

**WahaTran Open Season
Open Season Notice of Available Firm Capacity on El Paso Natural Gas Company, L.L.C.
(Transporter)**

Bid Deadline – 2:00 PM Mountain Time (MT), August 25, 2020

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

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

Rate Schedule:	FT-1
Volume / Transportation Contract Demand (“TCD”) and Primary Points:	<p>60,000 Dth/day from the Primary Receipt Point ISALTDRW 50531 to the Primary Delivery Point WahaTran 302407 (Referred to herein as “Capacity 1”)</p> <p>42,800 Dth/day from the Primary Receipt Point IOASISWA 301701 to the Primary Delivery Point WahaTran 302407 (Referred to herein as “Capacity 2”) The capacity being offered for Capacity 1 and Capacity 2 are independent and are not mutually exclusive.</p>
Flow Path(s):	VA
<p>Transporter will consider alternative primary receipt points of physical receipt points on Line 1600 for Capacity 1 and of Waha head station receipt points for Capacity 2 (all subject to available capacity) in conjunction with the offered primary delivery point. Parties that are interested in capacity at and from other primary receipt points (as described) should contact their service representatives or any of the individuals listed below.</p>	
Recommended Term:	Transporter recommends that bids have a minimum term from 9/1/2020 through 10/31/2020, with no later starting date and no earlier ending date (although Transporter reserves the right to reject any bid which fails to comport with the provisions of this open season).
Recommended Rate:	Transporter recommends that bids have a proposed rate of maximum recourse rate (although Transporter reserves the right to reject any bid which fails to comport with the provisions of this open season).
Open Season Start:	August 17, 2020 at 4:00 PM Mountain Time
Open Season End:	August 25, 2020 at 2:00 PM Mountain Time
Award Notification:	August 26, 2020 at 4:00 PM Mountain Time

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>
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General Open Season Requirements:

The capacities being offered for Capacity 1 and Capacity 2 are independent and are not mutually exclusive. Shippers may submit a bid for the capacity in Capacity 1, Capacity 2 or a bid for each. Please note that the bid sheet has a separate area for bids in Capacity 1 and Capacity 2, i.e., an area for bids for Capacity 1 and an area for bids Capacity 2. Evaluations will be performed separately for bids for Capacity 1 and Capacity 2. Separate TSAs will be executed for capacity awarded to the same shipper, if any, for Capacity 1 and Capacity 2.

Bids must include the bidding party's name, Open Season Name (WahaTran Open Season), quantity, term, and rate.

By submitting a bid, the bidding party certifies that:

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

Bids submitted in this Open Season will constitute a binding irrevocable offer by the bidding party to contract for capacity. The award of the capacity in this open season will be an acceptance of the offer and the parties shall be contractually bound at that time.

The bid rate must be presented as: (a) the reservation rate per Dth/month, (b) the reservation rate per Dth/day (which will be converted to a monthly rate by multiplying the daily rate times 365 and dividing the result by 12, rounded to the fourth decimal place), or (c) the maximum tariff rate.

There will be no contractual right of first refusal (ROFR) offered with this capacity.

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 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 reserves the right to reject negotiated rate bids, bids that have rates less than the maximum recourse rate, bids stated as the dollar equivalent of the current maximum recourse rate, 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. Transporter will reject bids that do not reflect the same quantity (Maximum Delivery Quantity) for the duration of the term.

Transporter also reserves the right to seek clarification of bids that have what appears to be an obvious error. Any 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.

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.

Creditworthiness Requirements:

The successful bidder(s) must satisfy the creditworthiness requirements of Transporter's FERC Gas Tariff. 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 FTSA:

Each successful bidder and Transporter shall enter into and execute an FTSA reflecting the terms of its bid as awarded by Transporter. All successful bidders shall execute and return the FTSA within the earlier of the day before the first day of the term of firm transportation service in the bid as awarded by Transporter or twenty (20) business days following the day Transporter tenders the FTSA to the bidder ("Execution Date"). If a successful bidder fails to fully execute and return the FTSA on or before the Execution Date, then Transporter reserves the right to seek any and all permitted remedies as a result of the successful bidder's failure to execute the FTSA. The FTSA will be in the form contained in Transporter's FERC Gas Tariff. Transporter and any successful bidder may mutually agree to enter into and execute more than one FTSA that together reflect all the terms of the successful bid as awarded by Transporter.

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 available through the end date of the bid term.

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

i = the monthly discount rate of 0.2858% (which is the annual discount rate of 3.43% divided by 12).

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

Contact Information:

Questions concerning this Open Season should be directed to:

Cory Chalack	(719) 520-3769
Damon McEnaney	(719) 520-4472
John Driscoll	(719) 520-4471
Mark Iverson	(719) 520-4587
Randy Barton	(719) 520-4667
Robin Janes	(719) 667-7555
Thania Delgado	(719) 520-4482

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

Open Season Binding Bid Sheet
****WahaTran Open Season****

Email Bid To: KMWestBids@KinderMorgan.com

A. Shipper Information:

Legal Name of Bidder: _____

Name of Requesting Party: _____

Title of Requesting Party: _____

DUNS Number: _____

Phone: _____

B. Bids:

a. CAPACITY 1

i. Capacity

Rate Schedule (e.g., FT-1): _____

Requested Term Start Date: _____

Requested Term End Date: _____

Transportation Contract Demand: _____ Dth/day

Will you accept a pro rata allocation of capacity if necessary? Yes No

Primary Receipt Point(s)	Primary Delivery Point(s)	Requested MDQ (Dth/day)
	WahaTran 302407	
		(Total may not exceed 60,000 Dth/day)*

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

ii. Reservation Rate (select one):

Maximum Recourse Rate

Discounted Recourse Rate: \$ _____ per Dth per month **or** \$ _____ per Dth per day

Negotiated Rate: \$ _____ per Dth per month **or** \$ _____ per Dth per day

Reservation rates bid as a daily rate (i.e., a rate per Dth per day) will be converted to a monthly rate by multiplying the daily rate times 365 and dividing the result by 12, rounded to the fourth decimal place.

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.

*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.

b. CAPACITY 2

i. Capacity

Rate Schedule (e.g., FT-1): _____

Requested Term Start Date: _____

Requested Term End Date: _____

Transportation Contract Demand: _____ Dth/day

Will you accept a pro rata allocation of capacity if necessary? Yes No

Primary Receipt Point(s)	Primary Delivery Point(s)	Requested MDQ (Dth/day)
	WahaTran 302407	
		(Total may not exceed 42,800 Dth/day)*

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

ii. Reservation Rate (select one):

Maximum Recourse Rate

- Discounted Recourse Rate: \$ _____ per Dth per month **or** \$ _____ per Dth per day
- Negotiated Rate: \$ _____ per Dth per month **or** \$ _____ per Dth per day

Reservation rates bid as a daily rate (i.e., a rate per Dth per day) will be converted to a monthly rate by multiplying the daily rate times 365 and dividing the result by 12, rounded to the fourth decimal place.

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.

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