

March 14, 2025

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

Attention: Ms. Debbie-Anne A. Reese, Secretary

Re: Non-Conforming Negotiated Rate Agreement Filing; El Paso Natural Gas Company, L.L.C.; Docket No. RP25-

Commissioners:

El Paso Natural Gas Company, L.L.C. ("EPNG") hereby tenders for filing and acceptance by the Federal Energy Regulatory Commission ("Commission") the tariff records listed in Appendix A.

Proposed with an effective date of April 1, 2025, these tariff records update EPNG's FERC Gas Tariff, Third Revised Volume No. 1A ("Tariff") to reflect a new non-conforming, negotiated rate transportation service agreement ("TSA") executed with Arizona Electric Power Cooperative, Inc. ("AEPCO"). EPNG respectfully requests a waiver of the 30-day notice requirement to effectuate the April 1, 2025 effective date, as discussed below.

Reason for Filing

Between October 17, 2022 and November 16, 2022, EPNG conducted an open season for firm capacity of 41,472 dekatherms per day from Blanco to a proposed delivery point with AEPCO (i.e., the Diamondback Meter Station, along with a related lateral pipeline to be located in Mojave County, Arizona on EPNG's Line No. 2121) or to other similar new or modified facilities as requested by the successful bidder. At the conclusion of the open season, AEPCO was awarded all of the capacity offered at a negotiated reservation rate, as reflected in Agreement No. 618708-FT1EPNG. Subsequent to the execution of the TSA on April 12, 2023, EPNG and AEPCO amended Agreement No. 618708-FTEPNG to accelerate the commencement date of the TSA, pursuant to its terms, to begin on April 1, 2025 ("AEPCO TSA").¹ Additionally, the parties agreed to clarify the construction provisions related to the construction of the Diamondback Meter Station and a delivery lateral pipeline ("Project"), as well as the related negotiated reservation rates, as described below.

¹ As amended, the AEPCO TSA reflects a primary receipt/delivery point combination of BLANCO to DPG&ETOP prior to the in-service of the Diamondback delivery point.

In accordance with Section 154.112(b) of the Commission's regulations² and the Commission's policy statement regarding negotiated rates,³ EPNG is submitting the AEPCO TSA for the Commission's review and acceptance. As described below, the AEPCO TSA contains non-conforming provisions that are not included in EPNG's Rate Schedule FT-1 Form of Service Agreement ("Pro Forma"). Accordingly, EPNG is proposing to update its Tariff to include the AEPCO TSA.

Description of the Agreement

The AEPCO TSA contains non-conforming provisions that address certain requirements associated with the facility modifications. These provisions do not affect the quality of service received by any other EPNG shipper nor are such provisions unduly discriminatory.

Non-Conforming Provisions

Construction of Project Facilities

Paragraph 5 of the Pro Forma reflects certain provisions that may be included in a TSA when service involves the construction of facilities. Among these provisions is an acknowledgment that the construction of additional facilities is required in order to provide transportation service to the shipper. Moreover, paragraph 5 of the Pro Forma provides that EPNG's obligations under the TSA are subject to the satisfaction of certain conditions.

Instead of utilizing the Pro Forma construction provisions, AEPCO and EPNG agreed to include the construction provisions in a new paragraph 6 of the TSA and to structure the provisions specifically to the scope of the Project. As described in paragraph 6, EPNG will use reasonable efforts to acquire an easement from the U.S. Department of the Interior, Bureau of Land Management ("BLM") to allow EPNG to construct the Project facilities on BLM land. At any time before the earlier of the date EPNG obtains the BLM easement or October 31, 2025, AEPCO may notify EPNG to discontinue efforts to acquire the BLM easement and instead acquire an alternative easement from the Arizona State Land Department ("ASLD"). Regardless of which easement is acquired, EPNG will use reasonable efforts to construct and place the Project facilities into service by June 1, 2026 in order to commence transportation to the Diamondback delivery

² 18 C.F.R. §§ 154.112(b) (2024).

Statement of Policy on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines, 74 FERC ¶ 61,076 (1996); Natural Gas Pipeline Negotiated Rate Policies and Practices, 104 FERC ¶ 61,134 (2003) ("Policy Statement").

point at that time.⁴ These construction provisions are specifically tailored to the Project and simply clarify the necessary facilities and the specific conditions required. Such language does not provide AEPCO any undue preference.

Recovery for Carbon Tax and Greenhouse Gas Costs

EPNG and AEPCO have agreed to include paragraph 15, a non-conforming provision allowing for the possibility that the Commission may permit the recovery of costs incurred in connection with mitigating greenhouse gas emissions, including the costs of credits or other offsets that EPNG may incur.⁵ In the event the Commission permits the recovery of such costs only through the recourse rates, then AEPCO will pay EPNG for any Greenhouse Gas Costs through an adjustment of the negotiated reservation rate. In the absence of this provision, the negotiated rate applicable to the TSA could prevent EPNG from recovering the Greenhouse Gas Costs from AEPCO. The Commission has previously accepted similar greenhouse gas contract provisions.⁶

Creditworthiness

Paragraph 16 in the AEPCO TSA includes creditworthiness requirements necessary to ensure continued financial support during the term of the agreement. Specifically, the TSA requires the shipper to demonstrate and maintain sufficient evidence of satisfaction of creditworthiness throughout the term of the TSA by demonstrating that: (1) shipper's senior unsecured debt securities are rated at least BBB- by Standard and Poor's Corporation ("S&P") or Baa3 by Moody's Investor Service ("Moody's"); and (2) shipper is not under review for possible downgrade by S&P and/or Moody's to a level below the stated levels.⁷

The provision further requires that if AEPCO falls below the aforementioned creditworthiness requirements or becomes unrated or otherwise fails to satisfy the

⁴ Prior to the in-service of the Diamondback delivery point, EPNG may provide firm transportation service for AEPCO to the DPG&ETOP delivery point as noted in the AEPCO TSA. Correspondingly, the construction provisions included in the TSA are applicable to the Diamondback delivery point and not required for service to the DPG&ETOP delivery point.

⁵ For purposes of the AEPCO TSA, "Greenhouse Gas Emissions Costs" are defined as (a) the cost of any carbon emissions tax or other greenhouse gas assessment that is imposed on EPNG, and/or (b) the cost of any greenhouse gas mitigation efforts, including the costs of credits and offsets that EPNG incurs to comply with any greenhouse gas laws, rules, or regulations.

⁶ See El Paso Natural Gas Co., Docket No. RP24-775-000 (June 4, 2024) (unpublished letter order); El Paso Natural Gas Co., Docket No. RP23-946-000 (Aug. 23, 2023) (unpublished letter order); Wyoming Interstate Company, L.L.C., Docket No. RP20-111-000 (Nov. 19, 2019) (unpublished letter order); Colorado Interstate Gas Company, L.L.C., Docket No. RP19-1258-000 (Jun. 12, 2019) (unpublished letter order).

⁷ Should a shipper not be rated by S&P or Moody's, the shipper may demonstrate creditworthiness by providing certified audited financial statements for the previous two fiscal year ends that, in EPNG's reasonable discretion, adequately support the level of service under the agreement.

creditworthiness requirements, then AEPCO will satisfy creditworthiness by providing and maintaining: (1) an irrevocable, unconditional guarantee of its obligations under the TSA by a person or entity that satisfies the creditworthiness standards, (2) an irrevocable letter of credit equal to the lesser of 36 months, or the period of time remaining in the term, of the anticipated charges under the TSA, or (3) other credit arrangements which are mutually agreed to by EPNG and AEPCO.

Additionally, EPNG may request evidence of creditworthiness which EPNG may then share with its lenders or creditors or any nationally recognized rating agency that is maintaining a rating of EPNG's debt securities. If any change in ratings requires AEPCO to change how it satisfies the creditworthiness provisions, then it will be required to demonstrate the new creditworthiness option within fifteen business days of the change.

The creditworthiness provisions contained in the AEPCO TSA supplement the creditworthiness requirements found in General Terms and Conditions ("GT&C") Section 4.16 of EPNG's Tariff. Although non-conforming, EPNG does not believe these provisions rise to the level of a material deviation given that the additional creditworthiness obligations are necessary to provide a degree of protection to EPNG since it undertook system modifications in order to provide the service contemplated in the AEPCO TSA.⁸ Therefore, EPNG respectfully requests the Commission approve these non-conforming provisions.

Negotiated Rates

Section 4.18 of the GT&C of EPNG's Tariff allows EPNG and a shipper to agree to a transportation rate that is not subject to the minimum-to-maximum range provided on the Tariff's Statement of Rates. Pursuant to that provision, EPNG and AEPCO agreed to a fixed negotiated reservation rate for the TSA submitted herewith. Paragraph 8 of AEPCO's TSA includes the rate provisions and specifies that a negotiated reservation rate of \$12.7415 per dekatherm per month will apply in the case of EPNG acquiring the BLM easement. Alternatively, a negotiated reservation rate of \$13.5202 per Dth per month will apply if an ASLD easement is procured by EPNG ("ASLD Rate"). In the event AEPCO provides timely notification to EPNG to pursue the ASLD easement, the ASLD Rate shall apply in the month during which such notice is received by EPNG and AEPCO will pay EPNG an amount equal to the product of \$0.7787 per Dth (i.e., the difference between the BLM Rate and the ASLD Rate) multiplied by the transportation

⁸ The Commission has approved similar creditworthiness language. See El Paso Natural Gas Co., Docket No. RP20-1263-000 (Oct. 30, 2020) (unpublished letter order); El Paso Natural Gas Co., Docket No. RP13-1235-000 (Sept. 24, 2014) (unpublished letter order); El Paso Natural Gas Co., Docket No. RP13-662-000 (Mar. 27, 2013) (unpublished letter order); Colorado Interstate Gas Co., Docket No. RP11-2507-000 (Sept. 27, 2011) (unpublished letter order) where the Commission accepted creditworthiness provisions that involved capacity requiring the construction of new facilities.

contract demand multiplied by the number of calendar months between and including April 2025 and the month prior to the month when the easement notice is received by EPNG. Given that the rate provisions are described in paragraph 8 instead of in the notes on Exhibit B, references to the applicable paragraph are shown on Exhibit B. Finally, in the event AEPCO redesignates primary point rights in accordance with EPNG's Tariff, AEPCO will pay a negotiated reservation rate equal to the higher of the applicable negotiated reservation rate or the applicable maximum reservation rate for the redesignated points.

Tariff Provisions

EPNG is submitting the following tariff records pursuant to 18 C.F.R. § 154.112(b) (2024) and Subpart C of Part 154 of the Commission's regulations.⁹

<u>Part I, Section 1</u> lists the AEPCO TSA as a non-conforming, negotiated rate agreement. The index page for <u>Part VII</u> provides a similar update by including the TSA on the list of agreements reflected in that part of the Tariff.¹⁰

Part VII, Sections 9.0 through 9.2 are updated to include a copy of the AEPCO TSA.

Procedural Matters

In accordance with the applicable provisions of Part 154 of the Commission's regulations,¹¹ EPNG is submitting an eTariff XML filing package, which includes the following:

- a) a transmittal letter;
- b) Appendix A, a list of the proposed tariff records;
- c) Appendix B, a marked version of the AEPCO TSA reflecting changes from the Pro Forma;
- d) Appendix C, an executed copy of the AEPCO TSA; and
- e) clean and marked versions of each tariff record in PDF format.

EPNG respectfully requests the Commission accept the tendered tariff records for filing and permit them to become effective on April 1, 2025, which is consistent with the effective date of the AEPCO TSA. This TSA has only recently been executed by the parties. As such, EPNG requests the Commission waive

⁹ See 18 C.F.R. §§ 154.201 - 154.210 (2024) (Subpart C).

¹⁰ Currently, the tariff records for Part I, Section 1 and the index for Part VII remain pending before the Commission in Docket No. RP25-675-000. Those tariff records reflect the inclusion of nonconforming TSAs in the Tariff effective April 1, 2025. For purposes of this instant filing, the tariff records proposed herein include the modifications proposed in the aforementioned proceeding. Should that filing not be accepted by the Commission, EPNG will file to modify the tariff records proposed herein.

¹¹ 18 C.F.R. §§ 154.1 – 154.603 (2024) (Part 154).

the notice requirements as permitted by 18 C.F.R. § 154.207 (2024) of the Commission's regulations. With respect to any tariff records the Commission allows to go into effect without change, EPNG hereby moves to place the tendered tariff records in to effect at the end of any minimal suspension period established by the Commission.

Correspondence and communications concerning this filing should be directed to:

Ms. Shelly L. Busby	Mr. Tim Cronin
Director, Regulatory	Assistant General Counsel
El Paso Natural Gas Company, L.L.C.	El Paso Natural Gas Company, L.L.C.
Post Office Box 1087	Post Office Box 1087
Colorado Springs, CO 80944	Colorado Springs, CO 80944
Telephone: (719) 520-4657	Telephone: (719) 520-4290
EPNGRegulatoryAffairs@kindermorgan.com	Tim_Cronin@kindermorgan.com

These persons have been designated for service in accordance with Rule 203 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.203 (2024)).

The undersigned hereby certifies that she has read this filing and knows (i) the contents of such filing and the attachments; (ii) that the contents as stated in the filing and in the attachments are true to the best of her knowledge and belief; and (iii) that she possesses full power and authority to sign this filing.

Respectfully submitted,

EL PASO NATURAL GAS COMPANY, L.L.C.

By:

/s/ Shelly L. Busby Director, Regulatory

Enclosures

Certificate of Service

I hereby certify that I have this day caused a copy of the foregoing document to be served upon all shippers on EPNG's pipeline system and interested state regulatory commissions, in accordance with the requirements of Sections 154.208 and 385.2010 of the Commission's Rules of Practice and Procedures.

Dated at Colorado Springs, Colorado as of this 14th day of March 2025.

/s/ Shelly L. Busby

Post Office Box 1087 Colorado Springs, CO 80944 (719) 520-4657

EL PASO NATURAL GAS COMPANY, L.L.C. Non-Conforming Negotiated Rate Agreement Filing

Third Revised Volume No. 1A

Part I: Overview

Section 1.0 Table of Contents

Version 104.0.0

Part VII: Non-Conforming Agreements (index)

Version 102.0.0

- Section 9.0 Arizona Electric Power Cooperative #618708-FT1EPNG Version 9.0.0 Section 9.1 Arizona Electric Power Coop. #618708-FT1EPNG Exh A Version 9.0.0
- Section 9.2 Arizona Electric Power Coop. #618708-FT1EPNG Exh B Version 2.0.0

Appendix B

Firm Transportation Service Agreement

Rate Schedule FT-1

Between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

Transportation Service Agreement

Rate Schedule FT-1

Dated: February 25, 2025

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

- 1. **Transporter:** EL PASO NATURAL GAS COMPANY, L.L.C.
- 2. Shipper: ARIZONA ELECTRIC POWER COOPERATIVE, INC.
- 3. **Applicable Tariff and Incorporation by Reference:** Transporter's FERC Gas Tariff Third Revised Volume No. 1A, 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:** 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 utilize a Flow Path and shall be transported on a firm basis in accordance with the Tariff. Receipt and delivery of quantities at alternate receipt point(s) and/or alternate delivery point(s) shall be in accordance with the Tariff.

Transporter will render transportation service to Shipper pursuant to this Agreement in accordance with Part 284, Subparts B and/or G of the FERC's Regulations. For any service rendered by Transporter pursuant to Part 284 Subpart B of the FERC's Regulations, Shipper's certification (supplied contemporaneously herewith), as required by 18 CFR 284.102(e) and Section 4.1(j)-(1) of Transporter's Tariff, will apply.

6. <u>Construction of Diamondback Facilities.</u> The <u>P</u>parties recognize that Transporter must construct additional facilities in order to provide transportation service for Shipper under this Agreement. Parties agree that on the in service date the following provisions no longer apply. Transporter's obligations under this Agreement are subject to:pipelines (the "Delivery Pipelines"), a meter station, and related facilities to deliver gas to the proposed Diamondback Delivery Meter Station (PIN No. 56372) (located in Mohave County, Arizona at 34.928347, -114.550864) under this Agreement (the "Diamondback Facilities"). The Delivery Pipelines will cross lands managed by the U.S. Department of the Interior, Bureau of Land Management (the "BLM") or the Arizona State Land Department (the "ASLD"), to be determined as follows:

(a) <u>Following the date hereof, Transporter will use reasonable efforts to acquire an easement</u> from the BLM allowing Transporter to construct the Delivery Pipelines on BLM lands located between (i) Transporter's Line 2121 (at 34.930230, -114.538342) and the Diamondback Delivery Meter Station and (ii) Transporter's Line 2153 (at 34.930853, -114.532787) and the Diamondback Delivery Meter Station (the "BLM Easement"). (b) <u>At any time prior to the earlier of (i) the date Transporter obtains the BLM Easement and</u> (ii) October 31, 2025, Shipper may direct Transporter by written notice (an "Easement Notice") to cease acquiring the BLM Easement and use reasonable efforts to acquire an easement from the <u>ASLD allowing Transporter to construct the Delivery Lines on ASLD lands located between (x)</u> <u>Transporter's Line 2121 (at 34.906792, -114.529873) and the Diamondback Delivery Point and</u> (y) Transporter's Line 2153 (at 34.906756, -114.529694) and the Diamondback Delivery Point (the "ASLD Easement").

<u>Subject to receipt by Transporter of all necessary land rights and governmental approvals,</u> permits, and other authorizations in form and substance satisfactory to Transporter in its sole discretion, including receipt of the BLM Easement or the ASLD Easement, as the case may be, Transporter will use reasonable efforts to construct and place the Diamondback Facilities into service by June 1, 2026. The date the Diamondback Facilities are actually placed in-service is referred to herein as the "Diamondback In-Service Date."

(i) The receipt and acceptance by Transporter of a FERC certificate for the additional facilities, as well as the receipt by Transporter of all other necessary regulatory approvals, permits and other authorizations for the additional facilities in form and substance satisfactory to Transporter in its sole discretion.

(ii) The approval of the appropriate management, management committee, and/or board of directors of Transporter and/or its parent companies to approve the level of expenditures for the additional facilities.

(iii) _____.

- 7. **Receipt Points, Delivery Points and Flow Paths:** Shipper agrees to tender 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 gas to Shipper (or for Shipper's account) at the primary delivery point(s) identified in Exhibit A. Receipts and deliveries of gas for transportation service shall be accommodated by the Flow Path(s) identified on Exhibit A. Minimum and maximum delivery pressures, as applicable, are listed on Exhibit A.
- 8. **Rates and Surcharges:** As set forth in Exhibit B, Shipper shall pay the applicable maximum tariff rate unless otherwise provided. Transporter and Shipper may mutually agree to a discounted rate or to a negotiated rate pursuant to the rate provisions of Rate Schedule FT-1 and Section 4.17 or Section 4.18 of the GT&C. As provided in Section 4.18 of the GT&C of the Tariff, the parties agree to a negotiated reservation rate of \$12.7415 per Dekatherm per Month (the "BLM Rate"); *provided, that,* if Shipper delivers an Easement Notice to Transporter, then the negotiated reservation rate shall be \$13.5202 per Dekatherm per Month (the "ASLD Rate"). In either case, the negotiated reservation rate shall not be subject to any applicable maximum or minimum reservation rates set forth in the Tariff and shall be payable regardless of quantities transported.

If Shipper delivers an Easement Notice to Transporter, then Shipper shall (a) begin paying the ASLD Rate in the month during which such notice is received and (b) pay Transporter an amount

equal to the product of (i) \$0.7787 per Dekatherm (such amount being the difference between the ASLD Rate and the BLM Rate), *multiplied by* (ii) the TCD, *multiplied by* (iii) the number of calendar months between and including April 2025 and the month prior to the month during which Transporter receives the Easement Notice (the "True Up Amount"). For example, if Transporter receives an Easement Notice in August 2025, the True Up Amount would be \$129,176.9856 (*i.e.*, \$0.7787 per Dekatherm *multiplied by* 41,472 Dth/day *multiplied by* 4 months).

- 9. <u>Exhibits:</u> Exhibits A and B, attached to this Agreement, are hereby incorporated by reference as part of this Agreement.
- 10. Negotiated Rate: Yes X No
- 11. Transportation Contract Demand ("TCD"):

TCD (Dth/d)	Time Period
41,472	April 1, 2025 - March 31, 2055

12. Term of Firm Transportation Service:

Beginning: April 1, 2025

Ending: March 31, 2055

A contractual right of first refusal shall apply to this Agreement, pursuant to Section 4.14 of the GT&C of the Tariff.

13. Notices, Statements, and Bills:

To Shipper:

ARIZONA ELECTRIC POWER COOPERATIVE, INC. P. O. Box 670 Benson, AZ 85602 Attn: Manager Power Trading (Notices and Invoices)

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

- 14. **Effect on Prior Agreement(s):** From and after April 1, 2025, this Agreement amends and restates that certain Firm Transportation Service Agreement (Agreement No. 618708-FT1EPNG) dated August 1, 2024, by and between Transporter and Shipper.
- 15. <u>Recovery for Carbon Tax and Greenhouse Gas Costs: Shipper agrees that, subject at all times</u> to FERC's approval of the particular costs, cost recovery mechanism(s) and manner of recovery in question, Transporter shall be entitled to recovery of Greenhouse Gas Emissions Costs incurred by Transporter attributable to natural gas transported for Shipper. As used herein "Greenhouse Gas Emissions Costs" means (i) the cost of any carbon emissions tax or other greenhouse gas assessment that is imposed on Transporter, and/or (ii) the cost of any greenhouse gas mitigation efforts, including the costs of credits and offsets that Transporter incurs to comply with any

greenhouse gas laws, rules or regulations. If (i) Transporter is unsuccessful in having the FERCapproved Greenhouse Gas Emissions Costs incurred by it recovered through a FERC-approved surcharge applicable to all shippers, and (ii) such amounts are recoverable only through Transporter's FERC-approved recourse rates, then Shipper will agree to modify the negotiated reservation rate under this Agreement by the amount of Transporter's maximum reservation rate under Rate Schedule FT-1 that is attributable to such Greenhouse Gas Emissions costs.

16. <u>Creditworthiness:</u> Shipper shall demonstrate, and maintain throughout the term of this Agreement, satisfaction of creditworthiness in the manner set forth below:

(a) <u>If Shipper is rated by Standard & Poor's Corporation ("S&P") and/or Moody's Investor</u> <u>Service ("Moody's"), then Shipper shall be deemed creditworthy by Transporter if: (i) Shipper's</u> <u>senior unsecured debt securities are rated at least BBB- by S&P or Baa3 by Moody's (in the event</u> <u>Shipper is rated differently by multiple agencies, the lowest rating shall be used in making such</u> <u>determination); and (ii) Shipper is not under review for possible downgrade by S&P and/or</u> <u>Moody's to a level below that set forth in subpart (i) of this paragraph (a). In addition, in the</u> <u>event Shipper is not rated by S&P and/or Moody's, Shipper may demonstrate creditworthiness by</u> <u>providing audited financial statements for the previous two (2) fiscal year ends certified by the</u> <u>Chief Financial Officer or Chief Accounting Officer of Shipper that, in Transporter's reasonable</u> <u>discretion, adequately supports the level of service under this Agreement.</u>

(b) If at any time during the term of this Agreement, Shipper's S&P or Moody's rating falls below the levels described above, or Shipper becomes unrated or Shipper otherwise fails to satisfy the requirements of paragraph (a), then for the time period that Shipper's ratings are below the requirements of paragraph (a), Shipper is unrated, or Shipper is otherwise unable to satisfy the requirements of paragraph (a), Shipper shall satisfy its creditworthiness obligation by providing one of the forms of credit support described in paragraph (c) below. If Shipper subsequently becomes able to satisfy the S&P and Moody's rating levels described above, Shipper may immediately satisfy its creditworthiness obligations in the manner provided in paragraph (a).

(c) If at the time of the execution of this Agreement, or at any time thereafter, Shipper is unable to satisfy its creditworthiness obligations in the manner set forth in paragraph (a) above, then Shipper shall satisfy its creditworthiness obligations by providing and maintaining, at its option: (i) an irrevocable, unconditional guarantee of its obligations under this Agreement, reasonably acceptable to Transporter, and issued by another person or entity which satisfies the creditworthiness standards set forth in paragraph (a); or (ii) an irrevocable letter of credit from a bank reasonably acceptable to Transporter, and equal to the anticipated charges under this Agreement during the lesser of thirty-six (36) months and the period of time remaining in the term; or (iii) such other credit arrangements which are mutually agreed to by Transporter and Shipper, and which are accepted by Transporter on a nondiscriminatory basis.

(d) <u>To the extent evidence of Shipper's creditworthiness is not publicly available, upon</u> reasonable request by Transporter, Shipper shall promptly provide evidence to Transporter of Shipper's creditworthiness, which Transporter may share with its lenders or creditors or any nationally recognized rating agency that is then maintaining a rating of Transporter's debt securities. (e) <u>If any change in ratings or conditions requires Shipper to change the manner in which it</u> <u>demonstrates its satisfaction of its creditworthiness requirements, Shipper shall make that</u> <u>demonstration (including if necessary the provision of any guarantee or letter of credit) within</u> <u>fifteen (15) Business Days of the change in ratings or conditions requiring the new demonstration</u> <u>of creditworthiness.</u>

17. **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. (Agreements executed prior to January 1, 2006 will be subject to the governing law provisions stated in such Agreements.)

IN WITNESS HEREOF, 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 hand written signature.

EL PASO NATURAL GAS COMPANY, L.L.C.

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

Accepted and agreed to	this	Accepted and agreed to thi	s
day of		day of	, 2025.

EXHIBIT A

To The Firm Transportation Service Agreement Rate Schedule FT-1

between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

Shipper's Transportation Contract Demand: See ¶11

Effective Dates: April 1, 2025 through the earlier of (a) March 31, 2055 and (b) the day before the Diamondback In-Service Date (as defined in ¶6)

									Maxim	um Quantit	y-D-Code (Dth/d) 1/						
Primary Receipt PIN Name	Rec PIN	Primary Delivery PIN Name	Del PIN	Flow Path	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Delivery Pressure (p.s.i.g) Not less than 2/	Delivery Pressure (p.s.i.g) Not greater than 2/
BLANCO	300714	DPGE&TOP	314604	NN1	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472		
TRANSPORT	ATION CON	TRACT DEMAND	-		41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472		

Effective Dates: Diamondback In-Service Date through March 31, 2055

									Maxim	um Quantit	y-D-Code (Dth/d) 1/						
Primary Receipt PIN Name	Rec PIN	Primary Delivery PIN Name	Del PIN	Flow Path	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Delivery Pressure (p.s.i.g) Not less than 2/	Delivery Pressure (p.s.i.g) Not greater than 2/
BLANCO	300714	DIAMDBKD	57469	NN1	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472		
TRANSPORTAT	FION CON	FRACT DEMAND			41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472		

Notes:

1/ The sum of the Maximum Quantities identified above is equal to Shipper's Transportation Contract Demand for that Month.

2/ Unless otherwise specified on this Exhibit A, the pressure(s) for the point(s) listed above shall be the pressure existing from time to time at the metering facility; provided, however, Transporter reserves the right to deliver quantities at pressures up to the MAOP of that facility.

EXHIBIT B

To The

Firm Transportation Service Agreement Rate Schedule FT-1

between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

Primary Receipt Point(s)	Primary Delivery Point(s)	Effective Dates	Reservation Rate 1/	Usage Rate 1/	Fuel 2/	Surcharges 3/
As listed in Exhibit A	As listed in Exhibit A	See ¶12	<u>See ¶8</u> 1a/			
Primary and Alternate Receipt Point(s) / Location(s)	Primary and Alternate Delivery Point(s) / Location(s)	Effective Dates	Reservation Rate 1/	Usage Rate 1/	Fuel 2/	Surcharges 3/
All Receipt Points as they may change from time to time, excluding those requiring incremental rates (e.g., Willcox Lateral Receipt Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff as that provision may move or change from time to time.	All Delivery Points as they may change from time to time, excluding those requiring incremental rates (e.g., Willcox Lateral Delivery Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff as that provision may move or change from time to time.	See ¶12	<u>See ¶8</u>			

EXHIBIT B (CONT.)

Notes:

- 1/ Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates, as may be changed from time to time, for service under Rate Schedule FT-1 or other superseding Rate Schedules. The reservation rate shall be payable regardless of quantities transported.
- 1a/ As provided in Section 4.18 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) for any redesignations of primary point rights made in accordance with Transporter's then applicable Tariff provisions, currently described in Section 8.1(f)(iii) of the GT&C of the Tariff, and, as such, the applicable reservation rate for such redesignated points shall be equal to the higher of: (i) the applicable negotiated reservation rate stated in paragraph 8 of this Agreement, or (ii) the applicable maximum reservation rate for the Primary Receipt and Delivery Points of any such redesignation(s).
- 2/ Fuel and L&U 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: Unless otherwise specified, all applicable surcharges shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time.

ACA:

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

Appendix C

Firm Transportation Service Agreement

Rate Schedule FT-1

Between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

Transportation Service Agreement

Rate Schedule FT-1

Dated: February 25, 2025

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

- 1. **Transporter:** EL PASO NATURAL GAS COMPANY, L.L.C.
- 2. Shipper: ARIZONA ELECTRIC POWER COOPERATIVE, INC.
- 3. **Applicable Tariff and Incorporation by Reference:** Transporter's FERC Gas Tariff Third Revised Volume No. 1A, 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:** 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 utilize a Flow Path and shall be transported on a firm basis in accordance with the Tariff. Receipt and delivery of quantities at alternate receipt point(s) and/or alternate delivery point(s) shall be in accordance with the Tariff.

Transporter will render transportation service to Shipper pursuant to this Agreement in accordance with Part 284, Subparts B and/or G of the FERC's Regulations. For any service rendered by Transporter pursuant to Part 284 Subpart B of the FERC's Regulations, Shipper's certification (supplied contemporaneously herewith), as required by 18 CFR 284.102(e) and Section 4.1(j)-(1) of Transporter's Tariff, will apply.

6. **Construction of Diamondback Facilities**. The Parties recognize that Transporter must construct pipelines (the "Delivery Pipelines"), a meter station, and related facilities to deliver gas to the proposed Diamondback Delivery Meter Station (PIN No. 56372) (located in Mohave County, Arizona at 34.928347, -114.550864) under this Agreement (the "Diamondback Facilities"). The Delivery Pipelines will cross lands managed by the U.S. Department of the Interior, Bureau of Land Management (the "BLM") or the Arizona State Land Department (the "ASLD"), to be determined as follows:

(a) Following the date hereof, Transporter will use reasonable efforts to acquire an easement from the BLM allowing Transporter to construct the Delivery Pipelines on BLM lands located between (i) Transporter's Line 2121 (at 34.930230, -114.538342) and the Diamondback Delivery Meter Station and (ii) Transporter's Line 2153 (at 34.930853, -114.532787) and the Diamondback Delivery Meter Station (the "BLM Easement").

(b) At any time prior to the earlier of (i) the date Transporter obtains the BLM Easement and (ii) October 31, 2025, Shipper may direct Transporter by written notice (an "Easement Notice") to cease acquiring the BLM Easement and use reasonable efforts to acquire an easement from the ASLD allowing Transporter to construct the Delivery Lines on ASLD lands located between (x) Transporter's Line 2121 (at 34.906792, -114.529873) and the Diamondback Delivery Point and (y) Transporter's Line 2153 (at 34.906756, -114.529694) and the Diamondback Delivery Point (the "ASLD Easement").

Subject to receipt by Transporter of all necessary land rights and governmental approvals, permits, and other authorizations in form and substance satisfactory to Transporter in its sole discretion, including receipt of the BLM Easement or the ASLD Easement, as the case may be, Transporter will use reasonable efforts to construct and place the Diamondback Facilities into service by June 1, 2026. The date the Diamondback Facilities are actually placed in-service is referred to herein as the "Diamondback In-Service Date."

- 7. **Receipt Points, Delivery Points and Flow Paths:** Shipper agrees to tender 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 gas to Shipper (or for Shipper's account) at the primary delivery point(s) identified in Exhibit A. Receipts and deliveries of gas for transportation service shall be accommodated by the Flow Path(s) identified on Exhibit A. Minimum and maximum delivery pressures, as applicable, are listed on Exhibit A.
- 8. **Rates and Surcharges:** As provided in Section 4.18 of the GT&C of the Tariff, the parties agree to a negotiated reservation rate of \$12.7415 per Dekatherm per Month (the "BLM Rate"); *provided, that,* if Shipper delivers an Easement Notice to Transporter, then the negotiated reservation rate shall be \$13.5202 per Dekatherm per Month (the "ASLD Rate"). In either case, the negotiated reservation rate shall not be subject to any applicable maximum or minimum reservation rates set forth in the Tariff and shall be payable regardless of quantities transported.

If Shipper delivers an Easement Notice to Transporter, then Shipper shall (a) begin paying the ASLD Rate in the month during which such notice is received and (b) pay Transporter an amount equal to the product of (i) \$0.7787 per Dekatherm (such amount being the difference between the ASLD Rate and the BLM Rate), *multiplied by* (ii) the TCD, *multiplied by* (iii) the number of calendar months between and including April 2025 and the month prior to the month during which Transporter receives the Easement Notice (the "True Up Amount"). For example, if Transporter receives an Easement Notice in August 2025, the True Up Amount would be \$129,176.9856 (*i.e.*, \$0.7787 per Dekatherm *multiplied by* 41,472 Dth/day *multiplied by* 4 months).

- 9. **Exhibits:** Exhibits A and B, attached to this Agreement, are hereby incorporated by reference as part of this Agreement.
- 10. Negotiated Rate: Yes X No

11. Transportation Contract Demand ("TCD"):

TCD (Dth/d)	Time Period
41,472	April 1, 2025 - March 31, 2055

12. Term of Firm Transportation Service:

Beginning: April 1, 2025

Ending: March 31, 2055

A contractual right of first refusal shall apply to this Agreement, pursuant to Section 4.14 of the GT&C of the Tariff.

13. Notices, Statements, and Bills:

To Shipper:

ARIZONA ELECTRIC POWER COOPERATIVE, INC. P. O. Box 670 Benson, AZ 85602 Attn: Manager Power Trading (Notices and Invoices)

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

- 14. **Effect on Prior Agreement(s):** From and after April 1, 2025, this Agreement amends and restates that certain Firm Transportation Service Agreement (Agreement No. 618708-FT1EPNG) dated August 1, 2024, by and between Transporter and Shipper.
- 15. **Recovery for Carbon Tax and Greenhouse Gas Costs:** Shipper agrees that, subject at all times to FERC's approval of the particular costs, cost recovery mechanism(s) and manner of recovery in question, Transporter shall be entitled to recovery of Greenhouse Gas Emissions Costs incurred by Transporter attributable to natural gas transported for Shipper. As used herein "Greenhouse Gas Emissions Costs" means (i) the cost of any carbon emissions tax or other greenhouse gas assessment that is imposed on Transporter, and/or (ii) the cost of any greenhouse gas mitigation efforts, including the costs of credits and offsets that Transporter incurs to comply with any greenhouse gas laws, rules or regulations. If (i) Transporter is unsuccessful in having the FERC-approved Greenhouse Gas Emissions Costs incurred by it recovered through a FERC-approved surcharge applicable to all shippers, and (ii) such amounts are recoverable only through Transporter's FERC-approved recourse rates, then Shipper will agree to modify the negotiated reservation rate under this Agreement by the amount of Transporter's maximum reservation rate under Rate Schedule FT-1 that is attributable to such Greenhouse Gas Emissions costs.
- 16. **Creditworthiness:** Shipper shall demonstrate, and maintain throughout the term of this Agreement, satisfaction of creditworthiness in the manner set forth below:

(a) If Shipper is rated by Standard & Poor's Corporation ("S&P") and/or Moody's Investor Service ("Moody's"), then Shipper shall be deemed creditworthy by Transporter if: (i) Shipper's senior unsecured debt securities are rated at least BBB- by S&P or Baa3 by Moody's (in the event Shipper is rated differently by multiple agencies, the lowest rating shall be used in making such determination); and (ii) Shipper is not under review for possible downgrade by S&P and/or Moody's to a level below that set forth in subpart (i) of this paragraph (a). In addition, in the event Shipper is not rated by S&P and/or Moody's, Shipper may demonstrate creditworthiness by providing audited financial statements for the previous two (2) fiscal year ends certified by the Chief Financial Officer or Chief Accounting Officer of Shipper that, in Transporter's reasonable discretion, adequately supports the level of service under this Agreement.

(b) If at any time during the term of this Agreement, Shipper's S&P or Moody's rating falls below the levels described above, or Shipper becomes unrated or Shipper otherwise fails to satisfy the requirements of paragraph (a), then for the time period that Shipper's ratings are below the requirements of paragraph (a), Shipper is unrated, or Shipper is otherwise unable to satisfy the requirements of paragraph (a), Shipper shall satisfy its creditworthiness obligation by providing one of the forms of credit support described in paragraph (c) below. If Shipper subsequently becomes able to satisfy the S&P and Moody's rating levels described above, Shipper may immediately satisfy its creditworthiness obligations in the manner provided in paragraph (a).

(c) If at the time of the execution of this Agreement, or at any time thereafter, Shipper is unable to satisfy its creditworthiness obligations in the manner set forth in paragraph (a) above, then Shipper shall satisfy its creditworthiness obligations by providing and maintaining, at its option: (i) an irrevocable, unconditional guarantee of its obligations under this Agreement, reasonably acceptable to Transporter, and issued by another person or entity which satisfies the creditworthiness standards set forth in paragraph (a); or (ii) an irrevocable letter of credit from a bank reasonably acceptable to Transporter, and equal to the anticipated charges under this Agreement during the lesser of thirty-six (36) months and the period of time remaining in the term; or (iii) such other credit arrangements which are mutually agreed to by Transporter and Shipper, and which are accepted by Transporter on a nondiscriminatory basis.

(d) To the extent evidence of Shipper's creditworthiness is not publicly available, upon reasonable request by Transporter, Shipper shall promptly provide evidence to Transporter of Shipper's creditworthiness, which Transporter may share with its lenders or creditors or any nationally recognized rating agency that is then maintaining a rating of Transporter's debt securities.

(e) If any change in ratings or conditions requires Shipper to change the manner in which it demonstrates its satisfaction of its creditworthiness requirements, Shipper shall make that demonstration (including if necessary the provision of any guarantee or letter of credit) within fifteen (15) Business Days of the change in ratings or conditions requiring the new demonstration of creditworthiness.

17. **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. (Agreements executed prior to January 1, 2006 will be subject to the governing law provisions stated in such Agreements.)

IN WITNESS HEREOF, 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 hand written signature.

EL PASO NATURAL GAS COMPANY, L.L.C.

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

Will W Brown

Will W. Brown

Chief Commercial Officer-West Region Gas Pipelines

Accepted and agreed to this 3/12/2025 day of , 2025.

Patrick. F. Ledger

Executive Vice President and CEO

Accepted and agreed to this

<u>12</u> day of <u>March</u>, 2025.

EXHIBIT A

To The Firm Transportation Service Agreement Rate Schedule FT-1

between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

Shipper's Transportation Contract Demand: See ¶11

Effective Dates: April 1, 2025 through the earlier of (a) March 31, 2055 and (b) the day before the Diamondback In-Service Date (as defined in ¶6)

									Maximu	m Quantity	Maximum Quantity-D-Code (Dth/d) 1/	th/d) 1/						
Primary Receipt PIN Name	Rec PIN	Primary Delivery PIN Name	Del PIN	Flow Path	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Delivery Pressure (p.s.i.g) Not less than 2/	Delivery Pressure (p.s.i.g) Not greater than 2/
BLANCO	300714	DPGE&TOP	314604	314604 NN1 41,472 41,472	41,472	41,472	41,472	41,472 41,472	41,472	41,472	41,472 41,472 41,472	41,472	41,472	41,472 41,472 41,472	41,472	41,472		
TRANSPORTAT	TION CON	RANSPORTATION CONTRACT DEMAND			41,472 41,472	41,472	41,472	41,472 41,472	41,472	41,472	41,472	41,472	41,472 41,472 41,472 41,472 41,472	41,472	41,472	41,472		
Lff1	Doto: D	Deficient Deficient Discover discrete La Commission Deficiently Mounds 21		Doto	4 10 20 20 20	امتتما ال	21 2055	2 2										

Effective Dates: Diamondback In-Service Date through March 31, 2055

-	
eb March April	
472 41,472 41,472 41,472 41,472 41,472	57469 NNI 41,472 41,472 41,472 41,472 41,472
472 41,472 <td>41,472 41,472 41,472 41,472</td>	41,472 41,472 41,472 41,472

Notes:

1/

The sum of the Maximum Quantities identified above is equal to Shipper's Transportation Contract Demand for that Month.

Unless otherwise specified on this Exhibit A, the pressure(s) for the point(s) listed above shall be the pressure existing from time to time at the metering facility; provided, however, Transporter reserves the right to deliver quantities at pressures up to the MAOP of that facility. 5

			Surcharges 3/		Surcharges 3/	
			Fuel 2/		Fuel 2/	
	INC.		Usage Rate 1/		Usage Rate 1/	
EXHIBIT B To The Firm Transportation Service Agreement Rate Schedule FT-1	between EL PASO NATURAL GAS COMPANY, L.L.C. and ZONA ELECTRIC POWER COOPERATIVE, INC. (Shipper)	Dated: February 25, 2025	Reservation Rate 1/	See ¶8 1a/	Reservation Rate 1/	See 18
EX Firm Transportat Rate Sv		Dated: Fe	Effective Dates	See ¶12	Effective Dates	See 12
	EL PA ARIZONA		Primary Delivery Point(s)	As listed in Exhibit A	Primary and Alternate Delivery Point(s) / Location(s)	All Delivery Points as they may change from time to time, excluding those requiring incremental rates (e.g., Willcox Lateral Delivery Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff as that provision may move or change from time to time.
			Primary Receipt Point(s)	As listed in Exhibit A	Primary and Alternate Receipt Point(s) / Location(s)	All Receipt Points as they may change from time to time, excluding those requiring incremental rates (e.g., Willcox Lateral Receipt Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff as that provision may move or change from time to time.

Agreement No. 618708-FT1EPNG

EXHIBIT B (CONT.)		Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates, as may be changed from time to time, for service under Rate Schedule FT-1 or other superseding Rate Schedules. The reservation rate shall be payable regardless of quantities transported.	As provided in Section 4.18 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) for any redesignations of primary point rights made in accordance with Transporter's then applicable Tariff provisions, currently described in Section 8.1(f)(iii) of the GT&C of the Tariff, and, as such, the applicable reservation rate for such redesignated points shall be equal to the higher of: (i) the applicable negotiated reservation rate soft in paragraph 8 of this Agreement, or (ii) the applicable maximum reservation rate for the Primary Receipt and Delivery Points of any such redesignation(s).	Fuel and L&U 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.	Surcharges, if applicable: Unless otherwise specified, all applicable surcharges shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time.		The ACA Surcharge shall be assessed pursuant to Section 17 of the GT&C of the Tariff.
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Section		New Mexico Gas Company, Inc. Letter Agreement
Section		New Mexico Gas Company, Inc. #FT3FV000-FT1EPNG
Section		New Mexico Gas Company, Inc. #FT3FW000-FT1EPNG
Section		New Mexico Gas Company, Inc. #FT3FX000-FT1EPNG
Section		New Mexico Gas Company, Inc. #FT3FY000-FT1EPNG
Section		Comisión Federal de Electricidad #FT3H4000
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Section	93	ExxonMobil Oil Corporation #620082-FT1EPNG

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Section 95	Pioneer Natural Resources USA, Inc. #FT3HH000
Section 96	Pioneer Natural Resources USA, Inc. #FT3HJ000-FT1EPNG
Section 97	Arizona Public Service Company #OA239000
Section 98	Apache Corporation #612956-FT1EPNG
Section 99	Reserved
Section 100	Sempra Gas & Power Marketing, LLC #617961-FT1EPNG
Section 101	Reserved
Section 102	Reserved
Section 103	Reserved
Section 104	Reserved
Section 105	Reserved
Section 106	Reserved
Section 107	Sempra Gas & Power Marketing, LLC #614012-FT1EPNG
Section 108	Salt River Project Agricultural Improvement #611550-FT1EPNG
Section 109	Sempra Gas & Power Marketing, LLC #615536-FT1EPNG
Section 110	Sempra Gas & Power Marketing, LLC #615538-FT1EPNG
Section 111	Sempra Gas & Power Marketing, LLC #615490-FT1EPNG
Section 112	Arizona Public Service Company #613878-FH16EPNG
Section 113	Arizona Public Service Company #613881-FT1EPNG
Section 114	Southwest Gas Corporation #616139-FH3EPNG
Section 115	Southwest Gas Corporation #616140-FT1EPNG
Section 116	WTG Gas Marketing, Inc. #616953-FT1EPNG
Section 117	ETC Marketing, Ltd. #617716-FT1EPNG
Section 118	ETC Marketing, Ltd. #617729-FT1EPNG
Section 119	Arizona Public Service Company #617999-FH8EPNG
Section 120	JBS Tolleson, Inc. #FT2E4000-FT1EPNG
Section 121	Tenaska Marketing Ventures #618294-FT1EPNG
Section 122	Tenaska Marketing Ventures #618295-FT1EPNG
Section 123	ASARCO L.L.C. #FT2QE000-FT1EPNG
Section 124	Arizona Electric Power Cooperative, Inc. #619229-FT1EPNG
Section 125	Southwest Gas Corporation #618907-FT1EPNG

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Apache Corporation #612956-FT1EPNG

Apache Nitrogen Products, Inc. #97VV

Arizona Electric Power Cooperative, Inc. Letter Agreement dated March 3, 2015 for Agreement #FT3EH000, #FT3EJ000, #H222V000 and #H822F000

Arizona Public Service Company Letter Agreement dated April 3, 2013 for Agreement #FT24T000, #FT39H000, #H822E000, #FT39D000, #FT39E000 and #OA22X000

Arizona Public Service Company Letter Agreement dated August 13, 2013 to amend the Letter Agreement dated April 3, 2013

Arizona Public Service Company OPAS Agreement #OA239000

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List of Non-Conforming Agreements (Continued)

Chemical Lime Company of Arizona #982F City of Benson, Arizona #982B City of Deming #982H City of Denver City, Texas Letter Agreement dated September 10, 2014 for Agreement #FX227000 City of Dumas, Texas Letter Agreement dated November 12, 2014 for Agreement #FX224000 City of Lordsburg, NM Letter Agreement dated January 9, 2015 for Agreement #FX22B000 City of McLean, Texas Letter Agreement dated September 10, 2014 for Agreement #FX223000 City of Morton, Texas Letter Agreement dated July 16, 2014 for Agreement #FX226000 City of Plains, Texas Letter Agreement dated July 16, 2014 for Agreement #FX225000 City of Safford, Arizona #9824 City of Socorro, New Mexico #9828 City of Sterling City, Texas #982T City of Whiteface, Texas Letter Agreement dated September 10, 2014 for Agreement #FX222000 City of Willcox, Arizona #97YU Comision Federal de Electricidad #FT3DM000 Comision Federal de Electricidad #FT3DP000 ConocoPhillips Company Letter Agreement dated February 20, 2015 for Agreement #FT3E9000, #FT3EA000, #FT3EB000, #FT276000, #FT3E2000 and #FT3DJ000 DRW Energy Trading LLC FT-1 Agreement #621360-FT1EPNG Duncan Valley Electric Cooperative, Inc. #982J El Paso Electric Company FTH-16 Agreement #H6223000-FH16EPNG El Paso Electric Company OPAS Agreement #616642-OPASEPNG E.M.W. Gas Association Letter Agreement dated December 29, 2014 for Agreement #FX22A000 Freeport-McMoRan Corporation FT-1 Agreement #FT2CE000 Freeport-McMoRan Corporation FT-1 Agreement #FT2CF000 Las Cruces, New Mexico City of, FT-1 Agreement #FT2AG000 Las Cruces, New Mexico City of, FT-1 Agreement #FT2AH000 Mesa, Arizona City of, FT-1 Agreement #FT2AE000-FT1EPNG Mesa, Arizona City of, FT-1 Agreement #FT2AF000 Mexicana de Cobre, S.A. de C.V. #FT369000 MGI Supply, Ltd. Master Replacement Agreement dated November 28, 1997MGI Supply, Ltd. IT-1 Agreement #9HJH MGI Supply, Ltd. IT-1 Agreement #9L5N Mex Gas Supply, S.L. FT-1 Agreement #620798-FT1EPNG Mex Gas Supply, S.L. FT-1 Agreement #620796-FT1EPNG Mex Gas Supply, S.L. FT-1 Agreement #620797-FT1EPNG Mieco LLC FT-1 Agreement #620799-FT1EPNG Navajo Tribal Utility Authority FT-1 Agreement #FT2AL000-FTAEPNG Navajo Tribal Utility Authority FT-1 Agreement #FT2AM000-FTAEPNG Navajo Tribal Utility Authority FT-1 Agreement #FT2AN000-FT1EPNG New Mexico Gas Company, Inc. Letter Agreement dated November 23, 2015 for Agreement #FT3FV000, #FT3FW000, #FT3FX000 and #FT3FY000 Pioneer Natural Resources USA, Inc. Letter Agreement dated November 16, 2016 for Agreement #FT3HH000 and #FT3HJ000

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Public Service Company of New Mexico Letter Agreement dated May 13, 2015 for Agreement #FT3EQ000, #FT3ER000, #FT3ET000, #FT3EU000, #H222W000 and #H222X000 Salt River Project Agricultural Improvement and Power District OPASA #OA237000-OPASEPNG Salt River Project Agricultural Improvement and Power District Letter Agreement dated November 22, 2013 for Agreement #OA233000 and #H222T000 Salt River Project Agricultural Improvement and Power District Master PAL Agreement Sempra Gas & Power Marketing, LLC FT-1 Agreement #611727-FT1EPNG Southwest Gas Corporation FT-1 Agreement #FT28M000-FTAEPNG Texas Gas Service Company, a division of ONE Gas, Inc. Letter Agreement dated June 23, 2014 for Agreement #FT3CP000, #H322A000, #H322B000 and #OA232000 Town of Mountainair, NM Letter Agreement dated December 8, 2014 for Agreement #FX228000 Tucson Electric Power Company Letter Agreement dated August 1, 2013 for Agreement #FT3AC000-FT1EPNG, #H222R000-FH12EPNG and #H222Q000-FH12EPNG UNS Gas, Inc. Letter Agreement dated August 1, 2013 for Agreement #H3229000, #FT3AB000, #H2229000 and #OA22Z000 UNS Gas, Inc. FTH-12 Agreement #H222P000-FH12EPNG Village of Corona, NM Letter Agreement dated December 8, 2014 for Agreement #FX229000 Zia Natural Gas Company #9823

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Apache Corporation #612956-FT1EPNG Arizona Electric Power Cooperative, Inc. FT-1 Agreement #FT3EH000-FT1EPNG Arizona Electric Power Cooperative, Inc. FT-1 Agreement #FT3EJ000-FT1EPNG Arizona Electric Power Cooperative, Inc. FTH-12 Agreement #H222V000-FH12EPNG Arizona Electric Power Cooperative, Inc. FTH-8 Agreement #H822F000-FH8EPNG Arizona Electric Power Cooperative, Inc. FT-1 Agreement #619229-FT1EPNG Arizona Electric Power Cooperative, Inc. FT-1 Agreement #618708-FT1EPNG Arizona Public Service Company FT-1 Agreement #FT39D000 Arizona Public Service Company FT-1 Agreement #FT39E000 Arizona Public Service Company FT-1 Agreement #FT39H000-FT1EPNG Arizona Public Service Company FT-1 Agreement #FT3HX000-FT1EPNG Arizona Public Service Company FTH-8 Agreement #H822E000-FH8EPNG Arizona Public Service Company FTH-8 Agreement #613904-FH8EPNG Arizona Public Service Company FTH-16 Agreement #613878-FH16EPNG Arizona Public Service Company FT-1 Agreement #613881-FT1EPNG Arizona Public Service Company FTH-8 Agreement #617999-FH8EPNG ASARCO L.L.C. FT-1 Agreement #FT2QE000-FT1EPNG Comision Federal de Electricidad #FT3CM000 Comisión Federal de Electricidad #FT3H4000 ETC Marketing, Ltd. FT-1 Agreement #617716-FT1EPNG ETC Marketing, Ltd. FT-1 Agreement #617729-FT1EPNG

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Third Revised Volume No. 2

Special rate schedules consisting of individual contracts between Transporter and various interstate pipeline system customers covering special gas transportation or exchange of natural gas. A detailed index of rate schedules is included in Transporter's FERC Gas Tariff, Third Revised Volume No. 2.

Rate Schedules

X-42	Gas Exchange Agreement between El Paso Natural
	Gas Company and Atlantic Richfield Company.

- T-18 Gas Transportation Agreement between El Paso Natural Gas Company and Pacific Interstate Transmission Company.
- T-23 Gas Transportation Agreement between El Paso Natural Gas Company and Minco Oil and Gas Co.
- T-30 Gas Transportation Agreement between El Paso Natural Gas Company and Tenneco Oil Company.
- T-31 Gas Transportation Agreement between El Paso Natural Gas Company and Tenneco Oil Company.
- T-32 Gas Transportation Agreement between El Paso Natural Gas Company and Conoco Inc.
- T-33 Gas Transportation Agreement between El Paso Natural Gas Company and Conoco Inc.

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Section 4	Navajo Tribal Utility Authority #FT2AN000-FT1EPNG
Section 5	DRW Energy Trading LLC #621360-FT1EPNG
Section 6	City of Mesa, Arizona #FT2AE000-FT1EPNG
Section 7	Comision Federal de Electricidad #FT3CM000
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Section 9	Arizona Electric Power Cooperative #618708-FT1EPNG
Section 10	Mieco LLC #620799-FT1EPNG
Section 11	Duncan Valley Electric Cooperative, Inc. #982J
Section 12	AEPCO Letter Agreement
Section 13	Mex Gas Supply, S.L. #620798-FT1EPNG
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Section 15	Arizona Electric Power Cooperative #FT3EJ000-FT1EPNG
Section 16	Mex Gas Supply, S.L. #620796-FT1EPNG
Section 17	Arizona Electric Power Cooperative #H222V000-FH12EPNG
Section 18	Arizona Electric Power Cooperative #H822F000-FH8EPNG
Section 19	Sempra Gas & Power Marketing, LLC #615001-FT1EPNG
Section 20	Mex Gas Supply, S.L. #620797-FT1EPNG
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Section 22	Mexicana de Cobre, S.A. de C.V.#FT399000
Section 23	Mexicana de Cobre, S.A. de C.V.#FT369000
Section 24	Southwest Gas Corporation #FT28M000-FTAEPNG
Section 25	Arizona Public Service Company Letter Agreement
Section 26	Arizona Public Service Company #FT3HX000-FT1EPNG
Section 27	Arizona Public Service Company #FT39H000-FT1EPNG
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Section 29	Arizona Public Service Company #FT39D000
Section 30	Arizona Public Service Company #FT39E000
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Section 75	ConocoPhillips Company Letter Agreement
Section 76	ExxonMobil Oil Corporation #620084-FT1EPNG
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Section 82	Public Service Company of New Mexico #617905-FT1EPNG
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Section 89	New Mexico Gas Company, Inc. #FT3FX000-FT1EPNG
Section 90	New Mexico Gas Company, Inc. #FT3FY000-FT1EPNG
Section 91	Comisión Federal de Electricidad #FT3H4000
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Section 97	Arizona Public Service Company #OA239000
Section 98	Apache Corporation #612956-FT1EPNG
Section 99	Reserved
Section 100	Sempra Gas & Power Marketing, LLC #617961-FT1EPNG
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Agreement No. 618708-FT1EPNG

Firm Transportation Service Agreement

Rate Schedule FT-1

Between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC. (Shipper)

Dated: February 25, 2025

Transportation Service Agreement Rate Schedule FT-1

Dated: February 25, 2025

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

- 1. **Transporter:** EL PASO NATURAL GAS COMPANY, L.L.C.
- 2. Shipper: ARIZONA ELECTRIC POWER COOPERATIVE, INC.
- 3. **Applicable Tariff and Incorporation by Reference:** Transporter's FERC Gas Tariff Third Revised Volume No. 1A, 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:** 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 utilize a Flow Path and shall be transported on a firm basis in accordance with the Tariff. Receipt and delivery of quantities at alternate receipt point(s) and/or alternate delivery point(s) shall be in accordance with the Tariff.

Transporter will render transportation service to Shipper pursuant to this Agreement in accordance with Part 284, Subparts B and/or G of the FERC's Regulations. For any service rendered by Transporter pursuant to Part 284 Subpart B of the FERC's Regulations, Shipper's certification (supplied contemporaneously herewith), as required by 18 CFR 284.102(e) and Section 4.1(j)-(l) of Transporter's Tariff, will apply.

6. Construction of Diamondback Facilities. The Parties recognize that Transporter must construct pipelines (the "Delivery Pipelines"), a meter station, and related facilities to deliver gas to the proposed Diamondback Delivery Meter Station (PIN No. 56372) (located in Mohave County, Arizona at 34.928347, -114.550864) under this Agreement (the "Diamondback Facilities"). The Delivery Pipelines will cross lands managed by the U.S. Department of the Interior, Bureau of Land Management (the "BLM") or the Arizona State Land Department (the "ASLD"), to be determined as follows:

(a) Following the date hereof, Transporter will use reasonable efforts to acquire an easement from the BLM allowing Transporter to construct the Delivery Pipelines on BLM lands located between (i) Transporter's Line 2121 (at 34.930230, -114.538342) and the Diamondback Delivery Meter Station and (ii) Transporter's Line 2153 (at 34.930853, -114.532787) and the Diamondback Delivery Meter Station (the "BLM Easement").

(b) At any time prior to the earlier of (i) the date Transporter obtains the BLM Easement and (ii) October 31, 2025, Shipper may direct Transporter by written notice (an "Easement Notice") to cease acquiring the BLM Easement and use reasonable efforts to acquire an easement from the ASLD allowing Transporter to construct the Delivery Lines on ASLD lands located between (x) Transporter's Line 2121 (at 34.906792, -114.529873) and the Diamondback Delivery Point and (y) Transporter's Line 2153 (at 34.906756, -114.529694) and the Diamondback Delivery Point (the "ASLD Easement").

Subject to receipt by Transporter of all necessary land rights and governmental approvals, permits, and other authorizations in form and substance satisfactory to Transporter in its sole discretion, including receipt of the BLM Easement or the ASLD Easement, as the case may be, Transporter will use reasonable efforts to construct and place the Diamondback Facilities into service by June 1, 2026. The date the Diamondback Facilities are actually placed in-service is referred to herein as the "Diamondback In-Service Date."

- 7. **Receipt Points, Delivery Points and Flow Paths:** Shipper agrees to tender 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 gas to Shipper (or for Shipper's account) at the primary delivery point(s) identified in Exhibit A. Receipts and deliveries of gas for transportation service shall be accommodated by the Flow Path(s) identified on Exhibit A. Minimum and maximum delivery pressures, as applicable, are listed on Exhibit A.
- 8. **Rates and Surcharges:** As provided in Section 4.18 of the GT&C of the Tariff, the parties agree to a negotiated reservation rate of \$12.7415 per Dekatherm per Month (the "BLM Rate"); *provided, that*, if Shipper delivers an Easement Notice to Transporter, then the negotiated reservation rate shall be \$13.5202 per Dekatherm per Month (the "ASLD Rate"). In either case, the negotiated reservation rate shall not be subject to any applicable maximum or minimum reservation rates set forth in the Tariff and shall be payable regardless of quantities transported.

If Shipper delivers an Easement Notice to Transporter, then Shipper shall (a) begin paying the ASLD Rate in the month during which such notice is received and (b) pay Transporter an amount equal to the product of (i) \$0.7787 per Dekatherm (such amount being the difference between the ASLD Rate and the BLM Rate), *multiplied by* (ii) the TCD, *multiplied by* (iii) the number of calendar months between and including April 2025 and the month prior to the month during which Transporter receives the Easement Notice (the "True Up Amount"). For example, if Transporter receives an Easement Notice in August 2025, the True Up Amount would be \$129,176.9856 (*i.e.*, \$0.7787 per Dekatherm *multiplied by* 41,472 Dth/day *multiplied by* 4 months).

- 9. **Exhibits:** Exhibits A and B, attached to this Agreement, are hereby incorporated by reference as part of this Agreement.
- 10. Negotiated Rate: Yes X No

11. **Transportation Contract Demand ("TCD"):**

TCD (Dth/d)	Time Period
41,472	April 1, 2025 - March 31, 2055

12. Term of Firm Transportation Service:

Beginning: April 1, 2025

Ending: March 31, 2055

A contractual right of first refusal shall apply to this Agreement, pursuant to Section 4.14 of the GT&C of the Tariff.

13. Notices, Statements, and Bills:

To Shipper:

ARIZONA ELECTRIC POWER COOPERATIVE, INC. P. O. Box 670 Benson, AZ 85602 Attn: Manager Power Trading (Notices and Invoices)

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

- 14. **Effect on Prior Agreement(s):** From and after April 1, 2025, this Agreement amends and restates that certain Firm Transportation Service Agreement (Agreement No. 618708-FT1EPNG) dated August 1, 2024, by and between Transporter and Shipper.
- 15. Recovery for Carbon Tax and Greenhouse Gas Costs: Shipper agrees that, subject at all times to FERC's approval of the particular costs, cost recovery mechanism(s) and manner of recovery in question, Transporter shall be entitled to recovery of Greenhouse Gas Emissions Costs incurred by Transporter attributable to natural gas transported for Shipper. As used herein "Greenhouse Gas Emissions Costs" means (i) the cost of any carbon emissions tax or other greenhouse gas assessment that is imposed on Transporter, and/or (ii) the cost of any greenhouse gas mitigation efforts, including the costs of credits and offsets that Transporter incurs to comply with any greenhouse Gas Emissions Costs incurred by it recovered through a FERC-approved surcharge applicable to all shippers, and (ii) such amounts are recoverable only through Transporter's FERC-approved recourse rates, then Shipper will agree to modify the negotiated reservation rate under this Agreement by the amount of Transporter's maximum reservation rate under Rate Schedule FT-1 that is attributable to such Greenhouse Gas Emissions costs.
- 16. **Creditworthiness:** Shipper shall demonstrate, and maintain throughout the term of this Agreement, satisfaction of creditworthiness in the manner set forth below:

(a) If Shipper is rated by Standard & Poor's Corporation ("S&P") and/or Moody's Investor Service ("Moody's"), then Shipper shall be deemed creditworthy by Transporter if: (i) Shipper's senior unsecured debt securities are rated at least BBB- by S&P or Baa3 by Moody's (in the event Shipper is rated differently by multiple agencies, the lowest rating shall be used in making such determination); and (ii) Shipper is not under review for possible downgrade by S&P and/or Moody's to a level below that set forth in subpart (i) of this paragraph (a). In addition, in the event Shipper is not rated by S&P and/or Moody's, Shipper may demonstrate creditworthiness by providing audited financial statements for the previous two (2) fiscal year ends certified by the Chief Financial Officer or Chief Accounting Officer of Shipper that, in Transporter's reasonable discretion, adequately supports the level of service under this Agreement.

(b) If at any time during the term of this Agreement, Shipper's S&P or Moody's rating falls below the levels described above, or Shipper becomes unrated or Shipper otherwise fails to satisfy the requirements of paragraph (a), then for the time period that Shipper's ratings are below the requirements of paragraph (a), Shipper is unrated, or Shipper is otherwise unable to satisfy the requirements of paragraph (a), Shipper shall satisfy its creditworthiness obligation by providing one of the forms of credit support described in paragraph (c) below. If Shipper subsequently becomes able to satisfy the S&P and Moody's rating levels described above, Shipper may immediately satisfy its creditworthiness obligations in the manner provided in paragraph (a).

(c) If at the time of the execution of this Agreement, or at any time thereafter, Shipper is unable to satisfy its creditworthiness obligations in the manner set forth in paragraph (a) above, then Shipper shall satisfy its creditworthiness obligations by providing and maintaining, at its option: (i) an irrevocable, unconditional guarantee of its obligations under this Agreement, reasonably acceptable to Transporter, and issued by another person or entity which satisfies the creditworthiness standards set forth in paragraph (a); or (ii) an irrevocable letter of credit from a bank reasonably acceptable to Transporter, and equal to the anticipated charges under this Agreement during the lesser of thirty-six (36) months and the period of time remaining in the term; or (iii) such other credit arrangements which are mutually agreed to by Transporter and Shipper, and which are accepted by Transporter on a nondiscriminatory basis.

(d) To the extent evidence of Shipper's creditworthiness is not publicly available, upon reasonable request by Transporter, Shipper shall promptly provide evidence to Transporter of Shipper's creditworthiness, which Transporter may share with its lenders or creditors or any nationally recognized rating agency that is then maintaining a rating of Transporter's debt securities.

(e) If any change in ratings or conditions requires Shipper to change the manner in which it demonstrates its satisfaction of its creditworthiness requirements, Shipper shall make that demonstration (including if necessary the provision of any guarantee or letter of credit) within fifteen (15) Business Days of the change in ratings or conditions requiring the new demonstration of creditworthiness.

Agreement No. 618708-FT1EPNG

17. **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. (Agreements executed prior to January 1, 2006 will be subject to the governing law provisions stated in such Agreements.)

IN WITNESS HEREOF, 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 hand written signature.

EL PASO NATURAL GAS COMPANY, L.L.C.

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

_____ day of _____, 2025.

Accepted and agreed to this

_____ day of _____, 2025.

Part VII: Non-Conforming Section 9.1 - Arizona Electric Power #618708-FT1EPNG Exh A Version 9.0.0

Agreement No. 618708-FT1EPNG

EXHIBIT A

To The

Firm Transportation Service Agreement

Rate Schedule FT-1

between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

Shipper's Transportation Contract Demand: See ¶11

Effective Dates: April 1, 2025 through the earlier of (a) March 31, 2055 and (b) the day before the Diamondback In-Service Date (as defined in ¶6)

						Maximum Quantity-D-Code (Dth/d) 1/												
Primary Receipt PIN Name	Rec PIN	Primary Delivery PIN Name	Del PIN	Flow Path	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Delivery Pressure (p.s.i.g) Not less than 2/	Delivery Pressure (p.s.i.g) Not greater than 2/
BLANCO	300714	DPGE&TOP	314604	NN1	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472		
TRANSPORTA	TRANSPORTATION CONTRACT DEMAND				41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472		

Effective Dates: Diamondback In-Service Date through March 31, 2055

					Maximum Quantity-D-Code (Dth/d) 1/													
Primary Receipt PIN Name	Rec PIN	Primary Delivery PIN Name	Del PIN	Flow Path	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Delivery Pressure (p.s.i.g) Not less than 2/	Delivery Pressure (p.s.i.g) Not greater than 2/
BLANCO	300714	DIAMDBKD	57469	NN1	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472		
TRANSPORTA	TRANSPORTATION CONTRACT DEMAND			41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472	41,472			

Notes:

1/ The sum of the Maximum Quantities identified above is equal to Shipper's Transportation Contract Demand for that Month.

2/ Unless otherwise specified on this Exhibit A, the pressure(s) for the point(s) listed above shall be the pressure existing from time to time at the metering facility; provided, however, Transporter reserves the right to deliver quantities at pressures up to the MAOP of that facility.

Ex. A-1

Part VII: Non-Conforming Section 9.2 - Arizona Electric Power #618708-FT1EPNG Exh B Version 2.0.0

Agreement No. 618708-FT1EPNG

EXHIBIT B

To The Firm Transportation Service Agreement Rate Schedule FT-1

between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

Primary Receipt Point(s)	Primary Delivery Point(s)	Effective Dates	Reservation Rate 1/	Usage Rate 1/	Fuel 2/	Surcharges 3/
As listed in Exhibit A	As listed in Exhibit A	See ¶12	See ¶8 1a/			
Primary and Alternate Receipt Point(s) / Location(s)	Primary and Alternate Delivery Point(s) / Location(s)	Effective Dates	Reservation Rate 1/	Usage Rate 1/	Fuel 2/	Surcharges 3/
All Receipt Points as they may change from time to time, excluding those requiring incremental rates (e.g., Willcox Lateral Receipt Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff as that provision may move or change from time to time.	All Delivery Points as they may change from time to time, excluding those requiring incremental rates (e.g., Willcox Lateral Delivery Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff as that provision may move or change from time to time.	See ¶12	See ¶8			

Part VII: Non-Conforming Section 9.2 - Arizona Electric Power #618708-FT1EPNG Exh B Version 2.0.0

Agreement No. 618708-FT1EPNG

EXHIBIT B

(CONT.)

Notes:

- 1/ Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates, as may be changed from time to time, for service under Rate Schedule FT-1 or other superseding Rate Schedules. The reservation rate shall be payable regardless of quantities transported.
- 1a/ As provided in Section 4.18 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) for any redesignations of primary point rights made in accordance with Transporter's then applicable Tariff provisions, currently described in Section 8.1(f)(iii) of the GT&C of the Tariff, and, as such, the applicable reservation rate for such redesignated points shall be equal to the higher of: (i) the applicable negotiated reservation rate stated in paragraph 8 of this Agreement, or (ii) the applicable maximum reservation rate for the Primary Receipt and Delivery Points of any such redesignation(s).
- 2/ Fuel and L&U 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: Unless otherwise specified, all applicable surcharges shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time.

ACA:

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

Marked Tariff Section(s)

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Apache Nitrogen Products, Inc. #97VV

Arizona Electric Power Cooperative, Inc. Letter Agreement dated March 3, 2015 for Agreement #FT3EH000, #FT3EJ000, #H222V000 and #H822F000

Arizona Public Service Company Letter Agreement dated April 3, 2013 for Agreement #FT24T000, #FT39H000, #H822E000, #FT39D000, #FT39E000 and #OA22X000

Arizona Public Service Company Letter Agreement dated August 13, 2013 to amend the Letter Agreement dated April 3, 2013

Arizona Public Service Company OPAS Agreement #OA239000

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Salt River Project Agricultural Improvement
and Power District OPASA #OA237000-OPASEPNG
Salt River Project Agricultural Improvement
and Power District Letter Agreement dated November 22, 2013 for Agreement #OA233000 and #H222T000
Salt River Project Agricultural Improvement
and Power District Master PAL Agreement
Sempra Gas & Power Marketing, LLC FT-1 Agreement #611727-FT1EPNG
Southwest Gas Corporation FT-1 Agreement #FT28M000-FTAEPNG
Texas Gas Service Company, a division of ONE Gas, Inc. Letter Agreement dated June 23, 2014 for Agreement #FT3CP000, #H322A000, #H322B000 and #OA232000
Town of Mountainair, NM Letter Agreement dated December 8, 2014 for Agreement #FX228000
Tucson Electric Power Company Letter Agreement dated August 1, 2013 for Agreement #FT3AC000-FT1EPNG, #H222R000-FH12EPNG and #H222Q000-FH12EPNG
UNS Gas, Inc. Letter Agreement dated August 1, 2013 for Agreement #H3229000, #FT3AB000, #H2229000 and #OA22Z000
UNS Gas, Inc. FTH-12 Agreement #H222P000-FH12EPNG
Village of Corona, NM Letter Agreement dated December 8, 2014 for Agreement #FX229000 Zia Natural Gas Company #9823

List of Non-Conforming Negotiated Rate Agreements

Apache Corporation #612956-FT1EPNG Arizona Electric Power Cooperative, Inc. FT-1 Agreement #FT3EH000-FT1EPNG Arizona Electric Power Cooperative, Inc. FT-1 Agreement #FT3EJ000-FT1EPNG Arizona Electric Power Cooperative, Inc. FTH-12 Agreement #H222V000-FH12EPNG Arizona Electric Power Cooperative, Inc. FTH-8 Agreement #H822F000-FH8EPNG Arizona Electric Power Cooperative, Inc. FT-1 Agreement #619229-FT1EPNG Arizona Electric Power Cooperative, Inc. FT-1 Agreement #618708-FT1EPNG Arizona Public Service Company FT-1 Agreement #FT39D000 Arizona Public Service Company FT-1 Agreement #FT39E000 Arizona Public Service Company FT-1 Agreement #FT39H000-FT1EPNG Arizona Public Service Company FT-1 Agreement #FT3HX000-FT1EPNG Arizona Public Service Company FTH-8 Agreement #H822E000-FH8EPNG Arizona Public Service Company FTH-8 Agreement #613904-FH8EPNG Arizona Public Service Company FTH-16 Agreement #613878-FH16EPNG Arizona Public Service Company FT-1 Agreement #613881-FT1EPNG Arizona Public Service Company FTH-8 Agreement #617999-FH8EPNG ASARCO L.L.C. FT-1 Agreement #FT2QE000-FT1EPNG Comision Federal de Electricidad #FT3CM000 Comisión Federal de Electricidad #FT3H4000 ETC Marketing, Ltd. FT-1 Agreement #617716-FT1EPNG ETC Marketing, Ltd. FT-1 Agreement #617729-FT1EPNG

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List of Non-Conforming Negotiated Rate Agreements (continued) ExxonMobil Oil Corporation FT-1 Agreement #620082-FT1EPNG List of Non-Conforming Negotiated Rate Agreements (continued) ExxonMobil Oil Corporation FT-1 Agreement #620083-FT1EPNG ExxonMobil Oil Corporation FT-1 Agreement #620084-FT1EPNG JBS Tolleson, Inc. FT-1 Agreement #FT2E4000-FT1EPNG JPMorgan Chase Bank, N.A. FT-1 Agreement #620901-FT1EPNG Mexicana de Cobre, S.A. de C.V. #FT399000 MRC Permian Company FT-1 Agreement #610837-FT1EPNG MRC Permian Company FT-1 Agreement #612815-FT1EPNG New Mexico Gas Company, Inc. FT-1 Agreement #FT3FV000-FT1EPNG New Mexico Gas Company, Inc. FT-1 Agreement #FT3FW000-FT1EPNG New Mexico Gas Company, Inc. FT-1 Agreement #FT3FX000-FT1EPNG New Mexico Gas Company, Inc. FT-1 Agreement #FT3FY000-FT1EPNG Phillips 66 Energy Trading LLC FT-1 Agreement #619809-FT1EPNG Pioneer Natural Resources USA, Inc. #FT3HH000 Pioneer Natural Resources USA, Inc. #FT3HJ000-FT1EPNG Public Service Company of New Mexico FT-1 Agreement #FT3EQ000 Public Service Company of New Mexico FT-1 Agreement #FT3ER000 Public Service Company of New Mexico FT-1 Agreement #617905-FT1EPNG Public Service Company of New Mexico FT-1 Agreement #617906-FT1EPNG Public Service Company of New Mexico FTH-12 Agreement #617907-FH12EPNG Public Service Company of New Mexico FTH-12 Agreement #617908-FH12EPNG Salt River Project Agricultural Improvement and Power District FTH-12 Agreement #H222T000-FH12EPNG Salt River Project Agricultural Improvement and Power District FT-1 Agreement #611550-FT1EPNG Sempra Gas & Power Marketing, LLC FT-1 Agreement #614012-FT1EPNG Sempra Gas & Power Marketing, LLC FT-1 Agreement #615001-FT1EPNG Sempra Gas & Power Marketing, LLC FT-1 Agreement #615536-FT1EPNG Sempra Gas & Power Marketing, LLC FT-1 Agreement #615538-FT1EPNG Sempra Gas & Power Marketing, LLC FT-1 Agreement #615490-FT1EPNG Sempra Gas & Power Marketing, LLC FT-1 Agreement #617961-FT1EPNG Southern California Gas Company FT-1 Agreement #615178-FT1EPNG Southwest Gas Corporation FT-1 Agreement #613297-FT1EPNG Southwest Gas Corporation FTH-3 Agreement #616139-FH3EPNG Southwest Gas Corporation FT-1 Agreement #616140-FT1EPNG Southwest Gas Corporation FT-1 Agreement #618907-FT1EPNG Tenaska Marketing Ventures FT-1 Agreement #618294-FT1EPNG Tenaska Marketing Ventures FT-1 Agreement #618295-FT1EPNG Tucson Electric Power Company FT-1 Agreement #FT3AC000-FT1EPNG Tucson Electric Power Company FTH-12 Agreement #H222R000-FH12EPNG Tucson Electric Power Company FTH-12 Agreement #H222Q000-FH12EPNG Tucson Electric Power Company FT-1 Agreement #613296-FT1EPNG UNS Gas, Inc. FT-1 Agreement #619448-FT1EPNG

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UNS Gas, Inc. FTH-3 Agreement #619450-FH3EPNG List of Non-Conforming Negotiated Rate Agreements (continued) WTG Gas Marketing, Inc. FT-1 Agreement #616953-FT1EPNG

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Third Revised Volume No. 2

Special rate schedules consisting of individual contracts between Transporter and various interstate pipeline system customers covering special gas transportation or exchange of natural gas. A detailed index of rate schedules is included in Transporter's FERC Gas Tariff, Third Revised Volume No. 2.

Rate Schedules

X-42	Gas Exchange Agreement between El Paso Natural
	Gas Company and Atlantic Richfield Company.

- T-18 Gas Transportation Agreement between El Paso Natural Gas Company and Pacific Interstate Transmission Company.
- T-23 Gas Transportation Agreement between El Paso Natural Gas Company and Minco Oil and Gas Co.
- T-30 Gas Transportation Agreement between El Paso Natural Gas Company and Tenneco Oil Company.
- T-31 Gas Transportation Agreement between El Paso Natural Gas Company and Tenneco Oil Company.
- T-32 Gas Transportation Agreement between El Paso Natural Gas Company and Conoco Inc.
- T-33 Gas Transportation Agreement between El Paso Natural Gas Company and Conoco Inc.

Part VII: Non-Conforming

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NON-CONFORMING AGREEMENTS

Section 1	El Paso Electric Company #616642-OPASEPNG
Section 2	Sempra Gas & Power Marketing, LLC #611727-FT1EPNG
Section 2 Section 3	Phillips 66 Energy Trading #619809-FT1EPNG
Section 4	Navajo Tribal Utility Authority #FT2AN000-FT1EPNG
Section 5	DRW Energy Trading LLC #621360-FT1EPNG
Section 6	City of Mesa, Arizona #FT2AE000-FT1EPNG
Section 7	Comision Federal de Electricidad #FT3CM000
Section 7 Section 8	
	El Paso Electric Company #H6223000-FH16EPNG
Section 9 Section 10	Arizona Electric Power Cooperative #618708-FT1EPNGReserved
	Mieco LLC #620799-FT1EPNG
Section 11	Duncan Valley Electric Cooperative, Inc. #982J
Section 12	AEPCO Letter Agreement
Section 13	Mex Gas Supply, S.L. #620798-FT1EPNG
Section 14	Arizona Electric Power Cooperative #FT3EH000-FT1EPNG
Section 15	Arizona Electric Power Cooperative #FT3EJ000-FT1EPNG
Section 16	Mex Gas Supply, S.L. #620796-FT1EPNG
Section 17	Arizona Electric Power Cooperative #H222V000-FH12EPNG
Section 18	Arizona Electric Power Cooperative #H822F000-FH8EPNG
Section 19	Sempra Gas & Power Marketing, LLC #615001-FT1EPNG
Section 20	Mex Gas Supply, S.L. #620797-FT1EPNG
Section 21	Comisión Federal de Electricidad#FT3DM000
Section 22	Mexicana de Cobre, S.A. de C.V.#FT399000
Section 23	Mexicana de Cobre, S.A. de C.V.#FT369000
Section 24	Southwest Gas Corporation #FT28M000-FTAEPNG
Section 25	Arizona Public Service Company Letter Agreement
Section 26	Arizona Public Service Company #FT3HX000-FT1EPNG
Section 27	Arizona Public Service Company #FT39H000-FT1EPNG
Section 28	Arizona Public Service Company #H822E000-FH8EPNG
Section 29	Arizona Public Service Company #FT39D000
Section 30	Arizona Public Service Company #FT39E000
Section 31	ExxonMobil Oil Corporation #620083-FT1EPNG
Section 32	Southwest Gas Corporation #613297-FT1EPNG
Section 33	Southern California Gas Company #615178-FT1EPNG
Section 34	MRC Permian Company #612815-FT1EPNG
Section 35	Reserved
Section 36	MRC Permian Company #610837-FT1EPNG
Section 37	Tucson Electric Power Company #613296-FT1EPNG
Section 38	Tucson Electric Power Company Letter Agreement
Section 39	Tucson Electric Power Company #FT3AC000-FT1EPNG
Section 40	Tucson Electric Power Company #H222Q000-FH12EPNG
Section 41	Tucson Electric Power Company #H222R000-FH12EPNG
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Section 42	UNS Gas, Inc. Letter Agreement
Section 43	UNS Gas, Inc. #619448-FT1EPNG
Section 44	UNS Gas, Inc. #H222P000-FH12EPNG
Section 45	UNS Gas, Inc. #619450-FH3EPNG
Section 46	Reserved
Section 47	Salt River Project Letter Agreement
Section 48	Salt River Project #H222T000-FH12EPNG
Section 49	Salt River Project #OA237000-OPASEPNG
Section 50	Texas Gas Service Company Letter Agreement
Section 51	Reserved
Section 52	Reserved
20000000	
Section 54	Reserved
Section 55	City of Plains, Texas Letter Agreement
Section 56	Reserved
Section 57	City of Morton, Texas Letter Agreement
Section 58	Reserved
Section 59	City of McLean, Texas Letter Agreement
Section 60	Reserved
Section 61	City of Denver City, Texas Letter Agreement
Section 62	Reserved
Section 63	City of Whiteface, Texas Letter Agreement
Section 64	Reserved
Section 65	City of Dumas, Texas Letter Agreement
Section 66	Reserved
Section 67	Village of Corona, NM Letter Agreement
Section 68	Reserved
Section 69	Town of Mountainair, NM Letter Agreement
Section 70	Reserved
Section 71	City of Lordsburg, NM Letter Agreement
Section 72	Reserved
Section 73	E.M.W. Gas Association Letter Agreement
Section 74	Reserved
Section 75	ConocoPhillips Company Letter Agreement
Section 76	ExxonMobil Oil Corporation #620084-FT1EPNG
Section 77	Reserved
Section 78	JPMorgan Chase Bank, N.A. #620901-FT1EPNG
Section 79	Public Service Company of New Mexico Letter Agreement
Section 80	Navajo Tribal Utility Authority #FT2AM000-FTAEPNG
Section 81	Navajo Tribal Utility Authority #FT2AL000-FTAEPNG
Section 82	Public Service Company of New Mexico #617905-FT1EPNG
Section 83	Public Service Company of New Mexico #617906-FT1EPNG
Section 84	Public Service Company of New Mexico #617907-FH12EPNG
Section 85	Public Service Company of New Mexico #617908-FH12EPNG
Section 86	New Mexico Gas Company, Inc. Letter Agreement

Section 86 New Mexico Gas Company, Inc. Letter Agreement

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Section 87	New Mexico Gas Company, Inc. #FT3FV000-FT1EPNG
Section 88	New Mexico Gas Company, Inc. #FT3FW000-FT1EPNG
Section 89	New Mexico Gas Company, Inc. #FT3FX000-FT1EPNG
Section 90	New Mexico Gas Company, Inc. #FT3FY000-FT1EPNG
Section 91	Comisión Federal de Electricidad #FT3H4000
Section 92	Arizona Public Service Company #613904-FH8EPNG
Section 93	ExxonMobil Oil Corporation #620082-FT1EPNG
Section 94	Pioneer Natural Resources USA, Inc. Letter Agreement
Section 95	Pioneer Natural Resources USA, Inc. #FT3HH000
Section 96	Pioneer Natural Resources USA, Inc. #FT3HJ000-FT1EPNG
Section 97	Arizona Public Service Company #OA239000
Section 98	Apache Corporation #612956-FT1EPNG
Section 99	Reserved
Section 100	Sempra Gas & Power Marketing, LLC #617961-FT1EPNG
Section 101	Reserved
Section 102	Reserved
Section 103	Reserved
Section 104	Reserved
Section 105	Reserved
Section 106	Reserved
Section 107	Sempra Gas & Power Marketing, LLC #614012-FT1EPNG
Section 108	Salt River Project Agricultural Improvement #611550-FT1EPNG
Section 109	Sempra Gas & Power Marketing, LLC #615536-FT1EPNG
Section 110	Sempra Gas & Power Marketing, LLC #615538-FT1EPNG
Section 111	Sempra Gas & Power Marketing, LLC #615490-FT1EPNG
Section 112	Arizona Public Service Company #613878-FH16EPNG
Section 113	Arizona Public Service Company #613881-FT1EPNG
Section 114	Southwest Gas Corporation #616139-FH3EPNG
Section 115	Southwest Gas Corporation #616140-FT1EPNG
Section 116	WTG Gas Marketing, Inc. #616953-FT1EPNG
Section 117	ETC Marketing, Ltd. #617716-FT1EPNG
Section 118	ETC Marketing, Ltd. #617729-FT1EPNG
Section 119	Arizona Public Service Company #617999-FH8EPNG
Section 120	JBS Tolleson, Inc. #FT2E4000-FT1EPNG
Section 121	Tenaska Marketing Ventures #618294-FT1EPNG
Section 122	Tenaska Marketing Ventures #618295-FT1EPNG
Section 123	ASARCO L.L.C. #FT2QE000-FT1EPNG
Section 124	Arizona Electric Power Cooperative, Inc. #619229-FT1EPNG
Section 125	Southwest Gas Corporation #618907-FT1FPNG

Section 125 Southwest Gas Corporation #618907-FT1EPNG

Part VII: Non-Conforming Section 9 - Arizona Electric Power Coop. #618708-FT1EPNG Version 9.0.0

Agreement No. 618708-FT1EPNG

Firm Transportation Service Agreement

Rate Schedule FT-1

Between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC. (Shipper)

Dated: February 25, 2025

Reserved

Transportation Service Agreement

Rate Schedule FT-1

Dated: February 25, 2025

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

1. Transporter: EL PASO NATURAL GAS COMPANY, L.L.C.

2. Shipper: ARIZONA ELECTRIC POWER COOPERATIVE, INC.

- 3. Applicable Tariff and Incorporation by Reference: Transporter's FERC Gas Tariff Third Revised Volume No. 1A, 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: 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 utilize a Flow Path and shall be transported on a firm basis in accordance with the Tariff. Receipt and delivery of quantities at alternate receipt point(s) and/or alternate delivery point(s) shall be in accordance with the Tariff.

Transporter will render transportation service to Shipper pursuant to this Agreement in accordance with Part 284, Subparts B and/or G of the FERC's Regulations. For any service rendered by Transporter pursuant to Part 284 Subpart B of the FERC's Regulations, Shipper's certification (supplied contemporaneously herewith), as required by 18 CFR 284.102(e) and Section 4.1(j)-(l) of Transporter's Tariff, will apply.

6. Construction of Diamondback Facilities. The Parties recognize that Transporter must construct pipelines (the "Delivery Pipelines"), a meter station, and related facilities to deliver gas to the proposed Diamondback Delivery Meter Station (PIN No. 56372) (located in Mohave County, Arizona at 34.928347, -114.550864) under this Agreement (the "Diamondback Facilities"). The Delivery Pipelines will cross lands managed by the U.S. Department of the Interior, Bureau of Land Management (the "BLM") or the Arizona State Land Department (the "ASLD"), to be determined as follows:

(a) Following the date hereof, Transporter will use reasonable efforts to acquire an easement from the BLM allowing Transporter to construct the Delivery Pipelines on BLM lands located between (i) Transporter's Line 2121 (at 34.930230, -114.538342) and the Diamondback Delivery Meter Station and (ii) Transporter's Line 2153 (at 34.930853, -114.532787) and the Diamondback Delivery Meter Station (the "BLM Easement").

(b) At any time prior to the earlier of (i) the date Transporter obtains the BLM Easement and (ii) October 31, 2025, Shipper may direct Transporter by written notice (an "Easement Notice") to cease acquiring the BLM Easement and use reasonable efforts to acquire an easement from the ASLD allowing Transporter to construct the Delivery Lines on ASLD lands located between (x) Transporter's Line 2121 (at 34.906792, -114.529873) and the Diamondback Delivery Point and (y) Transporter's Line 2153 (at 34.906756, -114.529694) and the Diamondback Delivery Point (the "ASLD Easement").

Subject to receipt by Transporter of all necessary land rights and governmental approvals, permits, and other authorizations in form and substance satisfactory to Transporter in its sole discretion, including receipt of the BLM Easement or the ASLD Easement, as the case may be, Transporter will use reasonable efforts to construct and place the Diamondback Facilities into service by June 1, 2026. The date the Diamondback Facilities are actually placed in-service is referred to herein as the "Diamondback In-Service Date."

- 7. Receipt Points, Delivery Points and Flow Paths: Shipper agrees to tender 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 gas to Shipper (or for Shipper's account) at the primary delivery point(s) identified in Exhibit A. Receipts and deliveries of gas for transportation service shall be accommodated by the Flow Path(s) identified on Exhibit A. Minimum and maximum delivery pressures, as applicable, are listed on Exhibit A.
- 8. **Rates and Surcharges:** As provided in Section 4.18 of the GT&C of the Tariff, the parties agree to a negotiated reservation rate of \$12.7415 per Dekatherm per Month (the "BLM Rate"); *provided, that*, if Shipper delivers an Easement Notice to Transporter, then the negotiated reservation rate shall be \$13.5202 per Dekatherm per Month (the "ASLD Rate"). In either case, the negotiated reservation rate shall not be subject to any applicable maximum or minimum reservation rates set forth in the Tariff and shall be payable regardless of quantities transported.

If Shipper delivers an Easement Notice to Transporter, then Shipper shall (a) begin paying the ASLD Rate in the month during which such notice is received and (b) pay Transporter an amount equal to the product of (i) \$0.7787 per Dekatherm (such amount being the difference between the ASLD Rate and the BLM Rate), *multiplied by* (ii) the TCD, *multiplied by* (iii) the number of calendar months between and including April 2025 and the month prior to the month during which Transporter receives the Easement Notice (the "True Up Amount"). For example, if Transporter receives an Easement Notice in August 2025, the True Up Amount would be \$129,176.9856 (*i.e.*, \$0.7787 per Dekatherm *multiplied by* 41,472 Dth/day *multiplied by* 4 months).

- 9. Exhibits: Exhibits A and B, attached to this Agreement, are hereby incorporated by reference as part of this Agreement.
- 10. Negotiated Rate: Yes X No

11. Transportation Contract Demand ("TCD"):

TCD (Dth/d) Time Period

<u>41,472</u> <u>April 1, 2025 - March 31, 2055</u>

<u>12.</u> Term of Firm Transportation Service:

Beginning: April 1, 2025

Ending: March 31, 2055

A contractual right of first refusal shall apply to this Agreement, pursuant to Section 4.14 of the GT&C of the Tariff.

13. Notices, Statements, and Bills:

To Shipper:

ARIZONA ELECTRIC POWER COOPERATIVE, INC. P. O. Box 670 Benson, AZ 85602 Attn: Manager Power Trading (Notices and Invoices)

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

- 14.Effect on Prior Agreement(s): From and after April 1, 2025, this Agreement amends and restates that
certain Firm Transportation Service Agreement (Agreement No. 618708-FT1EPNG) dated August 1,
2024, by and between Transporter and Shipper.
- 15. Recovery for Carbon Tax and Greenhouse Gas Costs: Shipper agrees that, subject at all times to FERC's approval of the particular costs, cost recovery mechanism(s) and manner of recovery in question, Transporter shall be entitled to recovery of Greenhouse Gas Emissions Costs incurred by Transporter attributable to natural gas transported for Shipper. As used herein "Greenhouse Gas Emissions Costs" means (i) the cost of any carbon emissions tax or other greenhouse gas assessment that is imposed on Transporter, and/or (ii) the cost of any greenhouse gas mitigation efforts, including the costs of credits and offsets that Transporter incurs to comply with any greenhouse gas laws, rules or regulations. If (i) Transporter is unsuccessful in having the FERC-approved Greenhouse Gas Emissions Costs incurred by it recovered through a FERC-approved surcharge applicable to all shippers, and (ii) such amounts are recoverable only through Transporter's FERC-approved recourse rates, then Shipper will agree to modify the negotiated reservation rate under this Agreement by the amount of Transporter's maximum reservation rate under Rate Schedule FT-1 that is attributable to such Greenhouse Gas Emissions costs.
- 16. Creditworthiness: Shipper shall demonstrate, and maintain throughout the term of this Agreement, satisfaction of creditworthiness in the manner set forth below:

(a) If Shipper is rated by Standard & Poor's Corporation ("S&P") and/or Moody's Investor Service ("Moody's"), then Shipper shall be deemed creditworthy by Transporter if: (i) Shipper's senior unsecured debt securities are rated at least BBB- by S&P or Baa3 by Moody's (in the event Shipper is rated differently by multiple agencies, the lowest rating shall be used in making such determination); and (ii) Shipper is not under review for possible downgrade by S&P and/or Moody's to a level below that set forth in subpart (i) of this paragraph (a). In addition, in the event Shipper is not rated by S&P and/or Moody's, Shipper may demonstrate creditworthiness by providing audited financial statements for the previous two (2) fiscal year ends certified by the Chief Financial Officer or Chief Accounting Officer of Shipper that, in Transporter's reasonable discretion, adequately supports the level of service under this Agreement.

(b) If at any time during the term of this Agreement, Shipper's S&P or Moody's rating falls below the levels described above, or Shipper becomes unrated or Shipper otherwise fails to satisfy the requirements of paragraph (a), then for the time period that Shipper's ratings are below the requirements of paragraph (a), Shipper is unrated, or Shipper is otherwise unable to satisfy the requirements of paragraph (a), Shipper shall satisfy its creditworthiness obligation by providing one of the forms of credit support described in paragraph (c) below. If Shipper subsequently becomes able to satisfy the S&P and Moody's rating levels described above, Shipper may immediately satisfy its creditworthiness obligations in the manner provided in paragraph (a).

(c) If at the time of the execution of this Agreement, or at any time thereafter, Shipper is unable to satisfy its creditworthiness obligations in the manner set forth in paragraph (a) above, then Shipper shall satisfy its creditworthiness obligations by providing and maintaining, at its option: (i) an irrevocable, unconditional guarantee of its obligations under this Agreement, reasonably acceptable to Transporter, and issued by another person or entity which satisfies the creditworthiness standards set forth in paragraph (a); or (ii) an irrevocable letter of credit from a bank reasonably acceptable to Transporter, and equal to the anticipated charges under this Agreement during the lesser of thirty-six (36) months and the period of time remaining in the term; or (iii) such other credit arrangements which are mutually agreed to by Transporter and Shipper, and which are accepted by Transporter on a nondiscriminatory basis.

(d) To the extent evidence of Shipper's creditworthiness is not publicly available, upon reasonable request by Transporter, Shipper shall promptly provide evidence to Transporter of Shipper's creditworthiness, which Transporter may share with its lenders or creditors or any nationally recognized rating agency that is then maintaining a rating of Transporter's debt securities.

(e) If any change in ratings or conditions requires Shipper to change the manner in which it demonstrates its satisfaction of its creditworthiness requirements, Shipper shall make that demonstration (including if necessary the provision of any guarantee or letter of credit) within fifteen (15) Business Days of the change in ratings or conditions requiring the new demonstration of creditworthiness.

17. 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. (Agreements executed prior to January 1, 2006 will be subject to the governing law provisions stated in such Agreements.)

IN WITNESS HEREOF, 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 hand written signature.

EL PASO NATURAL GAS COMPANY, L.L.C. ARIZONA ELECTRIC POWER COOPERATIVE, INC.

Accepted and agreed to	this	Accepted and agreed to th	<u>is</u>
day of	, 2025.	day of	, 2025.

Part VII: Non-Conforming Section 9.1 - Arizona Electric Power #618708-FT1EPNG Exh A Version 9.0.0

Agreement No. 618708-FT1EPNG

EXHIBIT A

<u>To The</u> Firm Transportation Service Agreement

Rate Schedule FT-1

<u>between</u>

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

Shipper's Transportation Contract Demand: See ¶11

Effective Dates: April 1, 2025 through the earlier of (a) March 31, 2055 and (b) the day before the Diamondback In-Service Date (as defined in ¶6)

Maximum Quantity-D-Code (Dth/d) 1/																		
<u>Primary</u> <u>Receipt</u> <u>PIN Name</u>	<u>Rec</u> <u>PIN</u>	<u>Primary Delivery</u> <u>PIN Name</u>	<u>Del</u> <u>PIN</u>	<u>Flow</u> <u>Path</u>	<u>Jan</u>	<u>Feb</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	Aug	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	Delivery <u>Pressure</u> (p.s.i.g) <u>Not less</u> <u>than 2/</u>	Delivery <u>Pressure</u> (p.s.i.g) <u>Not</u> greater than 2/
<u>BLANCO</u>	<u>300714</u>	DPGE&TOP	<u>314604</u>	<u>NN1</u>	<u>41,472</u>													
TRANSPORTATION CONTRACT DEMAND			<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>	<u>41,472</u>				

Effective Dates: Diamondback In-Service Date through March 31, 2055

				Maximum Quantity-D-Code (Dth/d) 1/														
<u>Primary</u> <u>Receipt</u> <u>PIN Name</u>	<u>Rec</u> <u>PIN</u>	<u>Primary Delivery</u> <u>PIN Name</u>	<u>Del</u> <u>PIN</u>	<u>Flow</u> <u>Path</u>	<u>Jan</u>	<u>Feb</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	Aug	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	Delivery Pressure (p.s.i.g) Not less than 2/	Delivery Pressure (p.s.i.g) Not greater than 2/
<u>BLANCO</u>	<u>300714</u>	<u>DIAMDBKD</u>	<u>57469</u>	<u>NN1</u>	<u>41,472</u>													
TRANSPORTAT	TRANSPORTATION CONTRACT DEMAND				<u>41,472</u>													

Notes:

1/ The sum of the Maximum Quantities identified above is equal to Shipper's Transportation Contract Demand for that Month.

2/ Unless otherwise specified on this Exhibit A, the pressure(s) for the point(s) listed above shall be the pressure existing from time to time at the metering facility; provided, however, Transporter reserves the right to deliver quantities at pressures up to the MAOP of that facility.

Part VII: Non-Conforming Section 9.1 - Arizona Electric Power #618708-FT1EPNG Exh A Version 9.0.0

Ex. A-2 Reserved

Part VII: Non-Conforming Section 9.2 - Arizona Electric Power #618708-FT1EPNG Exh B Version 2.0.0

Agreement No. 618708-FT1EPNG

EXHIBIT B

<u>To The</u>

Firm Transportation Service Agreement

Rate Schedule FT-1

between

EL PASO NATURAL GAS COMPANY, L.L.C.

and

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(Shipper)

Dated: February 25, 2025

<u>Primary</u> <u>Receipt</u> <u>Point(s)</u>	<u>Primary</u> <u>Delivery</u> <u>Point(s)</u>	Effective Dates	<u>Reservation Rate 1/</u>	<u>Usage Rate 1/</u>	<u>Fuel 2/</u>	<u>Surcharges 3/</u>
<u>As listed in</u> <u>Exhibit A</u>	<u>As listed in</u> <u>Exhibit A</u>	<u>See ¶12</u>	<u>See ¶8 1a/</u>			
<u>Primary and Alternate</u> <u>Receipt Point(s) /</u> Location(s)	<u>Primary and Alternate</u> Delivery Point(s) / Location(s)	Effective Dates	Reservation Rate 1/	Usage Rate 1/	Fuel 2/	Surcharges 3/
All Receipt Points as they may change from time to time, excluding those requiring incremental rates (e.g., Willcox Lateral Receipt Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff as that provision may move or change from time to time.	All Delivery Points as they may change from time to time, excluding those requiring incremental rates (e.g., Willcox Lateral Delivery Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff as that provision may move or change from time to time.	<u>See ¶12</u>	<u>See ¶8</u>	<u>osage Raie II</u>	<u>r uei 27</u>	<u>sur enur ges 3/</u>

<u>Ex. B-1</u>

Part VII: Non-Conforming Section 9.2 - Arizona Electric Power #618708-FT1EPNG Exh B Version 2.0.0

Agreement No. 618708-FT1EPNG

EXHIBIT B (CONT.)

Notes:

- 1/
 Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter's maximum rates, as may be changed from

 time to time, for service under Rate Schedule FT-1 or other superseding Rate Schedules. The reservation rate shall be payable regardless of quantities transported.
- 1a/As provided in Section 4.18 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) for any
redesignations of primary point rights made in accordance with Transporter's then applicable Tariff provisions, currently described in
Section 8.1(f)(iii) of the GT&C of the Tariff, and, as such, the applicable reservation rate for such redesignated points shall be equal to the
higher of: (i) the applicable negotiated reservation rate stated in paragraph 8 of this Agreement, or (ii) the applicable maximum reservation
rate for the Primary Receipt and Delivery Points of any such redesignation(s).
- 2/ Fuel and L&U 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: Unless otherwise specified, all applicable surcharges shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time.

ACA:

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

<u>Ex. B-2</u>

Reserved