

**NATIONAL FUEL GAS SUPPLY CORPORATION
OPEN SEASON - OS303**



National Fuel Gas Supply Corporation (“National”) is pleased to announce the commencement of an Open Season for a contractual primary delivery point change for shippers currently holding eligible transportation capacity under the Firm Storage Transportation (“FST”) rate schedule.

Capacity and Points:

In this Open Season, National may award primary delivery point changes to TGP-East Aurora or TCPL-Niagara for up to a total of 6,500 Dth/d on eligible existing FST agreements.

In order to be a conforming bid, requests must seek a delivery point change to TGP-East Aurora or TCPL-Niagara from a current contractual FST primary **delivery point** located within National’s **Ellisburg/Leidy area**⁽¹⁾. Further, to be eligible, the existing delivery point entitlement must also have a contractual FST primary **receipt point** located within the **Ellisburg/Leidy area** of National’s system. Bidders should contact a marketing representative to discuss eligible Ellisburg/Leidy area point combinations. National is not offering FST injection point changes in this Open Season.

⁽¹⁾ Ellisburg/Leidy area points include receipt & delivery points located on Lines YM7, YM52, YM53, Z20, YM55 and YM57

Term:

The primary delivery point change may commence as early as October 1, 2022.

Open Season Time Frame:

September 20, 2022 through 11:00am EST on September 27, 2022

Rate Information:

Firm Storage Transportation Service (FST):

Rate	FST Rate Component
\$4.9375 per Dth/day	Reservation Charge (monthly, applied to contract MDWTQ)
\$0.0140 per Dth	Commodity Charge (daily, applied to Dth quantity transported)
1.15%	Transportation Fuel/LAUF * see below
\$0.0015 per Dth	ACA Commodity Surcharge (daily, applied to Dth quantity transported) ¹
\$0.0426 per Dth/day	PS/GHG Reservation Surcharge (monthly, applied to contract MDWTQ) **

Firm Storage Service (FSS):

Rate	FSS Rate Component
\$2.5326 per Dth/day	Demand Charge (monthly, applied to withdrawal deliverability)
\$0.0462 per Dth	Capacity Charge (monthly, applied to capacity)
\$0.0439 per Dth	Commodity Injection/Withdrawal Charge
0.46%	Storage Operating/LAUF Allowance *
\$0.0015 per Dth	ACA Commodity Surcharge (injection and withdrawal) ¹
\$0.1242 per Dth/day	PS/GHG Demand/Deliverability Stg Surcharge (monthly, applied to contract MDWTQ) **
\$0.0018 per Dth	PS/GHG Capacity Stg Surcharge (monthly, applied to contract MSQ) **

***Fuel and Loss Allowances:**

Transportation Fuel and Company Use Retention and Transportation LAUF Retention (collectively “Transportation Fuel/LAUF”) are applicable to all transportation quantities and established and subject to change under the tracking mechanism in National’s GT&C Section 41 tariff sheets. National’s current Transportation Fuel/LAUF allowance is 1.15%.

****PS/GHG Reservation Surcharge:**

The Pipeline Safety and Greenhouse Gas Surcharge is applicable to transportation agreements and is subject to change pursuant to National’s GT&C Section 42 tariff sheets. National’s current PS/GHG Reservation Surcharge rate is \$0.0426.

Bid Format & Discounts:

The primary delivery point change as described above applies only to bidders’ current FST contract, however, in this Open Season, National shall utilize the FSS/FST combined unit rate structure for bid submission, ranking, and award.

Existing Shippers holding eligible contracts with discounted FSS/FST combined unit rates may propose an increase to such rates, up to National’s maximum FSS and FST tariff unit rates and may propose primary term extensions of **up to two (2) years**. National will accept FSS/FST combined unit rate bids reflecting a discount below the maximum FSS/FST unit rates, provided that the incremental revenue associated with the bid exceeds the applicable NPV per unit of additional capacity Floor (“NPV Floor”). Existing Shippers may not request rates lower than those specified in their existing FSS/FST agreements. Requests for rate increases must be submitted as a combined unit rate for FSS storage service and FST transportation service and will be effective as early as October 1, 2022 through the remaining primary term of the existing agreement and stay in effect through any proposed extension of the primary term.

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, 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 Storage Operating Fuel/ Transportation Fuel/LAUF will not be accepted. A Shipper’s bid shall be exclusive of all applicable surcharges.

National has predetermined a minimum acceptable NPV Floor and will reject any proposal that falls below it. National has not revealed the NPV Floor to any person outside the Company.

Participation in this Open Season is non-binding for bidders and National.

Bid Award Process:

Bidders are allowed to revise their bids within the posting period. For the purposes of awarding the primary delivery point change, bids will be ranked according to the incremental net present value (NPV), per unit of additional capacity, of the sums of the FSS capacity charges, FSS demand charges and FST reservation charges as derived above. The NPV calculation will incorporate length of the remaining primary contract term, plus any requested primary term extension, and will utilize an annual rate of 9.6% for discounting. In the event that National receives two or more bids of equal incremental NPV per unit of additional capacity, a ratable capacity allocation shall be determined, subject to other conditions in this posting.

National reserves the right to award capacity subject to the aggregate deliverability parameters described herein. The FST delivery point capacities represented above reflect the total capacity available and each awarded bid may reduce the amount of remaining FST delivery point capacity available for subsequent awards.

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 National.

Service Agreements:

Successful bidders will be required to execute and return service agreements within 5 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:

<p>National Fuel Gas Supply Corporation 6363 Main Street Williamsville, NY 14221 PHONE (716) 857-7485 FAX (716) 857-7310</p>	<p>National Fuel Marketing Representatives: Anthony Limina (716) 857-7924 LiminaA@natfuel.com Christian Hollfelder (716) 857-7428 Hollfelderc@natfuel.com Mickey Zablonki (716) 857-7618 ZablonkiM@natfuel.com</p>
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