# 2019 Interstate Pipelines Meeting Agenda

<table>
<thead>
<tr>
<th>Session</th>
<th>Time</th>
</tr>
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<tbody>
<tr>
<td>Welcome</td>
<td>8:30am-8:45am</td>
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<tr>
<td>Regulatory</td>
<td>8:45am-9:10am</td>
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<tr>
<td>IT Applications</td>
<td>9:10am-9:30am</td>
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<tr>
<td>Pipeline Operations</td>
<td>9:30am-10:00am</td>
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<tr>
<td>Break</td>
<td>10:00am-10:15am</td>
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<tr>
<td>Keynote</td>
<td>10:15am-11:30am</td>
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</tbody>
</table>
REGULATORY UPDATE

RON MUCCI
VICE PRESIDENT, RATES & REGULATORY
MILESTONE GAS TRANSMISSION CO.

SECTION 5 REVIEW – RP18-441-000 AND RP18-1048-000

◆ Milestones

- Review initiated on March 15, 2018
- Cost and revenue study filed on May 29, 2018
- Settlement discussions occurred June 2018 through July 2018
  - 6.5% mainline rate reduction
  - Implemented fuel tracker
- Settlement rates filed August 7, 2018, for effective date of September 1, 2018
- Stipulation and Settlement Agreement filed on October 2, 2018, and certified as uncontested on November 2, 2018
- Settlement Agreement approved on January 28, 2019
Stipulation and Settlement Agreement Key Dates
- Rate moratorium prohibits changes to settlement rates before September 1, 2021
- “Comeback” requirement
  - Pre-filing settlement process initiation by September 30, 2022
  - Section 4 filing by February 28, 2023
  - New rates to be in effect by September 1, 2023
VIKING GAS TRANSMISSION COMPANY

RP14-1185-000 “COMEBACK” REQUIREMENT AND TIMING

◆ Stipulation and Settlement Agreement Key Dates
  ▪ Section 4 filing with new rates to be in effect by January 1, 2020
  ▪ Pre-filing settlement process initiation by January 31, 2019
    ◇ Settlement discussions occurred January 2019 through April 2019

◆ Section 4 Timeline
  ▪ Base Period – March 1, 2018 – February 28, 2019
  ▪ Test Period – March 1, 2019 – November 30, 2019
  ▪ Section 4 case filing no later than June 30, 2019

◆ Case will be filed by June 28, 2019
  ▪ Anticipate filing for rate increase
IMPACTS OF 2017 TAX CUTS AND JOBS ACT
ORDER NO. 849 IN RM18-11-000 (ISSUED JULY 18, 2018)

◆ Form No. 501-G
  ▪ One time report on cost of service, rate base, ROE, and tax structure
  ▪ 2017 Q4 Form 2 data adjusted for tax rate decrease
  ▪ Determines “indicated percentage reduction in revenue” due to reduction in corporate income tax rate
  ▪ Pipelines assigned staggered filing dates (October 11, 2018; November 8, 2018; and December 6, 2018)

◆ Proposed four options for response
  ▪ Make a limited Section 4 filing
  ▪ Commit before December 31, 2018, to a full Section 4 case
  ▪ File statement explaining why an adjustment is not necessary
  ▪ Take no action
IMPACTS OF 2017 TAX CUTS AND JOBS ACT
SUMMARY OF FORM NO. 501-G FILINGS

◆ 127 pipeline companies required by Order No. 849 to file 501-G
  ▪ 105 pipelines filed 501-G
    ◊ Rough 6:1 ratio – 6 pipelines explained why an adjustment was unnecessary for every pipeline that filed for rate reduction
  ▪ 22 pipelines did not file 501-G
    ◊ Due to waivers, extensions, pre-arranged settlements, or full Section 4 cases

◆ ONEOK Pipelines
  ▪ Guardian Pipeline docket terminated April 5, 2019
  ▪ Viking Gas Transmission Company docket pending
  ▪ OkTex Pipeline Company pre-arranged settlement approved November 20, 2018
  ▪ Midwestern Gas Transmission Company not required to file
CURRENT REGULATORY ENVIRONMENT

ONGOING POLICY DISCUSSIONS & DEVELOPMENT

◆ FERC Notice of Inquiry (NOI) to explore whether and how to revise policies on pipeline certification
  ▪ Docket No. PL18-1-000
◆ FERC NOI to examine policies used to determine ROE
  ▪ Docket No. PL19-4-000
◆ FERC Physical & Cyber Security Technical Conference and comments
  ▪ Docket No. AD19-12
◆ And others…
REGULATORY UPDATE

AIDEN SMITH
MANAGER, MARKET ANALYSIS & STRATEGY
The Cost of Preventing Baseload Retirements: A Preliminary Examination of the DOE Memorandum

FERC’S STATE OF THE MARKETS REPORT

ISSUED ON APRIL 18, 2019 – 2018 GENERATION ADDITIONS & RETIREMENTS

CURRENT REGULATORY ENVIRONMENT
GAS – ELECTRIC COORDINATION

◆ DOE Memo on “Grid Reliability and Resilience Pricing” issued on September 29, 2017
  ▪ Section 403 of the Department of Energy Organization Act
  ▪ FERC Docket No. RM18-1-000
    ◇ Terminated January 8, 2018
    ◇ Subject to rehearing on March 8, 2018
◆ New proceeding initiated January 8, 2018, to examine “Grid Resilience in RTOs and ISOs”
  ▪ FERC Docket No. AD18-7-000
    ◇ Pending Commission action
◆ Ongoing “Fuel Security” studies
NEW IMBALANCE REPORTS AND MOBILE PIPELINE SYSTEM MAPS

WESLEY LI
ARCHITECT OF IT APPLICATIONS

JEREMY FLYNT
DIRECTOR OF IT APPLICATIONS
NEW IMBALANCE REPORTS SYSTEM

◆ IT has re-engineered the Imbalance Report system (went live in May 2018).
◆ The new imbalance reports automation system features these benefits:
  ▪ Fully compliant with SOX requirements.
    ◇ Imbalance request uniformly sent via our Informational Postings websites.
    ◇ Formal review and approval processes done by both ONEOK NGP schedulers and contract administrators.
    ◇ Complete logging mechanism providing tracking and historical changing activities.
  ▪ Secure and reliable.
    ◇ Powered by Oracle database and the latest .NET framework.
    ◇ Security roles are fully integrated into our current well defined Interstate Commercial Suite Applications module.
NEW IMBALANCE REPORTS SYSTEM

- Historical Archiving
  - All customers’ previously generated imbalance reports (HTML, CSV, Excel, PDF) are backed up indefinitely for future retrieving and referencing if requested.
- Comprehensive DR (Disaster Recovery) system and data redundancy capabilities to provide sustainable business continuity.
  - ONEOK has a tremendous amount of redundancy built into its technical functions and operations. It spans networking, server, operating system and database among others.
  - ONEOK IT department provides information security by ensuring all critical applications and data are backed up at least every 24 hours and stored off-site. Certain key systems have data replicated on a real-time basis.
FUTURE ENHANCEMENTS

VISUALIZING THE REPORT

Monthly Summary

Total       Average
-12.287     -0.396

Daily Imbalance Activities

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<tr>
<th>Date</th>
<th>Site</th>
<th>Daily Imbalance</th>
<th>Cumulative Imbalance</th>
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<td>-1.13</td>
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<tr>
<td>3/2/2019</td>
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<td>-1.16</td>
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<td>3/4/2019</td>
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<td>3/5/2019</td>
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<tr>
<td>3/25/2019</td>
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MOBILE PIPELINE SYSTEM MAPS (PLSM)
ACCESS TO NATURAL GAS PIPELINE DATA EASIER THAN EVER

➢ Why PLSM Mobile?
  ➢ Save time.
  ➢ Enhanced productivity.
  ➢ Location flexibility.
  ➢ Ease of research.
  ➢ Streamlining of business processes.

➢ What It Can Do?
  ➢ Easily locate NGP pipeline geo locations.
  ➢ Report pipeline capacities and pressures.
  ➢ Provide meter station information.
  ➢ Identify compressor station facilities.
  ➢ Look up tariff rate schedules.
  ➢ Plot and calculate pipeline segment distances.
  ➢ Report gas quality (coming).
PLSM DEMO
GAS SALE AUTOMATION

Offer Presentation Screen:

<table>
<thead>
<tr>
<th>Bid Number</th>
<th>Gas Start Day</th>
<th>Gas End Day</th>
<th>Bid Start Date/Time</th>
<th>Bid End Date/Time</th>
<th>Bid Notification Date/Time</th>
<th>Offer Quantity</th>
<th>Gas Date</th>
<th>Delivery Point</th>
<th>Delivery Quantity</th>
<th>Points Quantity</th>
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<tbody>
<tr>
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<td>05/19/19</td>
<td>05/15/19 08:00:00</td>
<td>05/19/19 08:00:00</td>
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<td>Any Biddable Point</td>
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</table>

The information in the comments section will be in the email and will contain any information to assist you in bidding on this offer.
GAS SALE AUTOMATION

Bid Offer Notification

Tue 4/30/2019 1:24 PM
mgtemaildev@oneok.com

A Gas Sale Bid Offer has been created on, 2019/04/30, MGT, 006792451

To: Flaming, Gaylord RL; IPL Marketing; NGP_Contracts
Retention Policy: ONEOK e-mail retention policy (1 year, 1 month)

Bid Number: 4
Contact Name: GLEN RICHARS (918) 591-5171
Contact Name: TED WILLIMON (918) 588-7763
Gas Start Day: 05/15/2019 Gas End Day: 05/15/2019
Bid Start Date/Time: 05/01/2019 08:00:00 AM Bid End Date/Time: 05/02/2019 08:00:00 AM
Notification Date/Time: 05/03/2019 08:00:00 AM
Offer Quantity: 10,000
Gas Date: 5/15/2019 Delivery Point: Any Biddable Point Delivery Point Quantity: 10,000
Comments:
The information in the comments section will be in the email and will contain any information to assist you in bidding on this offer.

There is no guaranteed delivery of internet mail.
You may access information through Customer Activities at www.mgt.oneokpartners.com.
GAS SALE AUTOMATION

Bid Screen

Midwestern Gas Transmission - DMGT - [Bid Screen for Gas Sales Offers]

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<table>
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<tr>
<th>Gas Date</th>
<th>Delivery Point</th>
<th>Quantity (MCF)</th>
<th>Daily Bid Rate</th>
<th>Net Value</th>
<th>Lesser Quantity Indicator</th>
<th>Bid Status</th>
<th>Offer Quantity Available</th>
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<tbody>
<tr>
<td>05/15/19</td>
<td>Marshall</td>
<td>10,000</td>
<td>01.2345</td>
<td>12,345.00</td>
<td>Yes</td>
<td>Entered</td>
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Total Bid Quantity: 10,000

12,345.00

Message: Please use the Retrieve or New Buttons.
GAS SALE AUTOMATION

Award Screen

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<th>Gas Date</th>
<th>Delivery Point</th>
<th>Bid Quantity (MCF)</th>
<th>Daily Bid Rate</th>
<th>Lesser Quantity Indicator</th>
<th>Bid Status</th>
<th>Offer Quantity Available</th>
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GAS SALE AUTOMATION

Bid Notification

Tue 4/30/2019 2:31 PM
mgtemaildev@oneok.com

Non Winning Bid for Offer 4 created on 2019/04/30, MGT, 006792451

To: Flaming, Gaylord R.

Retention Policy: ONEOK e-mail retention policy (1 year, 1 month)

Non Winning Bid for Offer: 4
Gas Start Day: 05/15/2019   Gas End Day: 05/15/2019
Offer Quantity: 10,000

There is no guaranteed delivery of internet mail.
You may access information through Customer Activities at www.mgt.oneokpartners.com.
QUESTIONS OR COMMENTS?

- ONEOK IT will be available throughout the day to answer questions and receive feedback.
CUSTOMER MEETING
MAY 2019
INTERSTATE OPERATIONS

JOHNNIE JARRED – DIRECTOR PIPELINE OPERATIONS
ANTHONY GEDMINAS – SUPERVISOR ENGINEERING
VICTOR DUFOR – MANAGER RELIABILITY
SAFETY CULTURE

ANTHONY GEDMINAS

Individual Employee Safety, key programs and focus:

- Employee stop work authority.
- Operator qualifications and development of proficiencies.
- Vehicle safety.
- Near miss and good catch sharing across organizations.
- Emergency drills.
- Safety awards and safety recognition.
SAFETY CULTURE

Public safety:
- Gas handling
- Third-party damage prevention programs
- Environmental responsibility
- Gas quality monitoring
- Cathodic protection/internal corrosion inspection
- Smart pigging
- Line depth of cover
- Maintenance records
- Emergency drills
- Right of way clearing
RELIABILITY
VICTOR DUFOUR
RELIABILITY

- Public safety and pipeline safety
- Specialization of workforce
- Compression
RELIABILITY

- Measurement
  - Range and pressure drop extreme cold.
- Flow control
- Gas quality equipment
- Generators
RELIABILITY
RELIABILITY

◆ Pumps
◆ Battery Backup/UPS systems
◆ Maintenance programs
◆ Environmental responsibility
◆ Emergency drills
◆ Heat exchangers
◆ Automated mainline valves in strategic locations
CLOSING REMARKS & QUESTIONS