



March 1, 2016

2:00 PM

Houston, TX

Agenda

- I. Introductions
- II. About Kinetica
 - Locations
 - Vision, Mission and Motto
 - Pipeline System Overview
 - Facilities Overview
 - Interconnects & Gas Plants
- III. Proposed Acquisition
- IV. Nominations & Scheduling
- V. Q&A

Kinetica Introductions

Kinetica Leadership Team

- ▶ Diane Dundee – President and Chief Operating Officer
- ▶ Rae Donaldson – VP Commercial and Operations
- ▶ Michelle Schuette Dundee – VP Administration
- ▶ Katherine Ko – Chief Financial Officer and Controller
- ▶ Kurt Cheramie – Sr. Director
- ▶ Sheryl Sellers – Sr. Director
- ▶ Bill Prentice – General Counsel

Kinetica Attendees

► Scheduling

- Lynn Nguyen
- Jeanie Falkenstein

► Engineering

- Rick Sacco

► Accounting

- Joe Parra
- Nicole Blow

► Supply

- Eliot Levin

► Operations

- Patrick Bourg
- Chris Cantrelle
- Matthew Gros

► Measurement

- Mark Sellers

► IT

- Kevin Bush

► Gas Control

- Damon Young

► Human Resources

- Beverly Bahnsen
- Tracy Gerard

Kinetica Locations

▶ Houston, TX

1001 McKinney Street
Suite 900
Houston, TX 77002

Main: 713-228-3347
Toll Free: 888-818-3347
Fax: 281-200-0747

▶ Lake Charles, LA

814 West McNeese Street
Suite 300
Lake Charles, LA 70605

Main: 337-312-2100
Gas Control: 337-312-2101
Toll Free: 855-395-3958

▶ Houma, LA

224 Aviation Road
Houma, LA 70363

Main: 985-879-3516

Kinetica Vision, Mission and Motto

Vision

Kinetica is a solution driven small company implementing our mission of attracting supply while maintaining our high standards of safety, service, simplicity and stability.

Mission

Safety, Service, Simplicity, Stability with a Supply focus:

- a) Excellent safety record backed by premium insurance
- b) First class customer service
- c) Contract simplicity
- d) Maintain stable supply transportation of natural gas and condensate

Motto

Kinetica's Motto, Energy in Motion, is apparent in our employees by their:

- ★ Enthusiasm and curiosity
- ★ Knowledge of pipeline transportation
- ★ Flexibility
- ★ Ideas to solve and prevent problems

Kinetica Pipeline System Overview

Kinetica Pipeline System Overview

- ▶ Sabine Pass
- ▶ Cameron
- ▶ Bluewater & South Marsh Island
- ▶ South Timbalier & Bay Marchand
- ▶ West Delta
- ▶ South Pass

Kinetica System Map



New Interconnects

➤ Receipts

- Lake Pelto–Louisiana State Waters
- Mangrove Bay–Louisiana State Waters
- Pecan Island
- South Marsh Island 76
- West Cameron 167
- Vermilion 67
- Cameron Parish
- West Delta 45
- South Timbalier 17
- Grand Isle 19
- East Cameron 64

➤ Deliveries

- LIG Gueydan
- LIG Lirette
- Targa Barracuda
- PSI Cameron Meadows



New Supply – Sabine Pass



Producer(s)	Volumes (D/d)
W&T Offshore	15,000
Total	15,000

New Supply - Cameron



Producer(s)	Volumes (D/d)
Arena	16,200
Square Mile	1,650
Stone	3,600
Walter O&G	6,000
Total	27,450

New Supply – Bluewater & South Marsh Island



Producer(s)	Volume (D/d)
Castex	11,500
Chevron	2,000
Cochon	14,000
GCER	18,500
Hilcorp	11,000
Shell	33,600
Stone/Talos	1,500
Total	92,100

New Supply – South Timbalier & Bay Marchand



Producer(s)	Volume (D/d)
Chevron	50
Cochon	500
Contango	12,000
Shoreline	300
Talos	3,900
Walter O&G	2,000
Total	18,750

New Supply – West Delta



Producer(s)	Volume (D/d)
LLOG	12,500
Nexen	12,500
Total	25,000

New Supply – South Pass



Producer(s)	Volume (D/d)
Arena	12,000
Energy XXI	18,500
Hilcorp	11,000
Murphy Oil	12,000
Total	53,500

New Supply - Summary



System	Volume (D/d)
Sabine Pass	15,000
Cameron	27,450
Bluewater & SMI	92,100
South Timbalier	18,750
West Delta	25,000
South Pass	53,500
Total New Supply	231,800

Kinetica Facilities Overview

Johnson Bayou

- ▶ Cameron Parish
 - Liquids Storage, Separation & Dehydration Facility



Pecan Island

► Vermilion Parish

- Liquids Storage, Barge Terminal, Separation & Dehydration Facility



Cocodrie

- ▶ Terrebone Parish
 - Liquids Storage, Separation & Dehydration Facility



Port Sulphur

- ▶ **Plaquemines Parish**
 - Liquids Storage and Separation Facility



Condensate

Pigging Improvements

- No consistent pigging program in place when Kinetica assumed operations
- Implemented a program to pig on a scheduled basis, resulting in consistent and predictable handling of liquids
- Monthly pigging schedules posted to the Informational Posting page, with updates when pigging dates are revised

Tank Storage

Facility	Water (Bbls)	Condensate (Bbls)
Johnson Bayou	3,000	20,000
Pecan Island		125,000
Cocodrie	10,000	115,200
Leeville	Shared Capacity	4,000
Port Sulphur	2,000	34,000

Interconnects & Gas Processing Plants

Interconnects

INTERCONNECTS				
	Loc	Loc Name	Loc	Loc Name
Sabine	024004	SW Lateral	012328	Stingray
	020582	Dry Trails	024006	Barracuda
Cameron	012559	High Island Offshore System	24003	Grand Chenier
East	014000	TGP - Acadian	028002	Texas Gas – Egan B
	024001	TGP - Cocodrie	021073	American Midstream
	024002	TGP - Egan B	021032	Discovery
	024000	TGP - Port Sulphur	012435	Garden Banks
	012812	Enterprise – Medusa	028001	Columbia Gulf – Egan A
	020554	EnLink LIG Lirette	024012	EnLink LIG Gueydan

Gas Processing Plants

Kinetica Systems	Gas Processing Plants	Kinetica Meter
Sabine Pass	Barracuda (Targa)	024006
Second Bayou	Barracuda (Targa)	024006
Kinder Related	Grand Chenier (Plains)	024003
Cameron	Grand Chenier (Plains)	024003
Bluewater	Lafitte Lake Washington (American Midstream)	021073
	Larose (Williams)	021032
	Pelican or Plaquemine (EnLink)	024012
	Pelican or Gibson (EnLink)	020554
	Venice (Targa)	020568
South Timbalier and Bay Marchand	Lafitte Lake Washington (American Midstream)	021073
	Larose (Williams)	021032
	Venice (Targa)	020568
South Pass	Venice (Targa)	020568
West Delta 68	Venice (Targa)	020568

Proposed Acquisition

Proposed Acquisition

- ▶ Purchase of TC Offshore includes 535 miles of natural gas gathering and transmission pipeline, seven offshore platforms and other facilities
- ▶ March 31, 2016 – Expected Closing
- ▶ Name change to Kinetica Deepwater Express (KDE)
- ▶ Transportation Rates reflective of TC Offshore tariff

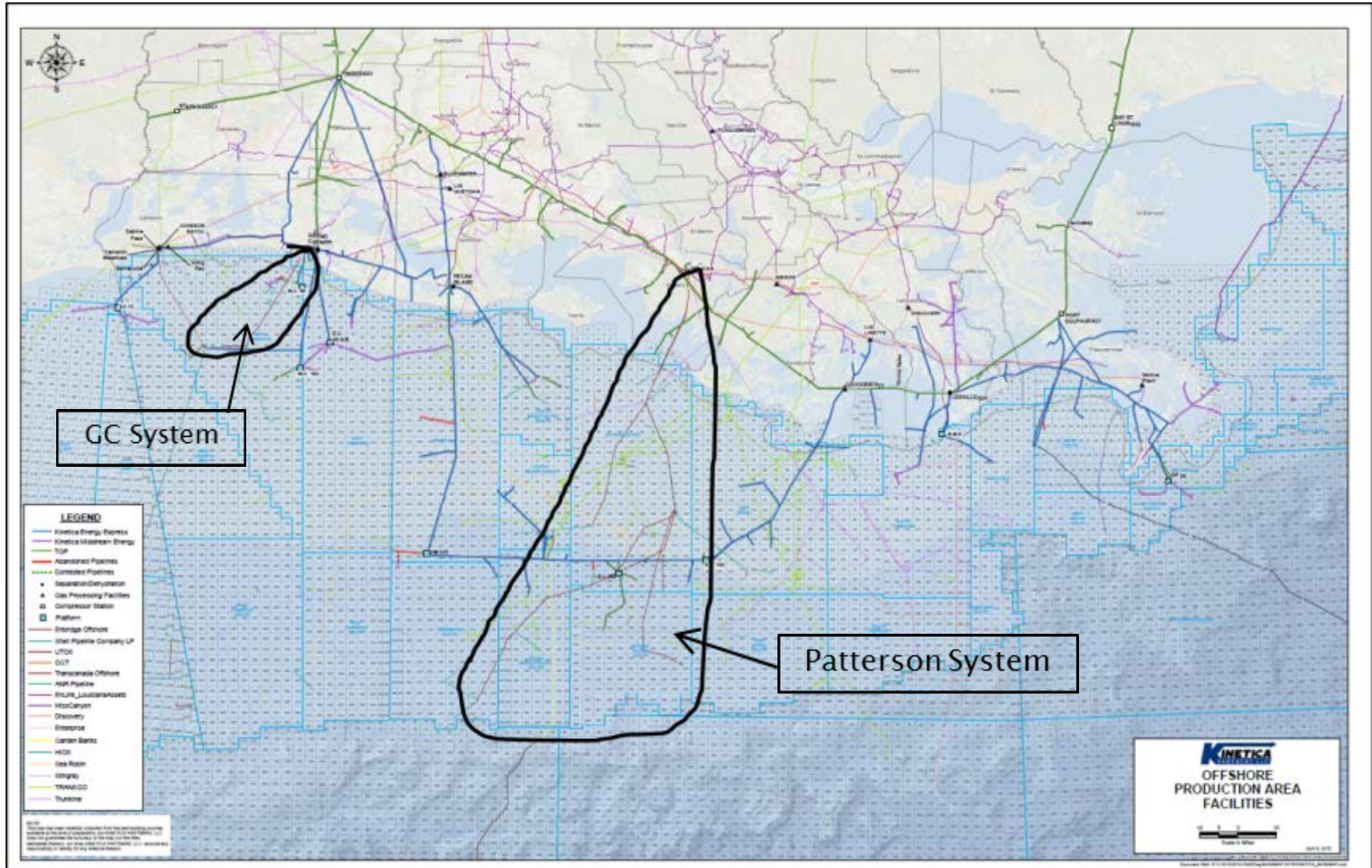


Patterson Compressor Station



Patterson Terminal

Integration of TCO into Kinetica System



Acquisition Highlights

- ▶ Balancing natural gas liquids between plants will not change
- ▶ Condensate storage of 110,000 Bbls
- ▶ Additional footprint extends Kinetica's reach into deepwater Gulf of Mexico
- ▶ Operational flexibility during pigging
- ▶ New market interconnects
 - ANR
 - Bridgeline
- ▶ Synergies from combined operating team
- ▶ SPL meter techs will coordinate transportation to platforms with Kinetica technicians
- ▶ Aviation Department

SPL Meter Testing Frequency

Current			
System	Producer	Location	Frequency
BLUEWATER	ARENA	SMI 79E	Q
BLUEWATER	CASTEX	EI 224G	M
BLUEWATER	CHEVRON	EI 238E	Q
BLUEWATER	COCHON	VR 67B	Q
BLUEWATER	ENVRN	VR 271	Q
BLUEWATER	EPL	SMI 61C	Q
BLUEWATER	EPL	SMI 78B	Q
BLUEWATER	FIELDWOOD	EI 224A	M
BLUEWATER	FIELDWOOD	VR 229	M
BLUEWATER	TALOS	SS 110	M
BLUEWATER	TALOS	SS 111	M
BLUEWATER	TALOS	VR 51	Q
BLUEWATER	TALOS	VR 127	M

March 1, 2016 Implementation			
System	Producer	Location	Frequency
SABINE	FIELDWOOD	SA 10JA	Q
SABINE	M21K	WC 53	Q
SABINE	W&T	HI 22	Q
SABINE	WALTER	HI 24L	M
HIOS/TC	BLACK ELK	EC 33CF	Q
HIOS/TC	FIELDWOOD	WC 65JA	Q
HIOS/TC	FIELDWOOD	WC 66E	Q
HIOS/TC	MCMORAN	WC 73	Q
HIOS/TC	PETROQUEST	EC 65D	Q
HIOS/TC	TALOS	VR 46	Q

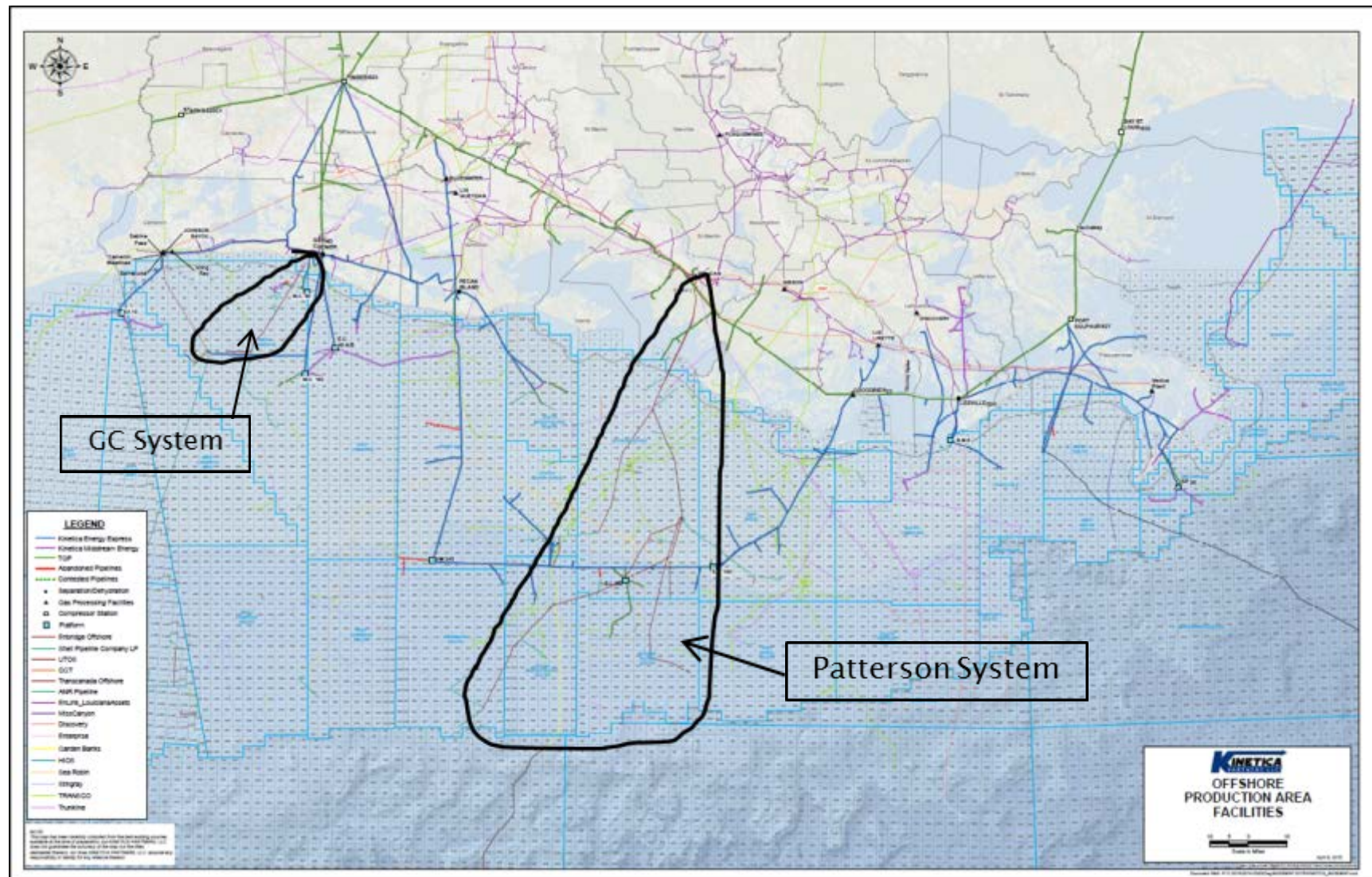
April 1, 2016 Implementation			
System	Producer	Location	Frequency
TCO	CHEVRON	EI 238E	Q
TCO	CONTANGO	EI 11H	M
TCO	FIELDWOOD	EI 63A	Q
TCO	FIELDWOOD	EI 63B	M
TCO	FIELDWOOD	SS 79	M
TCO	FIELDWOOD	SMI149	Q
TCO	LLOG	SMI 111	Q
TCO	PETROQUEST	EI 246J	Q
TCO	SHELL P/L	GB 426/VR 397	M

Volumetric Scheduling:

<50 bbl Quarterly

>50 bbl Monthly

Integration of TCO into Kinetica System



Avocet Sale

- TransCanada filed for a 7(b) authorization for an order approving abandonment by sale of the Grand Chenier facilities to Avocet LNG, LLC
- Federal Register Notice is Docket Number CP16-78, and was filed February 24, 2016

Nominations & Scheduling

QuickNom by Latitude Technologies

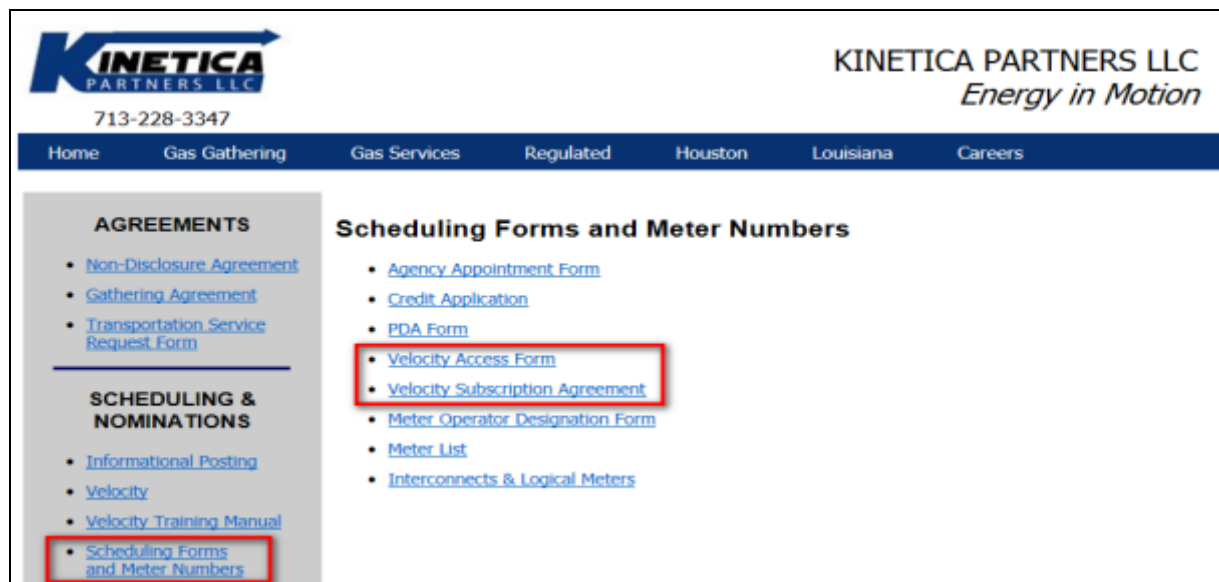
- ▶ Kinetica branded QuickNom as “Velocity”
- ▶ Internet–Based Software for:
 - Nominations
 - Confirmations
 - Scheduling
 - Allocations
 - Invoices
 - Contracts
 - Reports
- ▶ Link to Customer Activities and Informational Posting Page available via Kinetica website (www.kineticallc.com) prior to April 1

Nominations

- ▶ Contract-based
- ▶ Separate contract for Gathering and Transmission (with unique contract ID)
- ▶ Nomination input by meter number (instead of DRN)
- ▶ Velocity system will be open on March 29 to accept nominations for April 1 Gas Day

Access to Velocity

- ▶ Complete the following forms:
 - Velocity Access Form
 - Velocity Subscription Agreement
- ▶ Email completed forms to: scheduling@kineticallc.com
- ▶ Forms available on the Kinetica website: www.kineticallc.com



Training on Velocity

- ▶ Training session to be conducted via webinar
 - Option 1
 - Date: Tuesday, March 22
 - Time: 2:00 p.m. to 3:30 p.m.
 - Option 2
 - Date: Wednesday, March 23
 - Time: 2:00 p.m. to 3:30 p.m.
- ▶ If interested in attending, send an email to scheduling@kineticallc.com
- ▶ URL link and conference information to be provided to attendees prior to training
- ▶ Velocity Training Manual – Available on Kinetica website (www.kineticallc.com) via link under Scheduling & Nominations

Month End Close Calendar

Activity	Day of Month
Close Measurement	5 th Business Day
Volume Statements from Coastal Flow	8 th Business Day
Transportation Invoices	9 th Business Day
Authorization to Post Imbalance submitted to Kinetica (via Velocity)	On or Before 9 th Business Day
Imbalance Posted to EBB	By 9 th Business Day
Execute Imbalance Trade and complete "Request for Imbalance Trade" in Velocity	By 17 th Business Day
Imbalance Trade Notification (Executed or Rejected) sent to Trading Parties	Next Business Day - NOON
Invoice for Cash Out	19 th Business Day

Contacts

▶ Scheduling Team

- Email: scheduling@kineticallc.com
- Phone: 713-228-3347 x420

▶ Measurement – Mark Sellers

- Email: mark.sellers@kineticallc.com
- Phone: 713-228-3347 x422

Meter List

- ▶ Meter list to be made available on Kinetica website (www.kineticallc.com)

Q & A – Open Forum



Thank You For Attending!

