

**NATIONAL FUEL GAS SUPPLY CORPORATION
OPEN SEASON - OS336**



National Fuel Gas Supply Corporation (“National”) is pleased to announce the commencement of an Open Season for a short-term deliverability enhancement of existing storage and transportation contracts under the FSS and FST rate schedules.

Available Capacity:

This Open Season makes available up to 20,000 Dth/day of incremental firm storage withdrawal deliverability and associated transportation under National’s Firm Storage Service (FSS) & Firm Storage Transportation (FST) rate schedules (subject to details in “Firm Withdrawal Rights” section).

Participation in this Open Season is limited to existing FSS contract holders with corresponding contractual FST delivery points of **Transco – Leidy, Transco – Wharton, Millennium – Independence and TGP – Rose Lake (“Southern System Deliveries”)**.

Please Note: No new storage capacity is available in this Open Season, and no reductions in Maximum Storage Quantity (MSQ) will be granted. National is not offering FST injection point changes in this Open Season.

Open Season Time Frame: October 19, 2023 through 2:00 p.m. (Eastern Time) Wednesday October 25, 2023

Required Term:

The incremental deliverability offered will commence November 1, 2023, and extend through March 31, 2024.

Firm Withdrawal Rights:

This offering allows an eligible existing shipper to increase its FSS MDWQ and associated FST MDQ by up to 20,000 Dth/day. National will accept requests from existing FSS and FST contract holders to enhance their winter withdrawal deliverability up to a first withdrawal ratchet not to exceed 1/30th of MSQ. Upon award, National reserves the right to adjust existing FSS storage withdrawal ratchets accordingly in consideration of the ratchet profile of the incremental withdrawal deliverability. Character of service will be determined based on combining the deliverability offered in this Open Season with the deliverability and respective ratchets associated with the successful bidder’s existing FSS capacity. The injection ratchets associated with bidders’ existing FSS contract(s) are unaffected by this offering.

Available Primary Delivery Points:

Primary Point Name	Meter Number	Delivery Qty (Dth/day)
TGP – Rose Lake	420527	Up to 20,000
Transco – Wharton	6325	Up to 20,000
Millennium – Independence	2078	Up to 20,000
Empire - Tuscarora	022009010	Up to 11,000

Requests for incremental withdrawal deliverability and associated transportation to the points listed above are available only to shippers with existing FSS/FST contracts with Southern System Deliveries as defined above.

Rate Information:

The current maximum tariff rates under the FSS and FST rate schedules are as follows:

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
0.45%	Storage Operating/LAUF Allowance*
\$0.0015 per Dth	ACA Commodity Surcharge (injection and withdrawal) ¹
\$0.1143 per Dth/day	PS/GHG Demand/Deliverability Stg Surcharge (monthly, applied to contract MDWTQ) **
\$0.0016 per Dth	PS/GHG Capacity Stg Surcharge (monthly, applied to contract MSQ) **

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)
0.82%	Transportation Fuel/LAUF*
\$0.0015 per Dth	ACA Commodity Surcharge (daily, applied to Dth quantity transported) ¹
\$0.0800 per Dth/day	PS/GHG Reservation Surcharge (monthly, applied to contract MDWTQ) **

***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. On withdrawal, there is no charged Transportation Fuel/LAUF.

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

The Pipeline Safety and Greenhouse Gas Surcharge is applicable to storage and transportation agreements and is subject to change pursuant to National’s GT&C Section 42 tariff sheets. Pending FERC approval (Docket No. RP23-1097), National’s new PS/GHG surcharge rates, effective November 1, 2023, will be as follows:

- Transmission Surcharge: \$0.0701
- Storage Demand/Deliverability Surcharge: \$0.1210
- Storage Capacity Surcharge: \$0.0017

Bid Award Process:

During the Open Season period, National will accept requests for incremental storage and transportation deliverability enhancements of eligible existing FSS and FST contracts as described herein. Bid derivation shall utilize the incremental revenue to National associated with both the FSS deliverability demand charges and the FST reservation charges to establish a combined unit rate per Dth of deliverability structure for bid submission, ranking, and award (“Unit Rate Bid”). National will accept bids reflecting a discount below the applicable maximum tariff rates, provided the bid exceeds the applicable combined Unit Rate Floor.

The combined Unit Rate structure for bid submission will be derived specifically from the incremental FSS deliverability demand charges and the incremental FST reservation charges for the five-month winter period Using the Unit Rate Bid Formula. The Combined Unit Rate Bid =

$$\begin{aligned} & ((FSS \text{ Monthly Deliverability Demand Rate} * 5 \text{ months}) / 152 \text{ days}) \\ & + \\ & ((FST \text{ Reservation Rate} * 5 \text{ months}) / 152 \text{ days}) \end{aligned}$$

In the event that a bidder's applicable existing storage and transportation rates are contracted at rates not equivalent to the unit rate requested for the incremental deliverability, such existing rates shall be blended with the Unit Rate Bid applicable to the incremental deliverability offered herein to achieve an overall rate applicable to the bidder's service. The adjusted rates shall become effective on November 1, 2023 and extend through March 31, 2024. All bids shall be exclusive of the applicable PS/GHG Surcharges and ACA Commodity Surcharge. National has predetermined a minimum acceptable Unit Rate Floor 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.

Existing shippers may request all or part of the FSS withdrawal deliverability and associated FST capacity subject to the terms outlined herein. Bidders are allowed to revise their bids within the posting period. For the purposes of awarding the available capacity, all acceptable requests will be ranked, and deliverability awarded based on the highest net present value (NPV) of the incremental Reservation and Demand charge revenues, per unit of deliverability (Dth/day) requested. The NPV calculation shall assume that the requested incremental deliverability commences on November 1, 2023 and extends through March 31, 2024. An annual rate of 9.6% will be used for discounting. In the event that National receives two or more bids of equal NPV per unit of deliverability, a ratable deliverability allocation shall be determined, subject to other conditions in this posting.

Participation in this Open Season is non-binding for bidders and National. National reserves the right to award capacity in a manner that will maximize the amount of capacity awarded in this Open Season by considering the ratchet profile of the deliverability being offered along with the ratchet profile of bidder's existing storage service.

Bid Process and Documents:

All requests must be submitted using a [Bid Form](#). Within one business days of being awarded capacity in this Open Season but no later than 24 hours prior to nominating the capacity hereunder, the successful bidder(s) will be required to submit a Service Request Form ("SRF") prior to contract tendering. Successful bidder(s) will be required to complete an SRF online, download the [PDF version](#) from the Forms section of our website, or obtain one by contacting our Marketing Department at (716) 857-7485. The completed Bid Form and SRF can be 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 agreement amendment(s) within 3 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 Zablonksi (716) 857-7618 ZablonksiM@natfuel.com</p>
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