

Ventura XPress Project Binding Open Season

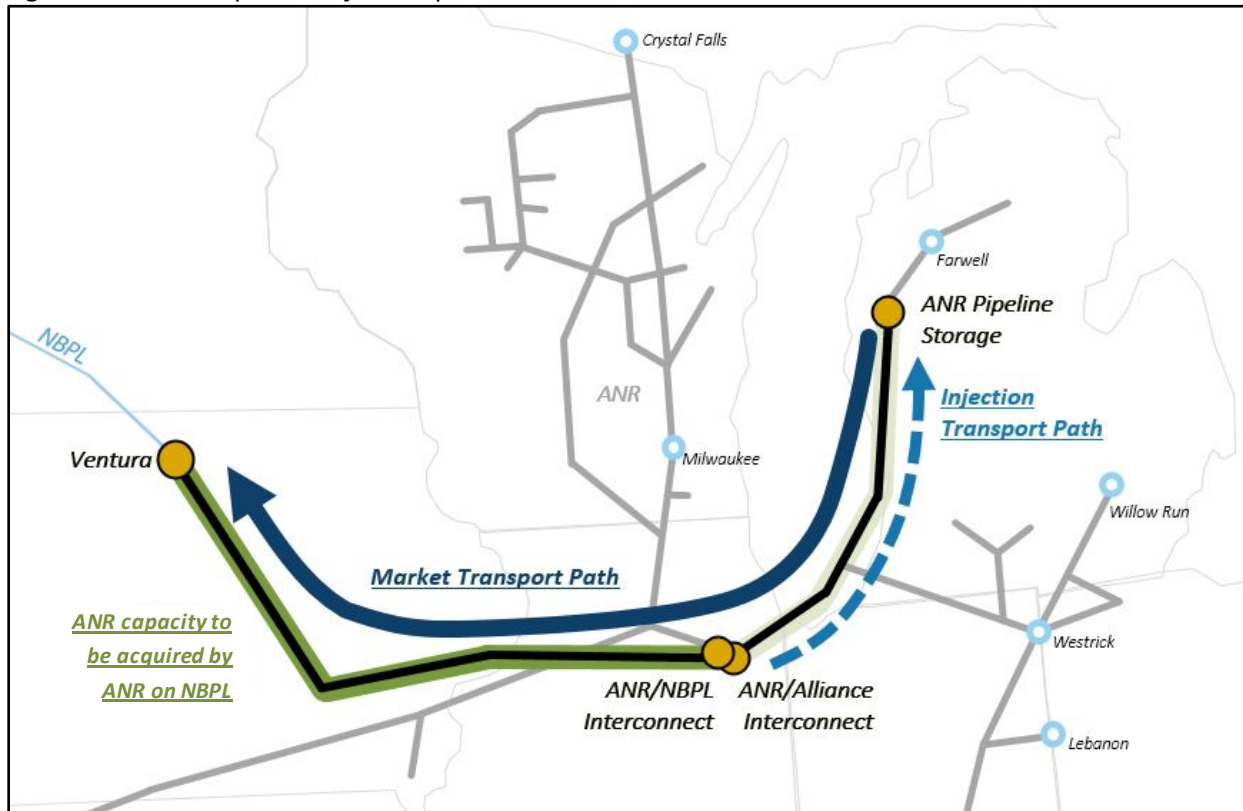
August 11th through September 28th, 2023

NOTICE OF BINDING OPEN SEASON: ANR Pipeline Company (“ANR”) is pleased to announce this binding open season (“**Open Season**”) for the Ventura XPress Project (“**VXP**” or “**Project**”) on ANR’s system. This Open Season is held in accordance with Part 6.2.10(i) & (j) of the General Terms and Conditions (“**GT&C**”) of ANR’s FERC Gas Tariff, Third Revised Volume No. 1, as amended from time to time (“**Tariff**”).

This Open Season will commence at 3:00 PM CDT on August 11th, 2023, and close at 3:00 PM CDT on September 28th, 2023. Winning bidders will be notified no later than ten (10) business days from the close of this Open Season.

PROJECT OVERVIEW AND MAP: In response to market demand, the Project will provide shippers the ability to connect ANR’s firm storage services (“**ANR Pipeline Storage**”) via a firm transportation path to the Ventura Interconnect (“**Ventura**”), located on the Northern Border Pipeline Company (“**NBPL**”) system. Specifically, VXP will deliver approximately 75,000 dekatherms (“**Dth**”) per day of incremental firm transportation service from ANR Pipeline Storage, located in ANR Mainline Zone 7 (“**ML-7**”) to Ventura, which ANR anticipates will also be located in ANR’s ML-7 via an agreement that ANR expects to enter into with NBPL. This Open Season includes bid packages for both firm transportation services and firm storage services. See attached file for Ventura XPress Open Season at anrpl.com. Click on Quick Links > Available Capacity > Open Season.

Figure 1. Ventura Xpress Project Map



VXP OVERVIEW: The Project capacity offered through this Open Season includes the following services:

1. Incremental firm transportation service (Rate Schedules FTS-3 and FTS-1) through ANR from ANR Pipeline Storage to Ventura (“**Market Delivery Transport**”)
2. Firm storage service (Rate Schedule FSS) at ANR Pipeline Storage
3. Seasonal (summer-only) firm transportation service (Rate Schedule FTS-1) from Alliance/ANR interconnect to ANR Pipeline Storage (“**Injection Transport**”).

To provide the Project’s services, ANR will rely upon a combination of existing reserved capacity, construction of incremental facilities (“**Project Facilities**”) and acquiring capacity on NBPL. If ANR acquires the necessary capacity in NBPL’s concurrent-running open season titled, “OPEN SEASON POSTING REGARDING PARTIALLY-PREARRANGED FUTURE SALE OF CAPACITY”, then ANR will use the capacity on NBPL to provide the Market Delivery Transport.

Market Delivery Transport will not begin before all of the following conditions are satisfied: (a) ANR has completed construction of the Project Facilities, (b) ANR has executed a lease for the capacity on NBPL necessary to provide the Market Delivery Transport and obtained all necessary regulatory approvals for such lease of capacity, (c) ANR is legally authorized and physically capable of providing all services offered in this Open Season (the date on which all such conditions are satisfied the “**Project In-Service Date**”). ANR will seek Federal Energy Regulatory Commission approval to construct the Project Facilities necessary to support the proposed Project. The anticipated Project In-Service Date is November 1, 2025.

OPEN SEASON SERVICE PACKAGES:

Package A1 – Market Delivery Transport: FTS-3 from ANR Pipeline Storage to Ventura

Term: Beginning on the Project In-Service Date, for a minimum term of 10 years*

Rate Schedule: Annual FTS-3 from Primary Receipt Point in ML-7 to Primary Delivery Point ML-7 with the 2 Hour Notice Enhancement Service. The variation of deliveries optional enhancement service feature is not available with the FTS-3 service offered herein.

Service Path: ANR Pipeline Storage to Ventura

Maximum Daily Quantity (“**MDQ**”): Up to 25,000 Dth per day

Maximum Hourly Quantity (“**MHQ**”): MHQ shall be 1/24th of the MDQ

Rate: ANR’s maximum applicable Tariff rate and the 2 Hour Notice Service enhancement rate set forth in Section 4.6 of the Tariff.

Package A2 – ANR Pipeline Storage: FSS with ratchets and flexible entitlements

Term: Beginning April 1, 2025, for a minimum term of 10 years*

Rate Schedule: FSS service with ratchets and flexible entitlements (annual)

Days of Service: 60 days

Maximum Storage Quantity (“**MSQ**”): Up to 1,506,480 Dth

Maximum Daily Withdrawal Quantity (“**MDWQ**”): Up to 25,108 Dth per day

Maximum Daily Injection Quantity (“**MDIQ**”): Up to 8,609 Dth per day

Injection Period: 175 days

Rate: ANR’s maximum applicable Tariff rate

Package A3 – Injection Transport: Seasonal FTS-1 summer-only from Alliance/ANR INT to ANR Pipeline Storage

Term: Beginning April 1, 2025, for a minimum term of 10 years*

Rate Schedule: Summer-only FTS-1 (April to Oct) from Primary Receipt Point in ML-7 to Primary Delivery Point in ML-7

Service Path: Alliance/ANR INT to ANR Pipeline Storage

MDQ: Up to 8,658 Dth per day

Rate: ANR’s maximum applicable Tariff rate

Package B1 – Market Delivery Transport: FTS-1 from ANR Pipeline Storage to Ventura

Term: Beginning November 1, 2025, for a minimum term of 10 years*
Rate Schedule: Annual FTS-1 from Primary Receipt Point in ML-7 to Primary Delivery Point ML-7
Service Path: ANR Pipeline Storage to Ventura
MDQ: Up to 50,000 Dth per day
Rate: ANR’s maximum applicable Tariff rate

Package B2 - Storage: FSS with ratchets and seasonal entitlements

Term: Beginning April 1, 2025, for a minimum term of 10 years*
Rate Schedule: FSS service with ratchets and seasonal entitlements (seasonal)
Days of Service: 60 days
MSQ: Up to 3,012,960 Dth
MDWQ: Up to 50,216 Dth per day
MDIQ: Up to 17,217 Dth per day
Injection Period: 175 days
Rate: ANR’s maximum applicable Tariff rate

Package B3 – Injection Transport: Seasonal FTS-1 summer-only from Alliance/ANR INT to ANR Pipeline Storage

Term: Beginning April 1, 2025, for a minimum term of 10 years*
Rate Schedule: Summer-only FTS-1 (April to Oct) from Primary Receipt Point in ML-7 to Primary Delivery Point ML-7
Service Path: Alliance/ANR INT to ANR Storage
MDQ: Up to 17,316 Dth per day
Rate: ANR’s maximum applicable Tariff rate

Primary Receipt Points – Package A1 and B1

ANRPL Storage Facilities – 153808

Primary Delivery Points – Package A1 and B1

A new logical point delivering to Ventura

Primary Receipt Points – Package A3 and B3

Alliance/ANR INT – 277072

Primary Delivery Points – Package A3 and B3

ANRPL Storage Facilities – 153808

*Longer terms may be available. Please contact the Manager, Business Development identified below for more information.

MINIMUM ACCEPTABLE BIDS: ANR reserves the right to reject any bid on any Service Package for less than the applicable maximum ANR Tariff rate or for a Term less than the minimum Term set forth above. ANR further reserves the right to reject all bids in the event ANR determines no bid provides it with adequate economic value. Right of First Refusal (“**ROFR**”) will be available solely as outlined in Part 6.22 of the GT&C of ANR’s Tariff. Contractual ROFR will not be available.

COMMODITY, FUEL AND SURCHARGES: In addition to the maximum applicable Tariff reservation rates, Shipper shall pay the maximum applicable Tariff commodity rates and all applicable surcharges, as set forth in the applicable Rate Schedule in ANR’s Tariff. Additionally, Shipper shall furnish gas to ANR at the

applicable Transporter's Use (%) and shall pay to ANR the Electric Power Cost Charge (EPC) applicable to the Project capacity.

Further, Shipper shall be assessed the applicable Company Use Gas Adjustment and shall pay the Electric Compressor Surcharge applicable to the Project capacity, as set forth in Section 6.44 of NBPL's FERC Gas Tariff, and the applicable Company Use Gas for the path from ANR's existing interconnection with NBPL at Youngs Road to Ventura, as that term is defined in Section 6.1.24 and used in Section 6.13(2) of Northern Border Pipeline's FERC Gas Tariff.

ANCHOR SHIPPERS: ANR is providing bidders the opportunity to obtain "anchor shipper" status in VXP. A bidder in the Open Season may qualify as an anchor shipper by submitting a bid that includes all of the following minimum terms (all of the minimum terms, "**Anchor Shipper**"):

- A term of no less than ten (10) years on all Service Packages;
 - Reservation rates no less than the maximum applicable Tariff rates;
 - MDQs of no less than
 - 25,000 Dth per day on Package A1,
 - 25,108 Dth per day of withdrawal and 8,609 Dth per day of injection on Package A2,
 - 8,658 Dth per day on Package A3,
 - 50,000 Dth per day on Package B1,
 - 50,216 Dth per day of withdrawal and 17,217 Dth per day of injection on Package B2, and
 - 17,316 Dth per day on Package B3;
- and
- MSQs of no less than
 - 1,506,480 Dth on Package A2, and
 - 3,012,960 Dth on Package B2.

ANCHOR SHIPPER BENEFITS: An Anchor Shipper will have a one-time right to reduce its awarded capacity in Package B1 ("**Reduction Right**"). The exercise of any Reduction Right is conditioned on both (a) the reducing Anchor Shipper notifying ANR no less than ten (10) business days after ANR announces the results of the open season of both (i) its intent to exercise the Reduction Right, and (ii) the quantity by which the Anchor Shipper seeks to reduce its awarded MDQ in Package B1 (the "**Proposed MDQ Decrease**"), and (b) ANR is able to obtain offsetting MDQ commitments, consistent with the terms and conditions of this Open Season ("**Offsetting Commitments**"), sufficient to offset all exercised Reduction Rights; provided, however, in the event ANR is not able to obtain sufficient Offsetting Commitments for all exercised Reduction Rights, then ANR will permit Reduction Rights to be exercised only *pro rata* to the MDQ of obtained Offsetting Commitments, so long as ANR contracts for at least 50,000 Dth/d of Package B1 capacity at the maximum applicable Tariff rate. Any exercise of a Reduction Right will also result in a proportionate reduction of the award(s) to such electing anchor shipper of capacity awarded in Packages B2 and B3. ANR reserves the right to limit quantities sold to all shippers up to the volumes identified in the foregoing Packages.

If the Project In-Service Date is not achieved by January 1, 2026, then an Anchor Shipper(s) shall have the right to elect to delay the start of the Terms for Service Packages awarded under (i) Package A1 and/or Package B1 to November 1, 2026, and/or Package A2, Package A3, Package B2, Package B3 to April 1, 2026, each by providing ANR written notice of such elections no later than three (3) business days of receipt of written notice from ANR that the Project In-Service Date will be later than January 1, 2026 ("**Delayed Start Date**"). Any Anchor Shipper(s) elections for a Delayed Start Date shall not preclude ANR from selling same Service Packages on an interim basis.

Transporter has entered into a binding precedent agreement with a shipper who Transporter anticipates will submit a bid to qualify as Anchor Shipper.

NBPL Concurrent Open Season: The Service Packages offered in this Open Season are contingent on (a) ANR being awarded at least 75,000 Dth/d of capacity on NBPL from an existing point of interconnection between ANR and NBPL in the Chicago area to the existing NBPL point of delivery at Ventura in the concurrent open season being conducted by NBPL, (b) ANR entering into an agreement with NBPL for this capacity, and (c) ANR being legally authorized and physically capable of providing service under all of the Service Packages identified in this Open Season. In the event any of these conditions are not met, under terms and conditions satisfactory to ANR in its sole discretion, exercised in a not unduly discriminatory manner, then ANR shall have no obligation to provide the services for the Service Packages set forth in and awarded pursuant to this Open Season.

OTHER TERMS AND CONDITIONS: Pursuant to ANR's Tariff, all requests for service for the Service Packages posted in this Open Season will be considered on a not unduly discriminatory basis under this Open Season. All bids submitted during this Open Season may be withdrawn and/or replaced with an equal or higher rate bid during the Open Season period. Bids cannot be replaced with lower rate bids.

This Open Season is for the capacity available for the six Service Packages specified above. As such, ANR reserves the right to reject any bid where rate schedules, or points deviate from the offered terms and conditions specific to each Service Package identified above. ANR reserves the right to reject any bid with later in-service dates, partial year terms, deviations in monthly volumes, other than as specified on individual Service Packages offered herein. ANR reserves the right to reject discounted bids and negotiated rate bids. ANR reserves the right to reject any bids with capacity greater than the Open Season capacity listed above. ANR reserves the right to reject any bid for any other rate schedules other than those specifically identified for each individual Service Package herein, which includes bids for Service Package A1 with an MHQ other than 1/24th of the MDQ. ANR reserves the right to reject bids that include contingencies other than those specified herein. ANR reserves the right to reject any bid that is incomplete, contains modifications to the terms and conditions of the bid form(s), or conflicts with ANR's Tariff or the terms and conditions of this Open Season. ANR has the right but not the obligation to clarify bids. **By submitting and signing the attached "Service Request Form", a bidder is committing to negotiate in a commercially reasonable manner to execute a precedent agreement with ANR within thirty (30) days after ANR awards capacity pursuant to this Open Season and tenders the precedent agreement to the awarded bidder(s), with such precedent agreement incorporating the terms and conditions set forth in the bidder's Service Request Form, to the extent such terms and conditions are acceptable to ANR. ANR reserves the right to reallocate to the next highest NPV bidder(s), any awarded bidder's capacity who doesn't execute the precedent agreement with thirty (30) days of receipt from ANR.** This Open Season is subject to ANR's Tariff and to all applicable laws, orders, rules, and regulations of authorities having jurisdiction.

A bidder may elect to bid on any one or combination of the Service Packages, however, bid contingencies are limited to the following: (i) a bidder bidding on any of the "A" Service Packages may elect to condition its award on being awarded capacity in another "A" Service Package, and (ii) a bidder bidding on any of the "B" Service Packages may elect to condition its award on being awarded capacity in another "B" Service Package. A bidder bidding on any of the "A" Service Packages may not elect to condition its award on being awarded capacity in a "B" Service Package and vice versa. Any and all such contingencies must be specified in the bidder's bid.

Pursuant to GT&C Section 6.2.10 (j), ANR is electing to conduct this Open Season for the future sale of capacity one year or more in advance of the date that the service is to commence. The capacity offered herein is not subject to a pending request for transportation services. ANR will limit the ROFR rights associated with any interim capacity sold commensurate with the future service commencement dates

specified above. ANR will indicate in any future open season(s) posting of such interim capacity any limitations on ROFR rights or extension rights that will apply to such limited-term transportation service.

BID EVALUATION: Bids for multiple Service Packages received from an individual bidder during this Open Season will be evaluated in aggregate. ANR will utilize the following bid evaluation methodology for each valid bid submitted in response to this notice of Open Season. Upon the close of this Open Season, all received and accepted bids will be considered binding until a successful bid(s) has been awarded. All final bids received during the Open Season will be evaluated using the aggregate value of all Service Packages using the factors below. Service Request Forms submitted by all bidders will be evaluated to determine the NPV of each Service Package (“**Package NPV**”), and the below formula will be used to calculate the aggregate NPV (“**Aggregated NPV**”) for use in evaluating bids.

$$\text{Aggregated NPV} = (\text{Package A1 NPV}) + (\text{Package A2 NPV}) + (\text{Package A3 NPV}) + (\text{Package B1 NPV}) + (\text{Package B2 NPV}) + (\text{Package B3 NPV})$$

$$\text{NPV} = \text{En} [R * (1 / (1+i)^n)]$$

En = Summation of months 1 through n (Sigma)

n = Term in months

R = Incremental monthly revenue of all services/paths in bid (Bid Rate*Contract Quantity)

i = Monthly Discount Factor (current FERC quarterly rate, which can be found at:

<https://ferc.gov/interest-calculation-rates-and-methodology>)

The Aggregated NPV of each Service Package bid will be summed to determine the Aggregated NPV, and awards shall be made to the bidder(s) with the highest Aggregated NPV (“**Best Bid(s)**”). In the event there is more than one highest Aggregated NPV bidder and requests for services exceed available capacity offered in this Open Season, capacity will be allocated on a pro rata basis. If a bidder bids on only one Service Package, the Service Package NPV for that Service Package will be treated as the Aggregated NPV for that bidder in the bid evaluation process. If the highest Aggregated NPV bidder(s) are not awarded the entire capacity offered in the Open Season, then the remaining capacity will be awarded to the next highest Aggregated NPV bidder(s) whose bid(s) were accepted. This process will be repeated until either there are no more accepted bids unawarded or the entire Project capacity has been awarded. If any or all the above available capacity remains unsold after this bid period, this posting also serves as notice that such capacity will continue to be awarded on a first-come first-served basis upon receipt of a bid that ANR deems acceptable. Parties interested in Project capacity may, but shall not be required to, specify a minimum acceptable prorated volume of each Service Package to apply in the event of capacity allocation.

In the event a bidder has elected to accept a prorated portion of Project capacity and has provided, on its Service Request Form, a minimum acceptable prorated volume below the total volume bid, ANR shall prorate capacity as follows: (i) for bidders who bid on capacity in Service Package A1 and Service Packages A2, and/or A3, the allocation percentage of Service Package A1 will be used for all other such “A” Service Packages unless bidder specifies otherwise in its bid, (ii) for bidders who bid on capacity in Service Packages A2 and A3 and not Service Package A1, the allocation percentage of the “A” Service Package where the bidder receives the lowest allocation percentage will be used for all other such “A” Service Packages unless bidder specifies otherwise in its bid, (iii) for bidders who bid on capacity in Service Package B1 and Service Packages B2, and/or B3, the allocation percentage of Service Package B1 will be used for all other such “B” Service Packages unless bidder specifies otherwise in its bid, and (iv) for bidders who bid on capacity in Service Packages B2 and B3 and not Service Package B1, the allocation percentage of the “B” Service Package where the bidder receives the lowest allocation percentage will be used for all other such “B” Service Packages unless bidder specifies otherwise in its bid.

Any award of capacity is subject to the requirements for service to commence as set forth in ANR's Tariff, including satisfaction of ANR's creditworthiness requirements. ANR reserves the right to reject any bid that exceeds the bidder's qualified level of creditworthiness. Potential bidders are encouraged to contact one of the credit analysts listed below prior to bid submittal to determine whether sufficient credit has been established for their bid.

SOLICITATION OF TURNBACK CAPACITY (TURNBACK OPEN SEASON): Existing shippers holding firm capacity on ANR that desire to permanently relinquish their capacity for use in the Project are invited to complete a Service Request Form and advise ANR of their desire to turnback capacity by checking the appropriate space on the Service Request Form. Such bids to permanently turnback capacity must be completed and received by ANR no later than the closing date of the Turnback Open Season indicated on the Service Request Form. ANR will evaluate such turnback bids from existing shippers that may reduce the amount of Project Facilities otherwise required for the Project. However, ANR reserves the right to accept or reject each turnback bid in its sole discretion, exercised in a not unduly discriminatory manner. Such bids may be rejected or prorated by ANR for various reasons, including but not limited to their failure to be compatible or economically accretive, or to directly offset Project Facilities that ANR proposes to construct and/or modify to satisfy the Project's capacity.

CONTACT INFORMATION: Interested parties should contact the following ANR personnel to discuss any questions or to seek additional information about this Open Season:

Ashley Stowkowy
Manager, Business Development
832-320-5532 (office)
281-768-9103 (cell)
ashley_stowkowy@tcenergy.com

Questions concerning creditworthiness may be directed to:

Usman Khan
832-320-5418 (office)
usman_khan@tcenergy.com

**Ventura XPress Project
Binding Open Season
Service Request Form**

Please return this Service Request Form by email on or before the dates listed below.

**Turnback Open Season
September 28th, 2023**

**Project Open Season
September 28th, 2023**

To: ashley_stowkowy@tcenergy.com

Please include the phrase “Ventura XPress Project – Service Request Form**” in the subject line

Request for (Check One): Project Capacity Turnback Capacity

Company: _____

Contact: _____

Title: _____

Telephone: _____

Email: _____

Comments:

Signature of an authorized representative of bidder

Date

By submitting and signing this Service Request Form, a bidder is committing to negotiate in a commercially reasonable manner to execute a precedent agreement with ANR within thirty (30) days after ANR awards capacity pursuant to this Open Season and tenders the precedent agreement to the awarded bidder , with such precedent agreement incorporating the terms and conditions set forth in the bidder’s Service Request Form, to the extent such terms and conditions are acceptable to ANR.

	Package A1	Package A2	Package A3	Package B1	Package B2	Package B3
Rate Schedule	FTS-3	FSS	FTS-1 (Summer Only)	FTS-1	FSS	FTS-1 (Summer Only)
Service Commencement Date						
Service End Date						
Primary Receipt Point:	ANRPL Storage Facilities - 153808		Alliance/ANR Interconnect - 277072	ANRPL Storage Facilities - 153808		Alliance/ANR Interconnect - 277072
Primary Delivery Point:	Ventura (New Logical Point)		ANRPL Storage Facilities - 153808	Ventura (New Logical Point)		ANRPL Storage Facilities - 153808
Maximum Quantity:	MDQ: MHQ: 1/24 th of MDQ	Days of Service:	MDQ:	MDQ:	Days of Service:	MDQ:
		MDWQ:			MDWQ:	
		MSQ:			MSQ:	
		MDIQ:			MDIQ:	
Minimum Acceptable Prorated Quantity:	MDQ: MHQ: 1/24 th of MDQ	Days of Service:	MDQ:	MDQ:	Days of Service:	MDQ:
		MDWQ:			MDWQ:	
		MSQ:			MSQ:	
		MDIQ:			MDIQ:	
Maximum applicable Tariff reservation rate election	YES NO	YES NO	YES NO	YES NO	YES NO	YES NO
If no, enter desired reservation rate*		Enter desired rate per dth of MSQ:			Enter desired rate per dth of MSQ:	
If Package Bid is contingent on proportional award in another package, identify linked packages						

* Transporter will split the total FSS reservation rate into Deliverability and Capacity reservation rates at its sole discretion