APPENDIX A

Response to the Federal Energy Regulatory Commission's October 17, 2023, Data Request

Request No. 1

Provide a description of the required authorization(s) for the non-jurisdictional facilities before the RRC and other applicable agencies, and the current filing status of the application(s). If the filings have not yet been made, provide a projected date for such submissions; otherwise provide copies of permits and authorizations that have been received.

Response

The required authorizations anticipated for the non-jurisdictional facilities before the Railroad Commission of Texas ("RRC") and other applicable agencies were previously provided in Table 1.10-1 of Resource Report 1 of the Project's Natural Gas Act Section 3 and Presidential Permit Application¹. Table 1.10-1 is included for reference at the conclusion of this Response No. 1.

Of the permits and consultations listed in Table 1.10-1, the Texas Parks and Wildlife Department Sand and Gravel Permit, and RRC T-4 Permit to Operate a Pipeline in Texas have been completed. Documentation and correspondence are provided within Attachment 1, submitted with this Response.

The remaining authorizations and consultations, where applicable, are planned to be initiated prior to the start of construction of the non-jurisdictional facilities. Saguaro Connector Pipeline, L.L.C. ("Saguaro") respectfully notes that permit proceedings for the non-jurisdictional facilities are not matters before the Commission and further information should not be required to be filed in Docket No. CP23-29-000.

An organization performing operations within the jurisdiction of the RRC is required under 16 Texas Administrative Code ("TAC") Rule § 3.1 to maintain a current Form P-5, Organization Report. Pursuant to this requirement, Saguaro filed a Form P-5 application for the intrastate facilities on October 24, 2022, and received from RRC its Operator Number 100861 on December 27, 2022. (see Attachment 1)

Each operator of a pipeline subject to the jurisdiction of the RRC must also obtain a pipeline permit pursuant to 16 TAC Rule § 3.70. ONEOK WesTex Transmission, L.L.C. ("OWT"), which will physically operate the crossing and non-jurisdictional facilities pursuant to the contract with Saguaro, filed its application for an operating permit on January 3, 2023, and received its Permit Number 10436 on January 31, 2023 (see Attachment 1).

In advance of the start of construction, OWT, as the operator of Saguaro, will submit, at least 30 days prior to the start of construction, the required Form PS-48, New Construction Commencement Report, in compliance with 16 TAC § 8.115.

¹ Application for Natural Gas Act section 3 Authorization and Presidential Permit to Construct Natural Gas Pipeline Facilities at the United States of America – Mexico Border of Saguaro Connector Pipeline, L.L.C., Docket No. CP23-29-000 (Dec. 20, 2022) ("Application").

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Table 1.10-1: Federal and State Permits/Approvals Potentially Applicable to the Non-FERC Jurisdictional Facilities

Agency or Organization	Permit/Approval/Consultation		
FEDERAL			
U.S. Army Corps of Engineers—Albuquerque, New Mexico District	Clean Water Act Section 404 and Rivers and Harbors Action Section 10 (Nationwide Permit 12)		
U.S. Fish and Wildlife Service, Austin Ecological Services Field Offices—Austin, Texas	Threatened and endangered species consultation (Section 7 of the Endangered Species Act, Migratory Bird Treaty Act, and Bald and Golden Eagle Protection Act)		
TEXAS			
Texas Commission on Environmental Quality ("TCEQ")	Temporary Water Use/Appropriation Permit (TCEQ-20425 or TCEQ-10202)		
	Texas Pollutant Discharge Elimination System General Permit TXR150000 Relating to Stormwater Discharges Associated with Construction Activities		
	Hydrostatic Test Water Discharges General Permit—TXG670000		
	Permit By Rule, Oil and Gas Standard, Minor NSR, Prevention of Significant Deterioration Permit, and/or Nonattainment New Source Review Air Permit (as needed)		
Railroad Commission of Texas	Clean Water Act Section 401 Water Quality Certification		
	T-4 Permit to Operate a Pipeline in Texas		
	Water-based Drilling Mud Land Farm Permit		
Texas General Land Office (GLO)	State Land Use Lease for Uplands Easement and Permit		
Texas Department of Transportation	New Utility Installations in Existing Right of Way or Form 1082		
Texas Parks and Wildlife Department	State-listed species consultation-wildlife habitat assessment program		
	Marl, Sand, Gravel, Shell, or Mudshell Permit, if required.		
Texas Historic Commission (State Historic Preservation Office)	Cultural resources consultation (Section 106 of the National Historic Preservation Act), Antiquities Code of Texas		

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Request No. 2

Identify/list and describe the gathering and intrastate pipeline systems that the Saguaro Connector Pipeline will or potentially will interconnect with via its tie-in to the existing WesTex intrastate natural gas pipeline and/or any other tie-ins at the Waha Hub.

Request No. 2(a)

Provide an estimate of these non-jurisdictional pipelines' delivery capacity into the Saguaro Connector Pipeline and ultimately to the Border Facilities.

Response

Currently, there are approximately eight (8) potential intrastate sources of volume which are being contemplated as upstream interconnections to aggregate intrastate gas supply for ultimate delivery into Saguaro Connector Pipeline. At the time Saguaro Connector Pipeline goes into service, it is estimated that these potential sources could provide a volume totaling approximately 5 BCF/D.

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Request No. 2(b)

Given that the Border Facilities will have a design capacity of approximately 2.834 billion standard cubic feet per day (Bcf/d). Provide a capacity range that Saguaro plans to operate on the Saguaro Connector Pipeline and the Border Facilities. This can be provided as a percentage of the ultimate design capacity. Provide any supporting or planned precedent agreements confirming the operating capacity range.

Response

As described in the Response to Request 2(a), Saguaro intends to provide its shippers with access to a variety of intrastate supplies, and to have the capability to bring large volumes in from a number of interconnecting intrastate pipelines for transportation through the intrastate Saguaro Connector Pipeline and Border Facilities. Saguaro designed the Border Facilities and is designing the intrastate Saguaro Connector Pipeline to meet international demand for natural gas and provide an efficient path for transporting natural gas supplies from the Waha Hub to Mexico for domestic consumption there and to a liquefied natural gas production and offtake facility under development in Mexico (sometimes referred to in this docket as the "MPL Facility").

Saguaro anticipates offering 2.834 Bcf/d firm capacity and will be ready to operate based upon the subscribed capacity. Saguaro currently expects to sell at least 90 percent of the offered capacity. While Saguaro has not yet signed a precedent agreement with any shipper, Saguaro has held confidential discussions with various shippers and sized the Border Facilities to meet the anticipated demand. As discussed in the Response to Request 2(a), Saguaro also intends to design the intrastate Saguaro Connector Pipeline to meet shipper needs for multiple Bcf/day from a number of sources. Given that Saguaro does not intend to own any gas or transport any gas to which it has title, the actual utilization of the system will be dependent wholly on its shippers.

Intervenors have filed comments in this proceeding, informing the Commission that the Border Facilities are in the public interest and would provide an efficient means to transport natural gas supplies from Texas to Mexico. Mexico Pacific Limited LLC ("MPL") has stated in this proceeding that the Saguaro Connector Pipeline and Border Facilities would provide an "attractive route through which U.S.-produced gas may be delivered to the MPL Facility and other natural gas markets in Mexico, a nation with which the U.S. has in place a treaty calling for national treatment of trade in natural gas."² Once the MPL Facility is in-service, Saguaro anticipates that the intrastate Saguaro Connector Pipeline and Border Facilities will be highly utilized to transport Texas-produced natural gas supplies to the MPL Facility. Further, Continental Resources, Inc. also stated that the intrastate Saguaro Connector Pipeline would provide an additional outlet for producers in the Permian Basin in Texas, providing access to natural gas markets in Mexico.³ In

² MPL Motion to Intervene and Comments in Support, at 3.

³ CLR Answer at 2.

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addition, it is reasonable to assume that additional intrastate sources will become available as the Saguaro delivery point becomes a viable market.

As this project comes into service, it is reasonable to anticipate more interconnects and more supply will continue to be added. (See comments of Continental Resources.)⁴

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Request No. 2(c)

Identify and locate all proposed receipt and delivery interconnects for the proposed intrastate pipeline (Saguaro Connector Pipeline) and their corresponding flows. An appropriate response should include a map and/or flow diagram that corresponds with the sources identified in response to question 2.

Response

As mentioned in the response in sub-part a) currently, there are approximately eight (8) potential sources totaling 5 BCF/D which are being contemplated as upstream interconnections for ultimate delivery into the Saguaro Connector Pipeline. The attached map/diagram demonstrates how all future sources of volume will merge and terminate at the Saguaro Custody Transfer Hub ("CT HUB") where the Saguaro assets will commence with a feed line ("CS1 FEED LINE") to the suction side of the Saguaro Connector Pipeline's first compressor station ("CS1"). (See Attachment 2 CUI//CEII/PRIV – DO NOT RELEASE).

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Request No. 2(d)

Confirm that Saguaro will only transport Texas-sourced gas when it initiates service on its proposed pipeline. If known, describe the origin of the natural gas that will be transported.

Response No. 2(d)

Confirmed. All gas transported on Saguaro at the initiation of service will be sourced from the State of Texas.

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DATA REQUEST RESPONSE ATTACHMENTS

Attachment 1

Completed Permits/Consultations Applicable to the Non-FERC Jurisdictional Facilities

From: Tom Heger <<u>Tom.Heger@tpwd.texas.gov</u>>
Sent: Monday, July 24, 2023 1:51 PM
To: Julia Botz <<u>julia.botz@erm.com</u>>
Cc: Kelly Brezovar <<u>kelly.brezovar@erm.com</u>>; Davis Gray <<u>Davis.Gray@erm.com</u>>
Subject: RE: Inquiry regarding Sand and Gravel permitting

EXTERNAL MESSAGE

Julia,

We finally got through the kmz file of the proposed crossings. From the information we have available it does not appear that any of the streams meet the criteria of a state-designated navigable stream at the proposed crossing location. Therefore, at this time, TPWD does not consider any of the crossings to require a sand and gravel permit.

Please let me know if you have any further questions.

Tom Heger Aquatic Resources Permitting and Consultation Program Leader Texas Parks & Wildlife Department 512-389-4583



DANNY SORRELLS ASSISTANT EXECUTIVE DIRECTOR DIRECTOR, OIL AND GAS DIVISION

RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION 12/27/2022

Saguaro Connector Pipeline, L.L.C. 100 WEST 5TH ST MD 2-19 TULSA, Oklahoma 74103

RE: Operator No. 100861

Dear Saguaro Connector Pipeline, L.L.C.,

The above listed new operator number is assigned to your organization name as filed on the Organization Report (Form P-5). Where applicable, this operator number should be used on future filings, forms and correspondence with the Commission.

Please verify the name and address listed above and notify us if there are any discrepancies. It is important that we agree on the exact spelling of your name (even the punctuation and spaces) so that the processing of your forms will not be delayed.

Subsequent refilling of the Form P-5 may be necessary on an annual basis, at which time you will receive notification from us. If there is a change in the required information as reported on Form P-5, please file an amended report showing the corrections.

Sincerely,

P-5 Financial Assurance Unit

Christi Craddick, Chairman Wayne Christian, Commissioner Jim Wright, Commissioner



RAILROAD COMMISSION OF TEXAS

OVERSIGHT AND SAFETY DIVISION - PIPELINE SAFETY PIPELINE PERMITTING AND MAPPING SECTION

PERMIT TO OPERATE A PIPELINE IN TEXAS 01/31/2023

> Permit Number: 10436 Commodity transported: Gas Classification: Gas Utility Payment Trace Number: 455RM008NE34XX4

ONEOK WESTEX TRANSMISSION,L.L.C. Attn: Julie Hudson 100 West 5th Street MD 2-19 Tulsa,OK 74103

This is to certify that ONEOK WESTEX TRANSMISSION,L.L.C. has complied with Railroad Commission rule 16 Tex. Admin. Code §3.70 governing pipelines in accordance with Texas Natural Resources Code, §81.051, and is granted this permit by the Commission to operate the following pipeline or pipelines located in the following county or counties:

CULBERSON, HUDSPETH, JEFF DAVIS, PECOS, REEVES

Amendment Code	System Type	Texas Regulated	Miles
NP	Т	Y	155.13

Total Permitted Miles: 155.13

Regulated Miles: 155.13

Unregulated Miles: 0.00

Pipeline Operator: ONEOK WESTEX TRANSMISSION,L.L.C. Economic Operator: SAGUARO CONNECTOR PL, L.L.C. Pipeline Owner: SAGUARO CONNECTOR PL, L.L.C.

This permit is valid until 05/31/2024

If additional information is needed, please contact the Pipeline Permitting Section by phone at 512-463-7058, or by email at pops@rrc.texas.gov.