

Empire Pipeline, Inc. (“Empire”) is pleased to announce the commencement of an Expansion Open Season for Long Term Firm Transportation (“FT”) Capacity to and from a new interconnect (“New IC”) to be constructed in Wayne County, NY.

PROJECT DESCRIPTION

Capacity: 6,500 Dth/d

Facilities: The project facilities to be constructed at the New IC include, but are not limited to:

- Installation of new receipt and delivery interconnect facilities
- Installation of approximately 2.5 miles of new 4.5-inch diameter pipeline

Projected In-Service Date: Subject to sufficient and timely market commitments and necessary regulatory approvals, Empire expects the required facilities could be completed and transportation service could begin as early as November 1, 2025.

Term Requirement: Empire requires a minimum term of fifteen (15) years for all transportation services requested in this Open Season.

Facilities Authorization: Empire expects that this expansion will be constructed under Empire’s Blanket Certificate authorization.

Open Season Period: August 17, 2023, through 11:00 AM EST on August 25, 2023

PRIMARY TRANSPORTATION PATHS & QUANTITIES

PATH 1: New IC Receipt Point to Phoenix Line 39 Ni Mo (012002020) – 6,000 dth/d

PATH 2: TCPL - Chippawa (012000010) to New IC Delivery Point – 500 dth/d

RATE STRUCTURE

In this Open Season, Empire will only consider **fixed negotiated unit rate bids greater than or equal to \$0.4150 per Dth for each path**, exclusive of Empire’s applicable commodity, transport fuel and surcharge components as outlined in the table below:

Rate	Fuel and Variable Rate Components
\$0.0009 per Dth	Commodity Rate (applied to Dth quantity transported)
0.20%	Existing Shipper Fuel Retention (“TFD”)
0.16%	Other Gas for Transporter’s Use (“OGFTU”)
\$0.0015 per Dth	Applicable FERC ACA Commodity Surcharge (daily, applied to Dth quantity transported)

Fuel and Loss Allowances:

TFD and OGFTU retention are established and subject to change under the tracking mechanism guidelines in Empire's GT&C Section 23 tariff sheets. OGFTU is applicable to all transportation quantities. Empire's current TFD allowance is 0.20% and the current OGFTU allowance is 0.16%.

BID AWARD PROCESS

The Open Season capacity offered hereunder is being made available through an expansion of facilities. To support the proposed project facilities, Empire has identified a minimum fixed negotiated rate structure that is required for participation. During the Open Season period, Empire will accept requests for Path 1 and Path 2 transportation services under a fixed negotiated rate structure as described above. Requests for discounts of TFD and OGFTU will not be accepted. Shippers may propose a unit rate (exclusive of variables and surcharges) of their choosing; however such rate must meet or exceed the minimum \$0.4150/dth in order to be accepted.

Participation in this Open Season is non-binding for bidders and Empire. Shippers **must request Path 1 and Path 2, must request all of the available capacity for each path**, and are allowed to revise their bids within the posting period. 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 length of contract term and will utilize a monthly rate of 0.8% (9.6% annually) for discounting purposes. If 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.

Empire is not obligated to proceed with any facilities expansion project, though Empire may elect to do so should it execute precedent agreements with term, quantity, and rate provisions that economically justify the project. Empire further reserves the right to propose in customer agreements a transportation rate that is based upon aggregate open season interest, project design, post-open season construction estimates, and overall project economics.

PRECEDENT AGREEMENTS

Shippers who are awarded capacity in this Open Season must enter discussions leading to a binding Precedent Agreement. Once tendered, such agreements must be executed and returned to Empire within ten (10) business days.

BID PROCESS AND 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) 857-7485. 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 Empire.

SERVICE AGREEMENTS

Successful bidders will be required to execute and return service agreements within ten (10) business days after they are received.

Questions may be directed to the Marketing Department at (716) 857-7485, or to one of the Marketing Representatives listed here:

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