

Cheyenne to Threemile Expansion
Open Season Notice for Expansion Firm Capacity on Wyoming Interstate Company, L.L.C.

Bid Deadline – 2:00 PM MT, February 24, 2021

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

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

In response to market interest for firm transportation capacity to serve shippers from the Denver-Julesburg and other basins, Wyoming Interstate Company, L.L.C. (“WIC”) is conducting this binding open season (“Open Season”) for natural gas transportation services. The Cheyenne to Threemile expansion is for transportation service on WIC from certain primary receipt points to primary delivery points on the WIC Mainline.

Description of Expansion Capacity

With certain system enhancements, including compression work and station modifications (“Project Facilities”), WIC can increase the capacity available on the WIC Mainline to, approximately, an additional One Hundred Twenty Nine Thousand (129,000) dekatherms (“Dth”) per day of firm capacity. The expansion capacity would be available from the Cheyenne Hub to the Threemile Delivery to Overthrust Pipeline (“Cheyenne to Threemile Expansion”).

Note that the Cheyenne to Threemile Expansion project is subject to the appropriate management, management committee, and/or board of directors of WIC and/or its parent companies, WIC’s timely receipt of all necessary regulatory approvals, permits, and other authorizations required for the construction and operation of the expansion project, in a form and substance satisfactory to WIC in its sole discretion. In addition, please note that bids for service that request construction or system modifications will require additional demonstrations of creditworthiness and/or credit support as detailed below.

Rate Schedule:	FT
Volume / Maximum Delivery Quantity ("MDQ"):	Following the in-service date of the WIC Cheyenne to Threemile Expansion, anticipated to occur in March 2022, WIC will have an additional 129,000 Dth/day of firm capacity available on an annual basis.
Primary Receipt Point(s):	Flying Hawk (800245) Bowie (800104) Other Primary Receipt Points that are similar to or in the vicinity of the points listed above may also be available. Interested parties are encouraged to contact their service representatives, or any of the individuals listed below, to inquire about the availability of such points.
Primary Delivery Point(s):	Threemile (896114)

Recommended Term:	In order to economically justify WIC's capital investment in the WIC Cheyenne to Threemile Expansion, WIC recommends a minimum bid term of not less than three (3) years from the in-service of the WIC Cheyenne to Threemile Expansion. WIC reserves the right to reject any bid/s which fail to comport with the provisions of this Open Season.
Recommended Rate:	<p>WIC recommends either (1) a recourse rate bid, or (2) a negotiated rate bid of not less than:</p> <p>\$4.4104 per Dth per month (which, for illustrative purposes, is equivalent to \$0.1450 per Dth on a daily basis) for a three (3) year term; or</p> <p>\$4.0302 per Dth per month (which, for illustrative purposes, is equivalent to \$0.1325 per Dth on a daily basis) for a four (4) year term; or</p> <p>\$3.8021 per Dth per month (which, for illustrative purposes, is equivalent to \$0.1250 per Dth on a daily basis) for a five (5) year term.</p> <p>WIC reserves the right to reject any bid/s which fail to comport with the provisions of this Open Season.</p>
Open Season Start:	3:30 PM MT, February 3, 2021
Open Season End:	2:00 PM MT, February 24, 2021
Award Notification:	5:00 PM MT, March 1, 2021
Bid Sheet:	<p>To bid, complete the attached bid sheet and email it to KMWestBids@KinderMorgan.com. WIC reserves the right to reject any bid which fails to comport with the provisions of this Open Season.</p> <p>NOTE: WIC 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 WIC's email inbox) will be considered invalid bids and will not be eligible for an award of capacity in this Open Season. WIC 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:

Bids must include the bidding party's name, Open Season name ("Cheyenne to Threemile Expansion"), 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 WIC's Federal Energy Regulatory Commission ("FERC") Gas Tariff, Third Revised Volume No. 2, as the same may be amended from time to time ("WIC's 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.

If bidder's bid does not qualify for a right of first refusal ("ROFR") in accordance with Section 4.10 of WIC's Tariff, then WIC will consider bids conditioned upon receiving a contractual right-of-first-refusal, exercisable and administered in accordance with Section 4.10 of the General Terms and Conditions of WIC's Tariff.

In addition to the bid rate, each bidding party shall be subject to the applicable maximum commodity rate and maximum commodity 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 WIC's Tariff as those amounts may change from time to time. This includes incremental lateral charges and any third party charges resulting from the use of capacity that WIC may hold on other pipelines.

WIC 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 WIC's Tariff or this Cheyenne to Threemile Expansion Open Season. WIC also reserves the right to reject bids that do not reflect the same quantity for the duration of the term.

If WIC does not receive maximum recourse rate or negotiated rate bids for quantities and terms sufficient to economically justify WIC's capital investment in the Project Facilities, then WIC reserves the right not to move forward with the development of the Project Facilities, or to negotiate with bidders.

WIC 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 WIC. Such clarifications shall be incorporated as part of the binding bid submitted by the bidder.

WIC 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 WIC that the restrictions imposed by FERC Order No. 894 will be applicable in this Cheyenne to Threemile Expansion Open Season and FERC recommends that potential bidders review and adhere to the requirements of that FERC Order.

Although this is a binding Open Season, WIC reserves the right, in its sole discretion, to consider requests received after the close of the Open Season period, including requests to modify a bidder's validly submitted bid, but will be under no obligation to do so. Requests for capacity received after the close of the Open Season period will be subject to the terms and conditions set forth in this Open Season.

Creditworthiness Requirements:

Bidders must satisfy the creditworthiness requirements contained in WIC's Tariff and, if a bidder's bid necessitates construction of the Project Facilities, then the bidder must furnish additional credit support in the manner set forth below:

1. If bidder is rated by Standard & Poor's Corporation ("S&P") and/or Moody's Investor Service ("Moody's") (hereinafter referred to as a "Rated Bidder"), then the Rated Bidder shall satisfy its creditworthiness obligations by making a demonstration to WIC that: (a) Rated Bidder's senior unsecured debt securities are rated at least BBB- by S&P or Baa3 by Moody's or Rated Bidder's long-term issuer rating is at least BBB- by S&P or Baa3 by Moody's (in the event Rated Bidder is rated differently by multiple agencies, the lowest rating shall be used in making such determination); and (b) Rated Bidder is not under review for possible downgrade by S&P and/or Moody's to a level below that set forth in subpart (a) of this Section 1.

If at any time prior to or during the term of any Firm Transportation Service Agreement ("FTSA") executed in connection with this Open Season, a Rated Bidder's S&P or Moody's rating falls below the levels described above, or a Rated Bidder becomes unrated or otherwise fails to satisfy the requirements of this Section 1, then for the time period that the Rated Bidder's ratings are below that level or a Rated Bidder is unrated or is otherwise unable to satisfy the requirements of this Section 1, Rated Bidder shall satisfy its creditworthiness obligation by providing one of the forms of credit support described in Section 2 below. If a Rated Bidder subsequently becomes able to satisfy the S&P or Moody's rating levels described above, the Rated Bidder may immediately satisfy its creditworthiness obligations in the manner provided in this Section 1.

2. If at the time bidder is unable to satisfy its creditworthiness obligations in the manner set forth in Section 1 above, then bidder shall satisfy its creditworthiness obligations by providing and maintaining, at its option: (a) an irrevocable, unconditional guarantee of its obligations in connection with this Open Season, and any related FTSA executed in connection with this Open Season, acceptable to WIC and issued by another person or entity which satisfies the creditworthiness standards set forth in Section 1; or (b) an irrevocable letter of credit acceptable to WIC and from a bank acceptable to WIC equal to the lesser of twenty-four (24) months or the period of time remaining in the term, of the anticipated charges in connection with this Open Season, and any related FTSA executed in connection with this Open Season; or (c) such other credit arrangements which are mutually agreed to by WIC and bidder, and which are accepted by WIC on a nondiscriminatory basis.
3. If at any time bidder is unable to satisfy the creditworthiness standards set forth in Section 1 above, then, upon reasonable request by WIC, in addition to the requirements set forth in Section 2 above, bidder shall promptly provide evidence to WIC of bidder's creditworthiness, which WIC may share with its lenders or creditors or any nationally recognized rating agency that is then maintaining a rating of WIC's debt securities.
4. If any change in ratings or conditions requires bidder to change the manner in which it demonstrates its satisfaction of its creditworthiness requirements, bidder shall make that demonstration (including if necessary the provision of any guarantee or letter of credit) within fifteen (15) business days of the change in ratings or conditions requiring the new demonstration of creditworthiness.

Bidders that fail to satisfy the creditworthiness requirements of this section within a reasonable time will have their capacity award withdrawn. WIC reserves the right to seek any and all permitted remedies as a result of the breach of the bid. WIC will treat the financial statements provided by prospective shippers as confidential.

Execution of FTSA:

Each successful bidder and WIC shall enter into and execute an FTSA reflecting the terms of its bid as awarded by WIC. 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 WIC or twenty (20) business days following the day WIC 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 WIC 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 WIC's FERC Gas Tariff. WIC 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 WIC.

Evaluation Criteria:

If WIC receives acceptable bids for capacity in excess of the actual amount of available capacity, then WIC 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, WIC 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 0.2708% (which is the annual discount rate of 3.25% 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:

Anthony Sanabria (719) 667-7582
Greg Ruben (719) 520-4870

**Open Season Binding Bid Sheet
Cheyenne to Threemile Expansion**

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. Capacity Bid:

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

Requested Term Start Date: _____

Requested Term End Date: _____

Will you accept an allocation of capacity if necessary Yes No

Receipt Point(s)	Receipt Point Quantity (Dth/day)	Delivery Point(s)	Delivery Point Quantity (Dth/day)

*The sum of the delivery point quantities at the primary delivery location(s) must equal the MDQ.

C. Reservation Rate:

- 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 rates, successful bidders will be subject to the applicable maximum commodity rate and maximum commodity 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 WIC'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 WIC may hold on other pipelines.

*By submitting this binding bid to WIC, 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 WIC's FERC Gas Tariff, and (c) the person submitting the bid has full authority to bind the bidding party.