



**EMPIRE PIPELINE, INC.
OPEN SEASON - OS20**

Short Term Firm Transportation (“FT”) Capacity from Empire Connector Receipt Points to TGP-Hopewell and TCPL-Chippawa.

Empire Pipeline, Inc. (“Empire”) is pleased to announce the commencement of an Open Season for firm transportation capacity available under Empire’s FT rate schedule. The capacity being offered in this Open Season is being created by certain Empire North expansion project facilities, and is offered on an interim, short term basis.

Available Capacity

85,000 Dth/day

Open Season Period

Monday May 18, 2020 through 11am (Eastern Time) on Wednesday May 27, 2020

Term

FT service is expected to commence July 1, 2020 and conclude not later than October 31, 2020.¹

¹ The commencement of service is subject to the (a) completion of the necessary Empire North facilities, and (b) FERC approval of Empire North early partial in-service. The contract language shall specify the primary term start date as “the later of July 1, 2020 or the date on which certain Empire North Project Facilities (defined as the completion of the Jackson Compression Station and related facilities) are placed into service, and continue in effect for a term ending the date immediately prior to the date service commences under Docket No. CP18-89, but no earlier than August 31, 2020 and no later than October 31, 2020).” The target full in-service date for the Empire North expansion project is September 1, 2020.

Available Primary Receipt & Delivery Points

Primary Point Name	Meter Number	Receipt Qty (Dth/d)	Delivery Qty (Dth/d)
Millennium - Corning	022008810	85,000	
Shell - Jackson	EPRU91111	85,000	
Repsol - Jackson	EPRU91101	85,000	
TCPL-Chippawa	012000010		72,000
TGP-Hopewell	412856		13,000

Bidders must request primary delivery point capacity to both TGP/Hopewell and TCPL/Chippawa, in proportion to the volumes indicated in the table above – 85% to Chippawa and 15% to Hopewell.

Rate Information:

The Empire North tariff incremental rates (“FT-EN-S”) approved under FERC Docket CP18-89 are expected to be in place and be applicable to this FT service. The maximum FT-EN-S rates are indicated below. They are exclusive of ACA Surcharges, and will be subject to the Other Gas for Transporter Use (“OGFTU”) retention rate and Empire North Fuel Retention (“ENF”).

Maximum Rate	100% Load Factor Rate*	Rate Component
\$6.9051 per Dth/d	\$0.2270	Summer Reservation Rate (monthly, applied to contract MDTQ)
\$0.0000 per Dth		Commodity Rate (applied to Dth quantity transported)

*100% Load Factor Rate is exclusive of Transport Fuel and surcharges listed below

Rate	Transport Fuel and Surcharge Components
2.75%	Estimated Empire North Fuel Retention (“ENF”)
0.01%	Current Other Gas for Transporter Use (“OGFTU”)
\$0.0013 per Dth	Applicable FERC ACA Commodity Surcharge, Rate shown effective October 1, 2019 (daily, applied to Dth quantity transported)

Fuel and Loss Allowances:

ENF and OGFTU retention are applicable to all transportation quantities and are established and subject to change under the tracking mechanism guidelines in Empires’ GT&C Section 23 tariff sheets. Empire’s current OGFTU allowance is 0.01%. The ENF listed above is an estimate. **The initial ENF applicable to the FT services offered in this Open Season, and any revision to the OGFTU allowance, are subject to FERC approval of the ENF and OGFTU rates proposed in Empire North’s early partial in-service filing.**

Bid Award Process:

During the Open Season period, Empire will accept requests for transportation service under Empire’s FT-EN-S rate schedule. Shippers may request all or part of the available capacity, and are allowed to revise their bids within the posting period. A Shipper’s bid shall be exclusive of the applicable ACA Commodity Surcharge.

Empire will accept bids reflecting a discount below the maximum applicable FT-EN-S rates. Empire has established a minimum acceptable Unit Rate Floor, and will reject any discount proposal below the applicable Unit Rate Floor. Empire has not revealed the Unit Rate Floor to any person outside the company.

As indicated above, bidders must request primary delivery point capacity to both TGP/Hopewell and TCPL/Chippawa, in proportion to the volumes indicated in the table above – 85% to Chippawa and 15% to Hopewell. Empire will award capacity in this proportion accordingly. Empire reserves the right to optimize hydraulics and maximize the total amount of capacity awarded in this Open Season.

All acceptable requests will be ranked and the best bid(s) determined based on the highest net present value (“NPV”) of the reservation charge revenues, per unit of capacity (Dth/day) requested. The NPV calculation will incorporate contract term length and will utilize a monthly rate of 0.8% (9.6% annually) for discounting purposes. In the event that multiple shippers submit requests that are equivalent in value and term, the available capacity shall be prorated to those shippers based on the quantities requested.

Participation in this Open Season is non-binding for bidders and Empire. Empire reserves the right to require a minimum level of aggregate contracting in order to move forward with this short-term capacity offering.

Credit Requirements:

Shippers will be required to demonstrate creditworthiness or provide a credit alternative acceptable to National.

Service Agreements:

Successful bidders will be required to execute and return service agreements within 5 business days after they are received.

Bid Process:

All requests must be submitted using a [Service Request Form \("SRF"\)](#) and a [Bid Form](#). Both documents are available on our website or by calling our Marketing Department @ 716.857.7740. The completed form can be mailed or faxed to the address listed below or emailed to Marketing@NatFuel.com.

Questions may be directed to one of the Marketing Representatives listed here:

<p>Empire Pipeline, Inc. 6363 Main Street Williamsville, NY 14221 PHONE: (716) 857-7740 FAX: (716) 857-7310</p>	<p>Empire Marketing Representatives: Terry Falsone – (716) 857-7602 Joe Kolis – (716) 857-7520 Anthony Limina – (716) 857-7924 Marketing@NatFuel.com</p>
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