



December 1, 2022

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

Tuscarora Gas Transmission Company
700 Louisiana Street, Suite 1300
Houston, TX 77002-2700

Jonathan Scullion
Manager, Tariffs

Tel 832.320.5520
email jonathan_scullion@tcenergy.com
web www.tcplus.com/tuscarora

Re: Tuscarora Gas Transmission Company
Non-Conforming/Negotiated Rate Amendments
Docket No. RP23-____-000

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act (“NGA”), and Part 154 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations¹ Tuscarora Gas Transmission Company (“Tuscarora”) hereby respectfully submits for filing and acceptance:

- Revised Part 4.6 – Statement of Rates, Non-Conforming Service Agreements (“Section 4.6”), and
- Two (2) amended and restated Rate Schedule FT negotiated rate service agreements containing a non-conforming provision entered into with Southwest Gas Corporation (“SWG”) (collectively “Amendments”).

Tuscarora respectfully requests that the Commission accept the tariff section and the Amendments, included herein as Appendix A,² to be effective December 1, 2021.

¹ 18 C.F.R. Part 154 (2022).

² Electronic Tariff Filings, 124 FERC ¶ 61,270 (2008) (“Order No. 714”). Order No. 714 at P 42. Order No. 714 states that “Negotiated rate agreements... need not be divided but can be filed as entire documents.” Tuscarora has elected to file the Amendments included herein as whole documents, in PDF format.

Correspondence

The names, titles, mailing addresses, and telephone numbers of those persons to whom correspondence and communications concerning this filing should be directed are as follows:

Sorana Linder Director, Rates, Tariffs & Modernization Jonathan Scullion * Manager, Tariffs Tuscarora Gas Transmission Company 700 Louisiana Street, Suite 1300 Houston, TX 77002-2700 Telephone: (832) 320-5520 Email: jonathan_scullion@tcenergy.com	David R. Hammel Director, Regulatory and Commercial Law Rick Kincheloe * Legal Counsel Tuscarora Gas Transmission Company 700 Louisiana Street, Suite 1300 Houston, TX 77002-2700 Telephone: (832) 320-5855 Email: rick_kincheloe@tcenergy.com
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* Persons designated for official service pursuant to Rule 2010.

Statement of the Nature, Basis and Reasons for Filing

The revised tariff section and the Amendments submitted herein are associated with service contemplated under Tuscarora's Tuscarora XPress Project ("TXP" or "TXP Project"), regarding which the Commission issued an Order Issuing Certificate and Approving Abandonment in Docket No. CP20-486-000 ("Certificate Order").³ As a result of the Certificate Order, Tuscarora submitted FT Service Agreement No. 385 and FT Service Agreement No. 388 for Commission review and acceptance on September 27, 2021 (the "September 2021 Filing"). On October 14, 2021 the Commission accepted the tariff records and the forgoing agreements, effective November 1, 2021.⁴

The September 2021 Filing noted that both service agreements contained negotiated rates⁵ that were subject to adjustment pursuant to a construction cost sharing mechanism.

The TXP Project was completed and, pursuant to the cost sharing provisions, Tuscarora and SWG

³ *Tuscarora Gas Transmission Company*, 175 FERC ¶ 61,147 (2021).

⁴ See *Tuscarora Gas Transmission Company*, Docket No. RP21-1 147-000 (October 14, 2021) (unpublished Director's Letter Order).

⁵ On June 3, 2009, in Docket No. RP09-8-000, et. al., and July 16, 2009, in Docket No. RP09-8-002, the Commission approved Tuscarora's proposal to implement a negotiated rate program for transportation services on its system. See *Tuscarora Gas Transmission Company*, 127 FERC ¶ 61,217 (2009), and *Tuscarora Gas Transmission Company*, Docket No. RP09-8-002 (July 16, 2009) (unpublished Director's Letter Order), respectively.

mutually agreed to adjust the applicable rates for service under the Amendments. Specifically, the parties have agreed that the fixed negotiated daily demand rate in the Amendments shall be: a) \$0.395 per Dth for contract years 1 through 5; b) \$0.348 per Dth for contract years 6 through 10; c) \$0.292 per Dth for contract years 11 through 15; and d) \$0.226 per Dth for contract years 16 through 20. The Amendments are included as part of Appendix A hereto as tariff record 8.1 (FT Service Agreement No. 385) and tariff record 8.2 (FT Service Agreement No. 388).

Tuscarora advises that no undisclosed agreements, etc. are linked to the Amendments. Furthermore, the Amendments do not modify any non-conforming provision previously accepted by the Commission, or add any new provision that is either non-conforming or a material deviation from the applicable Form of Service Agreement in Tuscarora's Tariff. To conform with Order No. 714, Tuscarora is submitting the Amendments individually and in their entirety as tariff records 8.1 and 8.2.⁶ Additionally, a revised Section 4.6 is submitted as part of Appendix A to reflect the housing of the tariff records in Tuscarora's Tariff.

Effective Date

Tuscarora respectfully requests that the Commission grant all waivers of its regulations, including Section 157.20,⁷ necessary to accept the tariff section and tariff records included as Appendix A to be effective December 1, 2022.

Other Filings That May Affect This Proceeding

There are no other filings before the Commission that may significantly affect the changes proposed herein.

Contents of Filing

In accordance with Section 154.7 of the Commission's regulations, Tuscarora is submitting the following via its electronic tariff filing:

⁶ Consistent with Commission policy, the Amendments provide the essential elements for negotiated rate transactions, including: (1) the exact legal name of the shipper; (2) the negotiated rate; (3) the applicable rate schedule; (4) the receipt and delivery points; and (5) the contract quantity.

⁷ See Statement of Policy on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines, 74 FERC ¶ 61,076 at 61,241-242 (1996) (indicating that the Commission will "readily grant requests to waive the 30-day notice requirement").

1. This transmittal letter;
2. Clean versions of the tariff sections and Amendments (Appendix A);
3. Marked versions of the tariff sections (Appendix B); and
4. Redlined versions of the Amendments (Appendix C).

Certificate of Service

As required by Sections 154.7(b) and 154.208 of the Commission's regulations, a copy of this filing is being served upon all of Tuscarora's existing customers and interested state regulatory agencies. A copy of this letter, together with any attachments, is available during regular business hours for public inspection at Tuscarora's principal place of business.

Pursuant to Section 385.2005 of the Commission's regulations, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of his knowledge and belief. Additionally, the undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to Jonathan Scullion at (832) 320-5520.

Respectfully submitted,

TUSCARORA GAS TRANSMISSION COMPANY



Jonathan Scullion
Manager, Tariff

Appendix A

Clean Tariff Sections

Tuscarora Gas Transmission Company FERC Gas Tariff, Second Revised Volume No. 1

<u>Tariff Section</u>	<u>Version</u>
4.6 Statement of Rates, Non-Conforming Service Agreements	v.4.0.0

<u>Tariff Records</u>	<u>Version</u>
8.1 Service Agreement No. 385 – Southwest Gas Corporation	v.1.0.0
8.2 Service Agreement No. 388 – Southwest Gas Corporation	v.1.0.0

NON-CONFORMING SERVICE AGREEMENTS
PURSUANT TO § 154.112(b)

<u>Name of Shipper/Contract No.</u>	<u>Rate Schedule</u>	<u>Agreement Date</u>	<u>Effective Date</u>
California Department of Corrections #F021	FT	5/25/2000	12/1/2001
Southwest Gas Corporation #385	FT	11/21/2022	12/1/2022
Southwest Gas Corporation #388	FT	11/21/2022	12/1/2022

Firm Transportation Service Agreement
Rate Schedule FT

Southwest Gas Corporation
(#385)

Agreement Effective Date: December 1, 2022

Date: November 18, 2022

**Contract No.: 385
Amendment and Restated Agreement No.: 3**

**FORM OF SERVICE AGREEMENT
(APPLICABLE TO FT RATE SCHEDULE)**

This Agreement ("Agreement") is made and entered into this 21st day of November, 2022, by and between Tuscarora Gas Transmission Company, a Nevada general partnership (herein called "Transporter"), and Southwest Gas Corporation (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

**ARTICLE I
GENERAL**

1. Pursuant to the terms of this Agreement, Transporter agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay Transporter for such service.
2. This Firm Transportation Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.
3. As of December 1, 2022, the terms and conditions of this Amended and Restated Agreement No. 385 represent the agreement between Transporter and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated July 19, 2021.

**ARTICLE II
QUANTITY OF GAS AND POINTS OF RECEIPT AND DELIVERY**

1. The Maximum Transportation Quantity to be received or delivered by Transporter for the account of Shipper hereunder shall be at the Primary Receipt Point and Primary Delivery Point set forth in Exhibit A of the Transportation Service Agreement along with the pressure obligations indicated for each point. Exhibit A is attached hereto, and incorporated herein by reference in its entirety and made a part hereof for all purposes.
2. The Maximum Transportation Quantities listed in Exhibit A are subject to adjustment to reflect the Fuel and Line Loss Quantity as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff.

Date: November 18, 2022**Contract No.: 385
Amendment and Restated Agreement No.: 3****ARTICLE III
TERM**

1. The service commencement date is November 1, 2021 and shall continue until twenty (20) years thereafter.

Shipper shall have the right to extend the Initial Term for up to two successive 5-year terms (each an "Extended Term"), exercisable no later than twelve months prior to the expiration of the Initial Term and each Extended Term, if applicable, by providing written notice to Transporter indicating that it is exercising such extension right and stating the Extended Term Rate that it elects as contemplated in Article IV ("Extension Notice"). Shipper's quantity for each Extended Term must be for a minimum quantity equal to the MDQ during the Initial Term.

Shipper shall not have a Right of First Refusal.

2. Thereafter, this Agreement shall continue in full force and effect for an additional term of N/A unless N/A gives at least N/A prior written notice of its desire to terminate this Agreement. Under this evergreen provision, parties capable of giving notice of termination may include only Shipper (unilateral evergreen) or may include both Shipper and Transporter (bilateral evergreen).

**ARTICLE IV
RATE(S), RATE SCHEDULES,
AND GENERAL TERMS AND CONDITIONS OF SERVICE**

1. Shipper shall pay Transporter each month for services rendered pursuant to this Agreement in accordance with Transporter's Rate Schedule FT, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

In the event Transporter and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein.

Pursuant to the Cost Sharing Provision within Amended and Restated Agreement No. 388 dated July 19, 2021, Transporter and Shipper have mutually agreed to adjust the applicable rates for service under this Agreement. Accordingly, during each of the following time periods during the Initial Term, a fixed negotiated demand rate equal to the corresponding amount:

Term	Daily Rate	Monthly Rate
Years 1-5	\$0.395	\$12.0146
Years 6-10	\$0.348	\$10.5850
Years 11-15	\$0.292	\$8.8817

Date: November 18, 2022**Contract No.: 385****Amendment and Restated Agreement No.: 3**

Years 16 - 20	\$0.226	\$6.8742
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In addition to the Negotiated Daily Demand Rate, Shipper shall pay Daily Commodity Rate, and all surcharges (reservation and usage) under Rate Schedule FT pursuant to the Tariff, including but not limited to those set forth in Section 5.1.3.3 of the Tariff, as such may change from time to time. Shipper will also furnish to Transporter the Measurement Variance Gas Quantity, as applicable under Transporter's FT Rate Schedule, as such may change from time to time. Collectively, all of the aforementioned rates, charges and surcharges shall be referred to herein as the "TGT Expansion Rate."

Shipper shall have secondary receipt point and delivery point access under Transporter's Rate Schedule FT pursuant to the terms and conditions of the Tariff, during the Initial Term at the TGT Expansion Rate and during the Extended Term, as applicable, the Extended Term Rate.

For each Extended Term, Shipper shall have an option to elect to receive service at a reservation charge of either (a) Transporter's maximum generally applicable system Reservation Charge associated with service under Transporter's Rate Schedule FT within its Tariff, as such may change from time to time; or (b) a negotiated reservation charge of \$7.30 or \$0.24/Dth daily (the option so elected by Shipper shall be referred to herein as the "Extended Term Rate"). Shipper shall exercise its option by electing one of the foregoing rates within the Extension Notice. In the event Shipper does not make such an election for any Extended Term, the reservation charge for service within such Extended Term shall be that reflected in clause (a) of this paragraph. Also, for each Extended Term, in addition to the Extended Term Rate, Shipper shall pay all other components of the TGT Expansion Rate except the Negotiated Daily Demand Rate set forth above.

Cost Sharing:

Transporter and Shipper shall share any actual Project construction cost overruns or savings compared to the Estimated Costs (defined below) on a 50/50 basis via an adjustment to Shipper's Negotiated Daily Demand Rate; provided, however, that such adjustment would be subject to a rate adjustment cap or floor of plus or minus \$0.025/Dth. Any such adjustment to Shipper's Negotiated Daily Demand Rate shall be effective beginning on the actual In-Service Date based on the Project's then-estimated final costs, and adjusted, if necessary, to keep the Parties whole as if the actual Project costs were known as of the actual In-Service Date, as soon as administratively feasible based on the Project facilities' final cost report filed with FERC, but not later than the first anniversary date of the actual In-Service Date, and remain in effect for the balance of the Initial Term.

To effectuate such cost sharing, Shipper's Negotiated Daily Demand Rate shall be adjusted as follows:

To the extent Actual Project Costs (defined below) exceed Estimated Project Costs (as further defined below), Shipper's Negotiated Daily Demand Rate shall be multiplied by

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**Contract No.: 385
Amendment and Restated Agreement No.: 3**

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 1.0595 $(\$0.42 + \$0.025 / \$0.42)$.

To the extent Actual Project Costs (defined below) are less than Estimated Project Costs (as further defined below), Shipper’s Negotiated 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 0.9405 $(\$0.42 - \$0.025 / \$0.42)$.

“**Actual Project Costs**” or “**APC**” shall mean all costs and expenses incurred by Transporter, 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, including all compression costs, (b) all costs and expenses incurred for environmental, right-of-way, legal, consultant, construction management, and regulatory activities, and (c) all direct and allocated internal overhead and administrative costs. Transporter shall maintain books and records reasonably necessary for Shipper to verify the APC.

“**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 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, 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) a contingency amount equal to at least 10% of (a) and (b). For purposes of determining the adjustment to Shipper’s Negotiated Daily Demand Rate pursuant to this provision, the Parties agree that the Estimated Project Costs shall be equal to \$11,757,039.

“**Capital Cost Overrun**” or “**CCO**” shall be an amount in U.S. dollars equal to the difference between the APC and the EPC, if APC exceeds EPC.

“**Capital Cost Underrun**” or “**CCU**” shall be an amount in U.S. dollars equal to the difference between the APC and the EPC, if APC is less than EPC.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FT, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of Transporter’s FERC Gas Tariff on file with FERC, all of which are by this reference made a part hereof.

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**Contract No.: 385
Amendment and Restated Agreement No.: 3**

3. Transporter shall have the right to file with FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as Transporter may deem necessary, and to make such changes effective at such times as Transporter desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

ARTICLE V
MISCELLANEOUS


1. The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.
2. Shipper warrants that requisite upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit A attached hereto.
3. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or fax, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or fax, or other means similarly agreed to:
 - (a) Transporter: Tuscarora Gas Transmission Company
700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Attention: Transportation Accounting and Contracts
 - (b) Shipper: Southwest Gas Corporation
8360 S. Durango Drive
LVD-570
Las Vegas, NV
89113
Attention: Director/Gas Supply
4. No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

Date: November 18, 2022

**Contract No.: 385
Amendment and Restated Agreement No.: 3**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

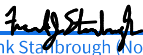
TUSCARORA GAS TRANSMISSION COMPANY

By: 
Name: Kay Dennison
Title: Director, Trans. Acct.& Contracts





Southwest Gas Corporation

By: 
Frank Stanbrough Nov 18, 2022 15:13 PST

Name: Frank Stanbrough

Title: Vice President/Administration



Date: November 18, 2022

**Contract No.: 385
Amendment and Restated Agreement No.: 3**

EXHIBIT A

TO THE FIRM TRANSPORTATION AGREEMENT

Dated: November 21, 2022

Between
Tuscarora Gas Transmission Company
and Southwest Gas Corporation

<u>Start Date</u>	<u>End Date</u>	<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Maximum Transportation Quantity Dth/d</u>	<u>Minimum Receipt Pressure (Psig)</u>	<u>Minimum and Maximum Delivery Pressure (Psig)</u>
11/1/2021	10/31/2041	TUSCARORA/GTN INTERCONNECT	WADSWORTH	12,200	825	525/1000

Firm Transportation Service Agreement
Rate Schedule FT

Southwest Gas Corporation
(#388)

Agreement Effective Date: December 1, 2022

Date: November 18, 2022

**Contract No.: 388
Amendment and Restated Agreement No.: 3**

**FORM OF SERVICE AGREEMENT
(APPLICABLE TO FT RATE SCHEDULE)**

This Agreement ("Agreement") is made and entered into this 21st day of November, 2022, by and between Tuscarora Gas Transmission Company, a Nevada general partnership (herein called "Transporter"), and Southwest Gas Corporation (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

**ARTICLE I
GENERAL**

1. Pursuant to the terms of this Agreement, Transporter agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay Transporter for such service.
2. This Firm Transportation Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.
3. As of December 1, 2022, the terms and conditions of this Amended and Restated Agreement No. 388 represent the agreement between Transporter and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated July 19, 2021.

**ARTICLE II
QUANTITY OF GAS AND POINTS OF RECEIPT AND DELIVERY**

1. The Maximum Transportation Quantity to be received or delivered by Transporter for the account of Shipper hereunder shall be at the Primary Receipt Point and Primary Delivery Point set forth in Exhibit A of the Transportation Service Agreement along with the pressure obligations indicated for each point. Exhibit A is attached hereto, and incorporated herein by reference in its entirety and made a part hereof for all purposes.
2. The Maximum Transportation Quantities listed in Exhibit A are subject to adjustment to reflect the Fuel and Line Loss Quantity as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff.

Date: November 18, 2022**Contract No.: 388
Amendment and Restated Agreement No.: 3****ARTICLE III
TERM**

1. The service commencement date is November 1, 2021 and shall continue until twenty (20) years thereafter.

Shipper shall have the right to extend the Initial Term for up to two successive 5-year terms (each an "Extended Term"), exercisable no later than twelve months prior to the expiration of the Initial Term and each Extended Term, if applicable, by providing written notice to Transporter indicating that it is exercising such extension right and stating the Extended Term Rate that it elects as contemplated in Article IV ("Extension Notice"). Shipper's quantity for each Extended Term must be for a minimum quantity equal to the MDQ during the Initial Term.

Shipper shall not have a Right of First Refusal.

2. Thereafter, this Agreement shall continue in full force and effect for an additional term of N/A unless N/A gives at least N/A prior written notice of its desire to terminate this Agreement. Under this evergreen provision, parties capable of giving notice of termination may include only Shipper (unilateral evergreen) or may include both Shipper and Transporter (bilateral evergreen).

**ARTICLE IV
RATE(S), RATE SCHEDULES,
AND GENERAL TERMS AND CONDITIONS OF SERVICE**

1. Shipper shall pay Transporter each month for services rendered pursuant to this Agreement in accordance with Transporter's Rate Schedule FT, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

In the event Transporter and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein.

Pursuant to the Cost Sharing Provision within Amended and Restated Agreement No. 388 dated July 19, 2021, Transporter and Shipper have mutually agreed to adjust the applicable rates for service under this Agreement. Accordingly, during each of the following time periods during the Initial Term, a fixed negotiated demand rate equal to the corresponding amount:

Term	Daily Rate	Monthly Rate
Years 1-5	\$0.395	\$12.0146
Years 6-10	\$0.348	\$10.5850
Years 11-15	\$0.292	\$8.8817
Years 16 - 20	\$0.226	\$6.8742

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In addition to the Negotiated Daily Demand Rate, Shipper shall pay Daily Commodity Rate, and all surcharges (reservation and usage) under Rate Schedule FT pursuant to the Tariff, including but not limited to those set forth in Section 5.1.3.3 of the Tariff, as such may change from time to time. Shipper will also furnish to Transporter the Measurement Variance Gas Quantity, as applicable under Transporter's FT Rate Schedule, as such may change from time to time. Collectively, all of the aforementioned rates, charges and surcharges shall be referred to herein as the "TGT Expansion Rate."

Shipper shall have secondary receipt point and delivery point access under Transporter's Rate Schedule FT pursuant to the terms and conditions of the Tariff, during the Initial Term at the TGT Expansion Rate and during the Extended Term, as applicable, the Extended Term Rate.

For each Extended Term, Shipper shall have an option to elect to receive service at a reservation charge of either (a) Transporter's maximum generally applicable system Reservation Charge associated with service under Transporter's Rate Schedule FT within its Tariff, as such may change from time to time; or (b) a negotiated reservation charge of \$7.30 or \$0.24/Dth daily (the option so elected by Shipper shall be referred to herein as the "Extended Term Rate"). Shipper shall exercise its option by electing one of the foregoing rates within the Extension Notice. In the event Shipper does not make such an election for any Extended Term, the reservation charge for service within such Extended Term shall be that reflected in clause (a) of this paragraph. Also, for each Extended Term, in addition to the Extended Term Rate, Shipper shall pay all other components of the TGT Expansion Rate except the Negotiated Daily Demand Rate set forth above.

Cost Sharing:

Transporter and Shipper shall share any actual Project construction cost overruns or savings compared to the Estimated Costs (defined below) on a 50/50 basis via an adjustment to Shipper's Negotiated Daily Demand Rate; provided, however, that such adjustment would be subject to a rate adjustment cap or floor of plus or minus \$0.025/Dth. Any such adjustment to Shipper's Negotiated Daily Demand Rate shall be effective beginning on the actual In-Service Date based on the Project's then-estimated final costs, and adjusted, if necessary, to keep the Parties whole as if the actual Project costs were known as of the actual In-Service Date, as soon as administratively feasible based on the Project facilities' final cost report filed with FERC, but not later than the first anniversary date of the actual In-Service Date, and remain in effect for the balance of the Initial Term.

To effectuate such cost sharing, Shipper's Negotiated Daily Demand Rate shall be adjusted as follows:

To the extent Actual Project Costs (defined below) exceed Estimated Project Costs (as further defined below), Shipper's Negotiated Daily Demand Rate shall be multiplied by the Capital Cost Overrun Factor ("CCO Factor"). The CCO Factor shall be equal to 1 +

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[(CCO/EPC) X 50%]. In no event shall the CCO Factor exceed 1.0595 (($\$0.42 + \0.025)/ $\$0.42$)).

To the extent Actual Project Costs (defined below) are less than Estimated Project Costs (as further defined below), Shipper's Negotiated Daily Demand Rate shall be multiplied by the Capital Cost Underrun Factor ("CCU Factor"). The CCU Factor shall be equal to 1 - [(CCU/EPC) X 50%]. In no event shall the CCU Factor be less than 0.9405 (($\$0.42 - \0.025)/ $\$0.42$)).

"Actual Project Costs" or "APC" shall mean all costs and expenses incurred by Transporter, 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, including all compression costs, (b) all costs and expenses incurred for environmental, right-of-way, legal, consultant, construction management, and regulatory activities, and (c) all direct and allocated internal overhead and administrative costs. Transporter shall maintain books and records reasonably necessary for Shipper to verify the APC.

"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 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, 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) a contingency amount equal to at least 10% of (a) and (b). For purposes of determining the adjustment to Shipper's Negotiated Daily Demand Rate pursuant to this provision, the Parties agree that the Estimated Project Costs shall be equal to \$11,757,039.

"Capital Cost Overrun" or "CCO" shall be an amount in U.S. dollars equal to the difference between the APC and the EPC, if APC exceeds EPC.

"Capital Cost Underrun" or "CCU" shall be an amount in U.S. dollars equal to the difference between the APC and the EPC, if APC is less than EPC.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FT, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of Transporter's FERC Gas Tariff on file with FERC, all of which are by this reference made a part hereof.

Date: November 18, 2022

**Contract No.: 388
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3. Transporter shall have the right to file with FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as Transporter may deem necessary, and to make such changes effective at such times as Transporter desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

ARTICLE V
MISCELLANEOUS

1. The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.
2. Shipper warrants that requisite upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit A attached hereto.
3. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or fax, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or fax, or other means similarly agreed to:
 - (a) Transporter: Tuscarora Gas Transmission Company
700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Attention: Transportation Accounting and Contracts
 - (b) Shipper: Southwest Gas Corporation
8360 S. Durango Drive
LVD-570
Las Vegas, NV
89113
Attention: Director/Gas Supply
4. No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

Date: November 18, 2022

**Contract No.: 388
Amendment and Restated Agreement No.: 3**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: DocuSigned by:
Kay Dennison
A0EF51A630C148B...
Name: Kay Dennison
Title: Director, Trans. Acct.& Contracts

DS
CW

DS
JS

Southwest Gas Corporation

By: Frank Stanbrough Nov 18, 2022 15:13 PST
Name: Frank Stanbrough
Title: Vice President/Administration

JRO
Nov 18, 2022 15:13 PST

Date: November 18, 2022**Contract No.: 388
Amendment and Restated Agreement No.: 3****EXHIBIT A****TO THE FIRM TRANSPORTATION AGREEMENT**Dated: November 21, 2022Between
Tuscarora Gas Transmission Company
and Southwest Gas Corporation

<u>Start Date</u>	<u>End Date</u>	<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Maximum Transportation Quantity Dth/d</u>	<u>Minimum Receipt Pressure (Psig)</u>	<u>Minimum and Maximum Delivery Pressure (Psig)</u>
11/1/2021	10/31/2041	TUSCARORA/GTN INTERCONNECT	WADSWORTH	2,800	825	525/1000

Appendix B

Marked Tariff Section

Tuscarora Gas Transmission Company FERC Gas Tariff, Second Revised Volume No. 1

<u>Tariff Section</u>	<u>Version</u>
4.6 Statement of Rates, Non-Conforming Service Agreements	v.4.0.0

NON-CONFORMING SERVICE AGREEMENTS
PURSUANT TO § 154.112(b)

<u>Name of Shipper/Contract No.</u>	<u>Rate Schedule</u>	<u>Agreement Date</u>	<u>Effective Date</u>
California Department of Corrections #F021	FT	5/25/2000	12/1/2001
Southwest Gas Corporation #385	FT	7/19/2021 <u>11/21/2022</u> 11/1/2021 <u>12/1/2022</u>	
Southwest Gas Corporation #388	FT	7/19/2021 <u>11/21/2022</u> 11/1/2021 <u>12/1/2022</u>	

Appendix C

Marked Tariff Records

- 1) Southwest Gas Corporation
Rate Schedule FT Service Agreement (#385)
- 2) Southwest Gas Corporation
Rate Schedule FT Service Agreement (#388)

Date: November 18, 2022

**Contract No.: 385
Amendment and Restated Agreement No.: 3**

**FORM OF SERVICE AGREEMENT
(APPLICABLE TO FT RATE SCHEDULE)**

This Agreement ("Agreement") is made and entered into this _____ day of _____, 2022, by and between Tuscarora Gas Transmission Company, a Nevada general partnership (herein called "Transporter"), and Southwest Gas Corporation (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

**ARTICLE I
GENERAL**

1. Pursuant to the terms of this Agreement, Transporter agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay Transporter for such service.
2. This Firm Transportation Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.
3. As of December 1, 2022, the terms and conditions of this Amended and Restated Agreement No. 385 represent the agreement between Transporter and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated July 19, 2021.

**ARTICLE II
QUANTITY OF GAS AND POINTS OF RECEIPT AND DELIVERY**

1. The Maximum Transportation Quantity to be received or delivered by Transporter for the account of Shipper hereunder shall be at the Primary Receipt Point and Primary Delivery Point set forth in Exhibit A of the Transportation Service Agreement along with the pressure obligations indicated for each point. Exhibit A is attached hereto, and incorporated herein by reference in its entirety and made a part hereof for all purposes.
2. The Maximum Transportation Quantities listed in Exhibit A are subject to adjustment to reflect the Fuel and Line Loss Quantity as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff.

Date: November 18, 2022

Contract No.: 385
Amendment and Restated Agreement No.: 3

ARTICLE III
TERM

1. The service commencement date is November 1, 2021 and shall continue until twenty (20) years thereafter.

Shipper shall have the right to extend the Initial Term for up to two successive 5-year terms (each an “Extended Term”), exercisable no later than twelve months prior to the expiration of the Initial Term and each Extended Term, if applicable, by providing written notice to Transporter indicating that it is exercising such extension right and stating the Extended Term Rate that it elects as contemplated in Article IV (“Extension Notice”). Shipper’s quantity for each Extended Term must be for a minimum quantity equal to the MDQ during the Initial Term.

Shipper shall not have a Right of First Refusal.

2. Thereafter, this Agreement shall continue in full force and effect for an additional term of N/A unless N/A gives at least N/A prior written notice of its desire to terminate this Agreement. Under this evergreen provision, parties capable of giving notice of termination may include only Shipper (unilateral evergreen) or may include both Shipper and Transporter (bilateral evergreen).

ARTICLE IV
RATE(S), RATE SCHEDULES,
AND GENERAL TERMS AND CONDITIONS OF SERVICE

1. Shipper shall pay Transporter each month for services rendered pursuant to this Agreement in accordance with Transporter’s Rate Schedule FT, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

In the event Transporter and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein.

Pursuant to the Cost Sharing Provision within Amended and Restated Agreement No. 388 dated July 19, 2021, Transporter and Shipper have mutually agreed to adjust the applicable rates for service under this Agreement. Accordingly ~~D~~during each of the following time periods during the Initial Term, a fixed negotiated demand rate equal to the corresponding amount:

Term	Daily Rate	Monthly Rate
Years 1-5	\$0.42.395	\$12.775 12.0146
Years 6-10	\$0.37.348	\$11.254 10.5850
Years 11-15	\$0.31.292	\$9.429 8.8817
Years 16 - 20	\$0.24.226	\$7.300 6.8742

Date: November 18, 2022

**Contract No.: 385
Amendment and Restated Agreement No.: 3**

In addition to the Negotiated Daily Demand Rate, Shipper shall pay Daily Commodity Rate, and all surcharges (reservation and usage) under Rate Schedule FT pursuant to the Tariff, including but not limited to those set forth in Section 5.1.3.3 of the Tariff, as such may change from time to time. Shipper will also furnish to Transporter the Measurement Variance Gas Quantity, as applicable under Transporter's FT Rate Schedule, as such may change from time to time. Collectively, all of the aforementioned rates, charges and surcharges shall be referred to herein as the "TGT Expansion Rate."

Shipper shall have secondary receipt point and delivery point access under Transporter's Rate Schedule FT pursuant to the terms and conditions of the Tariff, during the Initial Term at the TGT Expansion Rate and during the Extended Term, as applicable, the Extended Term Rate.

For each Extended Term, Shipper shall have an option to elect to receive service at a reservation charge of either (a) Transporter's maximum generally applicable system Reservation Charge associated with service under Transporter's Rate Schedule FT within its Tariff, as such may change from time to time; or (b) a negotiated reservation charge of \$7.30 or \$0.24/Dth daily (the option so elected by Shipper shall be referred to herein as the "Extended Term Rate"). Shipper shall exercise its option by electing one of the foregoing rates within the Extension Notice. In the event Shipper does not make such an election for any Extended Term, the reservation charge for service within such Extended Term shall be that reflected in clause (a) of this paragraph. Also, for each Extended Term, in addition to the Extended Term Rate, Shipper shall pay all other components of the TGT Expansion Rate except the Negotiated Daily Demand Rate set forth above.

Cost Sharing:

Transporter and Shipper shall share any actual Project construction cost overruns or savings compared to the Estimated Costs (defined below) on a 50/50 basis via an adjustment to Shipper's Negotiated Daily Demand Rate; provided, however, that such adjustment would be subject to a rate adjustment cap or floor of plus or minus \$0.025/Dth. Any such adjustment to Shipper's Negotiated Daily Demand Rate shall be effective beginning on the actual In-Service Date based on the Project's then-estimated final costs, and adjusted, if necessary, to keep the Parties whole as if the actual Project costs were known as of the actual In-Service Date, as soon as administratively feasible based on the Project facilities' final cost report filed with FERC, but not later than the first anniversary date of the actual In-Service Date, and remain in effect for the balance of the Initial Term.

To effectuate such cost sharing, Shipper's Negotiated Daily Demand Rate shall be adjusted as follows:

Date: November 18, 2022

**Contract No.: 385
Amendment and Restated Agreement No.: 3**

To the extent Actual Project Costs (defined below) exceed Estimated Project Costs (as further defined below), Shipper's Negotiated 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 1.0595 $(\$0.42 + \$0.025 / \$0.42)$.

To the extent Actual Project Costs (defined below) are less than Estimated Project Costs (as further defined below), Shipper's Negotiated 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 0.9405 $(\$0.42 - \$0.025 / \$0.42)$.

"Actual Project Costs" or **"APC"** shall mean all costs and expenses incurred by Transporter, 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, including all compression costs, (b) all costs and expenses incurred for environmental, right-of-way, legal, consultant, construction management, and regulatory activities, and (c) all direct and allocated internal overhead and administrative costs. Transporter shall maintain books and records reasonably necessary for Shipper to verify the APC.

"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 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, 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) a contingency amount equal to at least 10% of (a) and (b). For purposes of determining the adjustment to Shipper's Negotiated Daily Demand Rate pursuant to this provision, the Parties agree that the Estimated Project Costs shall be equal to \$11,757,039.

"Capital Cost Overrun" or **"CCO"** shall be an amount in U.S. dollars equal to the difference between the APC and the EPC, if APC exceeds EPC.

"Capital Cost Underrun" or **"CCU"** shall be an amount in U.S. dollars equal to the difference between the APC and the EPC, if APC is less than EPC.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FT, or superseding rate schedule(s) and to the applicable General Terms and

Date: November 18, 2022

**Contract No.: 385
Amendment and Restated Agreement No.: 3**

Conditions of Service of Transporter's FERC Gas Tariff on file with FERC, all of which are by this reference made a part hereof.

3. Transporter shall have the right to file with FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as Transporter may deem necessary, and to make such changes effective at such times as Transporter desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

ARTICLE V
MISCELLANEOUS

1. The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.
2. Shipper warrants that requisite upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit A attached hereto.
3. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or fax, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or fax, or other means similarly agreed to:
 - (a) Transporter: Tuscarora Gas Transmission Company
700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Attention: Transportation Accounting and Contracts
 - (b) Shipper: Southwest Gas Corporation
8360 S. Durango Drive
LVD-570
Las Vegas, NV
89113
Attention: Director/Gas Supply
4. No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

Date: November 18, 2022

**Contract No.: 385
Amendment and Restated Agreement No.: 3**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: _____

Name: _____

Title: _____

Southwest Gas Corporation

By: _____

Name: _____

Title: _____

Date: November 18, 2022

Contract No.: 385
Amendment and Restated Agreement No.: 3

EXHIBIT A

TO THE FIRM TRANSPORTATION AGREEMENT

Dated: _____

Between
Tuscarora Gas Transmission Company
and Southwest Gas Corporation

<u>Start Date</u>	<u>End Date</u>	<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Maximum Transportation Quantity Dth/d</u>	<u>Minimum Receipt Pressure (Psig)</u>	<u>Minimum and Maximum Delivery Pressure (Psig)</u>
11/1/2021	10/31/2041	TUSCARORA/GTN INTERCONNECT	WADSWORTH	12,200	825	525/1000

Date: November 18, 2022

**Contract No.: 388
Amendment and Restated Agreement No.: 3**

**FORM OF SERVICE AGREEMENT
(APPLICABLE TO FT RATE SCHEDULE)**

This Agreement ("Agreement") is made and entered into this _____ day of _____, 2022, by and between Tuscarora Gas Transmission Company, a Nevada general partnership (herein called "Transporter"), and Southwest Gas Corporation (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

**ARTICLE I
GENERAL**

1. Pursuant to the terms of this Agreement, Transporter agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay Transporter for such service.
2. This Firm Transportation Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.
3. As of December 1, 2022, the terms and conditions of this Amended and Restated Agreement No. 388 represent the agreement between Transporter and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated July 19, 2021.

**ARTICLE II
QUANTITY OF GAS AND POINTS OF RECEIPT AND DELIVERY**

1. The Maximum Transportation Quantity to be received or delivered by Transporter for the account of Shipper hereunder shall be at the Primary Receipt Point and Primary Delivery Point set forth in Exhibit A of the Transportation Service Agreement along with the pressure obligations indicated for each point. Exhibit A is attached hereto, and incorporated herein by reference in its entirety and made a part hereof for all purposes.
2. The Maximum Transportation Quantities listed in Exhibit A are subject to adjustment to reflect the Fuel and Line Loss Quantity as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff.

Date: November 18, 2022

Contract No.: 388
Amendment and Restated Agreement No.: 3

ARTICLE III
TERM

1. The service commencement date is November 1, 2021 and shall continue until twenty (20) years thereafter.

Shipper shall have the right to extend the Initial Term for up to two successive 5-year terms (each an “Extended Term”), exercisable no later than twelve months prior to the expiration of the Initial Term and each Extended Term, if applicable, by providing written notice to Transporter indicating that it is exercising such extension right and stating the Extended Term Rate that it elects as contemplated in Article IV (“Extension Notice”). Shipper’s quantity for each Extended Term must be for a minimum quantity equal to the MDQ during the Initial Term.

Shipper shall not have a Right of First Refusal.

2. Thereafter, this Agreement shall continue in full force and effect for an additional term of N/A unless N/A gives at least N/A prior written notice of its desire to terminate this Agreement. Under this evergreen provision, parties capable of giving notice of termination may include only Shipper (unilateral evergreen) or may include both Shipper and Transporter (bilateral evergreen).

ARTICLE IV
RATE(S), RATE SCHEDULES,
AND GENERAL TERMS AND CONDITIONS OF SERVICE

1. Shipper shall pay Transporter each month for services rendered pursuant to this Agreement in accordance with Transporter’s Rate Schedule FT, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

In the event Transporter and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein.

Pursuant to the Cost Sharing Provision within Amended and Restated Agreement No. 388 dated July 19, 2021, Transporter and Shipper have mutually agreed to adjust the applicable rates for service under this Agreement. Accordingly ~~D~~during each of the following time periods during the Initial Term, a fixed negotiated demand rate equal to the corresponding amount:

Term	Daily Rate	Monthly Rate
Years 1-5	\$0.42.395	\$12.775 12.0146
Years 6-10	\$0.37.348	\$11.2542 10.5850
Years 11-15	\$0.31.292	\$9.4292 8.8817
Years 16 - 20	\$0.24.226	\$7.3000 6.8742

Date: November 18, 2022

**Contract No.: 388
Amendment and Restated Agreement No.: 3**

In addition to the Negotiated Daily Demand Rate, Shipper shall pay Daily Commodity Rate, and all surcharges (reservation and usage) under Rate Schedule FT pursuant to the Tariff, including but not limited to those set forth in Section 5.1.3.3 of the Tariff, as such may change from time to time. Shipper will also furnish to Transporter the Measurement Variance Gas Quantity, as applicable under Transporter's FT Rate Schedule, as such may change from time to time. Collectively, all of the aforementioned rates, charges and surcharges shall be referred to herein as the "TGT Expansion Rate."

Shipper shall have secondary receipt point and delivery point access under Transporter's Rate Schedule FT pursuant to the terms and conditions of the Tariff, during the Initial Term at the TGT Expansion Rate and during the Extended Term, as applicable, the Extended Term Rate.

For each Extended Term, Shipper shall have an option to elect to receive service at a reservation charge of either (a) Transporter's maximum generally applicable system Reservation Charge associated with service under Transporter's Rate Schedule FT within its Tariff, as such may change from time to time; or (b) a negotiated reservation charge of \$7.30 or \$0.24/Dth daily (the option so elected by Shipper shall be referred to herein as the "Extended Term Rate"). Shipper shall exercise its option by electing one of the foregoing rates within the Extension Notice. In the event Shipper does not make such an election for any Extended Term, the reservation charge for service within such Extended Term shall be that reflected in clause (a) of this paragraph. Also, for each Extended Term, in addition to the Extended Term Rate, Shipper shall pay all other components of the TGT Expansion Rate except the Negotiated Daily Demand Rate set forth above.

Cost Sharing:

Transporter and Shipper shall share any actual Project construction cost overruns or savings compared to the Estimated Costs (defined below) on a 50/50 basis via an adjustment to Shipper's Negotiated Daily Demand Rate; provided, however, that such adjustment would be subject to a rate adjustment cap or floor of plus or minus \$0.025/Dth. Any such adjustment to Shipper's Negotiated Daily Demand Rate shall be effective beginning on the actual In-Service Date based on the Project's then-estimated final costs, and adjusted, if necessary, to keep the Parties whole as if the actual Project costs were known as of the actual In-Service Date, as soon as administratively feasible based on the Project facilities' final cost report filed with FERC, but not later than the first anniversary date of the actual In-Service Date, and remain in effect for the balance of the Initial Term.

To effectuate such cost sharing, Shipper's Negotiated Daily Demand Rate shall be adjusted as follows:

To the extent Actual Project Costs (defined below) exceed Estimated Project Costs (as further defined below), Shipper's Negotiated Daily Demand Rate shall be multiplied by

Date: November 18, 2022

**Contract No.: 388
Amendment and Restated Agreement No.: 3**

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 $1.0595 ((\$0.42 + \$0.025) / \$0.42)$.

To the extent Actual Project Costs (defined below) are less than Estimated Project Costs (as further defined below), Shipper’s Negotiated 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 $0.9405 ((\$0.42 - \$0.025) / \$0.42)$.

“**Actual Project Costs**” or “**APC**” shall mean all costs and expenses incurred by Transporter, 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, including all compression costs, (b) all costs and expenses incurred for environmental, right-of-way, legal, consultant, construction management, and regulatory activities, and (c) all direct and allocated internal overhead and administrative costs. Transporter shall maintain books and records reasonably necessary for Shipper to verify the APC.

“**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 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, 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) a contingency amount equal to at least 10% of (a) and (b). For purposes of determining the adjustment to Shipper’s Negotiated Daily Demand Rate pursuant to this provision, the Parties agree that the Estimated Project Costs shall be equal to \$11,757,039.

“**Capital Cost Overrun**” or “**CCO**” shall be an amount in U.S. dollars equal to the difference between the APC and the EPC, if APC exceeds EPC.

“**Capital Cost Underrun**” or “**CCU**” shall be an amount in U.S. dollars equal to the difference between the APC and the EPC, if APC is less than EPC.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FT, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of Transporter’s FERC Gas Tariff on file with FERC, all of which are by this reference made a part hereof.

Date: November 18, 2022

**Contract No.: 388
Amendment and Restated Agreement No.: 3**

3. Transporter shall have the right to file with FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as Transporter may deem necessary, and to make such changes effective at such times as Transporter desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

**ARTICLE V
MISCELLANEOUS**

1. The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.
2. Shipper warrants that requisite upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit A attached hereto.
3. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or fax, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or fax, or other means similarly agreed to:
 - (a) Transporter: Tuscarora Gas Transmission Company
700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Attention: Transportation Accounting and Contracts
 - (b) Shipper: Southwest Gas Corporation
8360 S. Durango Drive
LVD-570
Las Vegas, NV
89113
Attention: Director/Gas Supply
4. No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

Date: November 18, 2022

**Contract No.: 388
Amendment and Restated Agreement No.: 3**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: _____

Name: _____

Title: _____

Southwest Gas Corporation

By: _____

Name: _____

Title: _____

Date: November 18, 2022

Contract No.: 388
Amendment and Restated Agreement No.: 3

EXHIBIT A

TO THE FIRM TRANSPORTATION AGREEMENT

Dated: _____

Between
Tuscarora Gas Transmission Company
and Southwest Gas Corporation

<u>Start Date</u>	<u>End Date</u>	<u>Receipt Point</u>	<u>Delivery Point</u>	<u>Maximum Transportation Quantity Dth/d</u>	<u>Minimum Receipt Pressure (Psig)</u>	<u>Minimum and Maximum Delivery Pressure (Psig)</u>
11/1/2021	10/31/2041	TUSCARORA/GTN INTERCONNECT	WADSWORTH	2,800	825	525/1000