

TransGas Customer Services 500 - 1777 Victoria Avenue Regina, SK S4P 4K5 T: (306) 777-9811

CustomerFacilityRequests@transgas.com

May 27, 2019 Amended June 26th, 2019; closing date extended to July 24th

To: Interested Parties

Re: TransGas Limited South East Saskatchewan Receipt Service Binding Open Season for Future Expansion Capacity

Binding Open Season Package for South East Saskatchewan Receipt Service (May 27th, 2019 to July 24th, 2019)

TransGas Limited (TransGas) hereby announces a Binding Open Season for South East Saskatchewan Receipt Transportation Service to solicit commitments from new and existing Receipt Transportation Service Customers for receipt projects in the next six years in the area as shown on the TransGas map attached in Appendix A.

This Binding Open Season is being conducted pursuant to the terms and conditions contained within the TransGas Comprehensive Tariff (the Tariff). In the event of a conflict, this notice shall prevail. The uppercase terms used herein shall have the meaning as ascribed to the corresponding terms set out in the Tariff. The Tariff and corresponding terms and conditions are available on the TransGas website located at www.transgas.com.

This Binding Open Season shall address the future System Capacity for Firm receipt demand in South East Saskatchewan. The Open Season response period shall commence on May 27th, 2019 at 12:00 p.m. Saskatchewan time and will close on July 24th, 2019 at 4:00 p.m. Saskatchewan time.

Binding Open Season Background and Actions:

TransGas continually assesses its System and Customer Specific Facilities to enable Receipt Transportation Service to meet growing demand. As production continues to grow in south east Saskatchewan, TransGas has seen record high demand for TransGas Receipt Transportation Service in 2019. As a result of the high demand, TransGas is hereby announcing a Binding Open Season to obtain commitment from current and future Receipt Transportation Service Customers with focus in south east Saskatchewan for TransGas System expansion as early as Nov. 1, 2020. This Binding Open Season does not require a Customer contribution for the facilities which could provide up to 30,000 GJ/d of Firm receipt Capacity. This expansion is assuming the existing receipt Capacity in the area is contracted fully.

Recent increases to receipt flows in south east Saskatchewan has resulted in the area being deemed as constrained. This Binding Open Season will provide an opportunity for Customers to obtain Firm Receipt Transportation Service in the presently constrained south east area of Saskatchewan. Please see the Open Season Area shown on the TransGas map in Appendix A. Interested Customers are asked to submit their binding Firm receipt commitments as outlined herein and TransGas will determine next steps to provide Service.

Page 2

Binding Open Season Process:

1) Request for Registered Queue Position Form:

Each existing and new receipt Customer participating in the Binding Open Season that wishes to commit to future Firm receipt flow must complete and return the Registered Queue Position Form (attached as Appendix B). This form shall specify the following, as required therein:

- TransGas meter code
 - Point of Receipt land location is also acceptable for Customers requesting new receipt Service
- Requested receipt volumes/capacity; which shall not exceed 30,000 GJ/d
- Effective date of Service; targeted in-service date for System expansion is November 1, 2020
- Term of Firm Receipt Transportation Service (5 year term)

The contractual commitment required to qualify for this long term Firm Binding Open Season is a 5 year Firm Receipt Transportation Service Contract Term with an R 11.0 contract.

The Open Season commences at 12:00 p.m. Saskatchewan time on May 27th, 2019 and will close at 4:00 p.m. Saskatchewan time on July 24th, 2019 for available Capacity with an earliest targeted contract commencement date of Nov. 1, 2020. The completed Appendix B must be returned no later than 4:00 p.m. Saskatchewan time on Wednesday, July 24th, 2019. Customers may submit requests for more than one Receipt Transportation Service and/or location. Total requested capacity shall not exceed 30,000 GJ/d. Submissions may be submitted via e-mail to TransGas at the following address:

E-mail: Customer Facility Requests @transgas.com

cc: <u>aschmidt@transgas.com</u> cc: <u>astoeck@transgas.com</u>

TransGas will acknowledge the successful receipt of your submitted Request for Registered Queue Position Form.

2) Assessment and Service Offering

Immediately following the close of the Binding Open Season, TransGas will review the Requests for Service received from the submitted Request for Registered Queue Position Form, together with existing Receipt Transportation Service quantity allocations, in accordance with its Queue Policy.

Decisions as to new facility construction will be made in accordance with Article 10 of the Queue Policy, and at TransGas' discretion.

Page 3

Binding Open Season requests will be considered as official Firm Receipt Transportation Service requests and new Capacity will be allocated to all parties expressing an interest. All queue positions will receive the same priority provided they were submitted during the Open Season and in accordance with the terms hereof.

The terms governing this Receipt Transportation Service will be as follows:

- Bids will be allocated on a prorated basis.
 - Each request will be prorated by the ratio of the Capacity available divided by the total requested capacity.
 - Requested capacity cannot exceed 30,000 GJ/d.
 - o 5 years Firm Receipt Transportation Service via R11.0.

By virtue of the submission of the Request for Firm Receipt Service Form attached hereto, the Customer will be obligated to accept prorated amounts less than the requested Receipt Transportation Service quantity providing that TransGas is able to allocate quantities that are less than the Receipt Transportation Service request but greater than the minimum allocated request.

TransGas shall notify interested parties regarding the amount of Service allocated to their Firm Request for Service, if any, by August 30th, 2019. If contracts are awarded, TransGas will enter the contract into the TransGas Electronic Business System (QPTM) on the Customers' behalf.

Although the submitted form is a Request for Registered Queue Position Form, Customers responding to this Binding Open Season will not be required to pay a queue deposit, and the queue deposit requirements under the Queue Policy are waived for the purpose of this Binding Open Season only. A Request for Service (RFS) entered into the QPTM Electronic Business System by TransGas is sufficient in lieu of a queue deposit.

Please note that if you are a new Customer to TransGas, the Request for Queue Position Form must be accompanied by a signed TransGas Service Agreement, if one does not already exist. The Request for Queue Position Form will not be considered complete and will not be processed until an applicant has signed a TransGas Service Agreement. Please contact a Key Account Manager for clarification and/or assistance regarding TransGas Service Agreements.

If you have any questions, please contact myself directly at (306)777-9811, or Key Account Managers Alexis Schmidt at (306)777-9687, or Alyssa Stoeck at (306)777-9501.

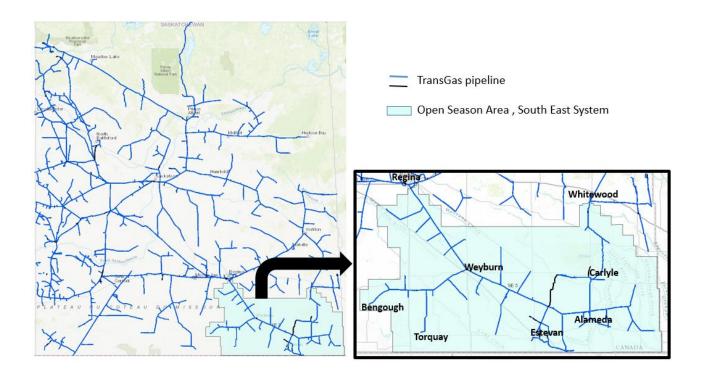
Yours truly,

TRANSGAS LIMITED

Tanya Lang
Director, TransGas Customer Services
Attachments

Page 4

Appendix A: TransGas Map - Open Season Area



- Current active receipt meter codes for the Binding Open Season Area are as follows:
 - #1608 Griffin
 - #6258 Glen Ewen
 - #7084 Alameda
 - #6337 Oxbow
 - #8036 Nottingham
 - #8740 Steelman
 - #8656 Northgate
 - #1726 SEEP
 - #8762 Kisbey

Appendix B: Request for Registered Queue Position Form Re: Binding Open Season Letter of May 27th, 2019/Amended June 26th, 2019

		TR	ANSGAS LI	MITED
500-1777 Victoria Ave. Regina. Sask. S4P 4K5				
REQUEST FOR REGISTERED QUEUE POSITION				
Receipt Transportation Service				
Applicant :				Telephone:
Address:				Contact Name:
Postal Code:				Email Address:
Requested Capacity for a Queue Position IransGas Use Only				
Receipt Point (Legal Land Description) or Active TransGas	Requested Capacity	Minimum Capacity	In-Service Date	Capacity Is Subject to a 5 Year Firm Transportation Contract (in lieu of Queue Deposit)*
Receipt Meter Code	GJ/dag	GJ/dag	Requested	
3				
TOTALS.			=	Request Received Date: File Number Assigned:
Request for Que	ue Position Te	rm		
Contract Term requested:Year(s) (minimum 5 year required for a queue position)				
will be considered as	s official firm rece	ipt service requ	uests and allocated to	same queue position. Binding Open Season requests all parties expressing an interest on a pro rata share divided by the total requested capacity).
Requested and Acknowledged by : Date :				
however, that it is ur new TransGas Queo The Applicant ackno	nderstood and ague Policy shall be owledges and ag	reed that Tran: binding on the rees that this F	sGas Limited may char Applicant once it is a Request for Registered	he TransGas Queue Policy currently in force; provided, nge its Queue Policy without notice, however, such vailable for review on the TransGas website. Queue Position Form will not be considered complete ansGas Service Agreement.
	social by Themes			

Completed Request for Registered Queue Position Forms can be submitted via email to TransGas at the following addresses:

E-mail: Customer Facility Requests @transgas.com

cc: aschmidt@transgas.com cc: astoeck@transgas.com