

Natural Gas Pipeline Company of America LLC

NOTICE OF BINDING OPEN SEASON CHICAGO MARKET EXPANSION PROJECT

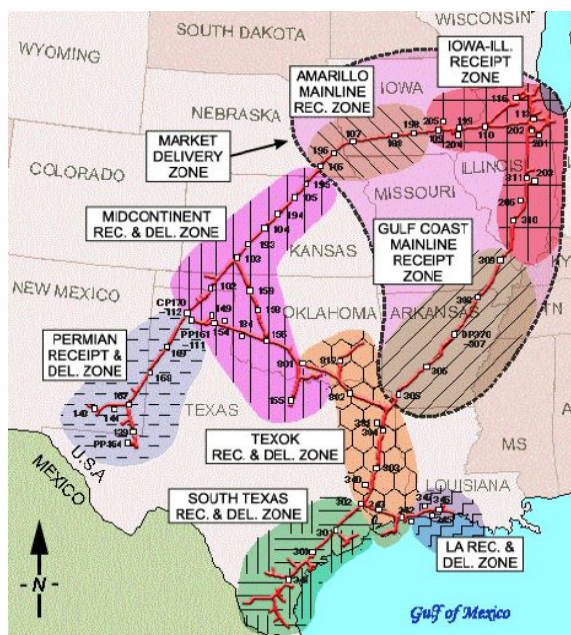
Announcement of Open Season

Natural Gas Pipeline Company of America LLC ("NGPL") is holding a Binding Open Season to solicit commitments for a northbound expansion of its Gulf Coast mainline ("Gulf Coast Line") system by constructing additional compression facilities between NGPL Station 311 and Station 113. The Chicago Market Expansion Project ("Project") will provide for incremental firm transportation service to delivery points in the Chicago area from the existing interconnect with Rockies Express Pipeline ("REX") in Moultrie County, IL.

Increased gas production from the Utica and Marcellus Shales, combined with unique access to markets in Chicago, Joliet and northwest Indiana, make this Project the most affordable and economic choice to meet the needs of producers, local distribution companies, marketers and end use customers. NGPL's system, with over 5.5 Bcf/day of pipeline and storage deliverability, can provide access to numerous market area delivery points through existing and expansion capacity.

About NGPL

NGPL is one of the largest interstate pipeline systems in the country, with approximately 9,200 miles of pipelines, more than 1 million horsepower of compression facilities and 282 Bcf of working gas storage. Shippers on the Chicago Market Expansion Project will have primary or secondary access to other Midwest markets and highly liquid pooling points for exceptional optionality. In addition, selection of the system-wide rate option enables Shippers to source gas from eight (8) different receipt zones to six (6) delivery zones throughout the NGPL system on a secondary out-of-path basis. NGPL's storage and balancing services can also increase Shipper's flexibility.



Description of the Chicago Market Expansion Project

The Project, as currently designed, is anticipated to include the installation of additional compression facilities on NGPL's Gulf Coast Line. The NGPL/REX Moultrie interconnect is slated for expansion in the FERC filing by Rockies Express Pipeline, LLC in Docket No. CP14-498 to 1,750,000 Dth/day. With the addition of these facilities, NGPL expects to be able to provide incremental northbound firm transportation capacity of approximately 280,000 Dth/d to 450,000 Dth/d from the REX Moultrie interconnect to markets in and near Chicago, IL in its Market Delivery Zone, that includes major LDCs (Nicor Gas, Peoples Gas Light & Coke, North Shore, Ameren, Northern Indiana Public Service Company) and interstate pipelines, direct connect power plants and industrial customers.

The target in-service date for the Project is November 1, 2016. The target in-service date is an estimate and may change dependent on the required facilities, regulatory approvals and completion of Project construction. NGPL reserves the right to reject bid(s) with a commencement date later than November 1, 2016.

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Bid Requirements

Parties interested in obtaining firm transportation capacity, pursuant to this Binding Open Season, should submit a completed Binding Open Season Bid Form (attached as Exhibit A) during the Open Season. The bid shall be binding and will be incorporated into an executable Precedent Agreement, subject to NGPL's review and confirmation. NGPL reserves the right to develop the Project to accommodate firm transportation service (FTS) and / or FTS with system-wide rights (FTS-SW) bids received that meet its economic criteria. The form of Precedent Agreement will be provided upon request.

A Binding Open Season Bid Form must include the following information:

- Reservation Rate on a dollar per Dth of MDQ per month basis
 - Negotiated or Maximum Recourse Reservation Rate
 - with or without the system-wide rights option
- Maximum Daily Quantity ("MDQ") must be 1,000 Dth per day or greater
- Bidder's Minimum Acceptable MDQ
- Primary Delivery Point(s), including the specified MDQ for requested points
- Contract Start Date no earlier than November 1, 2016 and Contract End Date
- Contract term must be at least ten (10) years and no greater than twenty-five (25) years
- Credit Application.

Shippers awarded capacity shall execute and return a Precedent Agreement acceptable to NGPL within approximately two weeks after the close of the Open Season which shall include all completed exhibits.

Timing of Open Season and Contact List

The Binding Open Season will commence at 12:00 P.M. CST on Thursday, October 16, 2014, and conclude at 4:00 P.M. CST on Monday, November 17, 2014. Interested parties should send their binding bids via email to: mark_menis@kindermorgan.com.

Binding bids may also be sent by mail or FAX to NGPL's offices to the attention of Mark Menis. The mailing address is: 3250 Lacey Road, Suite 700, Downers Grove, Illinois 60515 or the facsimile number (630) 725-3107. Faxed or mailed binding bids must be received prior to the close of the Binding Open Season in order to be considered. Parties may submit questions concerning this Open Season to:

Mark Menis: Phone: (630) 725-3052; Email: mark_menis@kindermorgan.com
Jim Lelio: Phone: (713) 369-8733; Email: jim_lelio@kindermorgan.com
Donette Bisett: Phone: (713) 369-9316; Email: donette_bisett@kindermorgan.com
David Weeks: Phone: (630) 725-3030; Email: david_weeks@kindermorgan.com

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Open Season Procedures

Any party wishing to submit a binding bid in this Open Season must submit the attached Exhibit A (Open Season Bid Form) whose terms shall be incorporated into the definitive Precedent Agreement. NGPL reserves the right to reject and remove from consideration, non-conforming bids, bids that have a delayed in-service requirement, or bids with other contingencies. If the non-conforming provisions of the bid are otherwise acceptable to NGPL, NGPL may, in its sole discretion, deem a non-conforming bid as "acceptable" and include the bid as part of the firm capacity allocation process. NGPL will exercise its discretion in this regard in a not unduly discriminatory manner.

After the close of this Open Season, NGPL, at its sole discretion, shall determine whether to proceed with the Project and, if so, in what manner. NGPL has no obligation to negotiate with or enter into any transaction with any party that submits a bid to NGPL. NGPL may, in its sole discretion, extend the duration of the Open Season at any time during the Open Season. In addition, and upon five (5) business days' notice given by means of an informational posting to NGPL's website, NGPL may modify the terms of the Open Season. Further discussions will occur with those parties submitting bids that best satisfy the criteria for the capital expenditures associated with the Project. Negotiations with those parties are expected to proceed for approximately two weeks after the close of the Open Season to execute a mutually acceptable Precedent Agreement. NGPL reserves the right, to be exercised on a not unduly discriminatory basis, to continue to market the project after the close of the Open Season.

Bid Options

Conforming Bids: Parties will have the ability to submit either a Negotiated Rate bid or a maximum Recourse Rate bid, as provided below. The Recourse Rate is subject to change during the term of the agreement. In order for a bid to be considered a conforming bid, the contract term must be at least 10 years, but not greater than 25 years. A Negotiated Reservation Rate bid must be at least \$4.8667 per Dth per Month (\$0.16 per Dth per day). Negotiated Rates at less than this minimum rate and discounted rates for recourse rate bids shall be deemed non-conforming.

Negotiated Rates: For rate certainty throughout the term of the agreement, parties are encouraged to bid Negotiated Rates for service on the Project, with the system-wide rights option (FTS-SW). System wide rights will enable the Shipper to also source and deliver gas throughout NGPL's system on a secondary out-of-path basis given point and segment capacity availability. Capacity awarded under a Negotiated Rate structure shall be at the fixed rate for the term of the Agreement.

Recourse Rates: Interested parties may also bid Recourse Rates. The rate applicable to any capacity awarded under the Recourse Rate structure is subject to change during the term of the agreement if there is a change to NGPL's tariff rates for such service. The current maximum tariff Reservation Peak and Off-Peak rates with and without system-wide rights are as follows:

Currently Effective Max. Peak and Off-Peak Recourse Rates (FTS)			
<u>Receipt Zone</u>	<u>Market Delivery Zone</u>		
	<u>FTS Peak</u>	<u>FTS Off-Peak</u>	<u>Annualized</u>
Iowa-Illinois			
Reservation	\$3.9500	\$3.7000	\$3.8042
per Unit	\$0.1308	\$0.1210	\$0.1251
inclusive of system-wide rights option (FTS-SW)			
Reservation	\$8.4450	\$7.3400	\$7.8004
per Unit	\$0.2796	\$0.2401	\$0.2565

Economic Value: NGPL will consider the combination of all binding bids received during the Open Season that represent the highest economic value for the Project.

Additional Charges: In addition to the Reservation charge (\$ per Dth per month), Shippers shall also be charged a commodity rate based on usage, Annual Charge Adjustment (ACA), fuel and gas lost and unaccounted for charge and any additional surcharges that are in effect pursuant to its NGPL's FERC Gas Tariff, as may be revised from time to time.

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Receipt and Delivery Points: As currently contemplated, the Project provides for primary receipts at the REX Moultrie receipt point (NGPL Pin # 44413) with firm gas transportation north to selected delivery points on the NGPL system in Segment 28 and 36 of its Market Delivery Zone and Segments 30, 31, 32, 33 and 34 if unsubscribed capacity is available at time of Precedent Agreement execution. NGPL intends to reserve capacity on certain downstream laterals in the Chicago Market Area to support this Project, in accordance with GT&C Section 5.1(c)(11), pursuant to the Capacity Reservation Posting contemporaneously posted on its website under Non-Critical Notices. Physical delivery points with indicative unsubscribed capacity can be found on NGPL's website for the referenced segments (e.g. Nicor Pontiac Pin #900140 and Nicor Mazon Pin #900137 located in Segment 28). Alternatively, parties are welcome to submit bids at primary delivery points that are included in select Central Delivery Points (CDP's), in accordance with NGPL's FERC Gas Tariff. NGPL will work with parties to identify mutually agreeable physical points of delivery which will be required for every primary path transportation contract.

Central Delivery Points			
LDC City-gates	Pin #	LDC City-gates	Pin #
Nicor	9258	PGLC	909285
NIPSCO	909260	North Shore	9254
Ameren GC	46595		

The actual sizing and location of facilities will depend on, among other things, the level of contractual subscriptions entered into as a result of this Open Season. Parties may request new delivery points by providing specific (i.e., latitude and longitude) or general location descriptions in their bids submitted in response to this Open Season, in the area designated for such information. Such additional facilities will not be included in the Project's costs or rates. The costs for additional facilities would be reimbursed 100% by the party in advance of construction. Any other mutually agreeable points may be considered in the sole discretion of NGPL.

Credit Requirements: Prior to NGPL's execution of the Precedent Agreements, Shippers will be required to demonstrate creditworthiness or provide a credit security with 12 months of reservation charges or as otherwise acceptable to NGPL and pursuant to the Project terms and conditions of the Shipper's Precedent Agreement. A credit application is attached to this Open Season and should be submitted along with binding bids during this Open Season.

Awarding of Capacity

NGPL will evaluate all valid submissions and make a determination with respect to the final sizing of the Project. NGPL will award firm capacity based on the highest net present value (NPV) of the stream of revenue produced by an acceptable bid, or combination of acceptable bids, received in this Binding Open Season, up to the total available capacity that results from the facilities that NGPL determines, in its sole discretion, to construct. Awards of capacity will be final and will be binding, subject to the conditions of the Precedent Agreement.

In evaluating competing bids, NGPL shall consider the revenue stream from the reservation charges associated with the bid. Revenue associated with the system-wide option (SW) will be used in the bid evaluation process up to the FTS-SW recourse rate. If a party elects to bid a Negotiated Rate, for purposes of comparing Negotiated Rate Bids and Recourse Rate bids, any revenue in excess of that generated by a Recourse Rate bid for the applicable service bid (FTS or FTS-SW), shall not be considered in NGPL's bid evaluation process.

NGPL will award capacity to the party or parties whose bid produces the highest NPV or to the parties whose combined bids produce the highest NPV, utilizing an 8% discount rate. If multiple bids produce the highest NPV and there is not adequate Project capacity to award all of the capacity associated with these bids, then capacity shall be allocated among the parties whose bids produced the highest NPV. If after allocation, one or more of the parties' allocated MDQ falls below that party's minimum acceptable MDQ and absent NGPL and party mutually agreeing to adjust said minimum MDQ, then that party's bid shall be discarded and the Project capacity shall be awarded to the remaining parties that made up the highest NPV initially.

NGPL shall have no obligation to consider non-conforming bids in the allocation of capacity in the Open Season. If NGPL determines that it will consider non-conforming bids, it will do so in a not unduly discriminatory manner.

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Capacity Turnback

In addition to soliciting bids for the Project, NGPL is accepting requests for permanent turnback of capacity with a primary receipt point at the NGPL/Rex Moultrie interconnect and a primary delivery point in the Chicago Market Area that will be beneficial to the design of the Project and will result in an economic gain to NGPL based on a comparison of the savings associated with Project facilities that are no longer required and the lost revenue associated with the turnback. The effective date of the turnback must correspond with the in-service date of the Project. Any turnback capacity that is proposed to be effective later than the proposed in-service date of the Project will not be considered. NGPL may aggregate requests for turnback and accept such requests in the manner which provides the most economic benefit to NGPL by comparing the revenue lost with the savings associated with the turnback. NGPL will consider any requests for turnback on a nondiscriminatory basis. Shippers interested in capacity turnback should submit a request by the end of the Open Season, as specified above. Requests should include the proposed effective date of the turnback, the proposed capacity to be turned back, and the applicable receipt and delivery points that Shipper is proposing to turn back.

Limitations

NGPL reserves the right to define and maintain the economic viability of the Project at all times in its sole discretion. NGPL's decision to proceed with the Project is at its sole discretion and is subject to receiving a sufficient level of capacity subscriptions, obtaining the necessary governmental authorizations to construct and operate the Project and other conditions as set forth in this Open Season and form of Precedent Agreement.

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**EXHIBIT A
OPEN SEASON BID FORM**

- A. Shipper Name: _____
- B. Contract Start Date: _____
- C. Contract End Date: _____ (to be extended should in-service be delayed)
- D. Maximum Daily Quantity (MDQ): _____ (Dth/d)
Shipper willing to accept a lesser quantity: Yes _____ No _____
If yes, please indicate the minimum acceptable MDQ amount: _____ (Dth/d)
- E. Reservation Rate: _____ (\$ per Dth per month)
Negotiated Rate _____ or Recourse Rate _____
Does Rate include System-wide service option: Yes _____ No _____

F. Primary Receipt/Delivery Point Information:

Name/Location	County	State	PIN No.	MDQ (Dth/d)
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PRIMARY RECEIPT POINT:

REX Moultrie	Moultrie	IL	#44413	
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PRIMARY DELIVERY POINT(S):

TOTAL				

PROPOSED NEW PRIMARY DELIVERY POINT(S):

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Location: Longitude _____ Latitude _____

By: _____

Print Name: _____

Title: _____

Phone: _____

Email: _____

Address: _____

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EXHIBIT A (Continued)
CREDIT APPLICATION FOR NATURAL GAS PIPELINE COMPANY OF AMERICA LLC

Section 1 --General Information

Shipper Name: _____
Shipper Address: _____
(Include City, State, Zip)
DUNS# _____ - _____ FEIN _____ - _____ Telephone No. (____) _____
Contact Person _____
Business Entity: ___ "S" Corporation ___ "C" Corporation ___ Partnership ___ Other FAX No. (____) _____
Type of Business _____ Number of years in business _____
List parent corporation of Shipper/Operator (if Shipper/Operator is a subsidiary company) or general partners (if Shipper/Operator is a partnership) _____
Please identify (specify / circle owners) whether you are owned by any of the following entities: Brookfield Infrastructure Partners, PGGM Investments, PSP Investments, Steel River Infrastructure Partners or Myria Acquisition Inc.

Section 2 -- Standardized Credit Information

Please provide Shipper's long-term unsecured debt credit ratings (including Outlook) current as of the date of this Credit Application:

Standard & Poor's _____ Moody's _____
Is Shipper: - Operating under federal bankruptcy laws? _____ Yes _____ No
- Subject to liquidation or debt reduction procedures under state laws? _____ Yes _____ No
- Subject to pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration of Shipper's financial condition? _____ Yes _____ No
- Subject to any collection lawsuits or outstanding judgments which would affect Shipper's ability to remain solvent? _____ Yes _____ No
- Are there any overdue amounts owed Natural Gas Pipeline Company? _____ Yes _____ No

Section 3 -- Additional Financial Information and Documentation

Please provide Shipper's estimated activity under all requested services:

Estimated Monthly Volume for all Services: _____ (Dth)
Estimated Monthly Transportation/Storage Charges for all services \$ _____
Estimated Term (in months) of Capacity Release Request _____
Expected Commencement Date for requested service: _____

If Shipper's audited financial information is not publicly available, please enclose current financial statements, annual reports, 10-K or other reports to regulatory agencies, or any reports from credit reporting agencies which are available.
Natural Gas Pipeline Company may request additional credit information and documentation in order to perform a credit evaluation of Shipper, in accordance with the provisions of its FERC Gas Tariff. Incomplete applications will be declined.

Shipper's Signature _____ Title _____ Date _____

Return this Credit Application and Supporting Financial Information to:

Natural Gas Pipeline Company of America
Attention: Ralph Lohr
3250 Lacey Road, Suite 700
Downers Grove, IL 60515
Telephone: 630/725-3213
Facsimile: 630/725-3107
Ralph_Lohr@kindermorgan.com