



Ruby Pipeline, LLC

October 30, 2024

Debbie-Anne A. Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, NE, Room 1A
Washington, DC 20426

Re: Ruby Pipeline, LLC
Negotiated Rate Agreement and Non-Conforming Amendment
Docket No. RP25-____-000

Dear Secretary Reese:

Ruby Pipeline, LLC (“Ruby”) hereby submits for filing with the Federal Energy Regulatory Commission (“Commission” or “FERC”) to become part of Ruby’s FERC Gas Tariff, Original Volume No. 1 (“Tariff”), the following revised tariff sections (the “Proposed Tariff Sections”) with a requested effective date of November 1, 2024.

<u>Section Name</u>	<u>Section Version</u>
Part II: Stmt. of Rates, Section 4 – Statement of Negotiated Rates	11.0.0
Part II: Stmt. of Rates, Section 4.1 – Pacific Gas & Electric Co. #220127-FTRUBY	7.0.0
Part VII: Non-Conforming, Section 13 – Pacific Gas & Electric Co. #61014000-FTRUBY	3.0.0
Part VII: Non-Conforming, Section 13.1 – Pacific Gas & Electric Co. #61014000-FTRUBY Exh A	3.0.0
Part VII: Non-Conforming, Section 13.2 – Pacific Gas & Electric Co. #61014000-FTRUBY Exh B	3.0.0

Pursuant to Part 154 of the Commission’s regulations,¹ the following items are included in this filing:

1. An eTariff XML filing package containing the Proposed Tariff Sections in electronic format;
2. A PDF file of the clean Proposed Tariff Sections for posting in the Commission’s eLibrary;
3. A PDF file of the marked Proposed Tariff Sections for posting in the Commission’s eLibrary; and
4. This transmittal letter.

Statement of the Nature, Reasons, and Basis for the Proposed Changes

Pursuant to 18 CFR § 154.601, Ruby is submitting this instant filing to implement one negotiated rate transportation service agreement (“TSA”) between Ruby and:

¹ 18 CFR § 154 (2024).

Pacific Gas and Electric Company, Contract No. 220127-FTRUBY

A copy of the TSA is attached hereto. The contract has an effective date of November 1, 2024. Pursuant to Section 4.14 of the General Terms and Conditions of its Tariff, Ruby has authority to negotiate rates in accordance with the Commission's Policy Statement on the Alternatives to Traditional Cost of Service Ratemaking for Natural Gas Pipelines ("Policy Statement").² This policy requires either the filing of the negotiated rate agreement or a tariff section reflecting the essential elements of the negotiated rate agreement.

Accordingly, Ruby herein files the Proposed Tariff Sections which list the subject agreement, including, *inter alia*, the shipper's name, contract number, and contract terms.

Ruby hereby affirms that the TSA identified above does not deviate in any material respect from the form of service agreement in the Tariff.

Additionally, Ruby is submitting one amended and restated Non-Conforming negotiated rate TSA. Ruby will be replacing the on-file transportation service agreement with Pacific Gas and Electric Company, Contract No. 61014000-FTRUBY. The changes in the TSA are limited to changes in the term of service and Maximum Delivery Quantity.

The amendment to Contract No. 61014000-FTRUBY, a copy of which is attached hereto, has an effective date of November 1, 2024. Ruby is filing the amended and restated TSA together with the Proposed Tariff Sections, which set forth the shipper's name and contract terms.

Ruby requests that the Commission accept this filing and permit the Proposed Tariff Sections set forth herein to become effective on November 1, 2024, consistent with the effective date of the TSAs.

Procedural Matters

Pursuant to the Commission's regulations, Ruby is submitting this filing via electronic filing. Ruby requests that the Commission grant all waivers of its regulations necessary for the Proposed Tariff Sections to become effective on November 1, 2024. If the Commission suspends the Proposed Tariff Sections, Ruby hereby moves to place the accepted Proposed Tariff Sections into effect at the end of the suspension period, if any, specified in the Commission order permitting the proposed changes to go into effect without change. If the Commission directs Ruby to change any aspect of Ruby's proposal prior to these Proposed Tariff Sections becoming effective, Ruby reserves the right to file a later motion to place the Proposed Tariff Sections into effect.

In compliance with 18 CFR § 154.204(f), Ruby states that it has no other filings pending before the Commission that will significantly affect the Proposed Tariff Sections tendered in this proceeding.

² *Policy Statement on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines*, 74 FERC ¶ 61,076 (1996), *order on clarification*, 74 FERC ¶ 61,194, *order on reh'g*, 75 FERC ¶ 61,024 (1996), *order modifying negotiated rate policy*, 104 FERC ¶ 61,134 (2003); *order on reh'g and clarification*, 114 FERC ¶ 61,042 (2006) ("Policy Statement").

Debbie-Anne A. Reese, Secretary

October 30, 2024

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Ruby requests that all Commission orders and correspondence as well as pleadings and correspondence by other parties concerning this filing be served on each of the following:

L. Drew Cutright
Vice President, Regulatory Affairs
Tallgrass Energy, LP
370 Van Gordon Street
Lakewood, CO 80228
303-763-3438
drew.cutright@tallgrass.com

Stewart J. Merrick
Assistant General Counsel
Tallgrass Energy, LP
370 Van Gordon Street
Lakewood, CO 80228
801-230-8442
stewart.merrick@tallgrass.com

A copy of this filing is being served on Ruby's customers and all interested state commissions. A copy of this filing is also available for inspection during regular business hours at Ruby's office in Lakewood, Colorado.

Certification

The signature on this filing constitutes a certification that: (1) I have read the filing; (2) to the best of my knowledge and belief, the statements and information contained herein are true and correct; and (3) I possess full power and authority to sign this filing.

Respectfully submitted,



L. Drew Cutright
Vice President, Regulatory Affairs
Tallgrass Energy, LP

Authorized Representative of Ruby Pipeline, LLC

Clean Tariff Records

Statement of Negotiated Rates

Section 4.1	Pacific Gas & Electric Co. #220127-FTRUBY
Section 4.2	Castleton Commodities Merchant Trading L.P. #959579-PALRUBY
Section 4.3	Reserved
Section 4.4	Reserved

Rate Schedule FT Shipper Identification	Term of Service	Statement of Negotiated Rates (Rates per Dth/day)			Authorized Overrun	Primary Receipt Point(s)	Primary Delivery Point(s)
		MDQ (Dth/d)	Reservation Rate 1/	Commodity Rate 1/			
Pacific Gas And Electric Company, (CORE GAS SUPPLY FUNCTION) #220127-FTRUBY	11/1/2024 – 3/31/2025	50,000	1a/, 5/	5/	1/	941001 PEARL CREEK	942004 ONYX HILL
			1a/, 5/	5/	<u>Secondary Receipt Point(s)</u>	<u>Secondary Delivery Point(s)</u>	
					All	All	

- 1/ Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates for service under Rate Schedule FT or other superseding Rate Schedules; as such rates may be changed from time to time. The reservation rate shall be payable regardless of quantities transported.
- 1a/ As provided in GT&C Section 4.14 of Transporter's Tariff, the parties agree to the following negotiated rate(s) \$9.1250 per Dth per Month which shall not be subject to the applicable maximum or minimum reservation rate as set forth in Transporter's Tariff and which shall be payable regardless of quantities transported.
- 2/ FL&U Reimbursement Percentages shall be as stated on Transporter's Statement of Rates in the Tariff, as it may be changed from time to time, unless otherwise agreed between the Parties.
- 3/ Surcharges, If Applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates, as such surcharges may be changed from time to time, unless otherwise agreed to by the parties.
Greenhouse Gas Costs:
 If any greenhouse gas costs are imposed pursuant to GT&C Section 29, Shipper shall pay such tax or costs through an additional surcharge. Such surcharges are in addition to any taxes or assessments Shipper is required to pay pursuant to GT&C Section 24.
ACA:
 The ACA Surcharge shall be assessed pursuant to GT&C Section 17 of the Tariff.
- 4/ EPC shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.

- 5/ Recovery of Electricity Costs Used for Compression, Commodity, and Other Surcharges: Shipper's negotiated rate will not include any commodity or usage charge, unless Transporter is required by FERC to assess such a commodity charge, in which case the commodity charge will be set at the minimum permissible level and the reservation rate will be reduced to a level that causes the combined commodity and reservation rates to equal the selected negotiated rate, stated on a 100% load factor

FIRM TRANSPORTATION SERVICE AGREEMENT

RATE SCHEDULE FT

between

RUBY PIPELINE, L.L.C.

and

PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
(Shipper)

DATED: June 15, 2023

TRANSPORTATION SERVICE AGREEMENT
RATE SCHEDULE FT
DATED: June 15, 2023

The parties identified below, in consideration of their mutual promises, agree as follows:

1. **Transporter:** RUBY PIPELINE, L.L.C.
2. **Shipper:** PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
3. **Applicable Tariff and Incorporation by Reference:** Transporter's FERC Gas Tariff Original Volume No. 1, as the same may be amended or superseded from time to time ("Tariff"). This Agreement in all respects shall be subject to and shall incorporate as if set forth herein the provisions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time. Capitalized terms used and not otherwise defined in this Agreement have the meanings given to them in the Tariff.
4. **Changes in Rates and Terms:** Subject to Section 15 of this Agreement, Transporter shall have the right to propose to the FERC changes in its rates and terms of service, and this Agreement shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Shipper's right to protest the same.
5. **Transportation Service:** Transportation service at and between primary receipt point(s) and primary delivery point(s) shall be on a firm basis. Receipt and delivery of quantities at secondary receipt point(s) and/or secondary delivery point(s) shall be in accordance with the Tariff.
6. **Receipt and Delivery Points:** Shipper agrees to tender Natural Gas for transportation service and Transporter agrees to accept receipt quantities at the primary receipt point(s) identified in Exhibit A. Transporter agrees to provide transportation service and deliver Natural Gas to Shipper (or for Shipper's account) at the primary delivery point(s) identified in Exhibit A. Minimum and maximum receipt and delivery pressures, as applicable, are listed on Exhibit A.
7. **Rates and Surcharges:** As set forth in Exhibit B.
8. **Negotiated Rate Agreement:** Yes No
9. **Term of Firm Transportation Service:** Beginning: November 1, 2011
Ending: October 31, 2026

The term of firm transportation service identified in this Section 9 shall be referred to herein as the "Initial Term."

Prior to the commencement of this Agreement, Shipper shall submit this Agreement to the California Public Utilities Commission ("CPUC") for approval and, as soon as reasonably practicable following the CPUC's approval of this Agreement, Transporter shall submit this Agreement to the FERC for approval. Upon the later of final CPUC approval, final FERC approval, or the effective date of this Agreement stated in Section 13, this Agreement will govern the rights and obligations of the parties.

If either the CPUC or the FERC does not approve this Agreement or modifies the terms of this Agreement, then Transporter and Shipper shall meet and confer in good faith to negotiate a mutually-acceptable alternative to the Agreement that is consistent with the terms of the CPUC or FERC order, as applicable, and preserves the original intent of this Agreement ("Alternative Agreement"). Shipper and Transporter shall thereafter submit such Alternative Agreement to the CPUC and/or FERC, as applicable, for approval. Each party shall use good-faith efforts to obtain approval of the Alternative Agreement by the CPUC and/or FERC, as applicable.

If (a) the parties are unable to reach agreement through the consultation process described in this Section 9; or (b) either the CPUC or the FERC does not approve the Alternative Agreement; or (c) either the CPUC or the FERC approves the Alternative Agreement, but does so with further modifications or conditions which are unacceptable to either party, then either party may terminate this Agreement and, upon such termination, the parties' transportation obligations will be governed by the most recent executed version of the Agreement. If the CPUC and the FERC approve the Alternative Agreement, then neither party will have the right to terminate this Agreement under this Section 9.

10. **Right-Of-First-Refusal:** A contractual right of first refusal ("ROFR") will apply to this Agreement. Shipper will have a ROFR at the end of the Initial Term as set forth in Section 9 above, and any extension thereof pursuant to Section 19 below, to be applicable to any portion of Shipper's MDQ in effect at that time and exercisable in accordance with the provisions of Transporter's Tariff.
11. **Maximum Delivery Quantity ("MDQ"):**

MDQ (Dth/d)	Effective Date
100,000	November 1, 2024 through October 31, 2026

Upon the initial effective date of Transporter's Agreement No. 61014000 (i.e., November 1, 2011), Shipper's MDQ was 250,000 Dth per day for its Core Gas Supply function ("Initial MDQ"). Shipper shall have the right to reduce its MDQ as follows: to eighty percent (80%) of the Initial MDQ on November 1, 2022; to sixty percent (60%) of the Initial MDQ on November 1, 2023; to forty percent (40%) of the Initial MDQ on November 1, 2024; to twenty percent (20%) of the Initial MDQ on November 1, 2025; and/or down to zero (0) Dth per day on November 1, 2026. Any reduction in the MDQ pursuant to this provision will require written notice to Transporter, provided six months in advance of the applicable date for reducing the MDQ.

12. **Notices, Statements, and Bills:**

To Shipper:

Invoices:

PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
P.O. Box 770000 – Mail Code B5F
San Francisco, CA, 94177
Attn: Regulatory & Contract Services

All Notices:

PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
P.O. Box 770000 – Mail Code B5F
San Francisco, CA, 94177
Attn: Regulatory & Contract Services

To Transporter: See "Points of Contact" in the Tariff.

13. **Effect on Prior Agreement(s):** This Agreement will amend and supersede, in all respects, the following agreement(s) between the Parties with the changes to be effective on November 1, 2024: The Firm Transportation Service Agreement between Transporter and Shipper referred to as Transporter's Agreement No. 61014000-FTRUBY, last amendment dated June 13, 2022 and commenced on November 1, 2022 per Docket No. RP22-1252-000.

14. **Governing Law:** Transporter and Shipper expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.
15. **Effectiveness of Negotiated Rate and Nonconforming Provisions:** Transporter and Shipper have agreed to certain negotiated rate provisions and certain nonconforming provisions as set forth in Sections 9, 10, 11, 15, 16, 17, 18, 19, 20, and Exhibits A and B of this Agreement. Such negotiated rate provisions will take precedence over the charges set forth in Rate Schedule FT, and such nonconforming provisions will take precedence over the terms and conditions set forth in the Tariff, during the term of this Agreement.
16. **Recovery of Electricity Costs Used for Compression, Commodity, and Other Surcharges:** If any portion of the FERC- approved cost of electricity used for compression must be recovered through Transporter's recourse rates, then, if and only if Shipper receives all necessary California Public Utilities Commission ("CPUC") approvals to fully recover all costs for electricity used for compression, Shipper's negotiated rate will be adjusted to permit the recovery of such amount and the amount of the electric fuel surcharge will be reduced by an equivalent amount. Shipper's negotiated rate will not include any commodity or usage charge, unless Transporter is required by FERC to assess such a commodity charge, in which case the commodity charge will be set at the minimum permissible level and the reservation rate will be reduced to a level that causes the combined commodity and reservation rates to equal the selected negotiated rate, stated on a 100% load factor basis.
17. **Recovery for Carbon Tax and Greenhouse Gas Costs:** If and only if Shipper receives all necessary CPUC approvals, Shipper shall pay for any costs incurred by Transporter in connection with greenhouse gas costs in the manner set forth below. Transporter agrees that it will seek to recover the cost of any carbon emissions tax or other greenhouse gas assessment that is imposed on Transporter and/or the cost of any greenhouse gas mitigation efforts that are incurred by Transporter to eliminate or offset its carbon emissions through a FERC-approved surcharge. Transporter may make multiple tariff filings to separately permit the recovery of costs incurred under a voluntary program of greenhouse gas mitigation and under a mandatory program. If Transporter is unsuccessful in passing these costs through to Shipper via a surcharge imposed on all shippers, and (i) such amounts are recoverable only through Transporter's FERC-approved recourse rates, and (ii) the amount recovered through the recourse rates does not provide Transporter with full recovery of greenhouse gas costs, then, if and only if Shipper receives all necessary CPUC approvals to fully recover all greenhouse gas costs, Shipper's negotiated rate shall be modified to include Shipper's ratable share of such unrecovered amounts.
18. **Fuel Reduction Provision:** In any future expansion of the Ruby Pipeline, if Transporter proposes to roll-in the fuel associated with the expansion capacity into the base fuel rate and the filed post expansion 90% load factor annual average fuel rate, stated as a natural gas equivalent fuel rate and based on conditions at the time of the expansion certificate application (hereinafter the "Filed Expansion Fuel Rate") exceeds the greater of 1.1% or the Filed Initial Fuel Rate (hereinafter the "Baseline Fuel Rate"), when both the Filed Initial Fuel Rate and Filed Expansion Fuel Rate are calculated in the same manner and the natural gas equivalent fuel rate is calculated using the process described below, then the Shipper's negotiated rate shall be reduced by the value of any difference between the Filed Expansion Fuel Rate and the Baseline Fuel Rate. This value shall be determined using the average of the forecasted monthly price of gas at Opal for the sixty (60) months following the close of the Open Season for the expansion. For purposes of the comparison of the fuel rates described above, the cost of any carbon emission credits or offsets will not be included. The determination of the natural gas equivalent of the combined gas and electric cost recovery amounts shall be based on: (i) the projected annual energy use for the alternative pipeline designs assuming the pipeline is operated at a 90% load factor, annual average air and ground temperatures and an average consumption of 8,000 British Thermal Units ("Btu") per horsepower-hour for the electric driven compressor units; and (ii) converting electric power consumption to natural gas.

19. **Renewal Provisions:** Shipper shall be provided renewal rights to extend the Initial Term of this Agreement at the initial rate for any portion of the MDQ for additional one-year term extensions, until October 31, 2036, exercisable upon at least six months' written notice prior to the scheduled termination of this Agreement, pursuant to Section 9 above, or at the end of any subsequent extended term.

20. **Assignment:** Any transfer of capacity rights by a Shipper must be accomplished through the capacity release provisions of the Tariff. Under any temporary capacity release Shipper shall remain responsible for payment of all Reservation Charges and applicable surcharges but shall receive a credit against any such obligations for amounts received from the Replacement Shipper. Transporter may, on a not unduly discriminatory basis, refuse to allow any permanent release if it has a reasonable basis to conclude that it will not be financially indifferent to the release or if Transporter is unable to obtain any necessary approval from lenders.

IN WITNESS WHEREOF, the parties have executed this Agreement. This Agreement may be executed by electronic means and an electronic signature shall be treated in all respects as having the same effect as a handwritten signature.

TRANSPORTER:

SHIPPER:

RUBY PIPELINE, L.L.C.

**PACIFIC GAS AND ELECTRIC COMPANY
(CORE GAS SUPPLY FUNCTION)**

Accepted and agreed to this

Accepted and agreed to this

_____ day of _____, 2023.

_____ day of _____, 2023.

EXHIBIT A

to

**FIRM TRANSPORTATION SERVICE AGREEMENT
 RATE SCHEDULE FT**

between

RUBY PIPELINE, L.L.C.
 and
PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
 (Shipper)

DATED: June 15, 2023

Shipper's Maximum Delivery Quantity ("MDQ"): See ¶11
 Effective Dates: November 1, 2024 through October 31, 2026

Primary Receipt Point(s) (1)	Primary Receipt Point Quantity (Dth per Day) (2)	Minimum Pressure p.s.i.g.	Maximum Pressure p.s.i.g.
941001 - WFS/RUBY (PRL) PEARL CREEK RECEIPT	100,000	720	The MAOP of Transporter's pipeline facilities at this point

Primary Delivery Point(s) (1)	Primary Delivery Point Quantity (Dth per Day) (3)	Minimum Pressure p.s.i.g.	Maximum Pressure p.s.i.g.
942004 - PACGAS/RUBY (OXH) ONYX HILL DELIVER	100,000	Pressure sufficient to effect delivery into the receiving facilities against the pressures prevailing from time to time, but not in excess of the Maximum Delivery Point Pressure	921

Notes:

- (1) Information regarding receipt and delivery point(s), including legal descriptions, measuring parties, and interconnecting parties, shall be posted on Transporter's Electronic Bulletin Board. Transporter shall update such information from time to time to include additions, deletions, or any other revisions deemed appropriate by Transporter.
- (2) Each receipt point quantity may be increased by an amount equal to Transporter's FL&U percentages. Shipper shall be responsible for providing FL&U at each receipt point on a pro rata basis based on the quantities received on any Day at a receipt point divided by the total quantity delivered at all delivery points under this Transportation Service Agreement.
- (3) The sum of the delivery quantities at all delivery point(s) shall be equal to Shipper's MDQ.

Ex. A-2

EXHIBIT B
 to
TRANSPORTATION SERVICE AGREEMENT
RATE SCHEDULE FT
 between
RUBY PIPELINE, L.L.C. (Transporter)
 and
PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
 (Shipper)

DATED: June 15, 2023

<i>Primary Receipt Point(s)</i>	<i>Primary Delivery Point(s)</i>	<i>Term of Rate</i>	<i>Reservation Rate</i>	<i>Commodity Rate</i>	<i>Authorized Daily Overrun Rate</i>	<i>Fuel</i>	<i>Surcharges</i>	<i>Electric Power Cost</i>
As listed on Exhibit A	As listed on Exhibit A	November 1, 2024 through October 31, 2026	(1a)	(See ¶ 16)	(1)	(2)	(3)	(4)
<i>Primary and Secondary Receipt Point(s)</i>	<i>Primary and Secondary Delivery Point(s)</i>	<i>Term of Rate</i>	<i>Reservation Rate</i>	<i>Commodity Rate</i>	<i>Authorized Daily Overrun Rate</i>	<i>Fuel</i>	<i>Surcharges</i>	<i>Electric Power Cost</i>
All	All	(See ¶9)	(1a)	(See ¶ 16)	(1)	(2)	(3)	(4)

Notes:

- (1) Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates for service under Rate Schedule FT or other superseding Rate Schedules; as such rates may be changed from time to time. The reservation rate shall be payable regardless of quantities transported.
- (1a) As provided in GT&C Section 4.14 of Transporter's Tariff, the parties agree to the following negotiated rate(s) \$20.6833 per Dekatherm per Month, which shall not be subject to the applicable maximum or minimum reservation rate as set forth in Transporter's Tariff and which shall be payable regardless of quantities transported.
- (2) FL&U Reimbursement Percentages shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.
- (3) Surcharges, if applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates, as it may be changed from time to time, unless otherwise agreed to by the parties.

Greenhouse Gas Costs:

If any greenhouse gas costs are imposed pursuant to GT&C Section 29, Shipper shall pay such tax or costs through an additional surcharge. Such surcharges are in addition to any taxes or assessments Shipper is required to pay pursuant to GT&C Section 24.

Ex. B-1

**EXHIBIT B
(CONT.)**

Notes:

ACA:

The ACA Surcharge shall be assessed pursuant to GT&C Section 17 of the Tariff.

- (4) EPC shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.

Marked Tariff Records

Statement of Negotiated Rates

Section 4.1	<u>Pacific Gas & Electric Co. #220127-FTRUBY</u> Reserved
Section 4.2	Castleton Commodities Merchant Trading L.P. #959579-PALRUBY
Section 4.3	Reserved
Section 4.4	Reserved

Statement of Negotiated Rates
 (Rates per Dth/day)

<u>Rate Schedule FT</u> <u>Shipper Identification</u>	<u>Term of</u> <u>Service</u>	<u>MDQ</u> <u>(Dth/d)</u>	<u>Reservation</u> <u>Rate 1/</u>	<u>Commodity</u> <u>Rate 1/</u>	<u>Authorized</u> <u>Overrun</u>	<u>Primary Receipt</u> <u>Point(s)</u>	<u>Primary Delivery</u> <u>Point(s)</u>
Pacific Gas And Electric Company, (CORE GAS SUPPLY FUNCTION) #220127-FTRUBY	11/1/2024 – 3/31/2025	50,000	1a/, 5/	5/	1/	941001 PEARL CREEK	942004 ONYX HILL
			1a/, 5/	5/	<u>Secondary Receipt Point(s)</u>	<u>Secondary Delivery Point(s)</u>	
					<u>All</u>	<u>All</u>	

1/ Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates for service under Rate Schedule FT or other superseding Rate Schedules; as such rates may be changed from time to time. The reservation rate shall be payable regardless of quantities transported.

1a/ As provided in GT&C Section 4.14 of Transporter's Tariff, the parties agree to the following negotiated rate(s) \$9.1250 per Dth per Month which shall not be subject to the applicable maximum or minimum reservation rate as set forth in Transporter's Tariff and which shall be payable regardless of quantities transported.

2/ FL&U Reimbursement Percentages shall be as stated on Transporter's Statement of Rates in the Tariff, as it may be changed from time to time, unless otherwise agreed between the Parties.

3/ Surcharges, If Applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates, as such surcharges may be changed from time to time, unless otherwise agreed to by the parties.

Greenhouse Gas Costs:

If any greenhouse gas costs are imposed pursuant to GT&C Section 29, Shipper shall pay such tax or costs through an additional surcharge. Such surcharges are in addition to any taxes or assessments Shipper is required to pay pursuant to GT&C Section 24.

ACA:

The ACA Surcharge shall be assessed pursuant to GT&C Section 17 of the Tariff.

4/ EPC shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.

5/ Recovery of Electricity Costs Used for Compression, Commodity, and Other Surcharges: Shipper's negotiated rate will not include any commodity or usage charge, unless Transporter is required by FERC to assess such a commodity charge, in which case the commodity charge will be set at the minimum permissible level and the reservation rate will be reduced to a level that causes the combined commodity and reservation rates to equal the selected negotiated rate, stated on a 100% load factor

FIRM TRANSPORTATION SERVICE AGREEMENT

RATE SCHEDULE FT

between

RUBY PIPELINE, L.L.C.

and

PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
(Shipper)

DATED: ~~June 13, 2022~~ June 15, 2023

**TRANSPORTATION SERVICE AGREEMENT
RATE SCHEDULE FT**

DATED: ~~June 13, 2022~~ June 15, 2023

The parties identified below, in consideration of their mutual promises, agree as follows:

1. **Transporter:** RUBY PIPELINE, L.L.C.
2. **Shipper:** PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
3. **Applicable Tariff and Incorporation by Reference:** Transporter's FERC Gas Tariff Original Volume No. 1, as the same may be amended or superseded from time to time ("Tariff"). This Agreement in all respects shall be subject to and shall incorporate as if set forth herein the provisions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time. Capitalized terms used and not otherwise defined in this Agreement have the meanings given to them in the Tariff.
4. **Changes in Rates and Terms:** Subject to Section 15 of this Agreement, Transporter shall have the right to propose to the FERC changes in its rates and terms of service, and this Agreement shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Shipper's right to protest the same.
5. **Transportation Service:** Transportation service at and between primary receipt point(s) and primary delivery point(s) shall be on a firm basis. Receipt and delivery of quantities at secondary receipt point(s) and/or secondary delivery point(s) shall be in accordance with the Tariff.
6. **Receipt and Delivery Points:** Shipper agrees to tender Natural Gas for transportation service and Transporter agrees to accept receipt quantities at the primary receipt point(s) identified in Exhibit A. Transporter agrees to provide transportation service and deliver Natural Gas to Shipper (or for Shipper's account) at the primary delivery point(s) identified in Exhibit A. Minimum and maximum receipt and delivery pressures, as applicable, are listed on Exhibit A.
7. **Rates and Surcharges:** As set forth in Exhibit B.
8. **Negotiated Rate Agreement:** Yes No
9. **Term of Firm Transportation Service:** Beginning: November 1, 2011
Ending: October 31, 2026

The term of firm transportation service identified in this Section 9 shall be referred to herein as the "Initial Term."

Prior to the commencement of this Agreement, Shipper shall submit this Agreement to the California Public Utilities Commission ("CPUC") for approval and, as soon as reasonably practicable following the CPUC's approval of this Agreement, Transporter shall submit this Agreement to the FERC for approval. Upon the later of final CPUC approval, final FERC approval, or the effective date of this Agreement stated in Section 13, this Agreement will govern the rights and obligations of the parties.

If either the CPUC or the FERC does not approve this Agreement or modifies the terms of this Agreement, then Transporter and Shipper shall meet and confer in good faith to negotiate a mutually-acceptable alternative to the Agreement that is consistent with the terms of the CPUC or FERC order, as applicable, and preserves the original intent of this Agreement ("Alternative Agreement"). Shipper and Transporter shall thereafter submit such Alternative Agreement to the CPUC and/or FERC, as applicable, for approval. Each party shall use good-faith efforts to obtain approval of the Alternative Agreement by the CPUC and/or FERC, as applicable.

If (a) the parties are unable to reach agreement through the consultation process described in this Section 9; or (b) either the CPUC or the FERC does not approve the Alternative Agreement; or (c) either the CPUC or the FERC approves the Alternative Agreement, but does so with further modifications or conditions which are unacceptable to either party, then either party may terminate this Agreement and, upon such termination, the parties' transportation obligations will be governed by the most recent executed version of the Agreement. If the CPUC and the FERC approve the Alternative Agreement, then neither party will have the right to terminate this Agreement under this Section 9.

- 10. **Right-Of-First-Refusal:** A contractual right of first refusal ("ROFR") will apply to this Agreement. Shipper will have a ROFR at the end of the Initial Term as set forth in Section 9 above, and any extension thereof pursuant to Section 19 below, to be applicable to any portion of Shipper's MDQ in effect at that time and exercisable in accordance with the provisions of Transporter's Tariff.
- 11. **Maximum Delivery Quantity ("MDQ"):**

MDQ (Dth/d)	Effective Date
200,000	November 1, 2022 through October 31, 2023
150,000	November 1, 2023 through October 31, 2026
100,000	November 1, 2024 through October 31, 2026

Upon the initial effective date of Transporter's Agreement No. 61014000 (i.e., November 1, 2011), Shipper's MDQ was 250,000 Dth per day for its Core Gas Supply function ("Initial MDQ"). Shipper shall have the right to reduce its MDQ as follows: to eighty percent (80%) of the Initial MDQ on November 1, 2022; to sixty percent (60%) of the Initial MDQ on November 1, 2023; to forty percent (40%) of the Initial MDQ on November 1, 2024; to twenty percent (20%) of the Initial MDQ on November 1, 2025; and/or down to zero (0) Dth per day on November 1, 2026. Any reduction in the MDQ pursuant to this provision will require written notice to Transporter, provided six months in advance of the applicable date for reducing the MDQ.

- 12. **Notices, Statements, and Bills:**

To Shipper:

Invoices:

PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
 P.O. Box 770000 – Mail Code B5F
 San Francisco, CA, 94177
 Attn: Regulatory & Contract Services

All Notices:

PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
 P.O. Box 770000 – Mail Code B5F
 San Francisco, CA, 94177
 Attn: Regulatory & Contract Services

To Transporter: See "Points of Contact" in the Tariff.

- 13. **Effect on Prior Agreement(s):** This Agreement will amend and supersede, in all respects, the following agreement(s) between the Parties with the changes to be effective on November 1, ~~2024~~~~2022~~: The Firm Transportation Service Agreement between Transporter and Shipper referred to as Transporter's Agreement No. 61014000-FTRUBY, last amendment dated June 13, 202~~2~~~~0~~ and commenced on ~~November 1~~~~March 28~~, 2022 per Docket No. RP22-~~1252~~~~508~~-000.

14. **Governing Law:** Transporter and Shipper expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.
15. **Effectiveness of Negotiated Rate and Nonconforming Provisions:** Transporter and Shipper have agreed to certain negotiated rate provisions and certain nonconforming provisions as set forth in Sections 9, 10, 11, 15, 16, 17, 18, 19, 20, and Exhibits A and B of this Agreement. Such negotiated rate provisions will take precedence over the charges set forth in Rate Schedule FT, and such nonconforming provisions will take precedence over the terms and conditions set forth in the Tariff, during the term of this Agreement.
16. **Recovery of Electricity Costs Used for Compression, Commodity, and Other Surcharges:** If any portion of the FERC- approved cost of electricity used for compression must be recovered through Transporter's recourse rates, then, if and only if Shipper receives all necessary California Public Utilities Commission ("CPUC") approvals to fully recover all costs for electricity used for compression, Shipper's negotiated rate will be adjusted to permit the recovery of such amount and the amount of the electric fuel surcharge will be reduced by an equivalent amount. Shipper's negotiated rate will not include any commodity or usage charge, unless Transporter is required by FERC to assess such a commodity charge, in which case the commodity charge will be set at the minimum permissible level and the reservation rate will be reduced to a level that causes the combined commodity and reservation rates to equal the selected negotiated rate, stated on a 100% load factor basis.
17. **Recovery for Carbon Tax and Greenhouse Gas Costs:** If and only if Shipper receives all necessary CPUC approvals, Shipper shall pay for any costs incurred by Transporter in connection with greenhouse gas costs in the manner set forth below. Transporter agrees that it will seek to recover the cost of any carbon emissions tax or other greenhouse gas assessment that is imposed on Transporter and/or the cost of any greenhouse gas mitigation efforts that are incurred by Transporter to eliminate or offset its carbon emissions through a FERC-approved surcharge. Transporter may make multiple tariff filings to separately permit the recovery of costs incurred under a voluntary program of greenhouse gas mitigation and under a mandatory program. If Transporter is unsuccessful in passing these costs through to Shipper via a surcharge imposed on all shippers, and (i) such amounts are recoverable only through Transporter's FERC-approved recourse rates, and (ii) the amount recovered through the recourse rates does not provide Transporter with full recovery of greenhouse gas costs, then, if and only if Shipper receives all necessary CPUC approvals to fully recover all greenhouse gas costs, Shipper's negotiated rate shall be modified to include Shipper's ratable share of such unrecovered amounts.
18. **Fuel Reduction Provision:** In any future expansion of the Ruby Pipeline, if Transporter proposes to roll-in the fuel associated with the expansion capacity into the base fuel rate and the filed post expansion 90% load factor annual average fuel rate, stated as a natural gas equivalent fuel rate and based on conditions at the time of the expansion certificate application (hereinafter the "Filed Expansion Fuel Rate") exceeds the greater of 1.1% or the Filed Initial Fuel Rate (hereinafter the "Baseline Fuel Rate"), when both the Filed Initial Fuel Rate and Filed Expansion Fuel Rate are calculated in the same manner and the natural gas equivalent fuel rate is calculated using the process described below, then the Shipper's negotiated rate shall be reduced by the value of any difference between the Filed Expansion Fuel Rate and the Baseline Fuel Rate. This value shall be determined using the average of the forecasted monthly price of gas at Opal for the sixty (60) months following the close of the Open Season for the expansion. For purposes of the comparison of the fuel rates described above, the cost of any carbon emission credits or offsets will not be included. The determination of the natural gas equivalent of the combined gas and electric cost recovery amounts shall be based on: (i) the projected annual energy use for the alternative pipeline designs assuming the pipeline is operated at a 90% load factor, annual average air and ground temperatures and an average consumption of 8,000 British Thermal Units ("Btu") per horsepower-hour for the electric driven compressor units; and (ii) converting electric power consumption to natural gas.

- 19. **Renewal Provisions:** Shipper shall be provided renewal rights to extend the Initial Term of this Agreement at the initial rate for any portion of the MDQ for additional one-year term extensions, until October 31, 2036, exercisable upon at least six months' written notice prior to the scheduled termination of this Agreement, pursuant to Section 9 above, or at the end of any subsequent extended term.

- 20. **Assignment:** Any transfer of capacity rights by a Shipper must be accomplished through the capacity release provisions of the Tariff. Under any temporary capacity release Shipper shall remain responsible for payment of all Reservation Charges and applicable surcharges but shall receive a credit against any such obligations for amounts received from the Replacement Shipper. Transporter may, on a not unduly discriminatory basis, refuse to allow any permanent release if it has a reasonable basis to conclude that it will not be financially indifferent to the release or if Transporter is unable to obtain any necessary approval from lenders.

IN WITNESS WHEREOF, the parties have executed this Agreement. This Agreement may be executed by electronic means and an electronic signature shall be treated in all respects as having the same effect as a handwritten signature.

TRANSPORTER:

SHIPPER:

RUBY PIPELINE, L.L.C.

**PACIFIC GAS AND ELECTRIC COMPANY
(CORE GAS SUPPLY FUNCTION)**

Accepted and agreed to this

Accepted and agreed to this

| _____ day of _____, 2023~~2~~.

_____ day of _____, 2023~~2~~.

EXHIBIT A

to

**FIRM TRANSPORTATION SERVICE AGREEMENT
 RATE SCHEDULE FT**

between

RUBY PIPELINE, L.L.C.
 and
PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
 (Shipper)

DATED: ~~June 13, 2022~~ June 15, 2023

Shipper's Maximum Delivery Quantity ("MDQ"): See ¶11
 Effective Dates: November 1, ~~2022-2024~~ through October 31, ~~2026~~2023

Primary Receipt Point(s) (1)	Primary Receipt Point Quantity (Dth per Day) (2)	Minimum Pressure p.s.i.g.	Maximum Pressure p.s.i.g.
941001 - WFS/RUBY (PRL) PEARL CREEK RECEIPT	100,000 <u>200,000</u>	720	The MAOP of Transporter's pipeline facilities at this point

Primary Delivery Point(s) (1)	Primary Delivery Point Quantity (Dth per Day) (3)	Minimum Pressure p.s.i.g.	Maximum Pressure p.s.i.g.
942004 - PACGAS/RUBY (OXH) ONYX HILL 921 DELIVER	100,000 <u>200,000</u>	Pressure sufficient to	effect delivery into the receiving facilities against the pressures prevailing from time to time, but not in excess of the Maximum Delivery Point Pressure

EXHIBIT A

to

**FIRM TRANSPORTATION SERVICE AGREEMENT
 RATE SCHEDULE FT**

between

RUBY PIPELINE, L.L.C.
 and
PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
 (Shipper)

DATED: June 13, 2022

Shipper's Maximum Delivery Quantity ("MDQ"): See ¶11
 Effective Dates: November 1, 2023 through October 31, 2026

Primary Receipt Point(s) (1)	Primary Receipt Point Quantity (Dth per Day) (2)	Minimum Pressure p.s.i.g.	Maximum Pressure p.s.i.g.
941001 - WFS/RUBY (PRL) PEARL CREEK RECEIPT	150,000	720	The MAOP of Transporter's pipeline facilities at this point

Primary Delivery Point(s) (1)	Primary Delivery Point Quantity (Dth per Day) (3)	Minimum Pressure p.s.i.g.	Maximum Pressure p.s.i.g.
942004 - PACGAS/RUBY (OXH) ONYX HILL DELIVER	150,000	Pressure sufficient to effect delivery into the receiving facilities against the pressures prevailing from time to time, but not in excess of the Maximum Delivery Point Pressure	924

Notes:

- (1) Information regarding receipt and delivery point(s), including legal descriptions, measuring parties, and interconnecting parties, shall be posted on Transporter's Electronic Bulletin Board. Transporter shall update such information from time to time to include additions, deletions, or any other revisions deemed appropriate by Transporter.
- (2) Each receipt point quantity may be increased by an amount equal to Transporter's FL&U percentages. Shipper shall be responsible for providing FL&U at each receipt point on a pro rata basis based on the quantities received on any Day at a receipt point divided by the total quantity delivered at all delivery points under this Transportation Service Agreement.
- (3) The sum of the delivery quantities at all delivery point(s) shall be equal to Shipper's MDQ.

EXHIBIT B
 to
TRANSPORTATION SERVICE AGREEMENT
RATE SCHEDULE FT
 between
RUBY PIPELINE, L.L.C. (Transporter)
 and
PACIFIC GAS AND ELECTRIC COMPANY (CORE GAS SUPPLY FUNCTION)
 (Shipper)

DATED: ~~June 15, 2023~~ ~~June 13, 2022~~

<i>Primary Receipt Point(s)</i>	<i>Primary Delivery Point(s)</i>	<i>Term of Rate</i>	<i>Reservation Rate</i>	<i>Commodity Rate</i>	<i>Authorized Daily Overrun Rate</i>	<i>Fuel</i>	<i>Surcharges</i>	<i>Electric Power Cost</i>
As listed on Exhibit A	As listed on Exhibit A	November 1, 2022-2024 through October 31, 2026	(1a)	(See ¶ 16)	(1)	(2)	(3)	(4)

<i>Primary and Secondary Receipt Point(s)</i>	<i>Primary and Secondary Delivery Point(s)</i>	<i>Term of Rate</i>	<i>Reservation Rate</i>	<i>Commodity Rate</i>	<i>Authorized Daily Overrun Rate</i>	<i>Fuel</i>	<i>Surcharges</i>	<i>Electric Power Cost</i>
All	All	(See ¶9)	(1a)	(See ¶ 16)	(1)	(2)	(3)	(4)

Notes:

- (1) Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates for service under Rate Schedule FT or other superseding Rate Schedules; as such rates may be changed from time to time. The reservation rate shall be payable regardless of quantities transported.
- (1a) As provided in GT&C Section 4.14 of Transporter's Tariff, the parties agree to the following negotiated rate(s) \$20.6833 per Dekatherm per Month, which shall not be subject to the applicable maximum or minimum reservation rate as set forth in Transporter's Tariff and which shall be payable regardless of quantities transported.
- (2) FL&U Reimbursement Percentages shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.
- (3) Surcharges, if applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates, as it may be changed from time to time, unless otherwise agreed to by the parties.

Greenhouse Gas Costs:

If any greenhouse gas costs are imposed pursuant to GT&C Section 29, Shipper shall pay such tax or costs through an additional surcharge. Such surcharges are in addition to any taxes or assessments Shipper is required to pay pursuant to GT&C Section 24.

Ex. B-1

**EXHIBIT B
(CONT.)**

Notes:

ACA:

The ACA Surcharge shall be assessed pursuant to GT&C Section 17 of the Tariff.

- (4) EPC shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the parties.