

a. What is your role regarding U.S. pipelines?

- a. Operation
- b. Construction
- c. Pipeline manufacturing
- d. Steel manufacturing
- e. Wholesale distribution
- f. Other. Please describe in a few sentences.

IPSCO Tubulars, Inc. (TMK IPSCO) and its subsidiaries manufactures and sells steel pipe with an outside diameter ≤ 16 inches. This pipe can be used in the construction and repair of pipelines. TMK IPSCO also manufactures steel billets, some of which it uses to produce seamless pipe that can be used in pipeline applications. These products are more fully described below.

| Mill | Mill Location | Production Line | Size O.D. (Inches) | Grades |
|-------------|-----------------|-----------------|--------------------|------------------------------------|
| Camanche | Camanche, IA | ERW | 4.500" - 8.625" | X42/X52, PSL2, X60, Gr 52 CSA, X65 |
| Blytheville | Blytheville, AR | ERW | 2.375" - 4.500" | X42 thru X52, CSA |
| Wilder | Wilder, KY | 16" ERW | 7.000" - 16.000" | X42 thru X70 |
| Wilder | Wilder, KY | 8" ERW | 4.500" - 7.000" | X42 thru X65 |
| Ambridge | Ambridge, PA | Seamless | 1.500" - 4.500" | X42 thru X60 |

b. NAICS code(s)?

331110

c. What types of pipelines does your company operate, construct, manufacture, or distribute?

N/A

d. Where are your operations located?

Houston, TX; Odessa, TX; Baytown, TX; Catoosa, OK; Blytheville, AR; Camanche, IA; Wilder, KY; Ambridge, PA; Koppel, PA; Geneva, NE

e. How many employees?

1335

f. Approximate sales revenue?

Our average annual sales revenues in 2014 – 2016 were approximately \$1.1 billion.

g. Approximately how many miles of pipeline did your company construct, repair, fabricate, or distribute in 2016?

N/A

1. In a few sentences, describe your assessment of U.S. pipeline demand (such as miles of pipeline planned for construction) for the next few years.

Given the infrastructure constraints of 1) bringing natural gas into and out of the Northeast to mitigate seasonal demand; 2) supplying export demand to Mexico and Asian markets through LNG export; and 3) getting increased production crude oil out of the Permian and Oklahoma's SCOOP and STACK shale plays to refiners, we believe the 2,856 kNT line pipe market (Preston) will moderately continue to grow in the near term.

From a tonnage demand perspective, we see the market growing in the near term for large O.D. (>16") pipe based on the premise that projects receive their approvals in an expeditious manner. Once these projects are installed to alleviate the bottleneck of transporting natural gas to and from the northeastern part of the U.S. and the completion of planned takeaway capacity to Mexico then we would expect the >16" line pipe market to soften. The mid-range O.D. market (10"-16") is expected to maintain or contract slightly in demand, as much of the transmission lines were built to the production levels seen in 2014 of 9.4 mb/d, whereas today we are at lower annual levels. Particular regional areas that are under-served by pipeline takeaway capacity that see continued increased production levels such as the Permian and SCOOP/STACK shale plays will require additional installed demand. Demand for small O.D. (≤8") will trend upward with the oil and gas rig count in order to compensate for the wellhead connections, flowlines to the production facility, and associated gathering systems. Collectively it is reasonable to think that the overall demand for pipeline miles and tonnage will moderately increase then contract once installed capacity accommodates production takeaway constraints, unless increased demand drives production levels beyond what is expected.

2. To what extent are your companies' pipeline materials sourced domestically? What factors influence this decision (price, quality, supply shortages, pipeline requirements, domestic sourcing requirements, etc.)?

The ERW pipe we produce is almost entirely produced from US melted and rolled HRC. All of the seamless pipe we produce is entirely produced from US produced steel billets, most of which are produced in our Koppel, PA facility. For some specific customer requirements, we import some 2" – 16" seamless pipe from our affiliate mills in other countries.

3. If applicable, please estimate your company's capacity to fabricate pipelines or steel for pipelines. What was your capacity utilization in 2016? If applicable, what factors prevented your company from operating at capacity?

Most of the types of pipe we have the capacity to produce can be utilized as OCTG, line pipe, or standard pipe. TMK IPSCO's capacity for producing pipe in 2016 that could be used in pipeline applications was 1.55 million tons. In 2016, we produced 288,090 tons of pipe, primarily for the OCTG market.

Soaring HRC prices contributed to a lack of production in H2 of 2016 as it made domestic ERW mills even more uncompetitive compared to import pipe prices. Import prices were on average throughout 2016, 67% of U.S. domestic prices. Often distributors would report spot market prices for specific sizes of import pipe at the cost domestic line pipe producers could buy their raw material (HRC), making it virtual impossible to compete with imported products.

4. If applicable, please estimate in days or months supply your existing inventories of pipe. What share of your inventory is fully produced in the United States?

Our inventory of all pipe produced in the US is 2.7 months.

5. To what extent are materials other than iron and steel the primary materials used in your pipelines?

N/A

6. To what extent is technology changing the material requirements and construction techniques in the pipeline industry?

Participants in the pipe and tube industry are continually improving metallurgical and mechanical properties of pipe and improving manufacturing processes.

7. If applicable, how many permits from a Federal agency are required for pipeline construction or repair? Which Federal agencies require permits and how long does it take to obtain them?

N/A

8. Please describe in a few sentences how domestic content requirements would affect your operations.

A domestic content requirement for > 16" O.D. line pipe will not affect our business for the 2" - 16" O.D. pipe we produce. Approximately 70% of the ≤16" O.D. line pipe market is currently supplied by imported products. A domestic content requirement for ≤16" O.D. line pipe would allow TMK IPSCO to employ more shifts to produce more line pipe to address this market.