



Q&A from Shippers Meeting 4/30/2014

The below are Questions and Answers from the Shippers Meeting held in New Orleans on April 30, 2014. For additional questions, please call (713) 228-3347 or email scheduling@kineticallc.com

- Q1. Does Velocity allow for automatic posting of imbalances or do you need to physically go into Velocity each month to post an imbalance trade?
There is no automatic posting of imbalances. You need to go in each month to post an imbalance and initiate a trade.
- Q2. Can Velocity be updated to allow customers to nominate below EPSQ when Kinetica has initiated the request?
An enhancement request will be submitted to the software vendor.
- Q3. Is there functionality available in Velocity to automatically upload nominations?
The ability to automatically upload nominations to Velocity is not available at this time.
- Q4. Does Kinetica have a connection from the Bluewater System at Egan with Columbia Gulf?
Kinetica has a dual connection at Egan with Columbia Gulf. Receipts from Columbia Gulf occur at meter 12815. Deliveries to Columbia occur at meter 24005.
- Q5. Gathering agreements have a 10 year term – are there any options other than 10 years on gathering? Transmission reserve dedication?
Kinetica is open to discussing other term options, however we will maintain a long term focus. The producer has the option of dedicating reserves to the Gathering Agreement. The Producer can dedicate reserves to any of the transmission agreements (i.e., IT, SFT, LFT or FFT3), however a reserve commitment is mandatory on an FFT3 agreement.
- Q6. Are interim Gathering agreements expiring at the same time?
The interim Gathering agreements are expiring on May 31, 2014. Please contact Sheryl Sellers (Sheryl.sellers@kineticallc.com) regarding any questions you have extending your agreement.
- Q7. Are Gathering agreements strictly with the producer?
Yes.
- Q8. Currently, imbalance trading is just on Transmission contracts and not on Gathering contracts. Will Kinetica allow for imbalance trades on Gathering contracts?
Imbalance trading on Gathering contracts is not available at this time. Kinetica will have further discussions regarding this request.
- Q9. Delivery of gas via displacement – how long will this continue?
Please reference the meter list for receipt and delivery meters, grouped by Gathering and Transmission, for each System. Deliveries by displacement (within a System) will be allowed based on operational conditions.



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Q10. Can Kinetica develop a customer advisory board to address customer enhancement requests, issues, etc.?

Kinetica is starting the process to develop a customer advisory board. More details to come.

Q11. What is the timeline of the compression study?

The estimated target date for completion of the compression study is the end of 2014. The findings of the study will then be analyzed to determine if compression is warranted, based on potential for additional cost to customers.

Q12. Update on NGL Bank.

Kinetica will facilitate discussion regarding the NGL Bank via the customer advisory board.

Q13. Can additional contact names and contact information be added to the Kinetica website?

Kinetica will be updating the contact information on the website.

Q14. Where is the location of Kinetica Gas Control?

Kinetica Gas Control is located in our Lake Charles office. Gas Control is available 24/7. The office is physically manned from 6 AM to 6 PM, with on-call coverage from 6 PM to 6 AM. Gas Control can be reached at 855-395-3958.

Q15. Is there anything being done to improve the time of the liquids allocation by SPL? We would like a better turnaround time from SPL to have the allocation no later than the 15th of the month.

Kinetica closes its measurement on the 5th business day of the month after the production month. Reports to SPL are sent out on the 7th to 8th business day. SPL receives the liquid reports from various sources and needs these reports to complete the allocation. Kinetica will talk SPL to find what sources are reporting late and work with the parties to report the liquids in a timely manner. Kinetica has a meeting scheduled in the near future to discuss more prompt turn-around of the allocation reports.

Q16. Who are the current Producer Representatives and Allocation Agents for the allocation systems on Kinetica's pipelines?

See the tables below for the Producer Representatives and Allocation Agents by System.

Sabine – Johnson Bayou Allocation System			
Producer Representative and Allocation Agent			
Apache Corporation	2000 Post Oak Blvd Suite 100 Houston, TX 77056-4400	Phone: 713-296-6714 Fax: 713-296-6319	Attn: Chris Forest christopher.forest@apachecorp.com

Cameron HIOS Allocation System			
Producer Representative and Allocation Agent			
Black Elk Energy	1260 Petroleum Pkwy Broussard, LA 70518	Phone: 337-365-1670	Attn: Bill Barlett bbarlett@blackelkenegy.com



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Bluewater Allocation System			
Allocation Agent: Kinetica Energy Express, LLC			
Producer Representative			
Dynamic Offshore Resources, LLC	1301 McKinney Suite 900 Houston, TX 77010	Phone: 713-423-8053	Attn: Annalisa Taylor ataylor@synamicosr.com

Port Sulphur Allocation System			
Allocation Agent: Kinetica Energy Express, LLC			
Producer Representative			
Anadarko Petroleum Corp	PO Box 1330 Houston, TX 77251-1330	Phone: 832-636-1097	Attn: Joel Sanden Joel.sanden@anadarko.com