Operational Sales Notification and Request for Bids

Portable Document Format (.pdf) file of Open Season: <u>https://pipeline2.kindermorgan.com/PortalWeb/PortalDocs.aspx?code=SGP&parent=160</u> <u>0</u>

Sierrita Gas Pipeline LLC, in accordance with Section 27 of its FERC Gas Tariff, is soliciting bids for the sale of 150,000 dekatherms (Dth) of excess gas quantities on its system. This sale is necessary to properly implement the cash out of imbalances and manage system linepack.

Based on anticipated operating conditions and the need to manage imbalances, Sierrita expects to have gas quantities available for sale on its system for the month of December 2018, and is soliciting interest from non-affiliated third parties to purchase all of this excess gas. Sierrita will consider fixed price bids and recommends those bids be based on an EPNG South Mainline, SoCal Border, or SoCal Ehrenberg index.

Evaluations will be made based upon the highest bid (per Dth), in accordance with Section 9.11(d)(ii) of the General Terms and Conditions of Sierrita's Tariff, and the ability of Sierrita to meet the delivery requirements of the bid as determined by Sierrita in its operational discretion. The successful purchaser(s) will be required to transport the acquired gas from the point of custody transfer. Point of custody transfer includes San Joaquin PIN #47699.

Prior to bidding on the purchase of any gas quantities from Sierrita, the bidder(s) must have entered into a North American Energy Standards Board Base Contract for Sale and Purchase of Natural Gas (NAESB Contract) with Sierrita and must satisfy Sierrita's credit requirements. Sierrita is under no obligation to accept any special provisions to the NAESB Contract and any expression of interest which contains special provisions may be deemed by Sierrita to be non-responsive. Sierrita reserves the right to reject any and all bids.

Bids should indicate the total and daily quantities, the price per Dth, the dates of delivery, and the requested location(s) of custody transfer. Please submit bids via email to <u>kmwestbids@kindermorgan.com</u> and identify the communication as an Operational Sales Bid by 1:30 PM (MCT) on November 20, 2018. Successful bidders will be notified as soon as practicable but no later than 2:30 PM (MCT) on November 20, 2018.

If there are any questions regarding this notice, please contact Dan Tygret (719-520-3765), Tim Mang (719-520-4373) or Billy English (719-667-7510).