



Project Highlights

- Reverse flow on Iroquois offering physical transportation to U.S.-Canada border
- Open Season Date – January 12, 2015 through February 27, 2015
- Receipt Points
 - Dominion at Canajoharie
 - Constitution at Wright
 - Algonquin at Brookfield
- Delivery Points
 - Waddington
 - Zone 1 Points
- Capacity – up to 650,000 Dt/day
- Term – 15 years minimum
- Proposed in-service date of November 2017





Project Background

Iroquois owns and operates a 416-mile interstate natural gas pipeline extending from the U.S.-Canada border at Waddington, NY, through New York and western Connecticut to its terminus in Commack, Long Island and in the Bronx, NY. Iroquois commenced full operations in 1992 to bring reliable supplies of competitively priced gas from western Canada into the Northeast. However, in recent years, gas production in the US Northeast has rapidly expanded to over 19 Bcf/day, spurring a number of new transportation paths to bring Marcellus shale supplies to Iroquois.

- Constitution Pipeline received its FERC certificate on December 2, 2014 to construct a 650,000 Dt/day pipeline from Susquehanna County, PA to Iroquois at Wright, NY with a proposed in-service date of 2016.
- Dominion Transmission filed a FERC certificate application in June 2014 for its New Market Project to deliver 82,000 Dt/day to Iroquois at Canajoharie, NY. Dominion anticipates a FERC certificate in June 2015 with a proposed in-service date of November 2016.
- Algonquin Gas Transmission currently supplies up to 410,000 Dt/day to Iroquois at Brookfield, CT. Algonquin received its Draft Environmental Impact Statement (DEIS) in August 2014 for the AIM Project to expand its capacity into New England by an additional 342,000 Dt/day with an in-service date of November 2016.

The SoNo Open Season is being held in conjunction with TransCanada’s and Portland Natural Gas Transmission System’s open seasons to solicit interest in serving eastern Canadian and northern New England markets.

The SoNo Project will utilize Iroquois’ NGA Section 3 and Presidential Permit authority to export gas to Canada. The level of interest expressed in this Open Season will determine the facilities to be constructed to physically flow gas north into Canada.

Project Rates

SoNo is being offered as an Eastchester vintage project under Rate Schedule RTS. Actual project rates will be based on the facilities needed for the shippers’ proposed capacity paths. The currently projected minimum discounted daily equivalent demand charges are set forth in the table below and are applicable only to the primary contracted South-to-North capacity path. SoNo shippers will also pay the commodity charges, surcharges and fuel applicable to Eastchester shippers as set forth in Iroquois’ FERC Gas Tariff.

Receipt Points	Rate (\$/Dt/Day)
DTI / Canajoharie, NY	\$0.22
CPL / Wright, NY	\$0.22
AGT / Brookfield, CT	\$0.45

Allocation of capacity between the different paths will be calculated based on which bids provide the greatest economic value to Iroquois.

Project Term

SoNo contracts will have a minimum term of 15 years. Iroquois is currently proposing an in-service date of November 2017; however, alternate dates and terms may be acceptable if requested. Iroquois reserves the right to phase-in SoNo contracts over a period of time to meet shipper needs and permitting timelines.

Open Season Information

This non-binding Open Season shall commence on January 12, 2015 and end at 5:00 p.m. EST on February 27, 2015. During the Open Season, interested parties must submit a fully executed copy of the attached Open Season Bid Form (“OSBF”), specifying:

- Maximum Daily Transportation Quantity (MDTQ)
- Receipt and Delivery Points with related volume(s)
- Requested contract start date
- Proposed term

All sections of the OSBF must be completed, and the OSBF must be signed by a duly authorized representative of the bidder. Iroquois reserves the right, but shall not be obligated, to accept non-conforming bids.

Limitations and Reservations

Iroquois reserves the right, in its sole discretion, to terminate this Open Season at any time and to decline to proceed with the SoNo Project. Iroquois also reserves the right to reject bids that do not meet Iroquois’ creditworthiness requirements or are inconsistent with the terms and conditions outlined in this Open Season. Iroquois may reject any request for service in which the OSBF is incomplete, contains additional or modified terms, or is otherwise deficient in any respect.

To continue with the project, prospective shippers will be required to enter into a binding Precedent Agreement. Entry into such Precedent Agreement and any obligations (including construction of facilities and execution of any transportation service agreement) contemplated thereunder are subject to all required management approvals, including final credit and legal approval, as well as the approval of Iroquois’ Management Committee pursuant to the Iroquois Limited Partnership Agreement, and Iroquois obtaining all necessary governmental and regulatory authorizations to construct and operate the SoNo facilities. Shippers will be responsible for upstream and downstream arrangements, as well as any necessary authorizations for the import/export of natural gas if required.

This Open Season Announcement does not constitute a binding offer, and shall not form the basis for an agreement. Any actions taken by a party in reliance on any terms set forth in this Open Season Announcement or on statements made during negotiations following this Open Season Announcement and prior to the execution of a binding Precedent Agreement shall be at that party’s own risk.

Iroquois also reserves the right to proceed with one or more projects that will be defined through the contracting process and to develop alternative projects from the requests received during this Open Season that may be more representative of the timing requested and markets served.

Contact

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