

Paiute Pipeline Company
FERC Gas Tariff
Fourth Revised Volume No. 1-A

Sheet No. 258
Version 1.0.0

PAIUTE PIPELINE COMPANY

FERC NGA Gas Tariff

Paiute Pipeline Company's Fourth Revised Volume No. 1-A

Effective Date: April 1, 2020

F32: Non-Conforming Service Agreement with
Sierra Pacific Power Company

Option Code: A

Issued On:

Effective On: April 1, 2020

TRANSPORTATION SERVICE AGREEMENT

This is an AGREEMENT made and entered into as of the 31st day of August 2020 ("Execution Date"), by and between PAIUTE PIPELINE COMPANY, a Nevada corporation, herein called "Paiute," and SIERRA PACIFIC POWER COMPANY d/b/a NV ENERGY INC., a Nevada corporation, herein called "Shipper".

WHEREAS, Paiute and Shipper are parties to that certain Transportation Service Agreement dated October 15, 2004, designated as Agreement No. F32 (hereinafter referred to as "Agreement No. F32");

WHEREAS, Paiute and Shipper are parties to that certain Storage Service Agreement dated October 15, 2004, designated as Agreement No. S6 for storage service at Paiute's liquefied natural gas storage facility (hereinafter referred to as the "LNG Plant");

WHEREAS, Paiute and Shipper are parties to that certain Storage Service Agreement with an effective date of April 1, 2020, designated as Restatement of Agreement No. S6 (hereinafter referred to as "Restated Agreement No. S6");

WHEREAS, Shipper desires to receive firm transportation service from Paiute of the quantities of Shipper's natural gas that are withdrawn for Shipper's account from the LNG Plant;

WHEREAS, Paiute and Shipper are parties to that certain Transportation Service Agreement with an effective date of December 1, 2019, designated as Restatement of Agreement No. F29 (hereinafter referred to as "Restated Agreement No. F29");

WHEREAS, Paiute and the Shipper previously used the Exhibit A from Agreement No. F29 for transportation service under Agreement No. F32 as set forth in Article II of Agreement No. F32;

WHEREAS, Paiute and Shipper desire to use the currently effective Form of Service Agreement, except for the Exhibit A, and restate Agreement No. F32; the Parties acknowledge that certain fill-in-the-blank information and other information in the Exhibit A will render the restated agreement non-conforming;

WHEREAS, Paiute and Shipper include a new Exhibit A in the Restated Agreement No. F32 that incorporates by reference the information in Exhibit A of Agreement No. F29 for Primary Delivery Locations/Scheduling Rights by Delivery Location and for Delivery Points, and includes a footnote;

WHEREAS, Paiute and Shipper desire to amend Agreement No. F32 to extend the primary term end date to March 31, 2025 with a primary term of at least five years as measured from April 1, 2020 in accordance with Article IV of the Offer of Settlement approved by the Federal Energy Regulatory Commission in a letter order dated July 6, 2020 (*Paiute Pipeline Co.*, Docket No. RP19-1291-005, 172 FERC ¶ 61,014 (2020)) to qualify for the Category 2 Base Tariff Rate as set forth on the Statement of Rates; and

WHEREAS, it is the intention of Paiute and Shipper that this Agreement may be executed in multiple counterparts and by electronic means, together which shall constitute one instrument; and that the electronic signatures of the

respective party, whether digital or encrypted, are intended to authenticate the Agreement and are to be given the same force and effect as manual signatures.

THEREFORE, in consideration of the mutual covenants and agreements as herein set forth, Paiute and Shipper agree as follows:

ARTICLE I - GAS TO BE TRANSPORTED

Subject to the terms, conditions and limitations hereof, Paiute agrees to receive Shipper's gas at the Receipt Point(s) specified herein up to the applicable Reserved Capacity set forth on Exhibit A attached hereto.

Paiute agrees to transport and deliver the thermally equivalent quantity of Shipper's gas, less Gas Used by Paiute, at the Delivery Location(s) and Delivery Point(s) specified on Exhibit A. Paiute shall not be obligated to receive and/or transport quantities of gas in excess of the applicable Reserved Capacity.

ARTICLE II - RECEIPT POINTS, DELIVERY POINTS, PRESSURES AND QUANTITIES

Receipt of gas by Paiute from Shipper shall be at the Receipt Points whose names and Maximum Daily Quantities for the applicable period are as set forth on Exhibit A.

Delivery of gas by Paiute to Shipper shall be at the Delivery Points whose names, locations, Delivery Locations, Delivery Pressures, Assumed Atmospheric Pressures, and Maximum Daily Quantities are as set forth on Exhibit A.

ARTICLE III - APPLICABLE TRANSPORTATION RATES AND RATE SCHEDULE

Shipper agrees to pay Paiute for all natural gas transportation service rendered under the terms of this Agreement in accordance with Paiute's Rate Schedule FT-1, as filed with the Federal Energy Regulatory Commission, and as amended or superseded from time to time. This Agreement shall be subject to the provisions of such rate schedule and the General Terms and Conditions applicable thereto on file with the Federal Energy Regulatory Commission and effective from time to time, which by this reference are incorporated herein and made a part hereof.

ARTICLE IV - TERM OF AGREEMENT

The primary term begin date for the transportation service hereunder is set forth on Exhibit A. This Agreement shall remain in effect to and including the primary term end date set forth on Exhibit A and, if an evergreen provision applies, through the evergreen rollover periods (which shall be reflected on Exhibit A) thereafter until terminated by either party hereto through written notice so stating and given to the other in advance no less than the existing notice period which shall be reflected on Exhibit A.

ARTICLE V - NOTICES

Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered personally, by email, or by mail with all postage and charges prepaid, to either Shipper or Paiute at the place designated. Routine communications shall be considered as duly delivered when sent by ordinary or electronic mail. Normal operating instructions can be made by telephone. Unless changed, the addresses of the parties are as follows:

To Paiute: Paiute Pipeline Company
P.O. Box 94197
Las Vegas, Nevada 89193-4197
Email: Paiute-Regulatory@swgas.com

To Shipper: Sierra Pacific Power Company
P.O. Box 10100
Reno, Nevada 89520

Either party may change its mailing or email address at any time upon written notice to the other.

ARTICLE VI - REGULATORY AUTHORIZATION

The transportation service to be rendered hereunder shall be provided by Paiute in accordance with Subpart G of Part 284 of the Federal Energy Regulatory Commission's Regulations.

ARTICLE VII - CANCELLATION OF PRIOR AGREEMENT(S)

When this Agreement becomes effective, it supersedes, cancels and terminates the following agreement(s), including any related amendment(s) and exhibit(s):

NONE

ARTICLE VIII - GOVERNING LAW

Paiute and Shipper expressly agree that the laws of the State of Nevada shall govern the validity, construction, interpretation, and effect of this Agreement, without regard to the conflict of laws rules of such state. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.

ARTICLE IX - SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. No assignment or transfer by either party hereunder shall be made without written approval of the other party. Such approval shall not be unreasonably withheld. As between the parties hereto, such assignment shall become effective on the first (1st) day of the month following written notice that such assignment has been effectuated.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above set forth as the Execution Date, shall become effective on April 1, 2020.

SIERRA PACIFIC POWER COMPANY

PAIUTE PIPELINE COMPANY

Signature: Anita Hart

Signature: Mark A. Litwin

Name: Anita Hart

Name: Mark A. Litwin

Title: Director, Resource Planning & Analysis

Title: VP/General Manager

EXHIBIT A
to the
FT-1 Transportation Service Agreement
Execution Date August 31, 2020, Effective
April 1, 2020

Between Paiute Pipeline Company
and
Sierra Pacific Power Company

Primary Term Begin Date: April 1, 2005

Primary Term End Date: March 31, 2025

Evergreen Provision Rollover Periods: One year beginning after the end of the primary term or any rollover period and year-to-year thereafter.

Evergreen Provision Termination Notice Period: One year prior to the end of the primary term or any rollover period.

Daily Reserved Capacity: 23,000 Dth
Summer Daily Reserved Capacity: 0 Dth

Receipt Point(s)	Period	Maximum Daily Quantities (Dth)
Primary Receipt Points/Scheduling Rights:		
LNG Plant	Winter	<u>23,000</u>

Primary Delivery Locations/Scheduling Rights by Delivery Location (DL)

	Winter (Dth/d)	Summer (Dth/d)
DL 5--Upper Carson	<u>See TSA No. F29</u>	<u>0</u>
DL 6--Reno	<u>See TSA No. F29</u>	<u>0</u>

Delivery Point(s)

<u>Delivery Point(s) by DL</u>	<u>Delivery Pressure (Maximum Psig, unless otherwise indicated)</u>	<u>Assumed Atmospheric Pressure (Psia)</u>	<u>Delivery Point Maximum Daily Quantities (Dth)</u>
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DL5

See TSA No. F29

DL6

See TSA No. F29

Delivery of natural gas by Paiute to Shipper shall be at or near the points whose locations, Delivery Pressures, Assumed Atmospheric Pressures, and Maximum Daily Quantities are described on Exhibit A, attached to Restated Transportation Service Agreement (Agreement) No. F29 between Paiute Pipeline Company and Sierra

Pacific Power Company, as such agreement may be amended. The Maximum Daily Quantity set forth on the Exhibit A of Agreement No. F29 for each Delivery Point shall represent the Maximum Daily Quantity that Shipper is entitled to have delivered in total to each such point under this Agreement and Agreement No. F29. Such Maximum Daily Quantities are further subject to any footnoted limitations set forth on Exhibit A of Agreement No. F29.

Lateral Capacity Limitations:

Notwithstanding the maximum daily quantities set forth for each of the foregoing Delivery Points, Paiute shall not be obligated to transport for redelivery, and Shipper shall not be entitled hereunder to receive, on any day, for those Delivery Points served by the N/A Lateral ([Describe]), an aggregate quantity of gas under this Agreement [if applicable: and Agreement No. (or Nos.)] exceeding N/A Dth.

Hourly Limitations:

Notwithstanding the maximum daily quantity set forth for the N/A Delivery Point, Paiute shall not be obligated to transport for redelivery at such Delivery Point, and Shipper shall not be entitled hereunder to receive at such Delivery Point, during any hour of the day, a quantity of gas that exceeds N/A Dth.