

EXPLORER PIPELINE COMPANY OPEN SEASON NOTICE

On February 3, 2020, Explorer Pipeline Company (“Explorer”) issued a press release announcing the commencement of an open season to obtain shipper commitments to support the development of a proposed new transportation service on Explorer’s pipeline system that would provide for the transportation of diluent and refined petroleum products from existing U.S. Gulf Coast receipt points on Explorer’s system to a new destination point located in Galena Park, Texas (the “**Project**”).

Provided below is a high-level summary of the key terms of service for the Project. A more detailed explanation of the key terms of service for the Project is provided in the Open Season Procedures, a copy of which will be made available to any interested shipper with a bona fide shipping interest upon the execution of a confidentiality agreement. Copies of the *pro forma* transportation services agreements will also be available to such shippers upon the execution of a confidentiality agreement.

- The Project is expected to be operational on or before June 1, 2022.
- Shippers must make ship-or-pay volume commitments to the Project of at least 5,000 barrels per day for a five-year term.
- Shippers must specify the type of product, *i.e.*, either diluent or refined petroleum products, that it will ship on the Project in fulfillment of its volume commitment obligation.
- Shippers that make a volume commitment will receive discounted rates compared to the rates assessed to walk-up shippers, with the amount of the discount dependent on the level of the shippers’ volume commitment.

Any party interested in obtaining a copy of the Open Season Procedures and the *pro forma* transportation services agreements, should contact Sarah Sanford at (918) 493-5124 or ssanford@expl.com.