

Our Project Newsletter to Stakeholders

Golden Triangle Storage, LLC is pleased to provide you with the first newsletter for the Golden Triangle Storage Expansion Project as part of our commitment to keep stakeholders informed.

ABOUT THE EXPANSION PROJECT

What is Being Proposed by GTS?

Golden Triangle Storage, LLC (GTS), which is owned by Caliche Development Partners II, is seeking to construct, install, own, operate, and maintain the GTS Expansion Project (the Expansion Project) at the company's existing storage facility in Jefferson County. The Expansion Project proposes to add approximately 14 Bcf of new natural gas storage capacity to the existing storage facilities and includes the following new facilities:

- Two new salt dome natural gas storage caverns (Cavern 3 and Cavern 4).
- Well pad sites for Cavern 3 and Cavern 4.
- New facilities related to Cavern 3 and Cavern 4, including injection/withdrawal natural gas pipelines, a raw water supply pipeline, an instrument air pipeline, conduit runs for electrical and control systems, gas dehydration equipment, heaters, metering, and other process control equipment.
- A brine disposal well, well pad, and pipeline.
- 33,000-HP spark-ignited reciprocating piston engine-driven compression.
- New service corridors and permanent access roads.

What is the Existing GTS Storage Facility?

The existing GTS facility (the Central Storage Site) consists of:

- Two salt dome natural gas storage caverns (Cavern 1 and Cavern 2), leaching and brine disposal facilities, and a compressor station housing three compressors, all located on an approximately 90-acre tract near the city of Beaumont.
- A 9.1-mile natural gas dual pipeline header system that extends from the Central Storage Site northeast into Orange County.



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PERMITTING/ENVIRONMENTAL REVIEW

How is the Expansion Project Being Permitted?

The National Environmental Policy Act (NEPA) process begins when a federal agency, in this case the Federal Energy Regulatory Commission (FERC), develops a proposal to take a major federal action. The environmental review under NEPA can involve three different levels of analysis:

- Categorical Exclusion determination
- Environmental Assessment/Finding of No Significant Impact (EA/FONSI)
- Environmental Impact Statement (EIS)

FERC has determined that the Expansion Project warrants preparation of an Environmental Assessment (EA), which will determine whether the federal action has the potential to cause significant environmental effects. Generally, the EA will include a brief discussion of:

- The purpose and need for the proposed action,
- Alternatives to the proposed action,
- The environmental impacts of the proposed action and alternatives, and
- A listing of agencies and persons consulted.

On February 7, 2024, FERC issued the final EA for the Expansion Project. A copy of the EA is available on the GTS website and the FERC website (see below for information on how to view the EA). Other state and local permits are also required for the Expansion Project.

How Can I Follow the Permitting Process?

Information about the Expansion Project is available at www.calichestorage.com/gts-expansion-project.

GTS will update the website throughout the FERC proceeding. A copy of GTS's FERC application is available for viewing at the Main Downtown Library, the Elmo Willard Library, the R.C. Miller Memorial Library, and the Theodore Johns Library. The application may also be obtained through the FERC website at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number CP23-542-000 in the docket number field to access the document. User assistance is available by email at FERCOnlineSupport@ferc.gov or toll free at 866-208-3676 (TTY, call 202-502-8659). Additional information regarding FERC's regulations, policies and procedures is available on FERC's website at <http://www.ferc.gov> or from FERC's Office of External Affairs at 866- 208-3372.

ABOUT UNDERGROUND NATURAL GAS STORAGE

How are Underground Storage Facilities Regulated?

At the federal level, the Pipeline and Hazardous Materials Safety Administration (PHMSA) regulates the safety of natural gas storage facilities, while FERC regulates natural gas storage construction and operation. At the state level, underground storage facilities are under the authority of the Texas Railroad Commission – Oil & Gas Division.

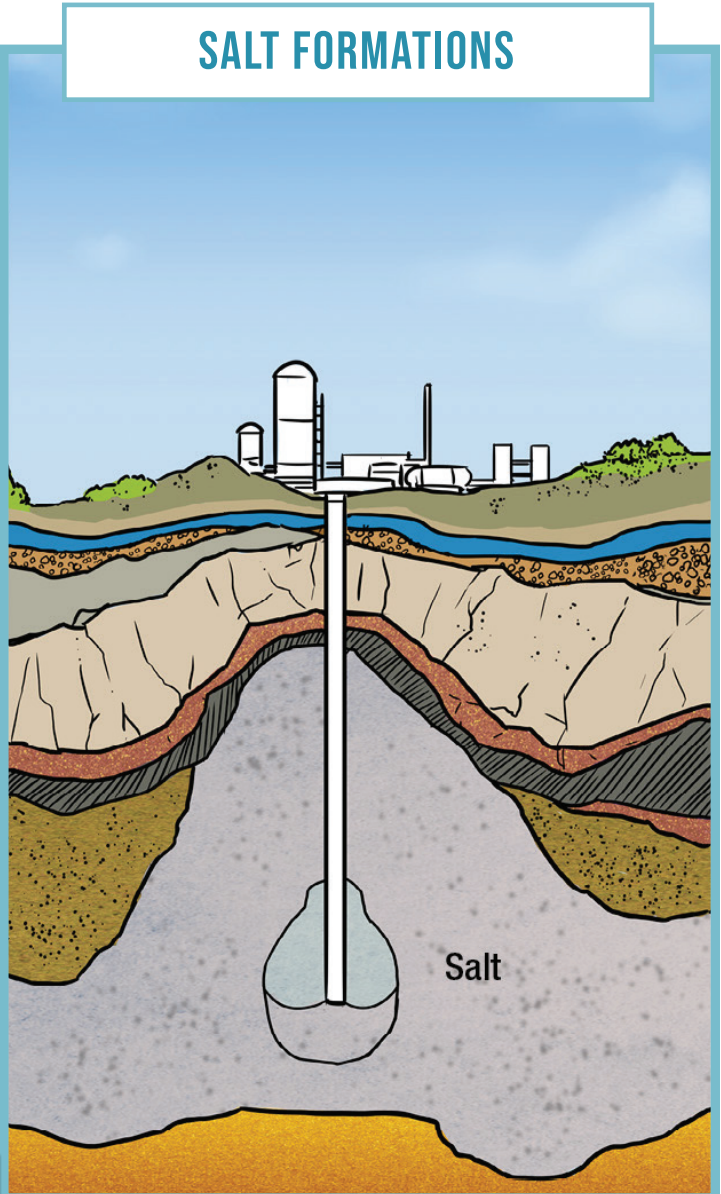
How Does Underground Storage Work?

Underground storage fields have been created by leaching underground caverns in salt domes. Salt domes such as those at GTS's Central Storage Facility and being proposed by the Expansion Project are suited for this purpose because they are dry and geologically stable, allowing natural gas to be safely isolated and stored in large quantities.

To create an underground cavern in a salt dome, a hole is drilled from the surface down to the salt dome and water is injected to dissolve the salt and create the storage space. The salt solution is pumped out until the required cavern volume is achieved, and the cavern is then filled with natural gas which can be extracted by pumping brine into the cavern. Because the brine is denser than the stored natural gas, it forces the stored product out of the cavern. Because of density differences, the brine does not mix with the stored product. When the brine is removed from the cavern, it is stored in storage ponds to be used again and again, which minimizes environmental impacts. For more information: www.phmsa.dot.gov/pipeline/underground-natural-gas-storage/fact-sheet-underground-natural-gas-storage-caverns.

How Does GTS Keep Its Facilities Safe?

GTS is committed to the safety and integrity of its underground storage facilities. In addition to the federal and state regulations described above, the underground storage industry works with external stakeholders to develop recommended practices for underground storage that provide guidance to operators such as GTS on how to design and operate their facilities.



GTS SAFETY STATISTICS

- 133,797 Safe Manhours without a recordable or a First Aid incident at GTS sites in 2023
- 448 Health, Safety, and Environmental Training hours for GTS employees in 2023

HOW TO LEARN MORE ABOUT THE EXPANSION PROJECT...



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Please visit the **GTS website** for project information, updates, and to access FERC filings: www.calichestorage.com/gts-expansion-project

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