (July 1, 2019 – July 31, 2019)</u>
5,000 (<u>May 7</u>August 1, 2019 – March 31,

2021)

30,000 (April 1, 2021 and thereafter)

Oneok Westex Summary RE (Meter No. 805222) 30,000 (May 7 July 1, 2019 – October 31, 2019)

Markwest Buffalo Crk PI (Meter No. 730040) 10,000 (May 7 July 1, 2019 – October 31, 2019)

40,000 (November 1, 2019 – March 31, 2021)

15,000 (April 1, 2021 and thereafter)

Primary Delivery Point(s): Maximum Delivery Obligation (Dth/D)

EGT GLF Cross Bennington (Meter No. 290482) 120,000

CGT PV Core Del (Meter No. 805092) 45,000 (May 7, 2019 – October 31, 2023) TGT PV Core Del (Meter No. 801532) 45,000 (November 1, 2023 and thereafter)

## AMENDED AND RESTATED FIRM (RATE SCHEDULE FT) TRANSPORTATION SERVICE AGREEMENT TSA No.: 1011022 (continued)

TGT @ Helena, AR TG09303 (Meter No. 801530)

40,000

RATE: Unless provided otherwise in an Attachment to this Agreement in effect during the term of this Agreement, in a capacity release award, or below, Shipper shall pay, or cause to be paid, to Transporter each month for all services provided hereunder the maximum applicable rate, and any other charges, fees, direct bill amounts, taxes, assessments, or surcharges provided for in Transporter's Tariff, as on file and in effect from time to time, for each service rendered hereunder. If any applicable Attachment or this Agreement provides for a rate other than the maximum applicable rate, the following shall apply:

Shipper agrees to pay the rates specified below or on any designated Attachment for performance of certain gas transportation service under the Agreement. These rates are applicable only in accordance with the following:

- (a) <u>Term, Points and/or Rates</u>: The term of the rates, and the Receipt Point(s) and the Delivery Point(s) eligible for such rates, are specified below.
  - (i) Negotiated Rate.
  - (ii) <u>Description of Rate(s)/Points:</u>

The rate which Transporter shall bill and Shipper shall pay under the Agreement for services up to Contract Demand (as in effect on the Effective Date hereof) shall be achieved by adjusting, if required, Transporter's then-effective applicable maximum Tariff rates to a level which yields a unit rate ("Transmission Allowance"), of \$0.2528 per Dth, when calculated on an assumed 100% load factor basis, based on Shipper's Contract Demand and the average number of Days in the Service Month during a calendar year regardless of the quantity of gas transported. The applicable Maximum Commodity Rate shall be paid for each Dth delivered hereunder. The applicable Transmission Allowance shall not be subject to refund or reduction if it exceeds the applicable maximum Tariff rate. Shipper hereby elects to be billed on a levelized basis to the extent Transporter so determines and such option is available under the Tariff.

As described above, the Transmission Allowance includes a Reservation Charge. Shipper shall pay the Reservation Charge each Month based on the Dth of Contract Demand specified in the Agreement, regardless of the quantity of gas transported during the Service Month. The Reservation Charge (expressed as a unit rate on an assumed 100% load factor basis) will be calculated by subtracting the applicable Maximum Commodity Rate from the applicable Transmission Allowance. Notwithstanding anything to the contrary in this Agreement, if Transporter revises the gas quality specifications contained in Section 4 of the Tariff and: (a) gas tendered by Shipper hereunder meets the gas quality specifications existing as of March 8, 2017; (b) gas tendered by Shipper fails to meet the revised gas quality specifications; and (c) Transporter refuses to accept such gas tendered by Shipper, then Transporter shall credit to Shipper an amount equal to the applicable 100 percent load factor based unit rate Reservation Charge multiplied by the volume of gas which Transporter refuses to accept.

Shipper shall provide or pay and Transporter shall retain or charge system Fuel Use and LUFG allowances or charges (including the EPC surcharge), calculated pursuant to Section 27 of the Tariff and set forth in the Statement of Effective Rates and Charges for Transportation of Gas for Rate Schedule FT service, as revised from time to time.

The Receipt Point(s) eligible for the rates specified herein shall be those listed in Section 3 of the Agreement (as such Agreement provides on the Effective Date of this Agreement) and all other generally available points and Pools, including EGT West Transfer (Meter No. 290644).

The Delivery Point(s) eligible for the rates specified herein shall be those listed in Section 3 of the Agreement (as such Agreement provides on the Effective Date hereof) and all generally available Secondary Delivery Points on Transporter's system, including EGT NGPL Bryan (Meter No. 290483) and EGT/MEP Bennington (Meter No. 302020).

If scheduled maintenance or other operational circumstances adversely affect the availability of primary firm capacity under the Agreement and Transporter notifies Shipper of the availability of non-primary capacity to

TSA No.: 1011022 (continued)

receive and/or deliver other than at the points specified above, then such optional non-primary points as designated by Transporter shall be deemed eligible for the rates, quantities, and the period specified in the notice. Transporter may make such notification via e-mail, in writing or via Internet Web Site posting and the document in which such notice appears shall be deemed to amend this Agreement for the purposes hereof.

(iii) Term of Rate:

Begin Date(s): May 7 July 1, 2019

End Date(s): The end of the Day on September 30, 2028.

- (b) Authorized Overrun: Unless Transporter agrees otherwise, the rate for any authorized overrun quantities shall be the greater of the maximum Tariff rate or the rate(s) described above. Forty percent (40%) of the charges for Authorized Overrun service paid by Shipper during the term of this Agreement shall be credited to Shipper on the invoice for the final month of service of the Primary Term of this Agreement ("AOR Credit") as long as, for any given Day in which Authorized Overrun Charges were incurred, all the receipts used on that Day were from the receipt points listed under Section 3 of this Agreement. The AOR Credit shall be first applied as an offset against invoiced charges for service for the final month of service of the Primary Term of this Agreement and will then be applied against any remaining unpaid charges for service under this Agreement. Transporter shall pay to Shipper the AOR Credit remaining, if any, after such application
- (c) General: In consideration for Shipper's continuing compliance with the provisions of the Agreement, the transportation rates and charges as defined above or on any applicable Attachment for the specified services provided under the Agreement only apply to receipts from, and subsequent deliveries to, the Points of Receipt and Delivery, quantities and/or time periods described above or on any applicable Attachment and to reserved capacity necessary to effect such service. In addition to any rate or amount referred to herein (including discounted rates, Negotiated Rates, overrun rates and maximum Tariff rates), except as specifically provided otherwise herein or on any applicable Attachment, Shipper shall provide or pay and Transporter shall retain or charge Fuel Use and LUFG allowances or charges (including the EPC surcharge) in such quantities or amounts as authorized from time to time by the Tariff and shall pay any applicable charges, penalties, surcharges, fees, taxes, assessments and/or direct billed amounts provided for in the Tariff. The rate in any month shall never be below Transporter's applicable minimum Tariff rate, unless Transporter otherwise agrees. Transporter shall not be responsible for the payment and satisfaction of any taxes assessed or levied on the receipt, transmission (and any activities in connection therewith), delivery, use and/or consumption with respect to Gas delivered or received by Shipper, unless Transporter agrees otherwise.

## (d) Rate-Related Provisions:

- (i) Consideration for Rate Granted: Transporter agrees to the rates specified herein or on any applicable Attachment in exchange for Shipper's agreement to forego credits or other benefits to which Shipper would otherwise be entitled, but only to the extent such credits or benefits would result in a greater economic benefit over the applicable term than that represented by the agreed-upon rate. Accordingly, unless Transporter otherwise agrees, Shipper will not receive credits (with the exception of (1) penalty revenue credits provided pursuant to Section 31 of the General Terms and Conditions of Transporter's Tariff, and (2) capacity release credits; and (3) reservation charge credits in accordance with Section 18, GT&C, of the Tariff) from rates, refunds or other revenues collected by Transporter or Shipper if to do so would effectively result in a lower rate or greater economic benefit to Shipper; provided, however, that Transporter and Shipper can agree pursuant to Section 19.8 of the General Terms and Conditions of Transporter's Tariff that Transporter will retain some or all of the capacity release credits to the extent those credits exceed the amount of the Shipper's invoiced demand component. If the parties' agreement to the foregoing is determined invalid or if Shipper seeks to obtain credits or benefits inconsistent therewith, unless Transporter otherwise agrees, it will have the right to immediately terminate or modify any provisions herein or on any applicable Attachment that would allow Shipper to pay amounts less than the maximum applicable Tariff rate.
- (ii) <u>Limitation on Agreed Upon Rate</u>: Unless Transporter agrees otherwise, if at any time receipts and/or deliveries are initially sourced into the system, nominated, scheduled and/or made, by any means, including by temporary Replacement Shipper, or by operation of any Tariff mechanisms, with respect to the capacity obtained by, through or under the Agreement at points, or under conditions, other than

(continued)

those specified herein or on any applicable Attachment, then as of such date, and for the remainder of the Service Month in which such non-compliance occurred, or the remainder of the term of the Agreement, whichever is shorter, Shipper shall be obligated to pay no less than the maximum applicable Tariff rates for service under the Agreement.

- (iii) Regulatory Authority: This Agreement (including any applicable Attachment) is subject to Section 16 of the GT&C of Transporter's Tariff. Transporter and Shipper hereby acknowledge that this Agreement is subject to all valid and applicable federal and local laws and to the orders, rules and regulations of any duly constituted federal or local regulatory body or governmental authority having jurisdiction. Any provision of this Agreement which is determined by any court or regulatory body having jurisdiction to be invalid or unenforceable will be ineffective to the extent of such determination only, without invalidating, or otherwise affecting the validity of, the remaining provisions. Unless the parties agree otherwise, if Transporter has made a good faith determination that a federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction (1) requires performance by Transporter that is inconsistent with the terms specified herein or on any applicable Attachment or (2) conditions or prohibits the granting of selective discounts or other rates specified herein or on any applicable Attachment, then Transporter may provide notice that it intends to renegotiate the rates under the Agreement. If the parties fail to reach agreement within forty-five (45) days of any renegotiation notice given pursuant to the terms of this paragraph, then: (1) the rate provisions herein or on any applicable Attachment shall be terminated, and the rate for service herein or under any applicable Attachment shall be Transporter's applicable maximum Tariff rate, or (2) if Transporter's applicable maximum Tariff rate is greater than the rate for service herein or on any applicable Attachment, at the Shipper's option, the Agreement and any applicable Attachment shall terminate. The effective date of this renegotiation or termination shall be the first day of the month following the end of the 45-day renegotiation period; provided, however, that the effective date will comply with the requirements of the applicable federal or local law, or order, rule or regulation of any governmental authority having or asserting jurisdiction.
- (iv) Entire Agreement: Any applicable Attachment shall supplement the Agreement with respect to the matters agreed to, and together shall constitute the entire understanding of the parties relating to said matters as of the effective date stated therein. Unless otherwise specified, all prior agreements, correspondence, understandings and representations are hereby superseded and replaced by any applicable Attachment and the Agreement. Except as otherwise provided herein, all terms used herein with initial capital letters are so used with the respective meanings ascribed to them in Transporter's Tariff.
- (v) <u>Failure to Exercise Rights</u>: Failure to exercise any right under any Attachment, if applicable, or the Agreement shall not be considered a waiver of such right in the future. No waiver of any default in the performance of any applicable Attachment or the Agreement shall be construed as a waiver of any other existing or future default, whether of a like or different character.
- (e) <u>Inability to Collect Negotiated Rates</u>: If Transporter is unable to collect Negotiated Rates due to a change in Commission policy or rejection of the transaction by the Commission prior to or during the term of such transaction, then, unless the parties agree otherwise, Shipper shall pay the maximum Tariff rate for the services. In such event, Transporter shall notify Shipper in writing of the requirement to pay maximum Tariff rates and, if the maximum Tariff rates are greater than the Negotiated Rates under such transaction, Shipper shall have no more than thirty (30) days from the date of such notification to give notice in writing of termination of the applicable Agreement, with such termination to be effective no earlier than the end of the Month following the Month in which such termination notice is received.

## 5) OTHER PROVISIONS:

Payments shall be received by Transporter within the time prescribed by Section 14 of the GT&C of Transporter's Tariff. Amounts past due hereunder shall bear interest as provided in Section 14 of the GT&C of the Tariff. Shipper shall pay all costs associated with the collection of such past due amounts including, but not limited to, attorneys' fees and court costs. Shipper hereby represents and warrants that the party executing this Agreement on its behalf is duly authorized and possesses all necessary corporate or other authority required to legally bind Shipper.

(continued)

- 5.2) Do the parties agree that the provisions of Section 13.4 of the GT&C of Transporter's Tariff shall apply with respect to third-party transportation? No
- 5.3) Does this Agreement supersede, cancel, amend, restate, substitute or correct pre-existing Transportation Service Agreement(s) between the parties? Yes Effective May 7 July 1, 2019, this Agreement amends and restates Transportation Service Agreement No. 1011022, originally effective October 1, 2018, as subsequently amended, restated and/or superseded prior to or as of the effective date hereof, assigned by Newfield Exploration Mid-Continent Inc., the original Shipper hereunder, to Encana Marketing (USA) Inc. pursuant to waivers granted by the Federal Energy Regulatory
- 5.4) Is this Agreement entered into pursuant to and subject to CAPACITY RELEASE, Section 19 of the GT&C of Transporter's Tariff? No
- 5.5) Does this Agreement include any other terms/provisions permitted by the Tariff? Yes

Commission in Docket No. RP19-665.

In accordance with Section 21.1 of the GT&C of the Tariff, the parties hereby agree that Shipper shall have a contractual "right of first refusal" ("ROFR") which will provide to it the same rights and obligations regarding extending service under the Agreement as to reserved capacity on Transporter's system beyond the termination or expiration date as would be available to Shippers eligible to invoke the provisions of Section 21 of the GT&C of the Tariff, as on file and in effect from time to time.

ENCANA MARKETING (USA) INC.

- 5.6) This Agreement is subject to the collateral or credit provisions as follows or set forth on Attachment A hereto.
- 5.7) As permitted by the applicable Form of Service Agreement in Transporter's Tariff, this Agreement contains two signature pages to facilitate execution in counterparts. Taken together, the counterparts will be considered one original.
- 6) All modifications, amendments or supplements to the terms and provisions hereof shall be effected only by supplementary written (or electronic, to the extent Transporter permits or requires) consent of the parties.
- 7) **SIGNATURE:** This Agreement constitutes a contract with Transporter for the transportation of natural gas, subject to the terms and conditions hereof, the General Terms and Conditions attached hereto, and any applicable attachment(s), all of which are incorporated herein by reference and made part of this Agreement.

<b>ENABLE</b>	GAS	TRANSM	<b>MISSION</b>	. LLC

By:		Ву:
Name:	Rodney J. Sailor	Name:
Title:	President & Chief Executive Officer	Title:
Date:		Date:

**GENERAL TERMS AND CONDITIONS** 

- 1. This Agreement shall be subject to the provisions of Rate Schedule FT as well as the General Terms and Conditions ("GT&C") set forth in Transporter's Tariff, as on file and in effect from time to time, all of which by this reference are made a part hereof.
- 2. In accordance with Section 12.2 of the GT&C of Transporter's Tariff, Transporter shall have the right at any time, and from time to time, to file and place into effect unilateral changes or modifications in the rates and charges, and other terms and conditions of service hereunder, and as set forth in said Rate Schedule and in said GT&C of Transporter's Tariff, in accordance with the Natural Gas Act or other applicable law. Nothing contained in the foregoing provision shall preclude or prevent Shipper from protesting any such changes or modifications; however, Shipper agrees to pay all rates and charges, and to comply with all terms and conditions, in effect under the Tariff.
- 3. Upon Shipper's failure to pay when due all or any part of amounts billed in connection with services rendered or to comply with the terms of this Agreement, Transporter may terminate this Agreement and/or suspend service, as appropriate, in accordance with the provisions of Section 14 of the GT&C of Transporter's Tariff.
- 4. In accordance with Section 21.1 of the GT&C of Transporter's Tariff, upon termination hereof for whatever reason, Shipper agrees to stop delivering gas to Transporter for service and, unless otherwise agreed by Transporter, to seek no further service from Transporter hereunder. Shipper agrees to cooperate with and assist Transporter in obtaining such regulatory approvals and authorizations, if any, as are necessary or appropriate in view of such termination and abandonment of service hereunder.
- 5. In accordance with Section 5.7(e) of the GT&C of Transporter's Tariff, termination of this Agreement shall not relieve either party of any obligation that might otherwise exist to cash-out or correct any Imbalance hereunder nor relieve Shipper of its obligation to pay any monies due hereunder to Transporter and any portions of this Agreement necessary to accomplish such purposes shall be deemed to survive for the time and to the extent required.
- 6. In accordance with Sections 2.1 and 2.2 of Rate Schedule FT of Transporter's Tariff, subject to the provisions of the Tariff and this Agreement, Transporter shall receive, transport, and deliver, for the account of Shipper for the purposes contemplated herein, on a firm basis a quantity of Gas up to the quantity or quantities specified in the Agreement.
- 7. In accordance with Sections 2.1 and 3.3 of Rate Schedule FT of Transporter's Tariff, Gas shall be (i) tendered to Transporter for transportation hereunder at the Point(s) of Receipt and (ii) delivered by Transporter after transportation to Shipper, or for Shipper's account, at the Point(s) of Delivery on the terms and at the points shown in this Agreement. Subject to the provisions of the Tariff, Transporter shall tender for delivery quantities of Gas thermally-equivalent to those delivered by Shipper, less, as applicable, Fuel Use and LUFG, or Alternate Fuel Retentions, retained.
- 8. Except as otherwise permitted in the Tariff, and in accordance with Section 19 of the GT&C of Transporter's Tariff, this Agreement shall not be assigned by Shipper in whole or in part, nor shall Shipper agree to provide services to others by use of any capacity contracted for under the Agreement, without Transporter's prior written consent. In addition to all other rights and remedies, Transporter may terminate the Agreement immediately if it is assigned by Shipper or if Shipper subcontracts the capacity to others contrary to the provisions hereof, whether the assignment or contract be voluntary, or by operation of law or otherwise. Subject to the above, the respective rights and obligations of the parties under the Agreement shall extend to and be binding upon their heirs, successors, assigns and legal representatives. Shipper may request that Transporter consent to Shipper's assignment of this Agreement to an entity with which Shipper is affiliated subject to the assignee's satisfaction of the criteria in Section 14 of the GT&C of Transporter's Tariff, in the situation in which, after Shipper obtains the Agreement, a corporate reorganization results in a transfer to an affiliate of the function for which the capacity was obtained. Any person which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of either party hereto, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement; and either party may assign or pledge this Agreement under the provisions of any mortgage, deed of trust, indenture, bank credit agreement, assignment or similar instrument which it has executed or may execute hereafter.
- 9. Any notice, statement, or bill provided for in this Agreement shall be in writing (or provided electronically via the Internet to the extent Transporter permits or requires) and shall be considered as having been given if hand delivered, or, if received, when mailed by United States mail, postage prepaid, to the addresses specified herein, or such other addresses as either party shall designate by written notice to the other. Additionally, notices shall be considered as having been given, if received, when sent via facsimile or through electronic data interchange.

TSA No.: 1011022

## **ATTACHMENT A**

Shipper's Credit Support Obligation. Shipper shall maintain creditworthiness consistent with the terms of this Attachment A throughout the term of this Transportation Service Agreement. Shipper must demonstrate creditworthiness as provided in this Attachment A or shall undertake other actions as provided below to provide required credit support.

#### Credit Support

- (a) Definitions. The following definitions will apply to this Attachment A:
  - "Adequate Assurance of Performance" means sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to EGT, including, but not limited to a cash security deposit or a standby irrevocable letter of credit.
  - "Creditworthy" or "Creditworthiness" means maintaining a Minimum Credit Rating or, in the alternative, notwithstanding the failure to meet or maintain a Minimum Credit Rating, if EGT determines that the financial position of Shipper or its Guarantor is and remains reasonably acceptable to EGT, as determined in accordance with the criteria set forth in Section 2 of this Attachment A, during the term of this Agreement.
  - "Guarantor" means Encana Corporation.
  - "Minimum Credit Rating" means a long-term senior unsecured debt rating from either (1) Moody's or an applicable successor agency of Baa3 or higher, or (2) S&P or an applicable successor agency of BBB- or higher.
  - "Moody's" means Moody's Investors Service, Inc. or any successor thereto.
  - "S&P" means Standard & Poor's Financial Services LLC or any successor thereto.
- (b) If Shipper is not Creditworthy, Shipper's Guarantor must provide a guaranty in a form acceptable to Enable upon the Effective Date in the amount of \$116.65 million, provided, if Shipper later becomes Creditworthy, any guaranty provided hereunder shall terminate immediately and have no further force or effect and Transporter shall return such guaranty to Guarantor; provided further that, if Shipper fails to maintain Creditworthiness, the guaranty provided for hereunder shall be reinstated immediately. This maximum guarantee amount shall be adjusted downward as necessary such that at any time the maximum guarantee amount shall not exceed the total demand charges remaining under the primary term and any extension term of this Agreement.
- (c) Adequate Assurance. If Guarantor, beginning on the Effective Date, at any time fails to maintain Creditworthiness, EGT may demand Adequate Assurance of Performance in an amount equal to the lesser of: (i) \$36,529,565.00; or (ii) all of the reservation charges that will be payable during the remaining term of this Agreement. If Transporter demands Adequate Assurance of Performance, Shipper shall provide Adequate Assurance of Performance within five (5) business days after receipt of a written demand from Transporter.
- (d) Default. If Shipper fails to provide Adequate Assurance of Performance as and when due at any time after the commencement of service under this Agreement, Transporter shall have the right, at its sole election, to terminate or suspend this Agreement in accordance with the provisions of Transporter's FERC Gas Tariff in addition to any other remedies Transporter may have under this Transportation Service Agreement, Transporter's FERC Gas Tariff, at law or in equity.
- (e) Security Interest. Shipper hereby grants to Transporter a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Shipper to Transporter. Upon the return by Transporter to Shipper of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.
- (f) Return of Adequate Assurance. If Shipper provides Adequate Assurance of Performance, and if Shipper or Guarantor subsequently achieves Creditworthiness, then Shipper will no longer be required to provide Adequate Assurance of Performance for so long as Guarantor maintains Creditworthiness. In such event, if Shipper has provided Adequate Assurance of Performance in the form of cash, Transporter shall return such Adequate Assurance of Performance to Shipper within five (5) business days after receipt of a written demand from Shipper.
- (g) Transporter Tariff Obligation. This Attachment A shall be in addition to, and not in lieu of, any requirements under Transporter's FERC Gas Tariff.

ATTACHMENT A (continued)

## 2. Determination of Reasonably Acceptable Financial Position

The financial position of Shipper shall be deemed to be reasonably acceptable to Transporter as long as each of the following criteria is satisfied with respect to Encana Marketing (USA) Inc., a Delaware corporation and Shipper's ultimate parent company ("Parent"), as of such time:

- (a) Parent shall have provided and maintained a guaranty in a form acceptable to Transporter in the amount set forth in Section 1 (b) of this Attachment A.
- (b) Parent shall maintain a long-term senior unsecured debt rating from either (1) Moody's Investors Services, Inc. or an applicable successor agency of Ba3 or higher, or (2) Standard & Poor's Financial Services, LLC or any applicable successor agency of BB- or higher.

#### 3. Governing Law

GOVERNING LAW, JURISDICTION AND VENUE: THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. BOTH PARTIES HEREBY IRREVOCABLY CONSENT TO THE PERSONAL JURISDICTION AND VENUE IN THE STATE AND FEDERAL COURTS OF HARRIS COUNTY, TEXAS.