## SOUTHERN STAR CENTRAL GAS PIPELINE NOTICE OF BINDING OPEN SEASON "2022 STORAGE EXPANSION PROJECT" JANUARY 7, 2022

### **Announcement of Binding Open Season**

Southern Star Central Gas Pipeline, Inc. (Southern Star) is pleased to announce the commencement of a binding Open Season for additional Firm Storage Service capacity ("FSS").

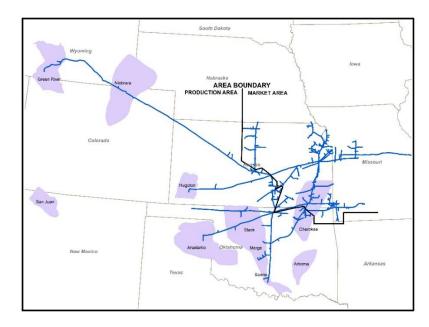
The purpose of this Notice of Binding Open Season is to solicit interest for FSS capacity from parties that are willing to commit to such service under terms and conditions described below, and in accordance with all applicable rules and regulations of the Federal Energy Regulatory Commission ("FERC").

#### **Description of the Project**

Pursuant to the market feedback received under a previous non-binding open season — "2021 System Expansion Project", posted from May 6 to May 27, 2021 — Southern Star has designed a project to satisfy respondents' specific storage needs which arose from the Polar Vortex of February 2021.

This 2022 Storage Expansion Project will require storage facility modifications to increase Southern Star's FSS deliverability by up to 28,000 Dth/d. The additional firm deliverability from storage modifications will, in turn, allow Southern Star to convert working gas currently available only for interruptible service to firm service.

The targeted in-service date for the 2022 Storage Expansion Project is currently contemplated to be no later than December 1, 2022.



#### **Project Rate, Terms**

Shippers may select either a recourse rate based on Southern Star's cost-of-service, or a negotiated rate for Firm Storage service. If a recourse rate is selected, shippers will pay the maximum Deliverability Reservation rate, which is currently \$0.0606 per Dth of MDWQ, and the maximum Capacity Reservation rate, which is currently \$0.0030 per Dth of daily storage balance.

Contract term of at least five years is anticipated to be necessary to support the Project.

## **Binding Bid Requirements**

During the Open Season solicitation period of seven business days, Southern Star invites interested parties to submit a completed Binding Bid Form (attached as Exhibit A). Such bid(s) are contemplated to be used by the parties as a basis to negotiate, and subsequently execute, the binding definitive agreements which are required to move the Project forward. Such negotiations will occur with those parties submitting bids that best satisfy the criteria for the capital expenditures associated with the Project.

Bids will be treated as confidential and will not be disclosed, except as authorized by the bidder or required by applicable law or regulation.

The binding storage bid(s) received during this Open Season will assist Southern Star in defining the final parameters of the proposed expansion, as well as in determining whether to pursue such expansion. If Southern Star determines to pursue the expansion after evaluating the binding bids, Southern Star will, subject to receipt of any necessary and acceptable FERC approval, install the necessary facilities to serve all or a portion of the requested capacity.

#### **Credit And Other Tariff Requirements**

Prior to the execution of binding definitive agreements, parties will be required to demonstrate creditworthiness, or provide a credit alternative acceptable to Southern Star, in accordance with Section 8.5 of the General Terms and Conditions ("GT&C") of Southern Star's FERC Gas Tariff ("Tariff").

Per Section 1 (d) of Rate Schedule FSS, service under Rate Schedule FSS is only available to shippers who have an effective ITS, FTS or SFT Service Agreement(s) with an MDTQ equal to or greater than the MDIQ and MDWQ under their FSS Service Agreement. Parties will be required to demonstrate compliance with this tariff provision.

### **Timing of Binding Open Season and Contact List**

The Open Season solicitation period commenced on January 7, 2022 at 12:00 PM Central Clock Time (CCT), and concludes January 25, 2022 at 4:00 PM Central Clock Time (CCT).

To participate in this binding Open Season for storage, interested parties should complete the attached binding bid form (Exhibit A) and return it by email to <u>Jason.sweeney@southernstar.com</u> no later than 4:00 PM, Central Clock Time (CCT), January 25, 2022.

Southern Star may, in its sole discretion, extend the length of this binding Open Season by posting notice of such extension on its Informational Postings website. Southern Star further reserves the right, to be exercised on a not unduly discriminatory basis, to continue to market the Project after the close of the Open Season.

Southern Star appreciates your interest in the 2022 Storage Expansion Project. Please feel free to call any of the contacts provided below if you have any questions or would like to further discuss this Open Season.

Jason Sweeney, VP, Business Development	(713) 408-7268 (c)
Matt McCoy, Director, Commercial Services	(270) 925-9818 (c)
Kurt Gregson, Sr. Marketing Analyst	(913) 213-7821 (c)
Robin Joska, Manager, Strategic Accounts	(270) 302-5007 (c)
Scott Warren, Sr. Marketing Analyst	(270) 302-6433 (c)



## **BINDING BID FORM**

# Please return this Form by 4:00 p.m. CCT on January 25, 2022

A.	Shipper Information
	Complete legal name of Shipper:
	Address of Shipper:
	<del></del>
	<del></del>
В.	FSS Service
	a. Requested Maximum Daily Withdrawal Quantity (MDWQ) (Dth/d)*:
	b. Requested Term (years): (from actual in-service date)
	Proposed in-service date is November 1, 2022 or
	c. Rate: Option Selection:
	(i) Recourse Rate Option- YES NO
	Southern Star's Maximum Applicable FSS Rates for service on the expansion project.  (ii) Negotiated Rate Option- YESNO
	Negotiated Rate of
	FSS Primary Storage Point(s)

Storage Point Name	Storage Point Number	MDWQ
Prd Storage	999020	
Mkt Storage	999021	
	Total Storage MDWQ	

 $<sup>^{\</sup>ast}\,$  Maximum Storage Quantity (MSQ) will be 33 times MDWQ.



Shipper, by its signature, represents to Southern Star that the information above is correct and accurate

Signature	
Name	
 Title	
Telephone No.	
Fax No.	 
E-Mail Address	
Nate	