

South System Expansion 4 Project Frequently-Asked Questions As of August 29, 2024

Who is Southern Natural Gas Company?

Southern Natural Gas Company, L.L.C. (SNG), equally owned by subsidiaries of Kinder Morgan, Inc. and Southern Company, is headquartered in Birmingham, Alabama, and has been in the natural gas pipeline business since 1929. SNG has a design capacity of approximately 4.4 billion cubic feet. We serve customers from Louisiana to South Carolina and are the largest transporter of natural gas into the state of Georgia.

Who is Elba Express Company?

Elba Express Company, L.L.C. (EEC) is a subsidiary of Kinder Morgan Inc. EEC owns a 200-mile bidirectional system that transports natural gas between the Elba Island LNG terminal near Savannah, Georgia, and the Transco pipeline in Hart County, Georgia, and Anderson County, South Carolina. In Georgia, the pipeline connects with Carolina Gas Transmission and with Kinder Morgan's Southern Natural Gas (SNG) system. It also directly connects to various power plants and natural gas utility providers.

What is the South System Expansion 4 (SSE4) Project?

The SSE4 Project (Project) is an expansion designed to increase SNG's natural gas capacity by up to 1.2 billion cubic feet per day. SSE4 will be almost entirely (approximately 90%) comprised of additions to existing segments of the SNG pipeline system located on or adjacent to properties with existing land-use permissions and/or rights of way.

What is the purpose of the SSE4 Project?

The SSE4 project will provide up to 1.2 billion cubic feet per day (Bcf/d) of additional natural gas capacity to support increased residential, commercial, industrial load, and electric generation demand in the Southeast.

What is the proposed route of the pipeline?

The SSE4 Project will make best efforts to run parallel to existing SNG/EEC pipelines, power line right of ways, and utility corridors. As additional information about the proposed route is gathered, and preliminary on-the-ground surveys are conducted, adjustments to the route may be made.

What is a natural gas pipeline and how does it work?

Natural gas pipelines safely transport large volumes of natural gas over long distances. They are specially designed and carefully constructed in compliance with Federal regulations. There are over 300,000 miles of natural gas transmission pipelines in operation throughout the United States. Pipelines are typically located underground and transport the natural gas with the aid of compression to customers in various market areas across the United States. ("Compression" refers to facilities that pump the gas and help gas move in the pipeline by keeping it under pressure.) These customers include local distribution companies, which resell the gas to residential and business customers; electric utilities that use the natural gas to generate electricity; and large industrial customers.

Will the pipeline transport gasoline or petroleum products?

No. The SSE4 Project pipelines will not be designed to transport liquids.

What will be the source of the natural gas?

Most of the natural gas consumed in the Southeastern United States is transported to each state through natural gas pipelines, which run from production fields located in states along the Gulf of Mexico or from developed production fields in Pennsylvania and Ohio. Natural gas can flow into the pipeline at several locations including: at the wellhead; at processing plants located near the gas fields after processing to remove liquids; and at interconnections with other pipelines.

Will individual homeowners be able to receive service directly from the new pipeline?

No. SNG and EEC are interstate transporters and will only be providing direct service to utility companies, and/or to large industrial or commercial customers.

Who regulates the pipeline?

SNG and EEC are federally regulated interstate natural gas transmission companies which must apply for and obtain permission from the Federal Energy Regulatory Commission (FERC) in Washington, D.C., to build and operate the Project. The FERC will review the application for compliance with all state and federal environmental laws before approving a route for the pipeline and before awarding the project approval (called a Certificate of Public Convenience and Necessity). In addition to FERC, other federal and state regulatory agencies with oversight of the project include the U,S. Army Corps of Engineers, U.S. Fish and Wildlife Service, Mississippi Department of Environmental Quality, Alabama Department of Environmental Management, and the Georgia Department of Natural Resources. The design, construction, and operation of the pipeline is regulated by the U.S. Department of Transportation ("USDOT").

What is the anticipated timeline for the project?

The Project intends to request to start the FERC pre-filing process in the 3rd or 4th Quarter of 2024 with the anticipation of submitting the FERC Certificate application and other Agency permit applications in the 2nd Quarter 2025. Pending necessary approvals and permits, the Project would commence construction activities in the 1st Quarter of 2027. Completion and In-

service dates are anticipated in phases with Phase 1 in 4th Quarter 2028 and Phase 2 in 4th Quarter 2029.

Are natural gas pipelines safe?

Natural gas pipelines are the safest means of transporting natural gas. SNG and EEC are committed to safety and reliability. As an industry leader in transporting natural gas, we take many measures to maintain the integrity of our pipeline system and comply with all Federal safety requirements.

How would the pipeline be protected to ensure the safe transportation of natural gas?

Many layers of protection are built into natural gas pipelines. These layers work together to ensure the pipeline operates safely throughout its life and that people and properties are well protected throughout the life of a pipeline. The manner and method of pipeline construction and operations are regulated by the U.S. Department of Transportation ("USDOT").

Would the pipeline be underground?

Except for special situations, certain ancillary, and compression facilities described below, the pipeline used to transport the natural gas is completely underground. Typically, the pipeline is covered by at least three feet of soil. The pipeline could be buried deeper to accommodate planned surface activities, or where it crosses under roadways or beneath major bodies of water, such as rivers and streams. Equipment or facilities above ground would include signs, flow-control valves, gas-measurement instruments, regulating controls, pipeline bridges, and compressor stations. Above ground facilities will enable our professionals to properly control and service the pipeline.

What is the project's commitment to protecting significant cultural sites and environmentally sensitive areas?

The Project is committed to protecting significant cultural sites and environmentally sensitive areas. This commitment extends through all aspects of the project. We will work with appropriate Federal and State agencies to comply fully with all applicable laws and regulations. Beyond that, we have our own standards and procedures that help ensure that employed professionals and contractors do their utmost to exercise care and respect for the possible effect of our activities.

How will the Project protect wetlands and culturally important sites?

We start by selecting a route that avoids sensitive areas whenever possible. This route is based on detailed professional surveys and studies.

Should there be any wetlands or culturally important sites that cannot be avoided, we exercise the utmost care around these sites during construction. We choose only qualified and experienced professional pipeline builders to minimize the impact of construction activities on these sites. We also mark wetlands and culturally important sites that need to be avoided during construction. In addition, we will have specially trained environmental inspectors to look out for environmentally sensitive areas and endangered species. Following construction, we ensure that the site is thoroughly cleaned, then we restore the land, as close as possible to if not better than its original condition.

It is also very important to note that if any major river or water body crossings are required for the Project, it is typically our practice to directionally drill under those major rivers or water bodies along the proposed route. This highly technical and very expensive method of installing a pipeline ensures that environmentally sensitive areas are protected with the absolute minimum of surface disturbance.