



**Sequent Energy
Management**

A WILLIAMS COMPANY



Memorandum of Understanding Certified Low-Emission Natural Gas

The intent of this Memorandum of Understanding between Williams and Public Service Company of Colorado (the “Company”) is to support the Company’s inaugural Clean Heat Plan to be filed August 1, 2023, by enabling an innovative contract for certified low-emission natural gas with end-to-end emissions tracking.

The Company’s preferred Clean Heat Plan portfolio includes the purchase of Certified Natural Gas (“Certified Gas”) as a cost-effective measure to reduce emissions, and plans to purchase increasing volumes of Certified Gas as the market for Certified Gas grows and matures. Williams, through its subsidiary Sequent Energy Management LLC (“Sequent”), can provide natural gas supply with a verified emissions profile across all sectors of the value chain from production sourced in Colorado through gathering, processing, transmission, and delivery (“NextGen Gas”). Williams is leveraging block-chain secured technology via Context Labs’ Decarbonization as a Service™ platform to track and measure end-to-end emissions through the aggregation and reconciliation of multiple sources of data to provide a path-specific methane intensity certification that meets or exceeds industry leading measurement protocols, including OGMP 2.0 Level 5 and GTI Energy Veritas¹. Measurement methods include continuous methane monitoring technologies, direct measurement of on-site emissions sources, continuously ingested operational data, aerial flyovers and satellite surveillance. Each month, KPMG LLP will perform third-party verification of the methane intensity certification prepared by Context Labs and that will be delivered by Williams to the Company through the use of an environmental registry, representing the measured and attested emissions profile for the NextGen Gas pathway.

Upon approval of the Company’s Clean Heat Plan by the Colorado Public Utilities Commission, the Company intends to contract with Sequent for its NextGen Gas product, consisting of physical gas supply combined with Environmental Attributes representing the emissions intensity of such gas, inclusive of production, gathering, and processing, under an agreement subject to the terms and conditions outlined in the attached Proposal for Sale and Purchase (June 29, 2023).

The Company and Sequent anticipate contracting for 25,000 MMBtu per day of physical natural gas and the related Environmental Attributes. The delivery period will begin as early as November 1, 2023, for an initial term of 1-year.

¹The Oil & Gas Methane Partnership (OGMP) is a multi-stakeholder partnership developed by the United Nations, the Environmental Defense Fund and the Climate and Clean Air Coalition that has a developed Quantification, Measurement, Reporting and Verification (QMRV) measurement standard. The Veritas protocol by research firm GTI Energy brings together scientists, academics, environmental organizations, certification organizations and industry participants to demonstrate emissions reductions in a consistent, credible, and transparent way.

For Williams Field Services Group,

LLC Signed by:

Payvand Fazel
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Name: Payvand Fazel

Title: Vice President

Date: 7/21/2023

DS
BF

DS
KM

**For Public Service Company
of Colorado:**

Robert S. Kenney

Name: Robert S. Kenney

Title: President

Date: 7/26/2023