

Binding Firm Capacity Open Season for Firm Receipt, Delivery and Full Path Service

TSP Name: Alliance Pipeline Limited Partnership

TSP: 25-384-6620

Last Updated: April 14, 2022

In accordance with the Transportation Tariff of Alliance Pipeline Limited Partnership (Canadian Tariff) and the Alliance Transportation Access Policy (ATAP), Alliance is posting a Binding Firm Capacity Open Season (FCOS) for:

- 7,592 10³ cubic meters per day of Firm Receipt Service (FRS) with a service commencement date of November 1, 2022 or November 1, 2023, and a minimum term of three (3) years with no maximum limit on the term. The date of termination must coincide with the end of a gas year.
- 7,592 10³ cubic meters per day of Firm Full Path Service (FFPS) with a service commencement date of November 1, 2022 or November 1, 2023, and a minimum term of three (3) years with no maximum limit on the term. The date of termination must coincide with the end of a gas year.
- 7,592 10³ cubic meters per day of Firm Delivery Service (FDS) with a service commencement date of November 1, 2022 or November 1, 2023, and a minimum term of one (1) year with no maximum limit on the term. The date of termination must coincide with the end of a gas year.

Capacity awarded in the FCOS will be subject to applicable fuel requirements, surcharges and other charges in effect from time to time and will be subject to the terms and conditions of the Canadian Tariff, including the General Terms and Conditions and applicable Toll Schedules and Service Agreements, as in effect and filed with the Canada Energy Regulator.

Eligibility information is located at the end of this document.

Open Season Procedure Highlights

- FCOS will commence on April 14, 2022 and Requests for Service (RFS) must be received by Alliance via the Customer Activities Web Site (CAW) by the end of the FCOS on May 6, 2022 at 12:00 PM CCT.
- The term of the FRS service shall be for a minimum of three (3) years to commence on November 1, 2022 or November 1, 2023, and there is no maximum limit on the term. The date of termination must coincide with the end of a gas year.
- The term of the FFPS service shall be for a minimum of three (3) years to commence on November 1, 2022 or November 1, 2023, and there is no maximum limit on the term. The date of termination must coincide with the end of a gas year.
- The term of the FDS service shall be for a minimum of one (1) year to commence on November 1, 2022 or November 1, 2023, and there is no maximum limit on the term. The date of termination must coincide with the end of a gas year.

- Service Applicants may submit more than one RFS per Service and Service Segment (as defined in the Section 11 of the ATAP), however, the sum of all bid (RFS) volumes submitted must not exceed the posted capacity for that Service Segment. If a Service Applicant submits multiple bids that in aggregate exceed the posted capacity, only those bids (RFS) that collectively represent the highest Net Present Value (NPV) of Demand Charge revenues and that in aggregate are equal to or do not exceed the available posted capacity for that Service Segment will be eligible for evaluation and award in the FCOS. At the close of the FCOS, Alliance shall evaluate and award the bids that collectively result in the highest NPV of Demand Charge revenues to Alliance over the requested contract terms. See Section 4.8 of the ATAP for further details regarding the award and allocation methodology.
- If two (2) or more RFSs result in a quantity exceeding the Capacity at the same term, and, by the criteria of Section 4.8 of the ATAP would otherwise be awarded Capacity, the Capacity shall be allocated on a pro-rata basis based on the capacity requested in each RFS. If the resulting pro-rata share is less than the minimum capacity specified in the RFS by the Service Applicant, that RFS shall be deemed to be rejected.
- In accordance with Article 1.1(c) of Toll Schedule Firm Full Path Service of the Canadian Tariff, to be eligible to receive FFPS, the Service Applicant (or its Affiliate) is required to hold transportation agreement(s) for FT-1 Service on the Alliance Pipeline L.P. transmission system (U.S. Pipeline) for a volume and term at least equal to that of the awarded FFPS RFS. Accordingly, if the RFS is for Full-Path service, the Service Applicant must either state that there is a concurrent requirement for corresponding transport on the U.S. Pipeline and arrange for the contracting of such corresponding transport capacity on the U.S. Pipeline (Alliance Pipeline L.P., the U.S. Transporter, has provided notification that concurrent capacity is available on the U.S. Pipeline at the applicable FT-1 Maximum Recourse Rate), or demonstrate that it or its Affiliate has sufficiently contracted for corresponding FT-1 transport capacity on the U.S. Pipeline to meet this requirement. If the Service Applicant has indicated in the RFS that there is a concurrent requirement for corresponding transport on the U.S. Pipeline, but the Service Applicant is unable to obtain such required corresponding transport, then the RFS will be rejected.
- If the RFS is for Delivery service, the Service Applicant may state whether there is a concurrent requirement for corresponding transport on the U.S. Pipeline and/or a concurrent requirement for corresponding Receipt service on the Canadian Pipeline; and if the RFS is for Receipt service, the Service Applicant may state whether there is a concurrent requirement for corresponding Delivery service on the Canadian Pipeline. In the event that the RFS is for Delivery service, and the Service Applicant has indicated in the RFS that there is a concurrent requirement for corresponding transport on the U.S. Pipeline and/or a concurrent requirement for corresponding Receipt service on the Canadian Pipeline, or if the RFS is for Receipt service, and the Service Applicant has indicated in the RFS that there is a concurrent requirement for corresponding Delivery service on the Canadian Pipeline, but, in either case, the Service Applicant is unable to obtain such required corresponding transport and/or service, then the RFS will be rejected. Alliance Pipeline L.P., the U.S. Transporter, has provided

notification that concurrent capacity is available on the U.S. Pipeline at the applicable FT-1 Maximum Recourse Rate.

How to Bid and Award Timeframe

Service Applicants must submit a separate RFS for Canadian Service and any concurrent FT-1 on the U.S. Pipeline. The awarding of Capacity in the FCOS will be pursuant to the applicable Toll Schedules and General Terms and Conditions in Alliance's Canadian Tariff and will also be consistent with Section 4.8 of the ATAP.

Alliance will use commercially reasonable efforts to notify, as soon as possible but in no event longer than five (5) Business Days after the close of the FCOS, through Alliance's Customer Activity Website or any other electronic means, all Service Applicants who have been awarded any Firm Capacity.

Available FRS (Zone 1 or Zone 2 to ATP)

- FRS Zone 1 has available capacity of 7,592 10³ cubic meters per day
- FRS Zone 2 has available capacity of 4,674 10³ cubic meters per day
- A minimum Contracted Capacity the Service Applicant is willing to accept upon an award may be provided.

Available FFPS (Zone 1 or Zone 2)

- FFPS Zone 1 has available capacity of 7,592 10³ cubic meters per day
- FFPS Zone 2 has available capacity of 4,513 10³ cubic meters per day
- A minimum Contracted Capacity the Service Applicant is willing to accept upon an award may be provided.

Available FDS (ATP to CX Point – (CAD/US Border))

- Firm Delivery Service has available capacity of 7,592 10³ cubic meters per day
- A minimum Contracted Capacity the Service Applicant is willing to accept upon an award may be provided.

Transportation Charges

Table 1: FRS Pricing¹

Transportation Charges: <u>Firm Receipt Service</u> , except Seasonal and Daily Seasonal Services	>= 3 Yr Demand Charge \$/103m3/month	>= 5 Yr Demand Charge \$/103m3/month	PITS Charge 1 \$/103m3	PITS Charge 2 \$/103m3	Incremental Diversion Charge \$/103m3	Overrun Quantities Charge \$/103m3
Zone 1	\$473.58	\$449.90	110% of applicable Demand Charge converted to daily charge.	125% of applicable Demand Charge converted to daily charge.	\$5.62	\$23.35
Zone 2	\$653.61	\$620.93	110% of applicable Demand Charge converted to daily charge.	125% of applicable Demand Charge converted to daily charge.	n/a	\$32.23

Table 2: FFPS Pricing¹

Transportation Charges: <u>Firm Full Path Service</u> , except Seasonal and Daily Seasonal Services	>= 3 Yr Demand Charge \$/103m3/month	>= 5 Yr Demand Charge \$/103m3/month	PITS Charge 1 \$/103m3	PITS Charge 2 \$/103m3	Incremental Diversion Charge \$/103m3	Overrun Quantities Charge \$/103m3
Zone 1	\$721.02	\$697.34	110% of applicable Demand Charge converted to daily charge.	125% of applicable Demand Charge converted to daily charge.	\$5.62	\$23.35
Zone 2	\$901.05	\$868.37	110% of applicable Demand Charge converted to daily charge.	125% of applicable Demand Charge converted to daily charge.	n/a	\$32.23

- Please refer to the Alliance Canadian Tariff for further details regarding PITS, diversion or overrun charges
- The applicable Demand Charge for FDS is the current prevailing charge of \$247.44/10³m³/month.

¹ Zone 2 points available are as follows: BC01A, BC02, BC02A, BC03, BC04, BC12 BC58, BC62*, AB09, AB10, AB11

Zone 1 points available are as follows: AB13, AB16, AB17, AB20, AB21, AB23, AB24, AB25, AB27, AB27A, AB29, AB30, AB31, AB32, AB33, AB33A, AB34, AB38, AB39, AB40, AB41, AB42, AB43, AB44, AB44A, AB44B, AB45, AB48, AB63, AB64, AB65, AB66, AB67, AB68, AB69, AB70, AB71, AB72, AB73

(*These points are existing Firm Rich Gas Service (FRGS) contracted points and as such, HCDP Off-Spec Surcharges will apply for all scheduled seasonal firm as determined based on the difference between the posted average HCDP of the flow at such receipt point and the HCDP Spec)

- FDS is eligible for the Rich Gas Credit as described in Article 8 of the Toll Schedule Firm Delivery Service in the Canadian Tariff.
- Alliance Pipeline L.P., the U.S. Transporter, has provided notification that concurrent capacity is available on the U.S. Pipeline at the applicable FT-1 Maximum Recourse Rate.

Eligibility

Prior to submission of an RFS, Service Applicants must have prequalified by meeting the requirements of Article 8 (Requests for Services) of the General Terms and Conditions of Alliance's Canadian Tariff. Service Applicants will also be required to satisfy Article 26 (Financial Assurances) of the General Terms and Conditions of Alliance's Canadian Tariff. With respect to this OS for Firm Capacity, financial assurances need not be provided prior to the submission of an RFS or prior to award of Capacity, however, Service Applicants who do not possess the required creditworthiness as per Article 26 (Financial Assurances) shall be required to provide financial assurances upon any award of Capacity to such Service Applicant pursuant to this OS for Firm Capacity

For questions regarding this offering and RFS bid submission, please contact:

Terry Molik – (403) 620-4441 apl.marketservices@pembina.com

Erik Taylor - (403) 607-9366 apl.marketservices@pembina.com

To confirm or establish creditworthiness, please contact:

Tim Murray – (403) 233-4522 credit@pembina.com