

**Line 2026 Lateral Open Season
Notice of Binding Open Season for Firm Capacity
on El Paso Natural Gas Company, L.L.C. (Transporter)**

Bid Deadline – May 13, 2024 at 2:00 PM Mountain Clock Time (“MT”)

Portable Document Format (.pdf) file of Open Season:

<https://pipeline2.kindermorgan.com/PortalWeb/PortalDocs.aspx?code=EPNG&parent=1600>

In response to interest for firm transportation capacity to serve new loads in or near Pinal County, Arizona, El Paso Natural Gas Company, L.L.C. (referred to herein as “Transporter” or “EPNG”) is conducting this binding open season (referred to herein as the “Line 2026 Open Season” or “Open Season”).

Description of Line 2026 Open Season

EPNG is soliciting bids for what would be newly available primary firm natural gas transportation service (“Capacity”) on Transporter’s pipeline system between a new point (“New Point”) to be established at beginning of Line No. 2026 (“Line 2026”) to delivery point(s) on that line. The quantity of Capacity available would vary monthly and is dependent on the location of the delivery point on Line 2026 and may be limited by the meter capacity at the delivery point. As a point of reference, the quantities provided in the Bid Sheet are specifically for Meter PIN. 330059. The amount of primary firm capacity available at other delivery points on Line 2026 will likely vary from the quantities offered on the Bid Sheet. Parties interested in capacity to other delivery meters must contact their account director or individuals listed in “Contact Information” below for more information. (See also the table below)

The New Point would only be established if and when a term begins for a new Firm Transportation Service Agreement (“New FTSA”) for the Capacity as a result of this Open Season. The Capacity includes only primary rights on Line 2026 and does not include any primary rights on any other portion of EPNG’s system including, without limitation, on EPNG’s south mainline. As a result, shippers awarded any Capacity in this Open Season would be responsible directly or indirectly for the delivery of natural gas to the New Point and responsible for scheduling from the New Point to delivery meters on Line 2026.

D-Code Requirements

Shippers who are Operators with an existing D-Code that is comprised of delivery meters located on Line 2026 as well as delivery meters located on any other pipeline segments (“Mixed D-Code”) must agree as part of this Open Season to remove any meters on Line 2026 from the D-Code and either (1) nominate service directly to the individual meter(s) on Line 2026, or (2) form a new D-Code comprised exclusively of meter(s) located on Line 2026. Similarly, any potential bidders seeking to bid for Capacity with a delivery meter located on Line 2026 in a Mixed D-Code must obtain from the relevant Operator the same agreement as described in the preceding sentence and to make all amendments to existing agreements as if it were a successful shipper. Any required removal of the Line 2026 meter(s) from an existing D-Code and the execution of new or amended agreements by successful bidders as discussed below in “Execution of New FTSA and Amended Existing or Other New Agreements” section are conditions precedent in this Open Season to the effectiveness of any New FTSA and the establishment of the New Point. Finally, any New FTSA(s) resulting from this Open Season may result in the adjustments of Maximum Delivery Obligations and Maximum Hourly Obligations to accommodate the Capacity awarded in accordance with Transporter’s Federal Energy Regulatory Commission Gas Tariff, Third Revised Volume No. 1A (“FERC Gas Tariff”), as the same may be amended from time to time.

Meter Stations

Bids requesting delivery to new meters and/or to existing meter stations requiring upgrades (“Meter Facilities”) will be considered in this Open Season. The placement of Meter Facilities in service would also be a condition precedent to both the successful bidder’s and EPNG’s obligations in the New FTSA and any other new or amended agreements associated with the Capacity awarded as discussed in this Open Season and Bid Sheet. To the extent construction of Meter Facilities are a condition of the bid, the Capacity in this Open Season is subject to Transporter’s timely receipt of all required payments under an applicable interconnect agreement, and all necessary approvals, licenses, right-of-ways, permits, and other authorizations required for the construction, maintenance and operation of the Meter Facilities, if any, in a form and substance satisfactory to Transporter, in its sole discretion. To be clear, to be valid, where the selected delivery meter has less available capacity than the Capacity requested, the bid must also be conditioned on the completion of construction and placement into service of Meter Facilities sufficient to provide at a minimum the additional necessary meter capacity. See the Bid Sheet.

Rate Schedule:	FT-1
Volume / Transportation Contract Demand (“TCD”):	Varying
Primary Receipt Point(s):	New Point
Primary Delivery Point(s):	Existing or upgraded delivery meters on Line 2026 or new meters to be constructed on Line 2026
Flow Path(s):	N/A
<p>In this open season, Transporter will consider alternative primary delivery points to the meter listed in the Bid Sheet (subject to available capacity) on Line 2026. Parties that are interested in Capacity to other such primary delivery points must contact their account director or any of the individuals listed in the “Contact Information” below for quantities available at such alternative primary delivery points. Because of the required time for modeling such requests, those parties are strongly encouraged to inquire about the Capacity available to and at their chosen delivery point or points at least ten Business Days prior to the bid submittal deadline and in no event later than five Business Days prior to the bid submittal deadline. Transporter will process requests for information on available capacity on a first-come, first-serve basis. Depending on the timing and quantity of those requests, Transporter may not have sufficient time to determine the capacity before the deadline for bid submissions. Parties are also strongly encouraged to inquire about the construction of any requested Meter Facilities at least ten (10) Business Days prior to the bid submittal deadline and in no event later than five (5) Business Days prior to the bid submittal deadline so that Transporter can provide the anticipated terms and conditions of the interconnect agreement it will require, which will include full cost reimbursement to Transporter related to the construction of its Meter Facilities. As noted below, Transporter also reserves the discretion but not the obligation to extend the date and time for bid submission.</p>	
Capacity Available Starting:	Capacity may be available as early as August 1, 2024. EPNG will consider bids subject to the first Day of the Month following the in-service date of Meter Facilities. Such bidders should bid a projected term start date and specify the later of the term start date or the in-service date of the facilities, e.g., “The later of the first Day of the Month following the In-Service Date of the Meter Facilities, or March 1, 2025”. For Present Value calculation purposes, EPNG will not use a date for the start of service under the New FTSA earlier than March 1, 2025 for any bids conditioned on the in-service date of Meter Facilities.
Required Reservation Rate:	Applicable Maximum Reservation Rate (currently the maximum Arizona Reservation Rate)

Open Season Start:	April 22, 2024 at 2:00 PM MT
Open Season End:	May 13, 2024 at 2:00 PM MT
Award Notification:	May 16, 2024 at 4:00 PM MT
Bid Submittals:	<p>To bid, complete the attached bid sheet and email it to KMWestBids@KinderMorgan.com. Transporter reserves the right to reject any bid which fails to comport with the provisions of this Open Season</p> <p>NOTE: Transporter will rely upon the time an emailed bid is received to determine whether a bid is timely. Bids that are received after the end date and time listed above (as determined by the time stamp on Transporter’s email inbox) will be considered invalid bids and will not be eligible for an award of capacity in this Open Season. Transporter recommends that bids be submitted well in advance of the closing time listed above to minimize the risk that any email delay could cause a bid to be excluded from consideration.</p>

General Open Season Requirements:

Upon notice at any time and in its sole discretion, Transporter reserves the right to terminate this Open Season, to extend any date or time specified in this Open Season or to otherwise modify this Open Season.

Bid sheets must include the bidding party's name, Open Season Name (“Line 2026 Open Season”), quantity, term, and rate.

By submitting a bid sheet, the bidding party certifies that:

- (a) All information contained in the bid sheet is complete and accurate;
- (b) It satisfies, or will be able to satisfy, all the requirements of Transporter’s FERC Gas Tariff, as the same may be amended from time to time; and
- (c) The person submitting the bid sheet has full authority to bind the bidding party.

Only one bid may be submitted. A bidding party may have only one bid pending for evaluation at a time in this Open Season. A submitted bid for this Open Season, however, may be withdrawn by providing written notice of withdrawal to Transporter prior to the date and time of the Open Season End stated above and using the same process as submitting bids as described above. Transporter will use the time and date stamp on Transporter’s e-mail box to determine a timely withdrawal. Once a submitted bid is withdrawn, another subsequent bid may be submitted by the same bidding party if and only if the subsequent bid is at a higher present value (“PV”). Any subsequent bid with a PV equal to or lower than the withdrawn bid will be considered invalid.

Bids submitted in this Open Season on or before the date and time of the Open Season End, that have not been properly withdrawn or considered invalid will constitute a binding irrevocable offer by the bidding party to contract for capacity. The award of the capacity in the Open Season will be an acceptance of the offer and the parties shall be contractually bound at that time.

As stated above and shown on the Bid Sheet, the bid rate shall be the applicable maximum tariff rate.

In addition to the bid rate, each bidding party shall be subject to the applicable maximum usage rate and maximum usage surcharges, all other maximum rates, charges and surcharges, including ACA, Fuel and Lost and Unaccounted-for gas (“L&U”), and any other authorized surcharges assessed under the applicable Rate Schedule of Transporter's FERC Gas Tariff as

may change from time to time. This includes incremental lateral charges and any third party charges resulting from the use of capacity that Transporter may hold on other pipelines.

Transporter will reject bids that are not for the applicable maximum reservation rate (see the description in the Bid Sheet), and reserves the right to reject bids that are incomplete, contain offers of varying rates within the term, contain additional or modified terms or are inconsistent with the provisions of Transporter's FERC Gas Tariff or this Open Season. Finally, the term must begin on the first day of the month and must end on the last day of a month.

Transporter also reserves the right to seek clarification of any bid (including, without limitation, the rate, quantity, term, or receipt or delivery point(s)) but shall not be required to do so. To be considered, any responding clarification by bidders must be provided in writing and within the time requested by Transporter. Such clarifications shall be incorporated as part of the binding bid submitted by the bidder and, in the case of conflict with the earlier submitted binding bid, shall control.

Transporter notes that FERC Order No. 894, in some cases, prohibits multiple affiliates of the same entity from bidding in an Open Season for capacity in which the pipeline may allocate capacity on a pro rata basis. It appears to Transporter that the restrictions imposed by FERC Order No. 894 will be applicable in this Open Season and FERC recommends that potential bidders review and adhere to the requirements of that FERC Order.

The successful bidder(s) must satisfy the creditworthiness requirements of Transporter's FERC Gas Tariff for any new or amended agreements. Bidders that fail to satisfy such creditworthiness requirements within a reasonable time will have their capacity award withdrawn. Transporter will treat the financial statements provided by bidders as confidential.

Execution of New FTSA and Amended Existing or Other New Agreements:

Each successful bidder and Transporter shall enter into and execute a New FTSA reflecting the terms of its bid as awarded by Transporter. If mutually agreeable, a successful bidder and Transporter may agree to amend and execute an existing FTSA ("Amended Existing FTSA") such that the amended agreement reflects the terms of awarded bid by Transporter instead of executing a New FTSA. All successful bidders shall execute and return the New FTSA or Amended Existing FTSA within twenty (20) business days following the day Transporter tenders it to the successful bidder ("Execution Date") unless otherwise expressly agreed upon in writing by both parties. The New FTSA will be in the form contained in Transporter's FERC Gas Tariff.

A successful bidder must also agree to execute any new or amended agreements reasonably necessary, in EPNG's sole discretion, to fully implement the contractual and FERC Gas Tariff requirements associated with implementing the award of the Capacity in this Open Season (e.g., existing firm transportation service agreements, interconnect agreements for Meter Facilities and Operator Point Aggregation Service Agreements ("OPASA")). These new and or amended agreements must also be executed and returned on or before the Execution Date unless expressly agreed upon in writing by both parties. If a successful bidder fails to fully execute and return the New FTSA or any other new or amended agreement discussed herein on or before the Execution Date, or if a successful bidder fails to timely fulfill the obligations of the interconnect agreement after the Execution Date and before the in-service of the facilities, then Transporter reserves the right to cancel the successful bidder's binding bid without prejudice as to Transporter's right to seek any and all permitted remedies as a result of the successful bidder's failure to execute the new agreements or amended existing agreements, or bidder's failure to timely fulfill its obligations of the interconnect agreement.

Evaluation Criteria:

If Transporter receives acceptable bids for capacity in excess of the actual amount of available capacity, then Transporter will award and/or allocate the capacity in a manner that yields the highest total PV as calculated below. In determining which bid(s) yield the highest total PV, Transporter reserves the right to combine multiple bids, in whole or in part, in a manner that results in a total PV of the combined bids that exceeds the highest PV achievable by accepting one or more of the disaggregated bids. This process could result in a bidder being awarded less capacity than requested (unless such bidder elects on its bid sheet not to accept an allocation of capacity).

PV will be calculated as the sum of the present values for all of the months beginning with the first month capacity is requested through the end date of the bid term. If the term is the later of the date of in-service for the Meter Facilities or a date certain, the later of the projected date for in-service provided with the Bid Sheet or the date certain will be used in the PV formula as the start of service.

The PV for each month will be calculated as follows:

$$PV = (R \times Q) / ((1+i)^n)$$

Where:

R = the monthly reservation bid rate

Q = the monthly bid quantity (the incremental quantity of capacity to be contracted to a delivery meter or meters in this Open Season)

i = the monthly discount rate of 0.7083% (which is the annual discount rate of 8.5% divided by 12).

n = the number of months from the earliest date the capacity is available in the Open Season to the last month the revenue will be received (the first month capacity is available n = 1, the second month n = 2, and so on). See "Capacity Available Starting" in the table above.

Contact Information:

Questions concerning this Open Season should be directed to:

Cory Chalack	(719) 520-3769
Thania Delgado	(719) 520-4482
John Driscoll	(719) 520-4471
Kate Fraser	(719) 520-4472
Robin Janes	(719) 667-7555
Abdessamad Nassif	(719) 520-4667
Evelyn Spencer	(719) 520-4753

**Open Season Bid Sheet
(See next page)**

Open Season Binding Bid Sheet
****Line 2026 Open Season****

Email Bid To: KMWestBids@KinderMorgan.com

A. Successful bidder(s) Information:

Legal Name of Bidder: _____

Name of Requesting Party: _____

Title of Requesting Party: _____

DUNS Number: _____

Phone: _____

B. Capacity Bid:

Rate Schedule: FT-1

Requested Term Start Date: _____

Requested Term End Date: _____

Transportation Contract Demand ("TCD"): **: _____ Dth/day

Will you accept an allocation of capacity if necessary? Yes No

FT-1 CAPACITY SUMMARY
(Quantities in Dth/day)

2024 and forward														
Receipt Area/Location	Delivery Area/Location	Path	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
New Point	Clausen Meter#1, PIN 330059	N/A	4,193	4,187	5,004	6,716	7,369	7,183	7,287	7,503	7,460	7,261	4,704	4,731
TRANSPORTATION CONTRACT DEMAND			4,193	4,187	5,004	6,716	7,369	7,183	7,287	7,503	7,460	7,261	4,704	4,731

*For quantities available to other delivery meter locations, contact your account director or any of the individuals listed in "Contact Information" in the Open Season.

OPEN SEASON CAPACITY BID
(Quantities in Dth/day)

Receipt Area/Location	Delivery Area/Location	Path	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
New Point		N/A												
TRANSPORTATION CONTRACT DEMAND														

**The sum of the monthly Maximum Delivery Quantities at the Primary Delivery Location(s) must equal the monthly Transportation Contract Demand.

C. Reservation Rate (read carefully):

Maximum Tariff Rate (i.e., the applicable maximum rate stated in Transporter's FERC Gas Tariff as that rate may change from time to time)

D. Applicability of Usage and Other Charges:

In addition to the bid rate, successful bidders will be subject to the applicable maximum usage rate and maximum usage surcharges, all other maximum rates, charges and surcharges, including ACA, Fuel and L&U, and any other authorized surcharges assessed under the applicable Rate Schedule of Transporter's FERC Gas Tariff as may change from time to time. This includes incremental lateral charges and any third party charges resulting from the use of capacity that Transporter may hold on other pipelines.

E. Other Conditions of Bid

Meter Facilities (Upgrade or New Facilities). Select this Box if the bid is contingent on: (1) increased capacity at Meter Facilities to provide sufficient meter capacity for the requested Capacity; (2) the execution of a written interconnect agreement by a representative of each party who is authorized to execute the interconnect agreement for the construction, maintenance and operation of the Meter Facilities; (3) execution of the interconnect agreement within twenty (20) Business Days following the day Transporter tenders it to the successful bidder; (4) receipt by Transporter of all required payments under the interconnect agreement, and all necessary approvals, permits, licenses, right-of-ways and other authorizations required by it for the construction, maintenance and operation of the Meter Facilities, if any, in a form and substance satisfactory to the Transporter, and (5) the placement of the Meter Facilities in service, which Transporter generally anticipates to be no earlier than March 1, 2025.

*By submitting this binding bid to Transporter, the bidding party certifies that (a) all information contained in the request is complete and accurate, (b) it satisfies, or will be able to satisfy, all the requirements of Transporter's FERC Gas Tariff, and (c) the person submitting the bid has full authority to bind the bidding party.