

NATIONAL FUEL GAS SUPPLY CORPORATION
OPEN SEASON - OS252
Revised – 11/14/2019



Long Term Firm Storage (“FSS”) and Firm Storage Transportation (“FST”)Capacity

National Fuel Gas Supply Corporation (“National”) is pleased to announce the availability of long term firm storage service and associated firm transportation service under its FSS and FST rate schedules.

The FSS and FST capacity is being offered in three distinct packages, each with the unique injection and withdrawal rights outlined below.

Available Capacity:

	Character of Service	Capacity (Dth)	MDIQ (Dth/d)	MDWQ (Dth/d)
Offer #1	77 Day	531,300	3,795	6,900
Offer #2	110 Day	2,305,996	13,564	20,964
Offer #3	150 Day	1,355,000	7,128	9,016

Open Season Time Frame:

October 24, 2019 through 11:00 am. (Eastern Time) on November 21, 2019.

Term:

Commencing April 1, 2020. There is no minimum term requirement in this Open Season offering. Bids reflecting discounts will be granted for a maximum term of up to three years. Bids reflecting the maximum tariff rates do not have a maximum term requirement.

Firm Injection and Withdrawal Rights:

Offer #1 (77 Day Service, MSQ 531,300 Dth)

	Maximum Storage Quantity (MSQ) Inventory	INJ/WD Rights	INJ/WD Quantities (Dth/d)
Injection Period			
April 1 – October 31	0% to 70%	1/140 of MSQ	3,795
	From greater than 70% to 100%	1/170 of MSQ	3,226
Withdrawal Period			
November 1 – March 31	From greater than 12% to 100%	1/77 of MSQ	6,900
	From 12% to 0%	1/120 of MSQ	4,416

Offer #2 (110 Day Service, MSQ 2,305,996 Dth)

	Maximum Storage Quantity (MSQ) Inventory	INJ/WD Rights	INJ/WD Quantities (Dth/d)
Injection Period			
April 1 – October 31	0% to 70%	1/170 of MSQ	13,564
	From greater than 70% to 100%	1/200 of MSQ	11,529
Withdrawal Period			
November 1 – March 31	From greater than 31% to 100%	1/110 of MSQ	20,964
	From greater than 16% to 31%	1/120 of MSQ	19,287
	From 16% to 0%	1/150 of MSQ	15,304

Offer #3 (150 Day Service, MSQ 1,355,000 Dth)

	Maximum Storage Quantity (MSQ) Inventory	INJ/WD Rights	INJ/WD Quantities (Dth/d)
Injection Period			
April 1 – October 31	0% to 70%	1/190 of MSQ	7,128
	From greater than 70% to 100%	1/224 of MSQ	6,059
Withdrawal Period			
November 1 – March 31	100% to 0%	1/150 of MSQ	9,033

Primary Receipt and Delivery Points

Please see below for a complete list of available FST injection and withdrawal points.

Pipeline Point Name	Meter Number	FST Receipt Capacity Dth/D	FST Delivery Capacity Dth/D
TGP Rose Lake	420527	11,358	21,197
Transco Leidy	7126	25,199 ³	36,880 ²
Transco Wharton	6325		36,880
Columbia Lewis Run	637062*		15,683 ¹
NFGDC Island Run	NFGDC-IR*		15,683 ¹
TGP Lamont	420072*		15,683 ¹
Ridgway MAPP	RIDGWAY*		15,683 ¹

¹ Total aggregate delivery capacity award to NFGDC-IR, Lamont, Ridgway, and Lewis Run may not exceed 15,683.

² Up to 2,042 Dth/d of delivery capacity to Leidy is available on a long-term basis and can be subscribed with a primary term end date past March 31, 2021.

³ Total aggregate receipt capacity award to Leidy and Rose Lake may not exceed 25,199.

*Points not eligible for 77 Day Service.

Rate Information:

The current maximum tariff rates under the FSS and FST rate schedules are listed below.

Firm Storage Service (FSS):

Rate	FSS Rate Component
\$2.3833 per Dth/day	Demand Charge (monthly, applied to withdrawal deliverability)
\$0.0366 per Dth	Capacity Charge (monthly, applied to capacity)
\$0.0391 per Dth	Commodity Injection/Withdrawal Charge
0.61%	Storage Operating/LAUF Allowance *
\$0.0013 per Dth	ACA Commodity Surcharge (injection and withdrawal)

Firm Transportation Service (FST):

Rate	FST Rate Component
\$3.6293 per Dth/day	Reservation Charge (monthly, applied to contract MDWTQ)
\$0.0135 per Dth	Commodity Charge (daily, applied to Dth quantity transported)
1.42%	Transportation Fuel/LAUF * see below
\$0.0013 per Dth	ACA Commodity Surcharge (daily, applied to Dth quantity transported)

***Fuel and Loss Allowances:**

Storage Operating and LAUF Allowance and Transportation Fuel and Company Use Retention and Transportation LAUF Retention (collectively "Transportation Fuel/LAUF") are applicable to all transportation and established and subject to change under the tracking mechanism guidelines in National's GT&C Section 41 tariff sheets.

For informational purposes, National's current applicable allowances are as follows:

FSS: Storage Operating and LAUF Allowance of 0.61% on injection, and 0.61% on withdrawal.

FST: On injection and non-storage transportation, Transportation Fuel and Company Use Retention and Transportation LAUF Retention (collectively "Transportation Fuel/LAUF") is 1.42%. On withdrawal, there is no charged Transportation Fuel/LAUF.

Bid Format & Discounts:

For all offers, National will accept bids reflecting a discount below the maximum FSS and FST rates, provided that the bid exceeds the applicable Unit Rate Floor and the term of the discount does not exceed three years. Discounted bids must be submitted as a requested combined unit rate for FSS storage service and (if applicable) FST transportation service. For the purposes of converting a unit rate bid into component rates, National will first discount the FSS injection and withdrawal charges, followed by the FST reservation charge (where FST service is requested), then the FSS capacity charge, then the FSS demand charge. Any discount to the FST rate will be limited to transportation of gas to and from National's storage point (NFSTOR).

Requests for discounts of Transportation Fuel/LAUF will not be accepted. A Shipper's bid shall be exclusive of all applicable surcharges.

National has predetermined a minimum acceptable Unit Rate Floor for each offer, and will reject any discount proposal below the applicable Unit Rate Floor. National has not revealed the Unit Rate Floors to any person outside the company.

Bid Award Process:

Shippers may request all or part of the offered MSQ - withdrawal and injection quantities will be allocated in proportion to such requested MSQ. Bidders are allowed to revise their bids within the posting period. For the purposes of awarding the available FSS and FST capacity, bids will be ranked according to the net present value (NPV), per unit of storage capacity, of the sums of the FSS capacity charges, FSS demand charges and FST reservation charges as derived above. Shippers may bid on Offer #1, Offer #2 and/or Offer #3. For bids equal or greater than the applicable Unit Rate Floor, Offer #1, Offer #2 and Offer #3 will be evaluated and awarded separately. The NPV calculation will incorporate length of contract term and will utilize an annual rate of 9.6% for discounting. The "Storage Component" of a bid shall be the NPV, per unit of storage capacity, of the FSS capacity charge and FSS demand charge. In the event that a customer bids for FSS service only, and its bid is equal to the Storage Component of another bid or bids for both FSS and FST service ("Comparable Combined Service Bid"), the FSS-only bid shall be considered equal in value to the Comparable Combined Service Bid with the highest value. In the event that National receives two or more bids of equal NPV per unit of storage capacity, a ratable capacity allocation shall be determined, subject to other conditions in this posting. Bids that are prorated for any reason are considered to have been awarded at the reduced MSQ.

National reserves the right to award capacity subject to the aggregate inventory and deliverability parameters described herein.

The FST receipt and FST delivery point capacities represented above reflect the total capacity available across all three offers. Each awarded bid may reduce the amount of remaining FST receipt or FST delivery point capacity available for subsequent awards under either Offer #1, Offer #2 and/or Offer #3. However, in addition

to indicating on the [Bid Form](#) preferred primary FST receipt and FST delivery points, bidders may also indicate alternative FST primary receipt and/or FST primary delivery points. Should capacity at the requested alternative points be available, National shall award FST capacity pursuant to the bid ranking method described above to/from such alternative points in order to fulfill the storage request.

Upon award, National reserves the right to adjust the injection and/or withdrawal ratchets associated with the successful bidders' resulting FSS/FST package.

Bid Documents:

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.

Credit Requirements:

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

Execution of Agreements:

Successful bidders will be required to execute and return a Service Agreement prior to start of service but no later than 5 days of receipt.

Questions may be directed to the NFGSC Marketing Department at (716) 857-7740, or to one of the Marketing Representatives listed here:

<p>National Fuel Gas Supply Corporation 6363 Main Street Williamsville, NY 14221 PHONE: (716) 857-7740 FAX: (716) 857-7310</p>	<p>NFGSC 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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