

Pacific Connector Gas Pipeline, LP
Open Season Notice
July 18th, noon Central to August 17th, noon Central



Pacific Connector Gas Pipeline, LP (“PCGP”) is holding an Open Season for its Pacific Connector Gas Pipeline (“Pipeline”). The Pipeline will provide firm transportation service from interconnections with Ruby Pipeline and Gas Transmission Northwest near Malin, Oregon to the Jordan Cove LNG Terminal in Coos Bay, Oregon.

With this Open Season, PCGP invites parties interested in obtaining firm Pipeline capacity to submit a Transportation Services Precedent Agreement (“TSPA”). After the Open Season closes, PCGP will allocate capacity among bidders with valid TSPAs as described below. The anticipated service commencement date for this Pipeline is the fourth quarter of 2022. At least one party has expressed interest in firm transportation service on the Pipeline commencing at the in-service date of the Jordan Cove LNG Terminal, but PCGP would be willing to consider bids for firm transportation service commencing as early as the in-service date of the Pipeline.

PCGP’s marketing activities to date have led to the commitments by Anchor Shippers for 96% of the capacity in the Pipeline. Any bidder who submits a valid bid for 70,000 dekatherms (“Dth”) per day (“Dth/d”) or more and for a term of 10 years or more shall be considered an “Anchor Shipper” on the Pipeline, and the capacity it requests in its Anchor Shipper bid shall only be pro-rated with other Anchor Shipper bids. Anchor Shippers may receive certain rate and rate-related benefits which may not be offered to other potential Pipeline shippers.

Pipeline Description

The Pipeline is a proposal to construct and operate an approximately 229-mile long, 36-inch diameter interstate natural gas pipeline originating near Malin in Klamath County, Oregon and terminating at the Jordan Cove LNG Terminal in Coos County, Oregon. The Pipeline will transport up to 1,200,000 Dth/d of natural gas from interconnects with Ruby Pipeline LLC and Gas Transmission Northwest LLC near Malin, Oregon to the Jordan Cove LNG Terminal for processing, liquefaction, and export.

Pipeline Rates

The applicable recourse reservation rates for service on the Pipeline are estimated to be \$ 1.33 per Dth per day. Final rates are dependent upon the scope and final facilities required to satisfy the firm service requests for shippers who have executed binding TSPAs. Shippers will pay the applicable recourse rate or a mutually agreeable negotiated rate for service on the Pipeline.

Nomination Process

To ensure firm transportation service on the Pipeline, a shipper must execute a binding TSPA by the specified date, which constitutes a bid in this Open Season.

The Open Season begins at 12 pm Central on July 18th 2017 and concludes at 12 pm Central on August 17th, 2017. During this period, interested shippers must complete and submit a TSPA that specifies the following:

- Contract demand (Dth/d);
- Primary receipt points;
- Primary delivery points; and
- Recourse or negotiated rate.

To receive a form TSPA, or to submit a TSPA executed by a duly authorized representative, contact:

Pacific Connector Gas Pipeline, LP
Attention: Matt Sullivan
5615 Kirby Drive
Houston, TX 77005
Phone: (713) 400-2800
Email: PCGP@vereseninc.com

PCGP reserves the right to reject any TSPA that is not received before the end of the Open Season. After the Open Season concludes, PCGP will contact all shippers who have submitted valid TSPAs to advise them of status.

Allocation of Capacity

PCGP will allocate up to 1,200,000 Dth/d of the pipeline capacity first to qualifying Anchor Shippers executing binding TSPAs before the end of the Open Season and next to other (non-anchor shippers) bidders that have executed binding TSPAs before the end of the Open Season. With respect to Anchor Shippers, PCGP will prorate capacity, to the extent necessary, taking into account the contract demand and the quantities at the primary points subscribed under each such binding TSPAs, on a not unduly discriminatory basis. A bidder's status as an Anchor Shipper, and the Anchor Shipper's attendant rights, will continue to apply even if the prorated amount of capacity awarded to such bidder is less than 70,000 Dth/d. If one or more bidders qualify as Anchor Shippers, capacity will not be allocated to other (non-Anchor Shipper) bidders until Anchor Shipper bids have been satisfied. Among other (non-Anchor Shipper) bidders with valid executed TSPAs, PCGP will allocate capacity on a net present value basis, with PCGP having the discretion to award capacity to any bidder or combination of bidders whose TSPAs provide the highest net present value per Dth.

Limitations and Reservations

PCGP may but is not required to reject any TSPA that is incomplete, is inconsistent with the terms and conditions outlined in this open season notice, contains additional or modified terms, or is otherwise deficient in any respect. PCGP reserves the right to request that a party modify its proposed receipt or delivery points to the extent that PCGP determines that the points in the party's bid will unduly increase the costs of the overall Pipeline or otherwise adversely affect the scope of the Pipeline in light of the other TSPAs received prior to or as part of this Open Season. PCGP reserves the right to reject TSPAs in the event that requesting parties are unable to meet applicable creditworthiness requirements.

Communications

Interested shippers may contact Matt Sullivan at (713) 400-2800 to discuss any questions or seek additional information about this open season.