



June 23, 2011

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

Re: ETC Tiger Pipeline, LLC  
Docket No. RP11-\_\_\_\_\_  
(Compliance Filing Pursuant to  
Order in Docket No. CP10-459-000)

Dear Ms. Bose:

Pursuant to Sections 154.203 and 154.112(d) of the regulations of the Federal Energy Regulatory Commission ("Commission" or "FERC"), and in compliance with the Commission's order issued on February 3, 2011, in Docket No. CP10-459-000 ("Certificate Order"),<sup>1</sup> ETC Tiger Pipeline, LLC ("ETC Tiger") hereby submits for filing with the Commission, as part of ETC Tiger's FERC Gas Tariff, Filed Agreements ("Filed Agreements"), the new tariff section set forth in Appendix C, to be effective on August 1, 2011. Pursuant to Section 154.203 of the Commission's regulations, ETC Tiger also hereby submits for filing with the Commission, as part of its FERC Gas Tariff, First Revised Volume No. 1 (referred to collectively herein with the Filed Agreements as ETC Tiger's "Tariff"), the following revised tariff section set forth in Appendix A, to be effective on August 1, 2011:

Part 6, Section 37. Non-Conforming Agreements, Version 2.0.0

The proposed new tariff section in Appendix C consists of a non-conforming, negotiated rate firm transportation service agreement under ETC Tiger's Rate Schedule FTS ("FTS Agreement"), pertaining to service provided on the facilities comprising ETC Tiger's Expansion Project. The Expansion Project is more completely described in the Certificate Order, which approved ETC Tiger's construction and operation of the Expansion Project, subject to certain conditions. ETC Tiger currently anticipates that the Expansion Project facilities will be placed into service on August 1, 2011.

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<sup>1</sup> *ETC Tiger Pipeline, LLC*, 134 FERC ¶ 61,084 (2011).

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In this filing, ETC Tiger is seeking to implement the negotiated rates contained in the FTS Agreement, in compliance with the Certificate Order<sup>2</sup> and in accordance with Part 6, Section 30 of ETC Tiger's Tariff. ETC Tiger is also herein requesting acceptance by the Commission, in accordance with Sections 154.1(d) and 154.112(b) of the Commission's regulations, of certain provisions in the FTS Agreement which deviate in one or more material aspects from the form of Transportation Rate Schedule FTS Agreement contained in ETC Tiger's Tariff. ETC Tiger is requesting that the Commission accept the non-conforming and negotiated rate provisions in the FTS Agreement, and the revised tariff sections included in Appendices A and C, to be effective on August 1, 2011.

The FTS Agreement is listed as a Non-Conforming Agreement in Part 6, Section 37 of ETC Tiger's Tariff and a marked version of that tariff section is included in Appendix B. A copy of the executed FTS Agreement is included in Appendix C. A redlined version of the FTS Agreement that reflects the specific provisions that deviate from the form of Transportation Rate Schedule FTS Agreement contained in ETC Tiger's Tariff is included in Appendix D.

### **COMMUNICATIONS**

ETC Tiger requests that all correspondence and communications concerning this filing be sent to each of the following persons:

**Blair V. Lichtenwalter**<sup>3</sup>  
Director – Rates and Regulatory Affairs  
**David P. Mendoza**  
Analyst – Rates and Regulatory Affairs  
ETC Tiger Pipeline, LLC  
711 Louisiana Street, Suite 900  
Houston, TX 77002  
(281) 714-2050  
[Blair.Lichtenwalter@EnergyTransfer.com](mailto:Blair.Lichtenwalter@EnergyTransfer.com)  
[David.Mendoza@EnergyTransfer.com](mailto:David.Mendoza@EnergyTransfer.com)

**Emery J. Biro, III**<sup>3</sup>  
Associate General Counsel  
ETC Tiger Pipeline, LLC  
711 Louisiana Street, Suite 900  
Houston, TX 77002  
(832) 668-1238  
[Emery.Biro@EnergyTransfer.com](mailto:Emery.Biro@EnergyTransfer.com)

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<sup>2</sup> See Ordering Paragraph (K).

<sup>3</sup> Designated as ETC Tiger's "responsible company official" pursuant to Section 154.7(a)(2) of the Commission's regulations.

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ETC Tiger also requests that copies be sent to:

**Lisa M. Tonery**  
**Tania S. Perez**  
Fulbright & Jaworski L.L.P.  
666 Fifth Avenue  
New York, NY 10103  
(212) 318-3009  
ltonery@fulbright.com  
tperez@fulbright.com

ETC Tiger respectfully requests that the Commission waive Section 385.203(b)(5) of the Commission's regulations to permit all of the persons designated immediately above to be included on the Commission's official service list in this proceeding.

### **LIST OF MATERIALS ENCLOSED**

In accordance with Section 154.4 of the Commission's regulations, ETC Tiger is electronically submitting an eTariff XML filing package that contains:

1. the proposed tariff sections in RTF format with metadata attached
2. this transmittal letter, including a Statement of Nature, Reasons and Basis, in PDF format
3. the revised tariff section in Appendix A in PDF format, suitable for publishing in eLibrary
4. a redlined version of the revised tariff section is included in Appendix B in PDF format, suitable for publishing in eLibrary
5. the executed FTS Agreement in Appendix C in PDF format, suitable for publishing in eLibrary
6. a redlined version of the executed FTS Agreement that reflects the non-conforming provisions in Appendix D in PDF format, suitable for publishing in eLibrary
7. a copy of the complete filing in PDF format for publishing in eLibrary
8. a Certificate of Service

### **STATEMENT OF NATURE, REASONS AND BASIS**

The Certificate Order granted ETC Tiger authorization to construct, own, and operate, subject to certain conditions, the ETC Tiger Expansion Project facilities, as more fully described in ETC Tiger's certificate application in Docket No. CP10-459-000 ("Certificate Application"). The Certificate Order also approved ETC Tiger's proposal to charge, as initial recourse rates for services provided on the Expansion Project, the

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recourse rates which were approved in Docket No. CP09-460<sup>4</sup> for services on ETC Tiger's existing system facilities. In compliance with the Certificate Order, and in accordance with Sections 154.1(d) and 154.112(b) of the Commission's regulations, ETC Tiger is filing for acceptance by the Commission the negotiated rate, non-conforming FTS Agreement and the related revised tariff sections included in this filing. The negotiated rate and non-conforming provisions contained in the FTS Agreement are identified and discussed below.

#### A. Negotiated Rate Provisions

As part of its Certificate Application, ETC Tiger filed the Precedent Agreement that it had executed with the shipper that contracted for all of the firm transportation capacity offered by ETC Tiger in connection with the construction of the Expansion Project ("Expansion Shipper"). The Precedent Agreement, among other things, sets forth the negotiated rates which were agreed to with the Expansion Shipper for service on the Expansion Project. The negotiated rate provisions in the Precedent Agreement are now set forth in Exhibit C of the FTS Agreement.

As ETC Tiger explained in the Certificate Application, the negotiated rates which are now set forth in the FTS Agreement constituted an essential element of the Precedent Agreement executed with ETC Tiger's Expansion Shipper. This Precedent Agreement provided the critical financial support that has permitted ETC Tiger to move forward with construction of the ETC Tiger Expansion Project. The negotiated rates set forth in the FTS Agreement accordingly should be accepted by the Commission.

#### B. Non-Conforming Provisions

In addition to setting forth the negotiated rates applicable to each shipper, the FTS Agreement also contains three non-conforming provisions that vary in one or more material aspects from the form of Transportation Rate Schedule FTS Agreement contained in ETC Tiger's Tariff. ETC Tiger is therefore identifying the FTS Agreement as a Non-Conforming Agreement in Part 6, Section 37 of ETC Tiger's Tariff, and filing the FTS Agreement for acceptance in accordance with Sections 154.1(d) and 154.112(b) of the Commission's regulations.

The Commission has stated that a material deviation is any provision in a service agreement that (1) goes beyond filling in the blank spaces in the form of service agreement with the appropriate information allowed by the tariff; and (2) affects the substantive rights of the parties.<sup>5</sup> The Commission has stated further, however, that not

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<sup>4</sup> *ETC Tiger Pipeline, LLC*, 131 FERC ¶ 61,010 (2010).

<sup>5</sup> *See Columbia Gas Transmission Corp.*, 97 FERC ¶ 61,221 (2001).

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all material deviations are impermissible. Specifically, if the Commission finds that a particular deviation does not constitute a substantial risk of undue discrimination or affect the quality of service provided by the pipeline, the Commission may permit such deviation to be included in the relevant agreement.

The non-conforming provisions contained in the FTS Agreement are set forth in Sections 6(k) and 7 of the body of the FTS Agreement, and in Section 5.3 of Exhibit C. Sections 6(k) and 7 deviate from the form of FTS service agreement in ETC Tiger's Tariff solely to clarify that the FTS Agreement contains the entire agreement between ETC Tiger and the Expansion Shipper "[e]ffective as of the commencement of " the FTS Agreement. This minor deviation was necessary to reflect the fact that, prior to the commencement date of the FTS Agreement, the Precedent Agreement also contains provisions that reflect the agreement of the parties. Similarly, the Succession and Assignment provision in Section 5.3 of Exhibit C deviates from the corresponding provision included in the form of service agreement to clarify that, prior to the Effective Date of the FTS Agreement, any assignment of the FTS Agreement is governed by the terms of the Precedent Agreement, and also to clarify the assignment rights with regard to applicability of the negotiated rate provisions. These three non-conforming provisions all necessarily relate to the structure of the transactions with the Expansion Shipper that are reflected in both the Precedent Agreement and the FTS Agreement, and clearly do not constitute a substantial risk of undue discrimination or affect the quality of service provided by ETC Tiger. These non-conforming provisions should therefore be accepted by the Commission.

### C. Non-Material Deviations From the Form of Service Agreement

The FTS Agreement contains a limited number of very minor and non-material deviations from the form of service agreement in ETC Tiger's Tariff. The deviations merely represent minor wording changes to the form of service agreement that were included in the FTS Agreement during negotiations with the Expansion Shipper. For ease of identification, these deviations have been reflected in the redlined version of the FTS Agreement in Appendix D, and appear in Sections 6(a-j) in the body of the FTS Agreement.

The FTS Agreement also contains the following provisions that, although constituting literal deviations from the form of service agreement, are not non-conforming provisions under the provisions of ETC Tiger's tariff and Commission policy. Section 5.2 of Exhibit C to the FTS Agreement sets forth the rollover and contractual right-of-first-refusal provisions that were agreed to with the Expansion Shipper. Part 6, Section 16.3 of ETC Tiger's Tariff, and Section 3 of the form of service agreement, specifically authorize ETC Tiger to negotiate such contractual term extension provisions. Section 4.1 of Exhibit C contains a provision that states that the credit terms applicable to service under the FTS Agreement are contained in the Precedent Agreement, consistent

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with Part 6, Section 12(a)(7) of ETC Tiger's Tariff. These provisions are permitted by ETC Tiger's Tariff to be included in an executed service agreement, and therefore do not constitute material deviations from ETC Tiger's form of service agreement.

### **PROPOSED EFFECTIVE DATE AND REQUEST FOR WAIVERS**

ETC Tiger currently anticipates that it will begin providing service on the Expansion Project facilities on August 1, 2011. Accordingly, ETC Tiger moves, pursuant to Section 154.7(a) of the Commission's regulations, that the revised tariff sections set forth in Appendices A and C be placed into effect as of August 1, 2011. In the event that any of the proposed revised tariff sections are suspended, ETC Tiger hereby moves, pursuant to Section 154.7(a)(9) of the Commission's regulations, to place the suspended tariff sections into effect at the expiration of any suspension period set by the Commission. ETC Tiger reserves the right to file a later motion to move into effect at that time any revised tariff sections if the Commission requires ETC Tiger to change any of the proposed tariff sections.

Ordering Paragraph (K) of the Certificate Order required ETC Tiger to file its negotiated rate agreement or a tariff sheet describing the essential elements of the agreement no less than 60 days or not more than 90 days prior to the commencement of service. However, in a Director Letter Order issued on June 9, 2011, in Docket No. CP10-459-000, the Commission granted ETC Tiger's request to permit ETC Tiger to file the required negotiated rate documentation by June 17, 2011, in order to permit ETC Tiger and the Expansion Shipper to conclude recent discussions regarding certain matters pertaining to the FTS Agreement. Because those discussions had not concluded as contemplated by June 17, on June 17 ETC Tiger filed in Docket No. CP10-459 a request for an additional extension of time, until June 22, 2011, to permit ETC Tiger to file the required negotiated rate documentation. ETC Tiger is therefore now filing the FTS Agreement one day later than the latest filing date contemplated in its June 17 waiver request. ETC Tiger accordingly respectfully requests that, pursuant to Section 154.7(a)(7) of the Commission's regulations, the Commission grant ETC Tiger any and all additional waivers of the timing requirement set forth in Ordering Paragraph (K) of the Certificate Order as may be necessary to permit ETC Tiger to make the instant filing on June 23, 2011. ETC Tiger submits that good cause exists to grant the requested waiver, given that ETC Tiger's discussions with the Expansion Shipper have just concluded, this filing is being made only one day later than contemplated by ETC Tiger's June 17 waiver request, and that no party will be harmed by the very short additional time period requested for ETC Tiger to make this filing.

ETC Tiger further respectfully requests, pursuant to Section 154.7(a)(7) of the Commission's regulations, that the Commission grant any and all additional waivers of its

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regulations as the Commission may determine are necessary to permit the FTS Agreement to be accepted, and the proposed revised tariff sections set forth in Appendices A and C to become effective, as requested herein.

**SERVICE**

ETC Tiger is providing a complete copy of this filing as an email attachment to all of ETC Tiger's customers, affected state regulatory commissions, and all parties to Docket No. CP10-459-000.

Pursuant to Sections 385.2005 and 385.2011(c)(5) 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. The undersigned possesses full power and authority to sign this filing.

Sincerely,

ETC TIGER PIPELINE, LLC

/s/ Blair V. Lichtenwalter  
Blair V. Lichtenwalter  
Director, Rates and Regulatory

Enclosures

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**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all parties in Docket No. CP10-459-000 and ETC Tiger's firm transportation customers.

Dated at Houston, Texas, this 23rd day of June, 2011.

/s/ Blair V. Lichtenwalter  
Blair V. Lichtenwalter  
Director, Rates and Regulatory



**APPENDIX A**

ETC TIGER PIPELINE, LLC

FERC Gas Tariff, First Revised Volume No. 1

Proposed Revised Tariff Section

Filed June 23, 2011  
To Be Effective August 1, 2011

ETC TIGER PIPELINE, LLC  
FERC Gas Tariff  
First Revised Volume No. 1

Tariff Section Proposed to be Effective August 1, 2011

| <u>Version</u> | <u>Record Number</u> | <u>Description</u> | <u>Title</u>                     |
|----------------|----------------------|--------------------|----------------------------------|
| 2.0.0          | 6.37.                | 37.                | <b>Non-Conforming Agreements</b> |

### 37. NON-CONFORMING AGREEMENTS

The Commission has directed that the following Agreements be filed with the Commission because they contain provisions which do not conform to TIGER's pro forma service agreements.

Chesapeake Energy Marketing, Inc., Transportation Rate Schedule FTS Agreement, Dated April 22, 2010 (Contract 300000).

EnCana Marketing (USA) Inc., Transportation Rate Schedule FTS Agreement, Dated April 14, 2010 (Contract 300001).

Shell Energy North America (US), L.P., Transportation Rate Schedule FTS Agreement, Dated April 22, 2010 (Contract 300002).

Shell Energy North America (US), L.P., Transportation Rate Schedule FTS Agreement, Dated April 22, 2010 (Contract 300003).

BG Energy Merchants, LLC, Transportation Rate Schedule FTS Agreement, Dated April 21, 2010 (Contract 300004).

Questar Exploration and Production Company, Transportation Rate Schedule FTS Agreement, Dated April 21, 2010 (Contract 300005).

Petrohawk Energy Corporation, Transportation Rate Schedule FTS Agreement, Dated February 7, 2011 (Contract No. TBD).

**APPENDIX B**

ETC TIGER PIPELINE, LLC

FERC Gas Tariff, First Revised Volume No. 1

Marked Tariff Section

### 37. NON-CONFORMING AGREEMENTS

The Commission has directed that the following Agreements be filed with the Commission because they contain provisions which do not conform to TIGER's pro forma service agreements.

Chesapeake Energy Marketing, Inc., Transportation Rate Schedule FTS Agreement, Dated April 22, 2010 (Contract 300000).

EnCana Marketing (USA) Inc., Transportation Rate Schedule FTS Agreement, Dated April 14, 2010 (Contract 300001).

Shell Energy North America (US), L.P., Transportation Rate Schedule FTS Agreement, Dated April 22, 2010 (Contract 300002).

Shell Energy North America (US), L.P., Transportation Rate Schedule FTS Agreement, Dated April 22, 2010 (Contract 300003).

BG Energy Merchants, LLC, Transportation Rate Schedule FTS Agreement, Dated April 21, 2010 (Contract 300004).

Questar Exploration and Production Company, Transportation Rate Schedule FTS Agreement, Dated April 21, 2010 (Contract 300005).

[Petrohawk Energy Corporation, Transportation Rate Schedule FTS Agreement, Dated February 7, 2011 \(Contract No. TBD\).](#)

**APPENDIX C**

ETC TIGER PIPELINE, LLC

FERC Gas Tariff, Filed Agreements

Proposed Tariff Sections

Filed June 23, 2011  
To Be Effective August 1, 2011

## **APPENDIX C**

### **ETC TIGER PIPELINE, LLC**

#### **FTS Agreements**

- Rate Schedule FTS Transportation Agreement dated February 7, 2011, between ETC Tiger and Petrohawk Energy Corporation, FTS Agreement No. TBD

ETC TIGER PIPELINE, LLC  
FERC Gas Tariff  
Filed Agreements

Tariff Sections Proposed to be Effective August 1, 2011

| <u>Version</u> | <u>Record Number</u> | <u>Description</u> | <u>Title</u>                               |
|----------------|----------------------|--------------------|--------------------------------------------|
| 0.0.0          | <b>8.</b>            | <b>Agreement</b>   | <b>Petrohawk Energy Corporation (001)</b>  |
| 0.0.0          | 8.1                  | 1.                 | Petrohawk Energy Corporation (001) - Exh A |
| 0.0.0          | 8.2                  | 2.                 | Petrohawk Energy Corporation (001) - Exh B |
| 0.0.0          | 8.3                  | 3.                 | Petrohawk Energy Corporation (001) - Exh C |



**ETC Tiger Pipeline, LLC**

**FERC NGA Gas Tariff**

**Filed Agreements**

**Effective August 1, 2011**

(Section 8, Version 0.0.0) **Petrohawk Energy Corporation (001)**

**Option Code "A"**

**Contract No. \_\_\_\_\_**  
**ETC TIGER PIPELINE, LLC**  
**TRANSPORTATION RATE SCHEDULE FTS**  
**AGREEMENT DATED 2/7/2011 UNDER SUBPART G OF PART 284**  
**OF THE FERC'S REGULATIONS**

1. SHIPPER is: Petrohawk Energy Corporation, a Delaware Corporation

2. MDQ: 400,000 Dth per Day ("Contract MDQ")

3. TERM: The term of this FTS Agreement shall commence on the first day on which the T1 Expansion Project is ready to provide firm service to Shipper ("Effective Date") and shall continue thereafter for a period of ten (10) Years from and after such Effective Date (such ten Year period, the "Primary Term"), subject to the rollover and contractual right-of-first-refusal provisions set forth in Section 5.2 of Exhibit C of this FTS Agreement.

4. Service will be ON BEHALF OF:

Shipper, or  
 Other: \_\_\_\_\_, a \_\_\_\_\_

5. SHIPPER'S ADDRESS

Petrohawk Energy Corporation  
6100 S. Yale Ave., Suite 500  
Tulsa, OK 74136  
Attn: Randy Lawrence  
Phone: (918) 491-4101  
Fax: (918) 499-1331

With copy to:

Petrohawk Energy Corporation  
6100 S. Yale Ave., Suite 500  
Tulsa, OK 74136  
Attn: Bobby Mason  
Phone: (918) 491-4170  
Fax: (918) 230-4270

TIGER'S ADDRESS

ETC Tiger Pipeline, LLC  
711 Louisiana Street, Suite 900  
Houston, Texas 77002  
Attn: Contract Administration  
Phone: (281) 714-2016  
Fax: (281) 714-2179

With copy to:

ETC Tiger Pipeline, LLC  
800 E. Sonterra Boulevard #400  
San Antonio, Texas 78258  
Attn: Senior Director, Interstate  
Phone: (210) 403-7300  
Fax: (210) 403-7500

Payments:

ETC Tiger Pipeline, LLC  
Wachovia Bank, NA  
Winston-Salem, NC  
ABA: 053000219  
Acct: 2079900588305

6. a. Applicable Maximum and Minimum Tariff Rates. Unless otherwise expressly provided in this FTS Agreement, the Negotiated Rates or rates under a Negotiated Rate Formula shall apply to service provided by TIGER to Shipper for the term of the FTS Agreement notwithstanding any otherwise applicable maximum or minimum rates set forth in TIGER's FERC Gas Tariff as may be revised from time to time.

Contract No. \_\_\_\_\_  
ETC TIGER PIPELINE, LLC  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED 2/7/2011 UNDER SUBPART G OF PART 284  
OF THE FERCS REGULATIONS

- b. In no event shall TIGER be required to refund to Shipper any amounts collected for service to which the Negotiated Rates or rates under a Negotiated Rate Formula apply, notwithstanding any otherwise applicable maximum or minimum rate set forth in TIGER's FERC Gas Tariff, as may be revised from time to time. Except as otherwise expressly set forth in a negotiated rate agreement, the immediately preceding sentence is not intended to limit, nor shall it be deemed to limit, the applicability under Shipper's FTS Agreement of periodic adjustments pursuant to Section 36 of TIGER's General Terms and Conditions.
- c. Shipper and TIGER understand and agree that this FTS Agreement shall be subject to TIGER's FERC Gas Tariff and the regulations and policies of the FERC, including without limitation any requirements for TIGER to file for and receive FERC approval of the Negotiated Rates.
- d. Notifications. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this FTS Agreement shall be in writing unless oral notification is expressly authorized herein, and shall be sent to the appropriate party at the relevant address set forth in this FTS Agreement, as may be revised from time to time.
- e. Nonwaiver of Rights. No delay or failure to exercise any right or remedy accruing to either TIGER or Shipper upon breach or default by the other will impair any right or remedy or be construed to be a waiver of any such breach or default, nor will a waiver of any single breach be deemed a waiver of any other breach or default.
- f. Succession and Assignment. In the case of an Agreement under Rate Schedule FTS, the Agreement may be transferred by assignment pursuant to Section 25 of the General Terms and Conditions of TIGER's FERC Gas Tariff or by capacity release pursuant to Section 14 of the General Terms and Conditions of TIGER's FERC Gas Tariff. Except as provided for in Section 25 of the General Terms and Conditions, no other assignment of this FTS Agreement nor of any of the individual rights or obligations hereunder by Shipper shall be effective as to TIGER without the prior express written consent of TIGER. This FTS Agreement may be assigned by TIGER to a wholly or partially owned affiliate, special purpose joint venture, partnership.
- g. No Third Party Beneficiaries. This FTS Agreement shall not create any rights in any third parties, and no provision of this FTS Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than TIGER or Shipper.
- h. Conformance to Law. It is understood that performance hereunder shall be subject to all valid laws, orders, rules and regulations of duly constituted governmental authorities having jurisdiction or control of the matters related hereto, including without limitation the Federal Energy Regulatory Commission.
- i. Effect of Tariff. This FTS Agreement shall at all times be subject to all applicable provisions of TIGER's FERC Gas Tariff.
- j. **GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS FTS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS**

Contract No. \_\_\_\_\_  
ETC TIGER PIPELINE, LLC  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED 2/7/2011 UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS

**OF A JURISDICTION OTHER THAN THE STATE OF TEXAS, AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT.**

- k. Entire Agreement. Effective as of the commencement of this FTS Agreement, this FTS Agreement contains the entire agreement between TIGER and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this FTS Agreement shall be effective unless agreed upon in a written instrument executed by TIGER and Shipper which expressly refers to this FTS Agreement.

7. The above-stated Rate Schedule, as revised from time to time, controls this FTS Agreement and is incorporated herein. The attached Exhibits A, B, and C are a part of this FTS Agreement. Effective as of the commencement of this FTS Agreement, this FTS Agreement states the entire agreement between the parties. No waiver, representation or agreement shall affect this FTS Agreement unless it is in writing. Shipper shall provide the actual end user purchaser name(s) to TIGER if TIGER must provide them to the FERC.

**Agreed to by:**

**ETC TIGER PIPELINE, LLC**

**PETROHAWK ENERGY  
CORPORATION**

/s/: Lee Hanse  
NAME: Lee Hanse  
TITLE: SVP – Interstate Pipeline

/s/: Steve W. Herod  
NAME: Steve W. Herod  
TITLE: Executive Vice President

**ETC Tiger Pipeline, LLC**

**FERC NGA Gas Tariff**

**Filed Agreements**

**Effective August 1, 2011**

(Section 8.1, Version 0.0.0) **Petrohawk Energy Corporation (001) – Exh A**

**Option Code “A”**

**Contract No. \_\_\_\_\_**  
**ETC TIGER PIPELINE, LLC**  
**TRANSPORTATION RATE SCHEDULE FTS**  
**AGREEMENT DATED 2/7/2011 UNDER SUBPART G OF PART 284**  
**OF THE FERC'S REGULATIONS**

**EXHIBIT A**  
**DATED 2/7/2011**

Company: Petrohawk Energy Corporation, a Delaware Corporation

Contract No.: \_\_\_\_\_

Receipt Point(s):

PRIMARY RECEIPT POINT(S):

| <u>Name/Location</u> | <u>County Area</u> | <u>State</u> | <u>PIN No.</u> | <u>MDQ (Dth)</u> |
|----------------------|--------------------|--------------|----------------|------------------|
| North Holly          | DeSoto             | Louisiana    | 79025          | 200,000          |
| Plantation           | Red River          | Louisiana    | 79024          | 200,000          |

SECONDARY RECEIPT POINT(S): All receipt points that are part of the Expanded Pipeline, as defined in Exhibit C hereof

Receipt Pressure, Assumed Atmospheric Pressure

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Gas to be delivered to TIGER at the Receipt Point(s) shall be in accordance with Section 18.1 of TIGER's General Terms and Conditions, but shall not be in excess of the Maximum Allowable Operating Pressure (MAOP) stated for each Receipt Point in TIGER's Catalog of Points.

Rates

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The rates shall be the applicable maximum rate and other applicable lawful charges except as otherwise provided in a separate written agreement. Such agreement shall be consistent with Section 34 or 30 of this Tariff (relating to discounts and to negotiated rates, respectively).

Fuel Gas, Booster Compression Fuel and Lost and Unaccounted For Gas Reimbursement Percentages (%)

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Shipper will be assessed the applicable reimbursement percentages for Fuel Gas, Booster Compression Fuel, and for Lost and Unaccounted For Gas.

**ETC Tiger Pipeline, LLC**

**FERC NGA Gas Tariff**

**Filed Agreements**

**Effective August 1, 2011**

(Section 8.2, Version 0.0.0) **Petrohawk Energy Corporation (001) – Exh B**

**Option Code “A”**

**Contract No. \_\_\_\_\_**  
**ETC TIGER PIPELINE, LLC**  
**TRANSPORTATION RATE SCHEDULE FTS**  
**AGREEMENT DATED 2/7/2011 UNDER SUBPART G OF PART 284**  
**OF THE FERC'S REGULATIONS**

**EXHIBIT B**  
**DATED 2/7/2011**

Company: Petrohawk Energy Corporation, a Delaware Corporation

Contract No.:

Delivery Point(s):

PRIMARY DELIVERY POINT(S):

| <u>Name/Location</u> | <u>County Area</u> | <u>State</u> | <u>PIN No.</u> | <u>MDQ (Dth)</u> |
|----------------------|--------------------|--------------|----------------|------------------|
| Southeast Supply     | Richland           | Louisiana    | 78543          | 400,000          |
| Header               |                    |              |                |                  |

SECONDARY DELIVERY POINT(S): All delivery points that are part of the Expanded Pipeline, as defined in Exhibit C hereof

Delivery Pressure, Assumed Atmospheric Pressure

-----  
Gas to be delivered by TIGER to Shipper, or for Shipper's account, at the Delivery Point(s) shall be in accordance with Section 18.2 of TIGER's General Terms and Conditions.



**ETC Tiger Pipeline, LLC**

**FERC NGA Gas Tariff**

**Filed Agreements**

**Effective August 1, 2011**

(Section 8.3, Version 0.0.0) **Petrohawk Energy Corporation (001) – Exh C**

**Option Code “A”**

**Contract No. \_\_\_\_\_**  
**ETC TIGER PIPELINE, LLC**  
**TRANSPORTATION RATE SCHEDULE FTS**  
**AGREEMENT DATED 2/7/2011 UNDER SUBPART G OF PART 284**  
**OF THE FERC'S REGULATIONS**

**EXHIBIT C**  
**DATED 2/7/2011**

**NEGOTIATED RATE AGREEMENT**  
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This Negotiated Rate Agreement (“NRA”) between TIGER and Shipper, incorporated as an exhibit to, and made part of, the FTS Agreement, Contract No. \_\_\_\_\_, between TIGER and Shipper, as first referenced above, sets forth the negotiated rates and charges for the natural gas transportation service to be provided on the Expanded Pipeline by TIGER to Shipper (“Negotiated Rates”) under the FTS Agreement, subject to the terms and the requirements of the FERC pertaining to negotiated rate transactions.

**ARTICLE 1**  
**DEFINITIONS**

- 1.1 “Carthage Interconnect” shall have the meaning given to it in Section 1.13 of this NRA.
- 1.2 “Certificate Application” means the application submitted to the FERC, pursuant to section 7 of the Natural Gas Act, for authorization to construct, own, operate, and maintain the T1 Expansion Project.
- 1.3 “Eligible Delivery Point” shall mean any delivery point that is either an Eligible Primary Delivery Point or an Eligible Secondary Delivery Point.
- 1.4 “Eligible Primary Delivery Point” shall mean any delivery point that is part of the Expanded Pipeline and that is designated on Exhibit B to the FTS Agreement as a Primary Delivery Point.
- 1.5 “Eligible Primary Receipt Point” shall mean any receipt point that is part of the Expanded Pipeline and that is designated on Exhibit A to the FTS Agreement as a Primary Receipt Point.
- 1.6 “Eligible Receipt Point” shall mean any receipt point that is either an Eligible Primary Receipt Point or an Eligible Secondary Delivery Point.
- 1.7 “Eligible Secondary Delivery Point” shall mean any receipt point that is part of the Expanded Pipeline.
- 1.8 “Eligible Secondary Receipt Point” shall mean any delivery point that is part of the Expanded Pipeline.
- 1.9 “Expanded Pipeline” shall mean the facilities of the Initial Pipeline and the T1 Expansion Project.
- 1.10 “Fixed Negotiated Monthly Commodity Rate” shall have the meaning given to it in Section 3.1 of this NRA.
- 1.11 “Fixed Negotiated Monthly Reservation Rate” shall have the meaning given to it in Section 3.1 of this NRA.
- 1.12 “HPL” shall have the meaning given to it in Section 1.13 of this NRA.
- 1.13 “Initial Pipeline” shall mean the interstate natural gas pipeline system consisting of approximately one-hundred eighty (180) miles of mainline 42-inch pipeline originating at a point of

interconnection with Houston Pipe Line Company (“HPL”) in Panola County, Texas, (“Carthage Interconnect”) and extending to a point of interconnection in Richland Parish, Louisiana, with the interstate pipeline system owned by Southeast Supply Header, LLC (the “SESH Interconnect”), with related compression facilities, as owned, installed, and operated by TIGER in accordance with the FERC certificate authorization in FERC Docket No. CP09-460-000, as of the initial in-service date of such facilities.

1.14 “Precedent Agreement” shall mean that certain precedent agreement, dated 2/5/2010, entered by and between TIGER and Shipper, and pursuant to which TIGER and Shipper entered the FTS Agreement.

1.15 “Rollover Right” shall have the meaning given to it in Section 5.2 of this NRA.

1.16 “SESH Interconnect” shall have the meaning given to it in Section 1.13 of this NRA.

1.17 “T1 Expansion Project” shall mean the pipeline and appurtenant facilities owned, installed, and operated by TIGER in accordance with FERC certificate authorization in FERC Docket No. CP10-459-000, as of the initial in-service date of such facilities.

Capitalized terms not defined by this NRA shall have the meaning given to them by the Tariff or, if not defined by the Tariff, the FTS Agreement.

## **ARTICLE 2 TERM**

2.1 **Term.** This NRA shall become effective on the Effective Date and shall remain in effect for the Primary Term, as extended from time to time pursuant to the rollover and contractual right-of-first refusal provisions in Section 5.2 of this NRA.

## **ARTICLE 3 RESERVATION AND COMMODITY RATES**

3.1 **Primary Term Reservation and Commodity Rates.** During the Primary Term, for firm service under the FTS Agreement from any of the Eligible Receipt Points to any of the Eligible Delivery Points, up to the Contract MDQ, Shipper shall pay TIGER the following Fixed Negotiated Monthly Reservation Rate and Fixed Negotiated Commodity Rate, in lieu of the otherwise currently effective maximum monthly reservation rate and maximum commodity rate, respectively, set forth in TIGER’s Tariff for firm service under Rate Schedule FTS:

(a) Fixed Negotiated Monthly Reservation Rate: \$8.9730/Dth, and

(b) Fixed Negotiated Commodity Rate: \$0.00/Dth.

The Fixed Negotiated Monthly Reservation Rate and Fixed Negotiated Commodity Rate shall remain fixed during the Primary Term, regardless of the otherwise applicable maximum or minimum monthly reservation rate and the otherwise applicable maximum or minimum commodity rate, respectively, set forth in TIGER’s Tariff for firm service under Rate Schedule FTS from time to time, or of any change to such maximum or minimum rates.

## **ARTICLE 4 NEGOTIATED RATE TERMS AND CONDITIONS; ADDITIONAL RATES AND CHARGES**

4.1 **General Terms.** The Fixed Negotiated Monthly Reservation Rate and Fixed Negotiated Commodity Rate set forth in this NRA shall apply only to: (i) service provided to Shipper by TIGER under the FTS Agreement from the Eligible Receipt Points to the Eligible Delivery Points, up to the Contract

MDQ, during the Primary Term; and (ii) an aggregate maximum daily firm transportation quantity equal to the Contract MDQ, for all quantities transported on a firm basis under the FTS Agreement and any associated capacity release replacement agreements. For any aggregate quantities transported on a firm basis on any day for Shipper and any associated capacity release replacement shippers that either (i) are in excess of the applicable Contract MDQ in the aggregate or (ii) involve any receipt points that are not Eligible Receipt Points or any delivery points that are not Eligible Delivery Points, Shipper shall pay the maximum rates and charges set forth in the TIGER Tariff for service under Rate Schedule FTS from time to time, except that in lieu of the otherwise applicable maximum monthly reservation rate and the maximum commodity rate, Shipper shall pay a negotiated rate equal to the greater of: (a) the 100% load factor daily rate equivalent of Shipper's Negotiated Monthly Reservation Rate and Negotiated Commodity Rate and (b) the 100% load factor daily rate equivalent of the applicable maximum monthly reservation rate and the applicable maximum commodity rate set forth in TIGER's Tariff for service under Rate Schedule FTS from time to time. Pursuant to Section 12.1(a)(7) of the General Terms and Conditions of TIGER's Tariff, Shipper at all times must maintain such creditworthiness or provide credit support in accordance with Section 5.3 of the Precedent Agreement.

4.2 **Other Rates and Charges.** The applicable rates and charges under the FTS Agreement shall be the maximum rates and charges set forth in the TIGER Tariff for service under Rate Schedule FTS from time to time, except to the extent that this NRA expressly provides that a particular negotiated rate or charge shall apply in lieu of the otherwise applicable Tariff-based maximum rate or charge. Shipper shall also pay all applicable maximum surcharges, fees, and penalties set forth in the TIGER Tariff for service under Rate Schedule FTS from time to time.

## **ARTICLE 5 MISCELLANEOUS PROVISIONS**

5.1 **Conformance to Law.** Shipper and TIGER understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under TIGER's Tariff and the regulations and policies of the FERC, including without limitation any requirements for TIGER to file for and receive FERC approval of the Negotiated Rates.

5.2 **Rollover and Contractual ROFR.** Shipper shall have the unilateral right to extend the initial and any subsequent term of the FTS Agreement beyond the Primary Term for all or any portion of the then-existing Contract MDQ at: (i) Shipper's existing rates and charges under the FTS Agreement for such Contract MDQ or at negotiated rates equal to all applicable then-existing recourse rates, for a minimum term of five (5) years; or (ii) at Shipper's existing rates and charges under the FTS Agreement for such Contract MDQ for a term of one (1) year (collectively, the "Rollover Right"). Shipper must exercise its Rollover Right by the provision of twelve months' prior written notice to Transporter prior to the end of the Primary Term or any subsequent term, provided that if Shipper elects to exercise its Rollover Right pursuant to clause (i) of the preceding sentence, such written notice shall specify which of the two rate options Shipper has elected to govern during such rollover period. Shipper may also exercise its Rollover Right with regard to capacity for which Shipper has previously exercised its Rollover Right or its contractual right-of-first refusal. If Shipper does not timely exercise its Rollover Right with respect to all or a portion of its applicable Contract MDQ, Shipper will have a contractual right of first refusal to retain all or some of the expiring capacity under the FTS Agreement, which shall be exercisable in accordance with the right-of-first-refusal procedures set forth in the Tariff.

5.3 **Succession and Assignment.** Prior to the Effective Date, assignment of the FTS Agreement shall be governed by the Precedent Agreement. On and after the Effective Date, the FTS Agreement may only be assigned in accordance with the express provisions of TIGER's Tariff. No assignment of the FTS Agreement or any permanent or temporary release of capacity under the FTS Agreement shall transfer any rights that apply to Shipper under the terms hereof, other than an assignment in whole of the FTS Agreement, except for the right to the assigned capacity itself under, and in accordance with, TIGER's Tariff.

**APPENDIX D**

ETC TIGER PIPELINE, LLC

FERC Gas Tariff, Filed Agreements

Marked Agreement

**ETC Tiger Pipeline, LLC**

**FERC NGA Gas Tariff**

**Filed Agreements**

**Effective August 1, 2011**

**Marked Agreement**

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**Petrohawk Energy Corporation (001)**



Contract No. \_\_\_\_\_  
ETC TIGER PIPELINE, LLC  
TRANSPORTATION RATE SCHEDULE FTS  
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minimum rates set forth in TIGER's FERC Gas Tariff as may be revised from time to time.

- b. In no event shall TIGER be required to refund to Shipper any amounts collected for service to which the Negotiated Rates or rates under a Negotiated Rate Formula apply, notwithstanding any otherwise applicable maximum or minimum rate set forth in TIGER's FERC Gas Tariff, as may be revised from time to time. Except as otherwise expressly set forth in a negotiated rate agreement, the immediately preceding sentence is not intended to limit, nor shall it be deemed to limit, the applicability under Shipper's FTS Agreement of periodic adjustments pursuant to Section 36 of TIGER's General Terms and Conditions.
- c. Shipper and TIGER understand and agree that this FTS Agreement shall be subject to TIGER's FERC Gas Tariff and the regulations and ~~negotiated rate~~ policies of the FERC, including without limitation any requirements for TIGER to file for and receive FERC approval of the Negotiated Rates.
- d. Notifications. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this FTS Agreement shall be in writing unless oral notification is expressly authorized herein, and shall be sent to the appropriate party at the relevant address set forth in this FTS Agreement, as may be revised from time to time.
- e. Nonwaiver of Rights. No delay or failure to exercise any right or remedy accruing to either TIGER or Shipper upon breach or default by the other will impair any right or remedy or be construed to be a waiver of any such breach or default, nor will a waiver of any single breach be deemed a waiver of any other breach or default.
- f. Succession and Assignment. In the case of an Agreement under Rate Schedule FTS, the Agreement may be transferred by assignment pursuant to Section 25 of the General Terms and Conditions of TIGER's FERC Gas Tariff or by capacity release pursuant to Section 14 of the General Terms and Conditions of TIGER's FERC Gas Tariff. Except as provided for in Section 25 of the General Terms and Conditions, no other assignment of ~~the this FTS~~ Agreement nor of any of the individual rights or obligations hereunder by Shipper shall be effective as to TIGER without the prior express written consent of TIGER. ~~The This FTS~~ Agreement may be assigned by TIGER to a wholly or partially owned affiliate, special purpose joint venture, partnership.
- g. No Third Party Beneficiaries. This FTS Agreement shall not create any rights in any third parties, and no provision of this FTS Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than TIGER or Shipper.
- h. Conformance to Law. It is understood that performance hereunder shall be subject to all valid laws, orders, rules and regulations of duly constituted governmental authorities having jurisdiction or control of the matters related hereto, including without limitation the Federal Energy Regulatory Commission.
- i. Effect of Tariff. This FTS Agreement shall at all times be subject to all applicable provisions of TIGER's FERC Gas Tariff.



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j. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS **FTS** AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF TEXAS, AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT.

k. Entire Agreement. The Effective as of the commencement of this FTS Agreement, this FTS Agreement contains the entire agreement between TIGER and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this **FTS** Agreement shall be effective unless agreed upon in a written instrument executed by TIGER and Shipper which expressly refers to this **FTS** Agreement.

7. The above-stated Rate Schedule, as revised from time to time, controls this **FTS** Agreement and is incorporated herein. The attached Exhibits A, B, and C are a part of this **FTS** Agreement. Effective as of the commencement of this FTS Agreement, this FTS Agreement states the entire agreement between the parties. No waiver, representation or agreement shall affect this **FTS** Agreement unless it is in writing. Shipper shall provide the actual end user purchaser name(s) to TIGER if TIGER must provide them to the FERC.

Agreed to by:

ETC TIGER PIPELINE, LLC

PETROHAWK ENERGY  
CORPORATION

/s/: Lee Hanse  
NAME: Lee Hanse  
TITLE: SVP – Interstate Pipeline

/s/: Steve W. Herod  
NAME: Steve W. Herod  
TITLE: Executive Vice President

**Contract No. \_\_\_\_\_**  
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**EXHIBIT A**  
**DATED 2/7/2011**

Company: Petrohawk Energy Corporation, a Delaware Corporation

Contract No.: \_\_\_\_\_

Receipt Point(s):

**PRIMARY RECEIPT POINT(S):**

| <u>Name/Location</u> | <u>County Area</u> | <u>State</u> | <u>PIN No.</u> | <u>MDQ (Dth)</u> |
|----------------------|--------------------|--------------|----------------|------------------|
| North Holly          | DeSoto             | Louisiana    | 79025          | 200,000          |
| Plantation           | Red River          | Louisiana    | 79024          | 200,000          |

SECONDARY RECEIPT POINT(S): All receipt points that are part of the Expanded Pipeline, as defined in Exhibit C hereof

Receipt Pressure, Assumed Atmospheric Pressure

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Gas to be delivered to TIGER at the Receipt Point(s) shall be in accordance with Section 18.1 of TIGER's General Terms and Conditions, but shall not be in excess of the Maximum Allowable Operating Pressure (MAOP) stated for each Receipt Point in TIGER's Catalog of Points.

Rates

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The rates shall be the applicable maximum rate and other applicable lawful charges except as otherwise provided in a separate written agreement. Such agreement shall be consistent with Section 34 or 30 of this Tariff (relating to discounts and to negotiated rates, respectively).

Fuel Gas, Booster Compression Fuel and Lost and Unaccounted For Gas Reimbursement Percentages (%)

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Shipper will be assessed the applicable reimbursement percentages for Fuel Gas, Booster Compression Fuel, and for Lost and Unaccounted For Gas.

**Contract No. \_\_\_\_\_**  
**ETC TIGER PIPELINE, LLC**  
**TRANSPORTATION RATE SCHEDULE FTS**  
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**EXHIBIT B**  
**DATED 2/7/2011**

Company: Petrohawk Energy Corporation, a Delaware Corporation

Contract No.:

Delivery Point(s):

PRIMARY DELIVERY POINT(S):

| <u>Name/Location</u> | <u>County Area</u> | <u>State</u> | <u>PIN No.</u> | <u>MDQ (Dth)</u> |
|----------------------|--------------------|--------------|----------------|------------------|
| Southeast Supply     | Richland           | Louisiana    | 78543          | 400,000          |
| Header               |                    |              |                |                  |

SECONDARY DELIVERY POINT(S): All delivery points that are part of the Expanded Pipeline, as defined in Exhibit C hereof

Delivery Pressure, Assumed Atmospheric Pressure

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Gas to be delivered by TIGER to Shipper, or for Shipper's account, at the Delivery Point(s) shall be in accordance with Section 18.2 of TIGER's General Terms and Conditions.

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EXHIBIT C  
DATED 2/7/2011

NEGOTIATED RATE AGREEMENT  
-----

This Negotiated Rate Agreement (“NRA”) between TIGER and Shipper, incorporated as an exhibit to, and made part of, the FTS Agreement, Contract No. \_\_\_\_\_, between TIGER and Shipper, as first referenced above, sets forth the negotiated rates and charges for the natural gas transportation service to be provided on the Expanded Pipeline by TIGER to Shipper (“Negotiated Rates”) under the FTS Agreement, subject to the terms and the requirements of the FERC pertaining to negotiated rate transactions.

**ARTICLE 1**  
**DEFINITIONS**

- 1.1 “Carthage Interconnect” shall have the meaning given to it in Section 1.13 of this NRA.
- 1.2 “Certificate Application” means the application submitted to the FERC, pursuant to section 7 of the Natural Gas Act, for authorization to construct, own, operate, and maintain the T1 Expansion Project.
- 1.3 “Eligible Delivery Point” shall mean any delivery point that is either an Eligible Primary Delivery Point or an Eligible Secondary Delivery Point.
- 1.4 “Eligible Primary Delivery Point” shall mean any delivery point that is part of the Expanded Pipeline and that is designated on Exhibit B to the FTS Agreement as a Primary Delivery Point.
- 1.5 “Eligible Primary Receipt Point” shall mean any receipt point that is part of the Expanded Pipeline and that is designated on Exhibit A to the FTS Agreement as a Primary Receipt Point.
- 1.6 “Eligible Receipt Point” shall mean any receipt point that is either an Eligible Primary Receipt Point or an Eligible Secondary Delivery Point.
- 1.7 “Eligible Secondary Delivery Point” shall mean any receipt point that is part of the Expanded Pipeline.
- 1.8 “Eligible Secondary Receipt Point” shall mean any delivery point that is part of the Expanded Pipeline.
- 1.9 “Expanded Pipeline” shall mean the facilities of the Initial Pipeline and the T1 Expansion Project.
- 1.10 “Fixed Negotiated Monthly Commodity Rate” shall have the meaning given to it in Section 3.1 of this NRA.
- 1.11 “Fixed Negotiated Monthly Reservation Rate” shall have the meaning given to it in Section 3.1 of this NRA.
- 1.12 “HPL” shall have the meaning given to it in Section 1.13 of this NRA.
- 1.13 “Initial Pipeline” shall mean the interstate natural gas pipeline system consisting of approximately one-hundred eighty (180) miles of mainline 42-inch pipeline originating at a point of

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interconnection with Houston Pipe Line Company (“HPL”) in Panola County, Texas, (“Carthage Interconnect”) and extending to a point of interconnection in Richland Parish, Louisiana, with the interstate pipeline system owned by Southeast Supply Header, LLC (the “SESH Interconnect”), with related compression facilities, as owned, installed, and operated by TIGER in accordance with the FERC certificate authorization in FERC Docket No. CP09-460-000, as of the initial in-service date of such facilities.

1.14 “Precedent Agreement” shall mean that certain precedent agreement, dated 2/5/2010, entered by and between TIGER and Shipper, and pursuant to which TIGER and Shipper entered the FTS Agreement.

1.15 “Rollover Right” shall have the meaning given to it in Section 5.2 of this NRA.

1.16 “SESH Interconnect” shall have the meaning given to it in Section 1.13 of this NRA.

1.17 “T1 Expansion Project” shall mean the pipeline and appurtenant facilities owned, installed, and operated by TIGER in accordance with FERC certificate authorization in FERC Docket No. CP10-459-000, as of the initial in-service date of such facilities.

Capitalized terms not defined by this NRA shall have the meaning given to them by the Tariff or, if not defined by the Tariff, the FTS Agreement.

**ARTICLE 2**  
**TERM**

2.1 **Term.** This NRA shall become effective on the Effective Date and shall remain in effect for the Primary Term, as extended from time to time pursuant to the rollover and contractual right-of-first refusal provisions in Section 5.2 of this NRA.

**ARTICLE 3**  
**RESERVATION AND COMMODITY RATES**

3.1 **Primary Term Reservation and Commodity Rates.** During the Primary Term, for firm service under the FTS Agreement from any of the Eligible Receipt Points to any of the Eligible Delivery Points, up to the Contract MDQ, Shipper shall pay TIGER the following Fixed Negotiated Monthly Reservation Rate and Fixed Negotiated Commodity Rate, in lieu of the otherwise currently effective maximum monthly reservation rate and maximum commodity rate, respectively, set forth in TIGER’s Tariff for firm service under Rate Schedule FTS:

- (a) Fixed Negotiated Monthly Reservation Rate: \$8.9730/Dth, and
- (b) Fixed Negotiated Commodity Rate: \$0.00/Dth.

The Fixed Negotiated Monthly Reservation Rate and Fixed Negotiated Commodity Rate shall remain fixed during the Primary Term, regardless of the otherwise applicable maximum or minimum monthly reservation rate and the otherwise applicable maximum or minimum commodity rate, respectively, set forth in TIGER’s Tariff for firm service under Rate Schedule FTS from time to time, or of any change to such maximum or minimum rates.

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**ARTICLE 4**  
**NEGOTIATED RATE TERMS AND CONDITIONS;**  
**ADDITIONAL RATES AND CHARGES**

4.1 **General Terms.** The Fixed Negotiated Monthly Reservation Rate and Fixed Negotiated Commodity Rate set forth in this NRA shall apply only to: (i) service provided to Shipper by TIGER under the FTS Agreement from the Eligible Receipt Points to the Eligible Delivery Points, up to the Contract MDQ, during the Primary Term; and (ii) an aggregate maximum daily firm transportation quantity equal to the Contract MDQ, for all quantities transported on a firm basis under the FTS Agreement and any associated capacity release replacement agreements. For any aggregate quantities transported on a firm basis on any day for Shipper and any associated capacity release replacement shippers that either (i) are in excess of the applicable Contract MDQ in the aggregate or (ii) involve any receipt points that are not Eligible Receipt Points or any delivery points that are not Eligible Delivery Points, Shipper shall pay the maximum rates and charges set forth in the TIGER Tariff for service under Rate Schedule FTS from time to time, except that in lieu of the otherwise applicable maximum monthly reservation rate and the maximum commodity rate, Shipper shall pay a negotiated rate equal to the greater of: (a) the 100% load factor daily rate equivalent of Shipper's Negotiated Monthly Reservation Rate and Negotiated Commodity Rate and (b) the 100% load factor daily rate equivalent of the applicable maximum monthly reservation rate and the applicable maximum commodity rate set forth in TIGER's Tariff for service under Rate Schedule FTS from time to time. Pursuant to Section 12.1(a)(7) of the General Terms and Conditions of TIGER's Tariff, Shipper at all times must maintain such creditworthiness or provide credit support in accordance with Section 5.3 of the Precedent Agreement.

4.2 **Other Rates and Charges.** The applicable rates and charges under the FTS Agreement shall be the maximum rates and charges set forth in the TIGER Tariff for service under Rate Schedule FTS from time to time, except to the extent that this NRA expressly provides that a particular negotiated rate or charge shall apply in lieu of the otherwise applicable Tariff-based maximum rate or charge. Shipper shall also pay all applicable maximum surcharges, fees, and penalties set forth in the TIGER Tariff for service under Rate Schedule FTS from time to time.

**ARTICLE 5**  
**MISCELLANEOUS PROVISIONS**

5.1 **Conformance to Law.** Shipper and TIGER understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under TIGER's Tariff and the regulations and policies of the FERC, including without limitation any requirements for TIGER to file for and receive FERC approval of the Negotiated Rates.

5.2 **Rollover and Contractual ROFR.** Shipper shall have the unilateral right to extend the initial and any subsequent term of the FTS Agreement beyond the Primary Term for all or any portion of the then-existing Contract MDQ at: (i) Shipper's existing rates and charges under the FTS Agreement for such Contract MDQ or at negotiated rates equal to all applicable then-existing recourse rates, for a minimum term of five (5) years; or (ii) at Shipper's existing rates and charges under the FTS Agreement for such Contract MDQ for a term of one (1) year (collectively, the "Rollover Right"). Shipper must exercise its Rollover Right by the provision of twelve months' prior written notice to Transporter prior to the end of the Primary Term or any subsequent term, provided that if Shipper elects to exercise its Rollover Right pursuant to clause (i) of the preceding sentence, such written notice shall specify which of the two rate options Shipper has elected to govern during such rollover period. Shipper may also exercise its Rollover Right with regard to capacity for which Shipper has previously exercised its Rollover Right or its contractual right-of-first refusal. If Shipper does not timely exercise its Rollover Right with respect to all or a portion of its applicable Contract MDQ, Shipper will have a contractual right of first refusal to retain

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all or some of the expiring capacity under the FTS Agreement, which shall be exercisable in accordance with the right-of-first-refusal procedures set forth in the Tariff.

5.3 Succession and Assignment. Prior to the Effective Date, assignment of the FTS Agreement shall be governed by the Precedent Agreement. On and after the Effective Date, the FTS Agreement may only be assigned in accordance with the express provisions of TIGER's Tariff. No assignment of the FTS Agreement or any permanent or temporary release of capacity under the FTS Agreement shall transfer any rights that apply to Shipper under the terms hereof, other than an assignment in whole of the FTS Agreement, except for the right to the assigned capacity itself under, and in accordance with, TIGER's Tariff.