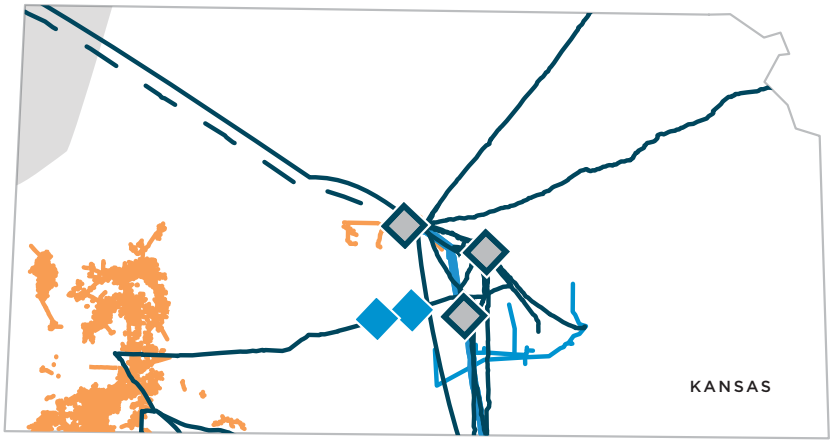
ONEOK

Kansas

Bushton NGL Fractionation Facility



Legend

- Natural Gas Gathering Pipelines
- Natural Gas Processing Plants
- NGL Pipelines
- NGL Fractionators
- NGL Storage
- Partial Interest
- Natural Gas Pipelines
- Natural Gas Storage
- Basins

AT-A-GLANCE *(as of August 2022 unless noted)*

Natural Gas

Miles of natural gas pipelines	5,489
Natural gas storage facilities	2

Natural Gas Liquids

Miles of NGL pipelines	2,225
NGL fractionation facilities	3
NGL storage facilities	3

Economic Impact

Employees	197
Payroll *(federal taxable wages)*	$19,000,000
Property tax*	$7,012,223

ONEOK INVESTMENTS

- $1.4 billion to construct an approximately 900-mile, 20-inch diameter pipeline – the Elk Creek Pipeline – and related infrastructure that has the capacity to transport up to 240,000 barrels per day (bpd) of unfractionated natural gas liquids (NGLs) from near the company's Riverview terminal in eastern Montana to Bushton, Kansas.
- Construction of an approximately 71-mile, 20-inch diameter pipeline – the Northline 7 Extension.
- Construction of a partial expansion of the Elk Creek Pipeline to 300,000 bpd.

**As of December 2021.*

Miles of pipe are approximates and include projects under construction.

All project investment amounts are estimates and represent entire projects. Because some projects listed cross multiple states, investment amounts are not necessarily specific to one state.

ONEOK

INTEGRATED OPERATIONS

Integrated. Reliable. Diversified.

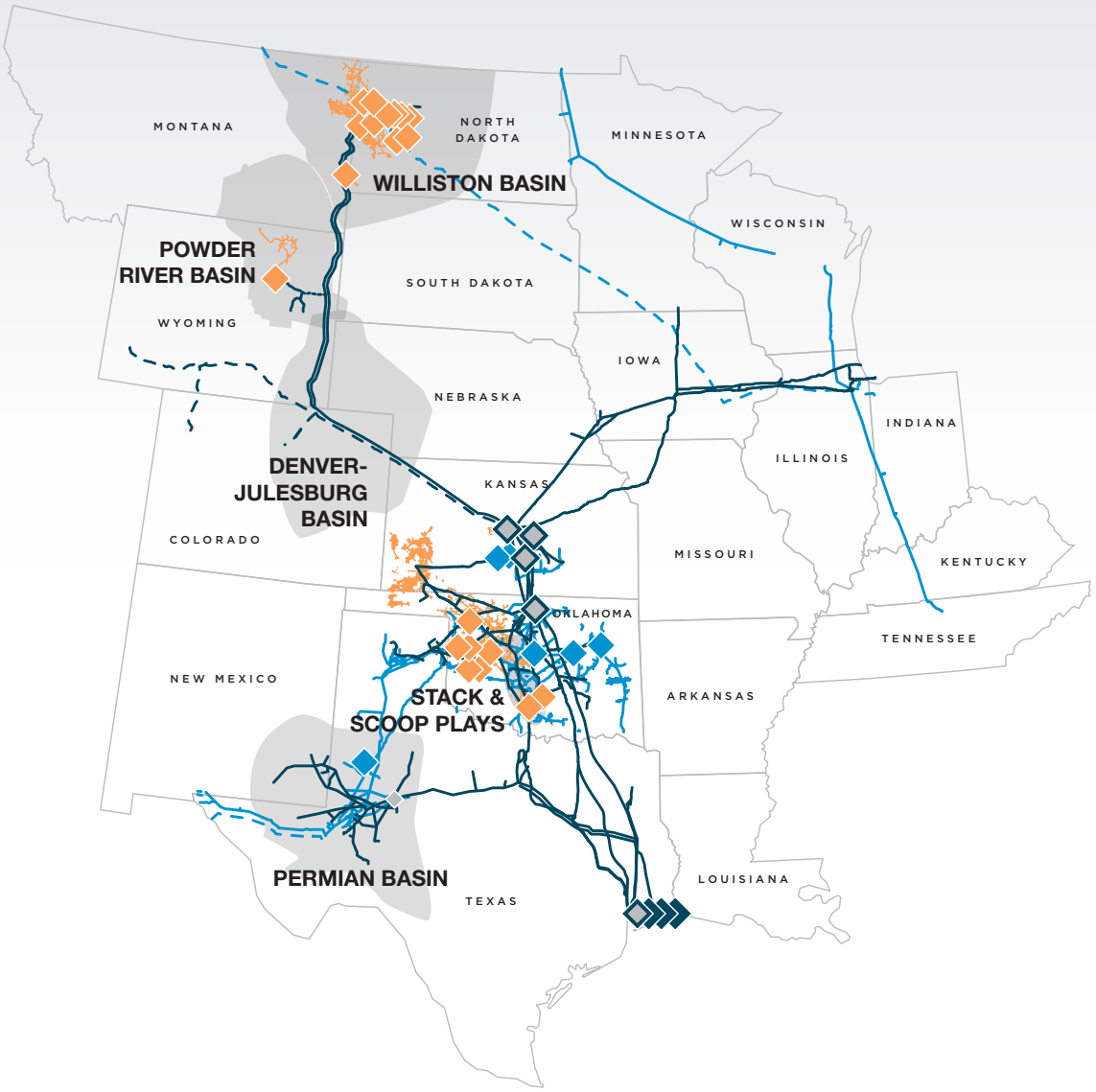
~40,000 miles
NGL and natural gas pipelines

30 MMBbl*
NGL storage capacity

~2.8 Bf/d**
Natural gas processing capacity

>980,000 bpd***
NGL fractionation capacity

**MMBbl: Million parrels per day*
***Bcf/d: Billion cubic feet per day*
****Bpd: Barrels per day*



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ONEOK, INC. (pronounced ONE-OAK)

(NYSE: OKE) is a leading midstream service provider and owner of one of the nation's premier natural gas liquids (NGL) systems, connecting NGL supply in the Rocky Mountain, Mid-Continent and Permian regions with key market centers and an extensive network of natural gas gathering, processing, storage and transportation assets.

ONEOK IS DEDICATED TO CREATING VALUE FOR OUR STAKEHOLDERS BY:

- Investing in necessary NGL and natural gas infrastructure, benefiting producers and customers, and improving the environment.
- Remaining a safe, reliable and environmentally responsible operator.
- Recruiting talented employees, dedicated to providing value-added services to our customers.

FOR MORE INFORMATION:
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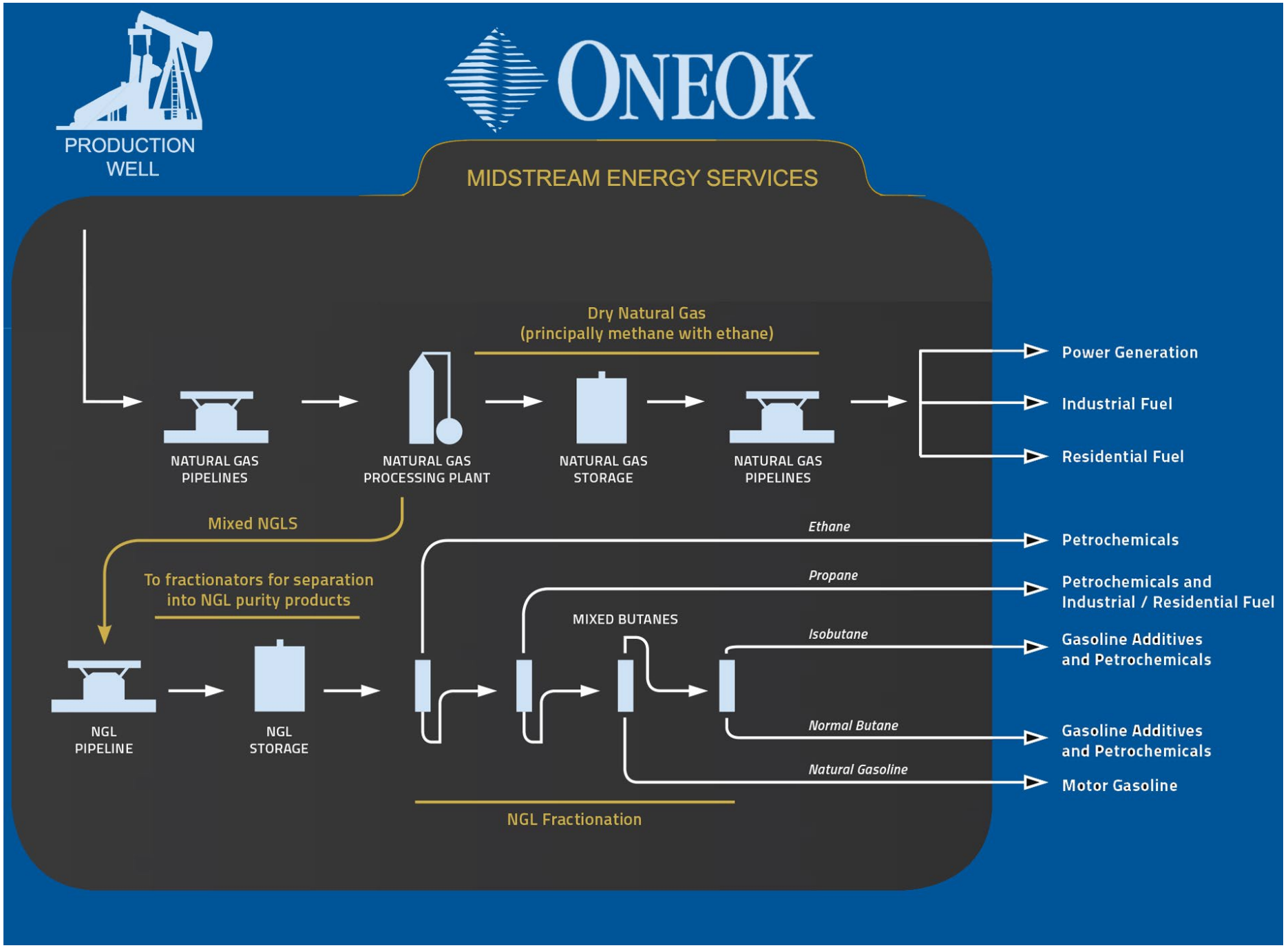
ONEOK


PRODUCTION WELL
ONEOK
MIDSTREAM ENERGY SERVICES
Dry Natural Gas
(principally methane with ethane)
NATURAL GAS PIPELINES
NATURAL GAS PROCESSING PLANT
NATURAL GAS STORAGE
NATURAL GAS PIPELINES
Power Generation
Industrial Fuel
Residential Fuel
Mixed NGLS
To fractionators for separation into NGL purity products
NGL PIPELINE
NGL STORAGE
MIXED BUTANES
Ethane
Propane
Isobutane
Normal Butane
Natural Gasoline
Petrochemicals
Petrochemicals and Industrial / Residential Fuel
Gasoline Additives and Petrochemicals
Gasoline Additives and Petrochemicals
Motor Gasoline
NGL Fractionation

January 19, 2023
Senate Utilities Committee

Michael Gillaspie
ONEOK, Inc.
Director, Governmental Relations
115 SE 7th St, Suite 204, Topeka KS
785-435-8405

Good afternoon Mr. Chairman and members of the committee. My name is Michael Gillaspie and I work for ONEOK, as the director of government relations in Kansas. ONEOK owns and operates one of the nation's premier natural gas and natural gas liquids (NGL) systems, connecting NGL supply in the Mid-Continent, Permian and Rocky Mountain regions with key market centers and is a leader in the gathering, processing, storage and transportation of natural gas in the U.S. ONEOK has operations in 18 states, including substantial facilities and pipelines throughout the state of Kansas.

In the oil and gas industry, there are three terms to classify segments in our industry, categorized by function. There is upstream, midstream, and downstream. Because ONEOK does not operate any oil assets, I'll focus on the natural gas portions that I can directly speak to.

All of you have turned on the hot water in your house, or cranked the furnace up lately, realizing the benefit of natural gas flowing into your house. That direct delivery service provided by the local distribution company, or utility, is part of what we categorize as downstream. Another example of downstream of ONEOK would be providing the final step to make sure you can go and pick up your propane tank for your grill. The definition of downstream means getting the product to the final consumer.

Upstream, on the other hand, in the simplest of terms, is finding the hydrocarbon product underground, and extracting it out of the ground; or the exploration and production.

After explaining what downstream and upstream are, that leaves us with the part I'm going to talk about, which is midstream. Gathering, processing, storing, and transporting all fall under the umbrella of "midstream" for the oil and gas industry. ONEOK's business function falls under the category of midstream.

In the simplest of terms, I have provided a description of each of the midstream functions:

Gathering:

Once the gas and liquids are extracted from the earth, a company like ONEOK has a pipeline connected at the wellhead, which carries the natural gas to a processing plant on a gas gathering system. A gas gathering system is a network of small-diameter, low pressure pipelines.

Processing:

Processing the natural gas or purifying the gas has two functions. One is removing the bad things, water, hydrogen sulfide, and anything that might also be in the gas. This is necessary to provide a safe and reliable product to consumers. The other function is to separate the natural gas, the methane, from the heavier hydrocarbons, which we call natural gas liquids, or NGLs. These NGLs then go onto another processing facility called a natural gas liquid fractionator, which separates them into the purity products, ethane, propane, butane, iso-butane, and natural gasoline.

Storing:

Natural gas and natural gas liquids may not immediately be taken to market, whether there is an abundance of the product, or lack of seasonal demand, creating a need for storage. Underground storage facilities include salt-dome caverns, bedded

salt caverns, and depleted reservoirs. You can imagine that demand for our products is higher in the winter than it is in the summer, and during the high demand times, product skips storage and goes right to market.

Transporting:

The natural gas and natural gas liquids may travel a great distance to reach their final destination. Pipelines provide the safest method of transportation, with over 99.7% of the product being shipped, making it to market safely. Some of our products go all the way from the Northern edge of North Dakota along the Canadian Border, all the way down to the gulf of Mexico.

Though this is a quick overview of the natural gas midstream business, I thought providing a quick overview of the installation of a pipeline, to appreciate the shear challenge of what a project might look like could be helpful. This is a lot for a small pipeline; imagine the effort for big project of a pipeline over 200 miles.

The Pipeline Installation Process

- **Surveying and Staking**
  - Once a pipeline is approved and a route is finalized, crews survey and stake the right-of-way and any temporary working space required for construction.
- **Right-of-Way Clearing**
  - Trees and vegetation are removed from the right-of-way (ROW) and the topsoil is removed and stockpiled and protected for future reclamation. The crew installs silt fences along edges of streams and wetlands to prevent erosion of disturbed soil and for protection of the water courses. The ROW is then leveled and graded to provide a safe working space.
- **Trenching**
  - Excavators dig the trench to the required depth and place the excavated soil to the side.
- **Stringing**
  - Individual lengths of pipe ranging from 12 to 24 meters long are brought in from stockpile sites and laid out end-to-end along the right-of-way.
- **Bending**
  - Individual joints of pipe are bent using a hydraulic bending machine for directional changes and to fit the terrain.
- **Joining**
  - Welders join the pipes together using either manual or automated welding processes. Both manual and automatic welds are of the highest quality, with every weld inspected and certified using non-destructive examinations including X-ray or ultrasound methods.
- **Coating**
  - Coating on the outside of the pipeline is used to prevent it from corrosion or rusting. The new pipe (and any repairs to the existing pipe) will typically be coated with fusion bond epoxy. In rockier areas, enhanced external coatings such as concrete, abrasive resistant fusion bond epoxy or polyethylene will be used to mitigate the impact from abrasives or stress-concentrating conditions (such as rocks or backfill) and to provide additional mechanical protection. Prior to lowering the pipe section into the trench, the integrity of the coating is checked by means of a high voltage tool that will detect even the smallest defect in the coating. If a defect is noted, an epoxy repair coating is applied.
- **Lowering**
  - The welded pipeline is lowered into the trench using heavy lifting machines called sidebooms.
- **Valves and Fittings**
  - The valves are used once the line is operational to shut off or isolate part of the pipeline. There are generally two types of valves used: Check Valves and Block Valves.
    - Check Valves are mechanical devices, which only permit flow in one direction. If upstream pipeline pressure reduces, the valve closes and stops the flow.
    - Block Valves are typically automated and can be controlled remotely. They feature an electric actuator that is connected via satellite or other communications system. If a problem is detected and sent to the Control Center as an alarm, the operator will follow written procedures, which

may include stopping the pipeline and closing the Block Valves to isolate the area until the condition can be investigated and resolved.

- **Backfilling**
  - Once the pipeline is in place, select backfill may be used to protect the pipe. Following this, subsoil and topsoil are replaced in the sequence in which they were removed.
- **Pressure Testing**
  - The pipeline is pressure tested to 125 per cent of its anticipated maximum operating pressure for a minimum of eight hours. This process tests the integrity of the complete system of the pipe, welds, fittings and all other appurtenances such as valves. A successful test is required to obtain certification for the pipeline to operate.
- **Cleanup and Restoration**
  - The final step is to reclaim the pipeline right-of-way, removing any temporary facilities, re-seeding and restoring the land.

Thank you for the opportunity to address you today and I will be available for questions.