

FILED  
SECRETARY OF THE  
COMMISSION

2010 APR -1 P 2: 56

FEDERAL ENERGY  
REGULATORY COMMISSION



**TransCanada**  
*In business to deliver*

April 1, 2010

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

**ANR Pipeline Company**  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761

John A. Roscher  
Director, Rates & Tariffs

**tel** 832.320.5675  
**fax** 832.320.6675  
**email** John\_Roscher@TransCanada.com  
**web** www.anrpl.com/company\_info/

Re: ANR Pipeline Company  
Negotiated Rate Agreements  
Docket No. RP10- -

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) Regulations,<sup>1</sup> ANR Pipeline Company (“ANR”) hereby tenders for filing and acceptance seven (7) Rate Schedule FTS-1 (“FTS-1”) negotiated rate service agreements (“Agreements”). ANR requests that the Commission approve the Agreements to be effective April 1, 2010. All Agreements are included at Appendix A.

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

John A. Roscher  
Director, Rates and Tariffs  
\* Joan F. Collins  
Manager, Tariffs and Compliance  
ANR Pipeline Company  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Tel. (832) 320-5651  
Fax (832) 320-6651  
E-mail: joan\_collins@transcanada.com

\* M. Catharine Davis  
Associate General Counsel  
ANR Pipeline Company  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Tel. (832) 320-5509  
Fax (832) 320-5555  
E-mail: catharine\_davis@transcanada.com

\* Persons designated for official service pursuant to Rule 2010.

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<sup>1</sup> 18 C.F.R. Part 154 (2010).

## Statement of the Nature, Reasons and Basis for Filing

On May 28, 1999, in Docket No. RP99-301-000,<sup>2</sup> the Commission approved, subject to conditions, proposed Section 30 of the General Terms and Conditions of ANR's FERC Gas Tariff ("Tariff"), which authorized ANR to enter into negotiated rate agreements with its customers consistent with the Commission's January 31, 1996 Policy Statement.<sup>3</sup> The Policy Statement requires pipelines, when implementing a negotiated rate contract, to file either the contract or tariff sheets identifying and describing the transaction.<sup>4</sup>

With regard to the requirements for negotiated rate filings, the Commission has stated that "in any pipeline filing of a negotiated rate agreement, any other agreement, understanding, negotiation or consideration linked to the agreement must be disclosed by the pipeline's filing."<sup>5</sup> ANR advises that no undisclosed agreements, etc., are linked to the Agreements submitted herein.

Consistent with the Policy Statement, ANR is submitting for filing the Agreements (included in Appendix A) as further described below. The Agreements do not contain any provision that is either non-conforming or a material deviation from the FTS-1 Form of Service Agreement in ANR's Tariff.<sup>6</sup>

The Agreements include FTS-1 service agreements between ANR and Tenaska Marketing Ventures (Contract No. 116689), Powerex Corp. (Contract No. 116691), NICOR Enerchange, L.L.C. (Contract Nos. 116693, 116694, and 116695), and ConocoPhillips Company (Contract Nos. 116697

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<sup>2</sup> ANR Pipeline Company, 87 FERC ¶ 61,241 (1999),

<sup>3</sup> 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) ("Policy Statement").

<sup>4</sup> Northern Natural Gas Co., 77 FERC ¶ 61,035 at 61,138 (1996).

<sup>5</sup> Columbia Gulf Transmission Company, 85 FERC ¶ 61,373, at 62,424 (1998).

<sup>6</sup> ANR has elected to report the Agreements by filing them in accordance with Section 30.2 of the General Terms and Conditions of its Tariff. The Agreements and Amendments provide all of the information required by Section 30 of ANR's Tariff: (1) the exact legal name of the Shipper; (2) the negotiated rate; (3) the applicable rate schedule; (4) receipt and delivery points; and (5) the contract quantities.

and 116699). The Agreements are being filed herein as negotiated rate agreements because ANR and the shippers have agreed to revenue sharing through a mechanism described at Paragraph F of Section 8 - Further Agreement in each of the contracts. Additionally, the instant filing also includes an amendment to the Tenaska Marketing Ventures contract that adds a secondary delivery point. Typically, ANR does not file amendments to negotiated rate agreements that pertain solely to receipt or delivery point changes.

#### Effective Date and Request for Waiver

ANR is requesting that the Commission approve the Agreements effective April 1, 2010. ANR respectfully requests the Commission grant all waivers of its regulations and ANR's Tariff necessary to accept this filing and approve the Agreements to become effective as requested herein.

#### Other Filings Which May Affect This Proceeding

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

#### Contents of Filing

In accordance with 18 C.F.R. Section 154.7(a) (1), ANR is submitting an original and five (5) copies of the following items:

- 1) The instant transmittal letter; and
- 2) A paper copy of the Agreements (Appendix A).

#### Certificate of Service

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. Section 385.2010, a copy of this filing, together with all enclosures, is being served upon all jurisdictional customers and interested state regulatory agencies.

Please confirm receipt of this filing by so indicating on the enclosed copy of this filing and returning it to me in the self-addressed, stamped envelope provided.

Respectfully submitted,

A handwritten signature in black ink that reads "John A. Roscher". The signature is written in a cursive style with a long horizontal flourish extending to the right.

---

John A. Roscher  
Director, Rates & Tariffs  
ANR Pipeline Company

Enclosures

# Appendix A

## Negotiated Rate Agreements To Be Effective April 1, 2010

<u>Shipper Name</u>	<u>Service Type</u>	<u>Contract No.</u>
Tenaska Marketing Ventures	FTS-1	116689
Powerex Corp.	FTS-1	116691
NICOR Enerchange, L.L.C.	FTS-1	116693
NICOR Enerchange, L.L.C.	FTS-1	116694
NICOR Enerchange, L.L.C.	FTS-1	116695
ConocoPhillips Company	FTS-1	116697
ConocoPhillips Company	FTS-1	116699

Date: March 10, 2010

Contract No.: 116689

### FTS - 1 SERVICE AGREEMENT

This AGREEMENT is entered into by ANR Pipeline Company (Transporter) and TENASKA MARKETING VENTURES (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**  
(284B = Section 311; 284G = Blanket)

284G

2. **RATE SCHEDULE: Firm Transportation Service (FTS - 1)**
3. **CONTRACT QUANTITIES:**

Primary Routes- see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

4. **TERM OF AGREEMENT:**

April 01, 2010 to

October 31, 2010

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Agreement.

Date: March 10, 2010

Contract No.: 116689

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. **INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

7. **NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sup>tm</sup>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street, Suite 2500  
Houston, Texas 77002  
Attention: Transportation Services

**SHIPPER:**

TENASKA MARKETING VENTURES  
11718 NICHOLAS STREET  
OMAHA, NE 68154-2690  
Attention: JON HOWE

Telephone: 402-758-6276  
Fax: 402-758-6200

Date: March 10, 2010

Contract No.: 116689

**INVOICES AND STATEMENTS:**

TENASKA MARKETING VENTURES  
11718 NICHOLAS STREET  
OMAHA, NE 68154-2690  
Attention: LYNN BENNETT

Telephone: 402-758-6236

Fax:

**8. FURTHER AGREEMENT:**

- A. The rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Monthly Reservation Rate of \$1.0000 per dth and the applicable Commodity. This rate shall be inclusive of any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANR Joliet Hub (243097), Willow Run (42078) and Overisel Int No 1 (11566)



Date: March 10, 2010

Contract No.: 116689

- B. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0529 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Chrisney/MGT Delivery (4480), Convoy (16265), Crown Point/NIPSCO (138744), East Joliet (4196), Fort Wayne (40184), Maumee North (108641), Maumee East (140834), Michigan City (4375), Monclova (110850), Muncie (40186), Paulding (16118), Shorewood (138675) and West Shelbyville (4475)

- C. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0829 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANRPL Storage (153808), Lebanon Dominion (21906), Lebanon/ColGas (38843), Lebanon/TX Eastern (28447), Lebanon/Red Lion (108796) and Lebanon/Derby (295956)

Date: March 10, 2010

Contract No.: 116689

- D. The mutually agreed upon rate for the use of any point not listed in Paragraphs A, B and C above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-1 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff. ANR will retain 100% of revenues associated with these nominations.
- E. The rate to be used for purposes of economic dispatching of Shipper's nominations will be equal to the applicable rate for the service being nominated, as stated in Paragraph A, B, C or D above, plus the dollar value per dekatherm calculated for each day based on Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price. The estimate will be submitted daily through an e-mail to ANRMarketing@transcanada.com no later than 1 hour prior to the end of the nomination cycle to which such estimate will apply. If an estimate is not timely submitted, the estimate used for purposes of economic dispatch will be zero (0). Once volumes are scheduled, the estimated rate may not be lowered. If the calculated rate to be used for economic dispatching is over maximum tariff rates, allocations will be based on maximum tariff rates only.
- F. Revenue Sharing Mechanism  
(Gas Daily Midpoint MichCon - Gas Daily Midpoint ANR, LA - Fuel Value - ANRSE to ML7 Zone Commodity) x Daily Contract MDQ x 51%, where Fuel Value = the Gas Daily index price for ANR, LA x [(1/(1-ANR, LA Receipt Zone Fuel percentage for deliveries in ML-7 Zone))-1].

In the event Gas Daily is no longer published or that any of the above referenced price indices are no longer published in Gas Daily, the parties agree to substitute a mutually agreeable index to determine the Revenue Sharing Mechanism.

Date: March 10, 2010

Contract No.: 116689

In addition to all charges set forth in Paragraphs A-E above, for each day of the contract, Shipper will be responsible to pay for higher of:

(1) The dollar value produced by the above Revenue Sharing Mechanism whether or not physical flow is scheduled each day. If the dollar value calculated by the Revenue Sharing Mechanism on any given day is negative, the assumed dollar value for that day will be zero (\$0.00);

or

(2) Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price, as required in Paragraph E, above.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

SHIPPER: TENASKA MARKETING VENTURES

By: 

MICHAEL A. METZLER  
Vice President, Eastern Region

Title: \_\_\_\_\_

Date: 3-29-10

TRANSPORTER: ANR PIPELINE COMPANY

By: 

Title: Agent and Attorney-in-Fact

Date: 3/30/10

*AB 3-29-10*  
*QB 3-29-10*

**PRIMARY ROUTE EXHIBIT**  
To Agreement Between  
**ANR PIPELINE COMPANY (Transporter)**  
**AND TENASKA MARKETING VENTURES (Shipper)**

Contract No: 116689  
Rate Schedule: FTS-1  
Contract Date: March 10, 2010  
Amendment Date:

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
103565 S E HEADSTATION FROM: April 01, 2010	11616 FARWELL (DELIVERY) TO: October 31, 2010	0	0	25000

Contract No: 116689  
Amendment No: 01

**AMENDMENT**

Date: March 30, 2010

"Transporter": ANR PIPELINE COMPANY

"Shipper": TENASKA MARKETING VENTURES

FTS-1 Contract No. 116689 dated March 10, 2010 ("Agreement") between Transporter and Shipper is amended effective April 01, 2010 as follows:

To Amend and Restate Further Agreement Section 8 in its entirety with the following:

**8. FURTHER AGREEMENT:**

- A. The rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Monthly Reservation Rate of \$1.0000 per dth and the applicable Commodity. This rate shall be inclusive of any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANR Joliet Hub (243097), Willow Run (42078) and Overisel Int No 1 (11566)

- B. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0529 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Contract No: 116689  
Amendment No: 01

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Chrisney/MGT Delivery (4480), Chrisney/MGT Receipt (138660), Convoy (16265), Crown Point/NIPSCO (138744), East Joliet (4196), Fort Wayne (40184), Maumee North (108641), Maumee East (140834), Michigan City (4375), Monclova (110850), Muncie (40186), Paulding (16118), Shorewood (138675) and West Shelbyville (4475)

- C. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0829 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANRPL Storage (153808), Lebanon Dominion (21906), Lebanon/ColGas (38843), Lebanon/TX Eastern (28447), Lebanon/Red Lion (108796) and Lebanon/Derby (295956)

- D. The mutually agreed upon rate for the use of any point not listed in Paragraphs A, B and C above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-1 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff. ANR will retain 100% of revenues associated with these nominations.
- E. The rate to be used for purposes of economic dispatching of Shipper's nominations will be equal to the applicable rate for the service being nominated, as stated in Paragraph A, B, C or D above, plus the dollar value per dekatherm calculated for each day based on Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price. The estimate will be submitted daily through an e-mail to ANRMarketing@transcanada.com no later than 1 hour prior to the end of the nomination cycle to which such estimate will apply. If an estimate is not timely submitted, the estimate used for purposes of economic dispatch will be zero (0). Once volumes are scheduled, the estimated rate may not be lowered. If the calculated rate to be used for economic dispatching is over maximum tariff rates, allocations will be based on maximum tariff rates only.

Contract No: 116689  
Amendment No: 01

F. Revenue Sharing Mechanism  
(Gas Daily Midpoint MichCon - Gas Daily Midpoint ANR, LA - Fuel Value - ANRSE to ML7 Zone Commodity) x Daily Contract MDQ x 51%, where Fuel Value = the Gas Daily index price for ANR, LA x [(1/(1-ANR, LA Receipt Zone Fuel percentage for deliveries in ML-7 Zone))-1].

In the event Gas Daily is no longer published or that any of the above referenced price indices are no longer published in Gas Daily, the parties agree to substitute a mutually agreeable index to determine the Revenue Sharing Mechanism.

In addition to all charges set forth in Paragraphs A-E above, for each day of the contract, Shipper will be responsible to pay for higher of:

- (1) The dollar value produced by the above Revenue Sharing Mechanism whether or not physical flow is scheduled each day. If the dollar value calculated by the Revenue Sharing Mechanism on any given day is negative, the assumed dollar value for that day will be zero (\$0.00);

or

- (2) Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price, as required in Paragraph E, above.

All other terms and conditions of the Agreement shall remain in full force and effect.

TENASKA MARKETING VENTURES  
"Shipper"

By: [Signature]  
Title: Account Manager  
Date: 3-31-10

ANR PIPELINE COMPANY  
"Transporter"

By: [Signature]  
Title: Director, - Commercial Services  
Date: 3/31/10

AB 3-31-10  
el 3/31/10

**PRIMARY ROUTE EXHIBIT**  
To Agreement Between  
**ANR PIPELINE COMPANY (Transporter)**  
**AND TENASKA MARKETING VENTURES (Shipper)**

Contract No: 116689  
Rate Schedule: FTS-1  
Contract Date: March 10, 2010  
Amendment Date: March 30, 2010

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
103565 S E HEADSTATION FROM: April 01, 2010	11616 FARWELL (DELIVERY) TO: October 31, 2010	0	0	25000



TNUM # C00137

Date: March 10, 2010

Contract No.: 116691

**FTS - 1 SERVICE AGREEMENT**

This AGREEMENT is entered into by ANR Pipeline Company (Transporter) and POWEREX CORP. (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**  
(284B = Section 311; 284G = Blanket)

284G

2. **RATE SCHEDULE:** Firm Transportation Service (FTS - 1)

3. **CONTRACT QUANTITIES:**

Primary Routes- see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

4. **TERM OF AGREEMENT:**

April 01, 2010 to

October 31, 2010

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Agreement.

**Date: March 10, 2010**

**Contract No.: 116691**

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

**6. INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

**7. NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sup>™</sup>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street  
Houston, Texas 77002-2761  
Attention: Transportation Services

**SHIPPER:**

POWEREX CORP.  
666 BARRARD STREET  
VANCOUVER, BC, CD V6C 2X8  
Attention: KIM DESANTE

Telephone: 604-891-5040  
Fax: 604-891-5056

**Date: March 10, 2010**

**Contract No.: 116691**

**INVOICES AND STATEMENTS:**

POWEREX CORP.  
666 BARRARD STREET  
VANCOUVER, BC, CD V6C 2X8  
Attention: KAREN THELIMAN

Telephone: 604-891-6094

Fax: 604-891-6011

**8. FURTHER AGREEMENT:**

- A. The rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Monthly Reservation Rate of \$1.0646 per dth and the applicable Commodity. This rate shall be inclusive of any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANR Joliet Hub (243097), Farwell (11616) and Overisel Int No 1 (11566)

- B. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0550 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

**Date: March 10, 2010**

**Contract No.: 116691**

**Secondary Receipt(s):** All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

**Secondary Delivery(ies):** Chrisney/MGT Delivery (4480), Convoy (16265), Crown Point/NIPSCO (138744), East Joliet (4196), Fort Wayne (40184), Maumee North (108641), Maumee East (140834), Michigan City (4375), Monclova (110850), Muncie (40186), Paulding (16118), Shorewood (138675) and West Shelbyville (4475)

- C. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0850 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

**Secondary Receipt(s):** All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

**Secondary Delivery(ies):** ANRPL Storage (153808), Lebanon Dominion (21906), Lebanon/ColGas (38843), Lebanon/TX Eastern (28447), Lebanon/Red Lion (108796) and Lebanon/Derby (295956)

- D. The mutually agreed upon rate for the use of any point not listed in Paragraphs A, B and C above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-1 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff. ANR will retain 100% of revenues associated with these nominations.
- E. The rate to be used for purposes of economic dispatching of Shipper's nominations will be equal to the applicable rate for the service being nominated, as stated in Paragraph A, B, C or D above, plus the dollar value per dekatherm calculated for each day based on Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price. The

**Date: March 10, 2010**

**Contract No.: 116691**

estimate will be submitted daily through an e-mail to ANRMarketing@transcanada.com no later than 1 hour prior to the end of the nomination cycle to which such estimate will apply. If an estimate is not timely submitted, the estimate used for purposes of economic dispatch will be zero (0). Once volumes are scheduled, the estimated rate may not be lowered. If the calculated rate to be used for economic dispatching is over maximum tariff rates, allocations will be based on maximum tariff rates only.

- F. Revenue Sharing Mechanism  
(Gas Daily Midpoint MichCon - Gas Daily Midpoint ANR, LA - Fuel Value - ANRSE to ML7 Zone Commodity) x Daily Contract MDQ x 60%, where Fuel Value = the Gas Daily index price for ANR, LA x [(1/(1-ANR, LA Receipt Zone Fuel percentage for deliveries in ML-7 Zone))-1].

In the event Gas Daily is no longer published or that any of the above referenced price indices are no longer published in Gas Daily, the parties agree to substitute a mutually agreeable index to determine the Revenue Sharing Mechanism.

In addition to all charges set forth in Paragraphs A-E above, for each day of the contract, Shipper will be responsible to pay for higher of:

- (1) The dollar value produced by the above Revenue Sharing Mechanism whether or not physical flow is scheduled each day. If the dollar value calculated by the Revenue Sharing Mechanism on any given day is negative, the assumed dollar value for that day will be zero (\$0.00);

or

- (2) Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price, as required in Paragraph E, above.

Date: March 10, 2010

Contract No.: 116691

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

SHIPPER: POWEREX CORP.

By: Tom Bechard

Title: Acting Head Trader

Date: 29 Mar 2010

TRANSPORTER: ANR Pipeline Company

By: Joseph E Pollard

Title: Agent and Attorney-in-Fact

Date: 3/30/10

LD  
3/30/10  
es  
3/30/10

**PRIMARY ROUTE EXHIBIT**  
To Agreement Between  
**ANR PIPELINE COMPANY (Transporter)**  
**AND POWEREX CORP. (Shipper)**

Contract No: 116691  
Rate Schedule: FTS-1  
Contract Date: March 10, 2010  
Amendment Date:

Receipt  
Location  
Name

Delivery  
Location  
Name

Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
------------------------	------------------------	------------------------

103565  
SE HEADSTATION  
FROM: April 01, 2010

42078  
WILLOW RUN(TO MICHCON)  
TO: October 31, 2010

0	0	25000
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Date: March 10, 2010

Contract No.: 116693

**FTS - 1 SERVICE AGREEMENT**

This AGREEMENT is entered into by ANR Pipeline Company (Transporter) and NICOR ENERCHANGE, L.L.C. (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**  
(284B = Section 311; 284G = Blanket)

284G

2. **RATE SCHEDULE:** Firm Transportation Service (FTS - 1)

3. **CONTRACT QUANTITIES:**

Primary Routes - see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

4. **TERM OF AGREEMENT:**

April 01, 2010 to

October 31, 2010

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Agreement.



Date: March 10, 2010

Contract No.: 116693

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. **INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

7. **NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sup>tm</sup>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street  
Houston, Texas 77002-2761  
Attention: Transportation Services

**SHIPPER:**

NICOR ENERCHANGE, L.L.C.  
3333 WARRENVILLE ROAD  
SUITE 630  
LISLE, IL 60532  
Attention: DARRYL KILPATRICK

Telephone: 630-245-7847  
Fax: 630-245-7839

Date: March 10, 2010

Contract No.: 116693

**INVOICES AND STATEMENTS:**

NICOR ENERCHANGE, L.L.C.  
3333 WARRENVILLE ROAD  
SUITE 630  
LISLE, IL 60532  
Attention: LAURA BEALS

Telephone: 630-245-7843  
Fax: 630-245-7838630-245-7838

**8. FURTHER AGREEMENT:**

A. The rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Monthly Reservation Rate of \$0.9508 per dth and the applicable Commodity. This rate shall be inclusive of any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANR Joliet Hub (243097), Farwell (11616) and Overisel Int No 1 (11566)

B. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0513 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Date: March 10, 2010

Contract No.: 116693

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Chrisney/MGT Delivery (4480), Chrisney/MGT Receipt (138660), Convoy (16265), Crown Point/NIPSCO (138744), East Joliet (4196), Fort Wayne (40184), Maumee North (108641), Maumee East (140834), Michigan City (4375), Monclova (110850), Muncie (40186), Paulding (16118), Shorewood (138675) and West Shelbyville (4475)

- C. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0813 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANRPL Storage (153808), Lebanon Dominion (21906), Lebanon/ColGas (38843), Lebanon/TX Eastern (28447), Lebanon/Red Lion (108796) and Lebanon/Derby (295956)

- D. The mutually agreed upon rate for the use of any point not listed in Paragraphs A, B and C above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-1 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff. ANR will retain 100% of revenues associated with these nominations.
- E. The rate to be used for purposes of economic dispatching of Shipper's nominations will be equal to the applicable rate for the service being nominated, as stated in Paragraph A, B, C or D above, plus the dollar value per dekatherm calculated for each day based on Shipper's estimate of the difference between the Gas Daily Midpoint

**Date: March 10, 2010**

**Contract No.: 116693**

MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price. The estimate will be submitted daily through an e-mail to ANRMarketing@transcanada.com no later than 1 hour prior to the end of the nomination cycle to which such estimate will apply. If an estimate is not timely submitted, the estimate used for purposes of economic dispatch will be zero (0). Once volumes are scheduled, the estimated rate may not be lowered. If the calculated rate to be used for economic dispatching is over maximum tariff rates, allocations will be based on maximum tariff rates only.

**F. Revenue Sharing Mechanism**

(Gas Daily Midpoint MichCon - Gas Daily Midpoint ANR, LA - Fuel Value - ANRSE to ML7 Zone Commodity) x Daily Contract MDQ x 76%, where Fuel Value = the Gas Daily index price for ANR, LA x [(1/(1-ANR, LA Receipt Zone Fuel percentage for deliveries in ML-7 Zone))-1].

In the event Gas Daily is no longer published or that any of the above referenced price indices are no longer published in Gas Daily, the parties agree to substitute a mutually agreeable index to determine the Revenue Sharing Mechanism.

In addition to all charges set forth in Paragraphs A-E above, for each day of the contract, Shipper will be responsible to pay for higher of:

- (1) The dollar value produced by the above Revenue Sharing Mechanism whether or not physical flow is scheduled each day. If the dollar value calculated by the Revenue Sharing Mechanism on any given day is negative, the assumed dollar value for that day will be zero (\$0.00);

or

- (2) Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price, as required in Paragraph E, above.

Date: March 10, 2010

Contract No.: 116693

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

SHIPPER: NICOR ENERCHANGE, L.L.C.

By: [Signature]

Title: Transport Rep

Date: 3.30.10

TRANSPORTER: ANR Pipeline Company

By: [Signature]

Title: Agent and Attorney-in-Fact

Date: 3/30/10

RD 3/30/10  
PS 3/30/10

**PRIMARY ROUTE EXHIBIT**  
To Agreement Between  
**ANR PIPELINE COMPANY (Transporter)**  
**AND NICOR ENERCHANGE, L.L.C. (Shipper)**

Contract No: 116693  
Rate Schedule: FTS-1  
Contract Date: March 10, 2010  
Amendment Date:

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
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103565  
S E HEADSTATION  
FROM: April 01, 2010

42078  
WILLOW RUN(TO MICHCON)  
TO: October 31, 2010

0 0 10000

Date: March 10, 2010

Contract No.: 116694

**FTS - 1 SERVICE AGREEMENT**

This AGREEMENT is entered into by ANR Pipeline Company (Transporter) and NICOR ENERCHANGE, L.L.C. (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

- 1. **AUTHORITY FOR TRANSPORTATION SERVICE:**  
(284B = Section 311; 284G = Blanket)

284G

- 2. **RATE SCHEDULE:** Firm Transportation Service (FTS - 1)

- 3. **CONTRACT QUANTITIES:**

Primary Routes - see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

- 4. **TERM OF AGREEMENT:**

April 01, 2010 to

October 31, 2010

- 5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Agreement.

**Date: March 10, 2010**

**Contract No.: 116694**

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

**6. INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

**7. NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sub>sm</sub>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street  
Houston, Texas 77002-2761  
Attention: Transportation Services

**SHIPPER:**

NICOR ENERCHANGE, L.L.C.  
3333 WARRENVILLE ROAD  
SUITE 630  
LISLE, IL 60532  
Attention: DARRYL KILPATRICK

Telephone: 630-245-7847  
Fax: 630-245-7839



Date: March 10, 2010

Contract No.: 116694

**INVOICES AND STATEMENTS:**

NICOR ENERCHANGE, L.L.C.  
3333 WARRENVILLE ROAD  
SUITE 630  
LISLE, IL 60532  
Attention: LAURA BEALS

Telephone: 630-245-7843  
Fax: 630-245-7838

**8. FURTHER AGREEMENT:**

A. The rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Monthly Reservation Rate of \$0.9508 per dth and the applicable Commodity. This rate shall be inclusive of any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Willow Run (42078), Farwell (11616) and Overisel Int No 1 (11566)

B. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0513 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Date: March 10, 2010

Contract No.: 116694

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Chrisney/MGT Delivery (4480), Chrisney/MGT Receipt (138660), Convoy (16265), Crown Point/NIPSCO (138744), East Joliet (4196), Fort Wayne (40184), Maumee North (108641), Maumee East (140834), Michigan City (4375), Monclova (110850), Muncie (40186), Paulding (16118), Shorewood (138675) and West Shelbyville (4475)

- C. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0813 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANRPL Storage (153808), Lebanon Dominion (21906), Lebanon/ColGas (38843), Lebanon/TX Eastern (28447), Lebanon/Red Lion (108796) and Lebanon/Derby (295956)

- D. The mutually agreed upon rate for the use of any point not listed in Paragraphs A, B and C above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-1 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff. ANR will retain 100% of revenues associated with these nominations.
- E. The rate to be used for purposes of economic dispatching of Shipper's nominations will be equal to the applicable rate for the service being nominated, as stated in Paragraph A, B, C or D above, plus the dollar value per dekatherm calculated for each day based on Shipper's estimate of the difference between the Gas Daily Midpoint

Date: March 10, 2010

Contract No.: 116694

MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price. The estimate will be submitted daily through an e-mail to ANRMarketing@transcanada.com no later than 1 hour prior to the end of the nomination cycle to which such estimate will apply. If an estimate is not timely submitted, the estimate used for purposes of economic dispatch will be zero (0). Once volumes are scheduled, the estimated rate may not be lowered. If the calculated rate to be used for economic dispatching is over maximum tariff rates, allocations will be based on maximum tariff rates only.

F. Revenue Sharing Mechanism

(Gas Daily Midpoint MichCon - Gas Daily Midpoint ANR, LA - Fuel Value - ANRSE to ML7 Zone Commodity) x Daily Contract MDQ x 76%, where Fuel Value = the Gas Daily index price for ANR, LA x [(1/(1-ANR, LA Receipt Zone Fuel percentage for deliveries in ML-7 Zone))-1].

In the event Gas Daily is no longer published or that any of the above referenced price indices are no longer published in Gas Daily, the parties agree to substitute a mutually agreeable index to determine the Revenue Sharing Mechanism.

In addition to all charges set forth in Paragraphs A-E above, for each day of the contract, Shipper will be responsible to pay for higher of:

- (1) The dollar value produced by the above Revenue Sharing Mechanism whether or not physical flow is scheduled each day. If the dollar value calculated by the Revenue Sharing Mechanism on any given day is negative, the assumed dollar value for that day will be zero (\$0.00);

or

- (2) Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price, as required in Paragraph E, above.

Date: March 10, 2010

Contract No.: 116694

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

SHIPPER: NICOR ENERCHANGE, L.L.C.

By: [Signature]  
Title: Transport Rep  
Date: 3-30-10

TRANSPORTER: ANR Pipeline Company

By: [Signature]  
Title: Agent and Attorney-in-Fact  
Date: 3/30/10

X03/30/10  
R/S 3/30/10

**PRIMARY ROUTE EXHIBIT**  
**To Agreement Between**  
**ANR PIPELINE COMPANY (Transporter)**  
**AND NICOR ENERCHANGE, L.L.C. (Shipper)**

Contract No: 116694  
Rate Schedule: FTS-1  
Contract Date: March 10, 2010  
Amendment Date:

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
103565 S E HEADSTATION FROM: April 01, 2010	243097 ANR JOLIET HUB TO: October 31, 2010	0	0	5000

Date: March 10, 2011

Contract No.: 116695

**FTS - 1 SERVICE AGREEMENT**

This **AGREEMENT** is entered into by ANR Pipeline Company (Transporter) and NICOR ENERCHANGE, L.L.C. (Shipper).

**WHEREAS**, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

**NOW, THEREFORE**, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**  
(284B = Section 311; 284G = Blanket)

284G

2. **RATE SCHEDULE:** Firm Transportation Service (FTS - 1)

3. **CONTRACT QUANTITIES:**

Primary Routes - see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

4. **TERM OF AGREEMENT:**

April 01, 2010 to

October 31, 2010

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Agreement.

**Date: March 10, 2011**

**Contract No.: 116695**

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

**6. INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

**7. NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sub>sm</sub>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street  
Houston, Texas 77002-2761  
Attention: Transportation Services

**SHIPPER:**

NICOR ENERCHANGE, L.L.C.  
3333 WARRENVILLE ROAD  
SUITE 630  
LISLE, IL 60532  
Attention: DARRYL KILPATRICK  
  
Telephone: 630-245-7847  
Fax: 630-245-7839

Date: March 10, 2011

Contract No.: 116695

**INVOICES AND STATEMENTS:**

NICOR ENERCHANGE, L.L.C.  
3333 WARRENVILLE ROAD  
SUITE 630  
LISLE, IL 60532  
Attention: LAURA BEALS

Telephone: 630-245-7843  
Fax: 630-245-7838

**8. FURTHER AGREEMENT:**

- A. The rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Monthly Reservation Rate of \$0.9508 per dth and the applicable Commodity. This rate shall be inclusive of any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Willow Run (42078), ANR Joliet Hub (243097) and Overisel Int No 1 (11566)

- B. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0513 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.



Date: March 10, 2011

Contract No.: 116695

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Chrisney/MGT Delivery (4480), Chrisney/MGT Receipt (138660), Convoy (16265), Crown Point/NIPSCO (138744), East Joliet (4196), Fort Wayne (40184), Maumee North (108641), Maumee East (140834), Michigan City (4375), Monclova (110850), Muncie (40186), Paulding (16118), Shorewood (138675) and West Shelbyville (4475)

- C. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0813 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANRPL Storage (153808), Lebanon Dominion (21906), Lebanon/ColGas (38843), Lebanon/TX Eastern (28447), Lebanon/Red Lion (108796) and Lebanon/Derby (295956)

- D. The mutually agreed upon rate for the use of any point not listed in Paragraphs A, B and C above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-1 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff. ANR will retain 100% of revenues associated with these nominations.
- E. The rate to be used for purposes of economic dispatching of Shipper's nominations will be equal to the applicable rate for the service being nominated, as stated in Paragraph A, B, C or D above, plus the dollar value per dekatherm calculated for each day based on Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price. The

Date: March 10, 2011

Contract No.: 116695

estimate will be submitted daily through an e-mail to ANRMarketing@transcanada.com no later than 1 hour prior to the end of the nomination cycle to which such estimate will apply. If an estimate is not timely submitted, the estimate used for purposes of economic dispatch will be zero (0). Once volumes are scheduled, the estimated rate may not be lowered. If the calculated rate to be used for economic dispatching is over maximum tariff rates, allocations will be based on maximum tariff rates only.

F. Revenue Sharing Mechanism

(Gas Daily Midpoint MichCon - Gas Daily Midpoint ANR, LA - Fuel Value - ANRSE to ML7 Zone Commodity) x Daily Contract MDQ x 76%, where Fuel Value = the Gas Daily index price for ANR, LA x [(1/(1-ANR, LA Receipt Zone Fuel percentage for deliveries in ML-7 Zone))-1].

In the event Gas Daily is no longer published or that any of the above referenced price indices are no longer published in Gas Daily, the parties agree to substitute a mutually agreeable index to determine the Revenue Sharing Mechanism.

In addition to all charges set forth in Paragraphs A-E above, for each day of the contract, Shipper will be responsible to pay for higher of:

(1) The dollar value produced by the above Revenue Sharing Mechanism whether or not physical flow is scheduled each day. If the dollar value calculated by the Revenue Sharing Mechanism on any given day is negative, the assumed dollar value for that day will be zero (\$0.00);

or

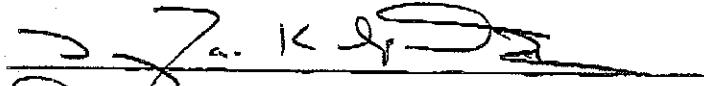
(2) Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price, as required in Paragraph E, above.

Date: March 10, 2011

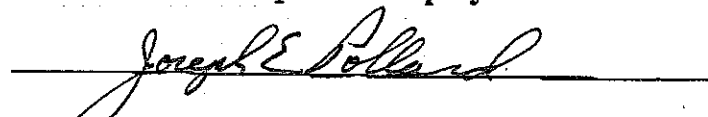
Contract No.: 116695

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

SHIPPER: NICOR ENERCHANGE, L.L.C.

By:   
Title: Transport Rep  
Date: 3.30.10

TRANSPORTER: ANR Pipeline Company

By:   
Title: Agent and Attorney-in-Fact  
Date: 3/30/10

*XO 3/30/10  
PS 3/30/10*

**PRIMARY ROUTE EXHIBIT**  
**To Agreement Between**  
**ANR PIPELINE COMPANY (Transporter)**  
**AND NICOR ENERCHANGE, L.L.C. (Shipper)**

Contract No: 116695  
Rate Schedule: FTS-1  
Contract Date: March 10, 2011  
Amendment Date:

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
103565 S E HEADSTATION FROM: April 01, 2010	11616 FARWELL (DELIVERY) TO: October 31, 2010	0	0	10000

Date: March 11, 2010

Contract No.: 116697

### FTS - 1 SERVICE AGREEMENT

This AGREEMENT is entered into by ANR Pipeline Company (Transporter) and CONOCOPHILLIPS COMPANY (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**  
(284B = Section 311; 284G = Blanket)

284G

2. **RATE SCHEDULE: Firm Transportation Service (FTS - 1)**

3. **CONTRACT QUANTITIES:**

Primary Routes- see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

4. **TERM OF AGREEMENT:**

April 01, 2010 to

October 31, 2010

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Agreement.

Date: March 11, 2010

Contract No.: 116697

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. **INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

7. **NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sup>tm</sup>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street, Suite 2500  
Houston, Texas 77002-2761  
Attention: Transportation Services

**SHIPPER:**

CONOCOPHILLIPS COMPANY  
600 N. DAIRY ASHFORD  
HOUSTON, TX 77079  
Attention: BRIAN RHODES

Telephone: 281-293-3350  
Fax: 281-293-3525

Date: March 11, 2010

Contract No.: 116697

**INVOICES AND STATEMENTS:**

CONOCOPHILLIPS COMPANY  
600 W. DAIRY ASHFORD  
HOUSTON, TX 77079  
Attention: KAREN LINDLEY

Telephone: 281-293-4565  
Fax: 281-293-2767

**8. FURTHER AGREEMENT:**

- A. The rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Monthly Reservation Rate of \$.9610 per dth and the applicable Commodity. This rate shall be inclusive of any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANR Joliet Hub (243097), Willow Run (42078) and Overisel Int No 1 (11566)

Date: March 11, 2010

Contract No.: 116697

- B. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0516 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Chrisney/MGT Delivery (4480), Chrisney/MGT (138660) Receipt, Convoy (16265), Crown Point/NIPSCO (138744), East Joliet (4196), Fort Wayne (40184), Maumee North (108641), Maumee East (140834), Michigan City (4375), Monclova (110850), Muncie (40186), Paulding (16118), Shorewood (138675) and West Shelbyville (4475)

- C. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0816 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANRPL Storage (153808), Lebanon Dominion (21906), Lebanon/ColGas (38843), Lebanon/TX Eastern (28447), Lebanon/Red Lion (108796) and Lebanon/Derby (295956)



Date: March 11, 2010

Contract No.: 116697

- D. The mutually agreed upon rate for the use of any point not listed in Paragraphs A, B and C above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-1 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff. ANR will retain 100% of revenues associated with these nominations.
- E. The rate to be used for purposes of economic dispatching of Shipper's nominations will be equal to the applicable rate for the service being nominated, as stated in Paragraph A, B, C or D above, plus the dollar value per dekatherm calculated for each day based on Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price. The estimate will be submitted daily through an e-mail to ANRMarketing@transcanada.com no later than 1 hour prior to the end of the nomination cycle to which such estimate will apply. If an estimate is not timely submitted, the estimate used for purposes of economic dispatch will be zero (0). Once volumes are scheduled, the estimated rate may not be lowered. If the calculated rate to be used for economic dispatching is over maximum tariff rates, allocations will be based on maximum tariff rates only.
- F. Revenue Sharing Mechanism  
(Gas Daily Midpoint MichCon - Gas Daily Midpoint ANR, LA - Fuel Value - ANRSE to ML7 Zone Commodity) x Daily Contract MDQ x 51%, where Fuel Value = the Gas Daily index price for ANR, LA x [(1/(1-ANR, LA Receipt Zone Fuel percentage for deliveries in ML-7 Zone))-1].

In the event Gas Daily is no longer published or that any of the above referenced price indices are no longer published in Gas Daily, the parties agree to substitute a mutually agreeable index to determine the Revenue Sharing Mechanism.



Date: March 11, 2010

Contract No.: 116697

In addition to all charges set forth in Paragraphs A-E above, for each day of the contract, Shipper will be responsible to pay for higher of:

(1) The dollar value produced by the above Revenue Sharing Mechanism whether or not physical flow is scheduled each day. If the dollar value calculated by the Revenue Sharing Mechanism on any given day is negative, the assumed dollar value for that day will be zero (\$0.00);

or

(2) Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price, as required in Paragraph E, above.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

**SHIPPER: CONOCOPHILLIPS COMPANY**

By: *Sandy Lyman* *Boc*  
Title: *Trade, Transportation*  
Date: *3/31/10*

**TRANSPORTER: ANR PIPELINE COMPANY**

By: *Jean E. Pollard*  
Title: Agent and Attorney-in-Fact  
Date: *3/31/10*

*pb 3-31-10  
eb 3-31-10*

**PRIMARY ROUTE EXHIBIT**  
**To Agreement Between**  
**ANR PIPELINE COMPANY (Transporter)**  
**AND CONOCOPHILLIPS COMPANY (Shipper)**

Contract No: 116697  
Rate Schedule: FTS-1  
Contract Date: March 11, 2010  
Amendment Date:

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
103565 S E HEADSTATION FROM: April 01, 2010	11616 FARWELL (DELIVERY) TO: October 31, 2010	0	0	25000

Date: March 11, 2010

Contract No.: 116699

### FTS - 1 SERVICE AGREEMENT

This AGREEMENT is entered into by ANR Pipeline Company (Transporter) and CONOCOPHILLIPS COMPANY (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**  
(284B = Section 311; 284G = Blanket)

284G

2. **RATE SCHEDULE: Firm Transportation Service (FTS - 1)**

3. **CONTRACT QUANTITIES:**

Primary Routes- see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

4. **TERM OF AGREEMENT:**

April 01, 2010 to

October 31, 2010

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Agreement.

**Date: March 11, 2010**

**Contract No.: 116699**

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

**6. INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

**7. NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sup>tm</sup>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR PIPELINE COMPANY  
717 Texas Street, Suite 2500  
Houston, Texas 77002-2761  
Attention: Transportation Services

**SHIPPER:**

CONOCOPHILLIPS COMPANY  
600 N. DAIRY ASHFORD  
HOUSTON, TX 77079  
Attention: BRIAN RHODES

Telephone: 281-293-3350  
Fax: 281-293-3525

Date: March 11, 2010

Contract No.: 116699

**INVOICES AND STATEMENTS:**

CONOCOPHILLIPS COMPANY  
600 W. DAIRY ASHFORD  
HOUSTON, TX 77079  
Attention: KAREN LINDLEY

Telephone: 281-293-4565  
Fax: 281-293-2767

**8. FURTHER AGREEMENT:**

- A. The rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Monthly Reservation Rate of \$.9610 per dth and the applicable Commodity. This rate shall be inclusive of any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANR Joliet Hub (243097), Willow Run (42078) and Overisel Int No 1 (11566)

- B. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0516 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808),

**Date: March 11, 2010**

**Contract No.: 116699**

Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): Chrisney/MGT Delivery (4480), Chrisney/MGT (138660) Receipt, Convoy (16265), Crown Point/NIPSCO (138744), East Joliet (4196), Fort Wayne (40184), Maumee North (108641), Maumee East (140834), Michigan City (4375), Monclova (110850), Muncie (40186), Paulding (16118), Shorewood (138675) and West Shelbyville (4475)

- C. The rate for secondary route resulting from the Primary Receipt Point or from the secondary receipts listed below to the secondary deliveries listed below shall be a Daily Reservation Rate of \$0.0816 per dth, plus the applicable Commodity Rate, and any other fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged any applicable ACA, Transporter's Use (Fuel %) and EPC (Electric Power Cost) in accordance with Transporter's FERC Gas Tariff.

Secondary Receipt(s): All ML 2 Receipt Points, Alliance Int (277072), All Joliet Hub Receipt Points W/O Power Plants, ANR Storage (153808), Chrisney/MGT (138660), Crystal Falls (11661), Defiance (38224), Farwell (48664), Marshfield (28873), Rex Shelbyville (742252) and Willow Run (139396)

Secondary Delivery(ies): ANRPL Storage (153808), Lebanon Dominion (21906), Lebanon/ColGas (38843), Lebanon/TX Eastern (28447), Lebanon/Red Lion (108796) and Lebanon/Derby (295956)

- D. The mutually agreed upon rate for the use of any point not listed in Paragraphs A, B and C above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-1 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff. ANR will retain 100% of revenues associated with these nominations.
- E. The rate to be used for purposes of economic dispatching of Shipper's nominations will be equal to the applicable rate for the service being nominated, as stated in Paragraph A, B, C or D above, plus the dollar value per dekatherm calculated for each day based on Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price. The estimate will be

**Date: March 11, 2010**

**Contract No.: 116699**

submitted daily through an e-mail to ANRMarketing@transcanada.com no later than 1 hour prior to the end of the nomination cycle to which such estimate will apply. If an estimate is not timely submitted, the estimate used for purposes of economic dispatch will be zero (0). Once volumes are scheduled, the estimated rate may not be lowered. If the calculated rate to be used for economic dispatching is over maximum tariff rates, allocations will be based on maximum tariff rates only.

**F. Revenue Sharing Mechanism**

(Gas Daily Midpoint MichCon - Gas Daily Midpoint ANR, LA - Fuel Value - ANRSE to ML7 Zone Commodity) x Daily Contract MDQ x 51%, where Fuel Value = the Gas Daily index price for ANR, LA x [(1/(1-ANR, LA Receipt Zone Fuel percentage for deliveries in ML-7 Zone))-1].

In the event Gas Daily is no longer published or that any of the above referenced price indices are no longer published in Gas Daily, the parties agree to substitute a mutually agreeable index to determine the Revenue Sharing Mechanism.

In addition to all charges set forth in Paragraphs A-E above, for each day of the contract, Shipper will be responsible to pay for higher of:

- (1) The dollar value produced by the above Revenue Sharing Mechanism whether or not physical flow is scheduled each day. If the dollar value calculated by the Revenue Sharing Mechanism on any given day is negative, the assumed dollar value for that day will be zero (\$0.00);

or

- (2) Shipper's estimate of the difference between the Gas Daily Midpoint MichCon city-gate index price and the Gas Daily Midpoint ANR-LA index price, as required in Paragraph E, above.



Date: March 11, 2010

Contract No.: 116699

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

**SHIPPER: CONOCOPHILLIPS COMPANY**

By: Sandy Ryan  
Title: Truck, Transportation  
Date: 3/31/10 *Bac*

**TRANSPORTER: ANR PIPELINE COMPANY**

By: Joseph E. Pollard  
Title: Agent and Attorney-in-Fact  
Date: 3/31/10

*3-31-10*  
*3-31-10*

**PRIMARY ROUTE EXHIBIT**  
**To Agreement Between**  
**ANR PIPELINE COMPANY (Transporter)**  
**AND CONOCOPHILLIPS COMPANY (Shipper)**

Contract No: 116699  
Rate Schedule: FTS-1  
Contract Date: March 11, 2010  
Amendment Date:

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
103565 S E HEADSTATION FROM: April 01, 2010	42078 WILLOW RUN(TO MICHCON) TO: October 31, 2010	0	0	25000