

NOTICE OF BINDING OPEN SEASON
ONEOK Texas Gas Storage, L.L.C.
OTGS Storage Expansion
April 28, 2021

Announcement of Open Season

In response to significant interest in storage capacity in Texas, **ONEOK Texas Gas Storage, L.L.C. (OTGS)** is holding a binding Open Season to solicit interest in an expansion project to increase firm natural gas storage capacity by an incremental 1.1 Bcf at the existing OTGS Loop Storage Facility in Gaines County, TX. See Exhibit B – ONEOK Texas Intrastate Assets map for details of storage location and connectivity to ONEOK West Texas Transmission, L.L.C. (“OWT”).

The Maximum Storage Quantity (“MSQ”), Maximum Daily Injection Quantity (“MDIQ”), Maximum Daily Withdrawal Quantity (“MDWQ”), Points of Receipt, Points of Delivery and Injection/Withdrawal Period are shown below. If bidder submits a proposal for less than the stated expansion MSQ of 1.1 Bcf, then OTGS will adjust the MDIQ and MDWQ on a proportional percentage basis on the requested MSQ. For example, if a bidder submits a proposal for a MSQ of 550,000 Dth, then the MDWQ would be 20,000 Dth per day when storage level is above 275,000 Dth and 12,500 Dth per day when storage level is 275,000 Dth and below.

Type of Service	FIRM STORAGE
Service Period	Target In-Service Date of 4/1/2022
Max Storage Quantity (MSQ)	1,100,000 Dth
Max Loan Quantity (MLQ)	0
Max Daily Injection Quantity (MDIQ)	0-550,000 Dth = 35,000 Dth per Day; 550,001-1,100,000 Dth = 20,000 Dth per Day
Max Daily Withdrawal Quantity (MDWQ)	0-275,000 Dth = 25,000 Dth per Day; 275,001-1,100,000 Dth = 40,000 Dth per Day

Injection/Withdrawal				
INJECTION PERIOD		Starting 4/1/2022		
WITHDRAWAL PERIOD		Starting 4/1/2022		
Point of Receipt	Point of Delivery	Type of Charge	Rate (\$)	Fuel and Use Factor (%)
PS1-OTGS Pooled Storage Meter OTGS	OTGS INV OTGS Inventory Meter	Injection	\$0.00	2.0%
OTGS INV OTGS Inventory Meter	PS1-OTGS Pooled Storage Meter OTGS	Withdrawal	\$0.00	0%

Open Season Bid Response

The Open Season is effective April 28, 2021. Requests for service will be accepted beginning April 29, 2021, at 8 a.m. CDT, concluding May 27, 2021, at 5 p.m. CDT. Parties should send their binding request for service via email to Steve Herber at Stephen.Herber@oneok.com and Boggey Neph at Boggey.Neph@oneok.com.

Parties should submit questions concerning this Open Season to:

Steve Herber	(918) 260-2680	Stephen.Herber@oneok.com
Boggey Neph	(918) 261-0013	Boggey.Neph@oneok.com
Jason Hollaway	(918) 595-5300	Jason.Hollaway@oneok.com
Kevin Hill	(918) 637-8348	Kevin.Hill@oneok.com

OTGS may, in its sole discretion, modify the terms of the Open Season and/or extend the duration of the Open Season at any time during the Open Season, upon notice given by means of a posting to OTGS's website.

Credit Requirements

Customers will be required to demonstrate creditworthiness or provide a credit alternative acceptable to OTGS. Credit support required from a customer will be governed by and determined in accordance with OTGS's currently effective Statement of Operating Conditions, which can be viewed at the following website:

[ONEOK Texas Gas Storage Statement of Operating Conditions.](#)

Submission of Binding Request for Service

To respond to this Open Season, bidders should submit a binding request for service in a form substantially similar to that contained in Exhibit A. A minimum term of seven years shall be required.

Parties submitting a request for service must include an indication if they would accept a lesser quantity in the event that requests for service exceed available expansion capacity and such capacity is awarded on a pro rata basis.

Award Process

Upon receipt of the binding request for service, OTGS shall determine whether to proceed and, if so, in what manner. OTGS's decision to award capacity and proceed with the project is subject to OTGS's determination, in its sole discretion, that the project is economically viable. OTGS has no obligation to negotiate with or enter into any transaction with any party that submits a binding request for service. OTGS may consider a non-conforming request for service in its sole discretion if the party submitting the

request for service otherwise agrees to adhere to the processes described herein. OTGS will exercise its discretion in this regard in a not unduly discriminatory manner.

In evaluating requests for service, OTGS will utilize a net present value (NPV) analysis and will proceed with negotiations with parties having the highest net present value request for service to compensate OTGS for storage services and reimbursement for new facilities. For purposes of its NPV evaluation, OTGS may consider the aggregate NPVs of two or more requests for service. In the event of equal NPV calculations on requests for services or a combination of requests for service, capacity will be awarded on a pro rata basis to achieve the highest overall NPV as determined by OTGS on a not unduly discriminatory basis. Factors used in evaluating the NPV of a request for service include the rate, term, effective date and sufficient volumes to support the proposed expansion.

OTGS will begin the negotiation of precedent agreements and/or storage service agreements and service orders with individuals submitting a request for service in this Open Season prior to negotiating with any other party. If all capacity created by the proposed expansion is not initially subscribed to Open Season bidders, and if OTGS in its sole discretion is interested in proceeding, OTGS reserves the right to market this capacity post-Open Season.

Subsequent Schedule

OTGS expects to contact bidders by no later than June 4, 2021, concerning requests for service. Where bidders and OTGS have a mutual interest in proceeding with the proposed project, a precedent agreement and/or storage service agreement will be executed between the parties as quickly as project circumstances warrant.

Commencement of Service

The target in-service will be as early as April 1, 2022, or as project circumstances warrant. If desired, earlier in-service dates will be considered. The proposed project and the service are dependent on OTGS obtaining all necessary internal approvals and all external approvals, authorizations and permits, including satisfying all rules, regulations and requirements of governmental authorities having jurisdiction.

OPEN SEASON EXHIBIT A
ONEOK Texas Gas Storage, L.L.C.

- A. Bidder Name: _____
- B. Effective Date: _____
- C. Term: _____
- D. Total Requested Maximum Storage Quantity (Bcf): _____
- E. Rate per Maximum Storage Quantity/month: _____
- F. Willing to accept pro rata quantity? (Yes or No): _____
- G. Fuel and Use Quantity: 2.0% on injections

By: _____

Print Name: _____

Title: _____

Phone: _____

Email: _____

Address: _____

[illegible]