



August 20th, 2018

Notice of Non-Binding Open Season

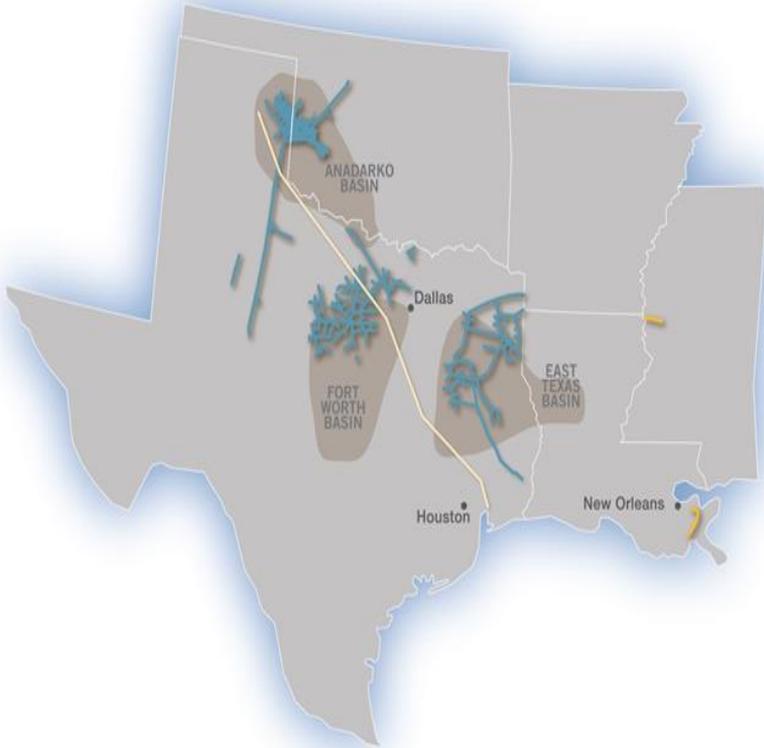
CJ Express Pipeline

Midcoast Energy, LLC

An affiliate of ArcLight Capital, LLC

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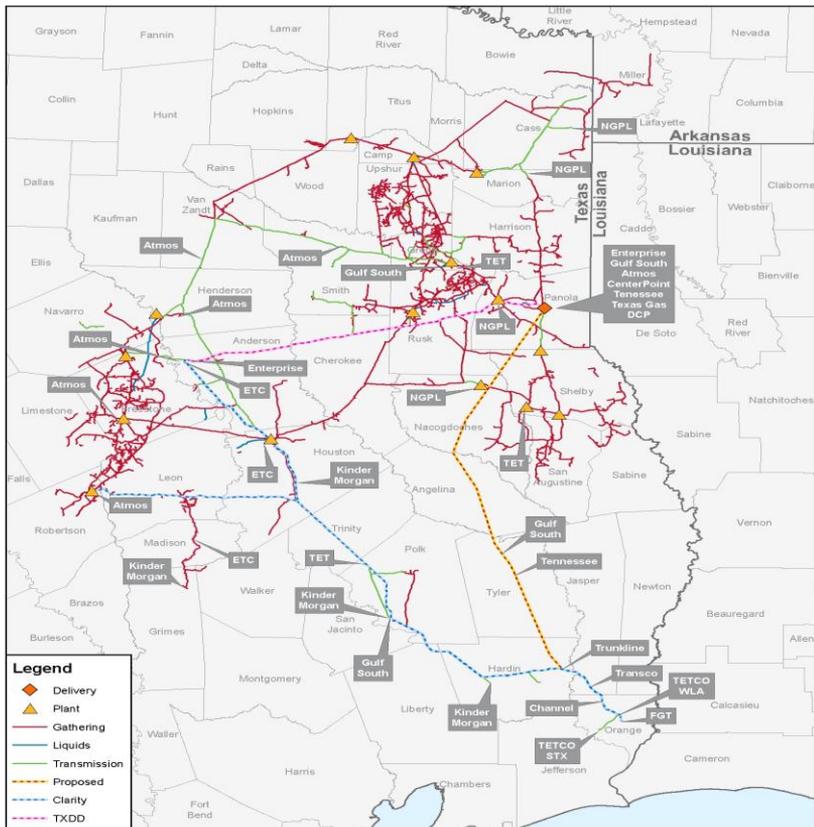
Midcoast Energy, LLC is a large-scale natural gas and natural gas liquids midstream business headquartered in Houston.



Our three large natural gas gathering, treating, processing, and transportation systems—Anadarko, East Texas, and North Texas – connect established and growing gas-production regions in Texas and Oklahoma. Our 35% NGL ownership interest in Texas Express provides takeaway from the liquids rich basins in the Rockies, the mid-continent and Texas for NGL deliver to the Gulf Coast fractionation hub in Mont Belvieu. Our Logistics & Marketing business provides flow assurance and liquidity to gas and NGL customers across our asset base.

Midcoast East Texas System

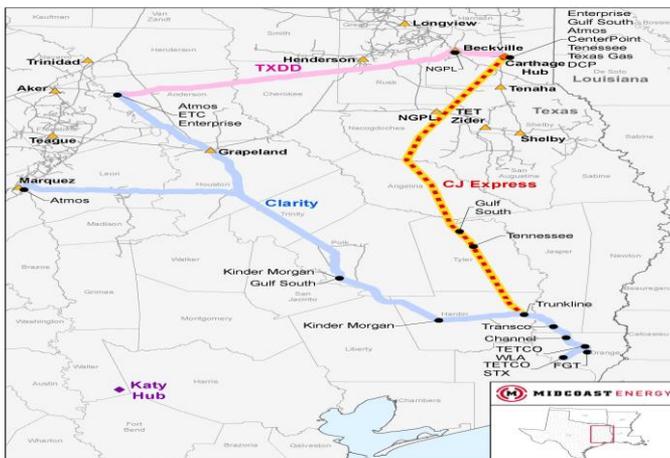
- System covers over 40 counties and consists of ~4,200 miles of natural gas pipelines including 350 miles of large diameter intrastate transmission pipe
- Superior connectivity to end-user markets provides reliability and flexibility to producers, making Midcoast the preferred service provider in the basin
- Supply diversity with access to Haynesville, Travis Peak, Rodessa, Cotton Valley, Eaglebine and Bossier plays which continue to deliver attractive well results in current commodity price environment
- “Demand Pull” driven by proximity to growing downstream and end-user markets in the Texas & Louisiana Gulf Coast and Mexico supports basin development
- Recently deployed capital to expand gathering and treating capability into the Louisiana side of the Haynesville
- Increased drilling activity and shifting market dynamics have created significant growth opportunities



CJ Express Pipeline Project

Midcoast Energy, LLC is proposing to provide natural gas transportation services from the Carthage area with a new pipeline (“CJ Express”) to Houston Ship Channel and Gulf Coast markets. The CJ Express Pipeline will consist of up to 150 miles of 36 inch or larger diameter pipeline, commencing near Carthage in Panola County, Texas and extending south to Midcoast’s Clarity Pipeline in Hardin County, Texas to provide for deliveries to:

Trunkline Gas Company, LLC	Gulf South Pipeline Company (Area 10)	Transcontinental Gas Pipe Line Company (Zone 2)
Tennessee Gas Pipeline Company (100 leg)	Texas Eastern Transmission (TETCO STX)	Florida Gas Transmission Company (Zone 1)
Kinder Morgan Texas Pipeline	Atmos Pipeline - Texas	Channel Industries Gas
Texas Eastern Transmission (TETCO WLA)		



Midcoast anticipates CJ Express to be completed mid- 2020.

Contacts for the project:

Mark DeRusse 713-627-6696

Pat Martin 713-627-6381

Interested parties should send their completed non-binding bid form via email to Mark DeRusse at mark.derusse@midcoastenergy.com or Pat Martin at pat.martin@midcoastenergy.com or to Midcoast Energy LLC’s offices via registered mail at Midcoast Energy, LLC, 5400 Westheimer Court, Houston, Texas 77056, attention: Mark DeRusse. CJ Express will contact bidders by no later than September 28th, 2018 concerning their bid.

CJ Express Pipeline

Non-Binding Open Season –
Bid Form August 20th – September 14th, 2018



Shipper Legal Name: _____

Contact Name: _____

Contact Title: _____

Phone Number: _____

Email Address: _____

Identity of Shipper (Local Distribution Company, LNG Company, Marketer, Producer, End User, Other): _____

Term: Shipper requests a primary term of ____ years. (The minimum contract term must be at least 10 years).

Contractual Maximum Daily Quantity (MDQ) shall be equal to _____ MMBtu/d.

Receipt Point (Name and Location)	Maximum Daily Receipt Obligation (MDRO)*	Delivery Point (Name and Location)	Maximum Daily Delivery Obligation (MDDO)*	Reservation Rate (\$/MMBtu)

Other provisions, Terms or Comments:

*The total individual MDRO or MDDO of all points shall not exceed the contractual MDQ

This completed form must be received by Midcoast Energy, LLC no later than 3:00pm CST on September 14th, 2018.

Interested Party represents that the person executing this bid has been duly authorized by Interested Party to submit this request on Interested Party's behalf.

Name

Title

Date

Disclaimer

This notice of non-binding open season is provided for informational purposes only. Notwithstanding anything contained herein to the contrary, this notice and the open season conducted by CJ Express are not intended to constitute, nor shall they be construed to constitute, an offer or any binding obligation whatsoever on the part of CJ Express to proceed with the project contemplated herein until CJ Express has executed and delivered a fully executed transportation services agreement (“TSA”) to an interested shipper and any conditions set forth therein have been satisfied or waived. CJ Express reserves the right, in its sole discretion, to modify, terminate or extend the open season, in whole or in part, including without restriction any ensuing discussions among the parties at any time, without advance notice. CJ Express further reserves the right to modify or supplement any of the documents associated with the open season without notice. In the event there is a conflict between the description of the terms of service for the CJ Express project provided in this notice and the description of the terms of service for such project provided in the TSA, the TSA shall control.

CJ Express reserves the right to define and maintain the economic viability of the project. CJ Express’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 the relevant TSA.

Under no circumstances shall CJ Express or any of its affiliated companies or any of their respective directors, officers, employees, agents, attorneys, advisers and representatives be responsible for any costs or expenses incurred by any recipient or for any other liability, howsoever arising, incurred by any recipient, in each case, in connection with any investigation or evaluation of the project.
