NATURAL GAS TRANSPORTATION SERVICES GUIDE

Thank you for your interest in becoming a transportation services customer. We know you'll love the flexibility this will give you and your business. To assist with the transition, here's a step-by-step guide to help you start the process.

DETERMINE IF YOU QUALIFY TO BE A TRANSPORTATION SERVICES CUSTOMER

Minimum: Annual use of at least 800 Mcf at a single location during the last 12 billing periods

To determine your annual usage, combine the usages from your contiguous natural gas meters from your most recent gas bills or you can send an email to bdevelop@kansasgasservice.com to determine if your account qualifies. Please include the following information in your email:

- Contact name
- Contact phone number
- Account number

COMPARE AND SELECT A THIRD-PARTY NATURAL GAS SUPPLIER

For a list of third-party natural gas suppliers, click here or reach out to bdevelop@kansasgasservice.com

Each third-party natural gas supplier will ask to see your natural gas usage requirements by month, so they can prepare a quote for your business. Third-party natural gas suppliers offer a variety of pricing packages to supply your natural gas needs. You may be offered an index (floating) price or a fixed price agreement for different time periods.

Your third-party natural gas supplier will provide daily deliveries to the local Kansas Gas Service town border station. At the end of each month, Kansas Gas Service balances your account by calculating the difference between these deliveries and your actual consumption. Small imbalances are corrected in the next month. Large imbalances can result in a cash-out charge or credit. Your third-party natural gas supplier usually provides aggregation and these cash-out charges will be billed to the third-party natural gas supplier. If you have any questions regarding imbalances or aggregation, be sure to ask your third-party natural gas supplier and get it addressed in your contract.

During peak winter conditions, Kansas Gas Service may issue an Operational Flow Order (OFO) that requires your delivery to be in balance each day to avoid penalties. Natural gas meters that use more than 1,500 Mcf in a single month must be electronically metered (*Electronic Flow Measurement (EFM)* metering requirements and costs are available upon request by reaching out to <u>bdevelop@kansasgasservice.com</u>). Smaller natural gas meters are assigned a predetermined delivery amount (Required Daily Quantity or RDQ) for a peak day. They are not subject to a penalty if your third-party natural gas supplier delivers that amount for the natural gas meter each day during an OFO period. Your third-party natural gas supplier should provide further information on OFO's, balancing deliveries and RDQ's.

3 DETERMINE WHICH KANSAS GAS SERVICE RATE IS THE MOST BENEFICIAL BASED ON YOUR HISTORICAL NATURAL GAS VOLUMES.

Available in all communities:

- More than 800 Mcf in 12 months: Small Transportation Service (STk [k-system] or STt [t-system])
- More than 1,500 Mcf in a single month: Large Volume Transportation Service (LVTk [k-system] or LVTt [t-system])



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4 CALCULATE YOUR TOTAL TRANSPORTATION COSTS

To calculate your total transportation costs, you will need to include:

- Kansas Gas Service transportation charges (including all applicable adjustments and taxes)
- Estimated third-party natural gas supplier costs (natural gas costs, plus any other adjustments or fees)
- EFM metering costs, if applicable (to determine your estimated savings under transportation service.)
- 5 COMPLETE A TRANSPORTATION AFFIDAVIT AND EXECUTE AN AGREEMENT WITH YOUR THIRD-PARTY NATURAL GAS SUPPLIER.

Contract period length and other minimum requirements may vary.

Please fill out the Transportation Affidavit and email it back to <u>bdevelop@kansasgasservice.com</u>. If you would like to start transportation service effective the 1st of the following month, please submit your transportation affidavit by the 20th of the month.

6 YOUR THIRD-PARTY NATURAL GAS SUPPLIER WILL SUBMIT YOUR NATURAL GAS TRANSPORTATION REQUEST AND A KANSAS GAS SERVICE REPRESENTATIVE WILL CONTACT YOU TO VERIFY YOUR INFORMATION.

Kansas Gas Service will work with your third-party natural gas supplier to move your account to transportation services as soon as possible.

Please reference Section 10 and 11 of the Kansas Gas Service General Terms and Conditions for specific rules and requirements related to natural gas transportation services.

If you have any questions, please contact: bdevelop@kansasgasservice.com

