



National Fuel[®]

Empire North Project Overview

Farmington Public Information Session

Nov. 9, 2017

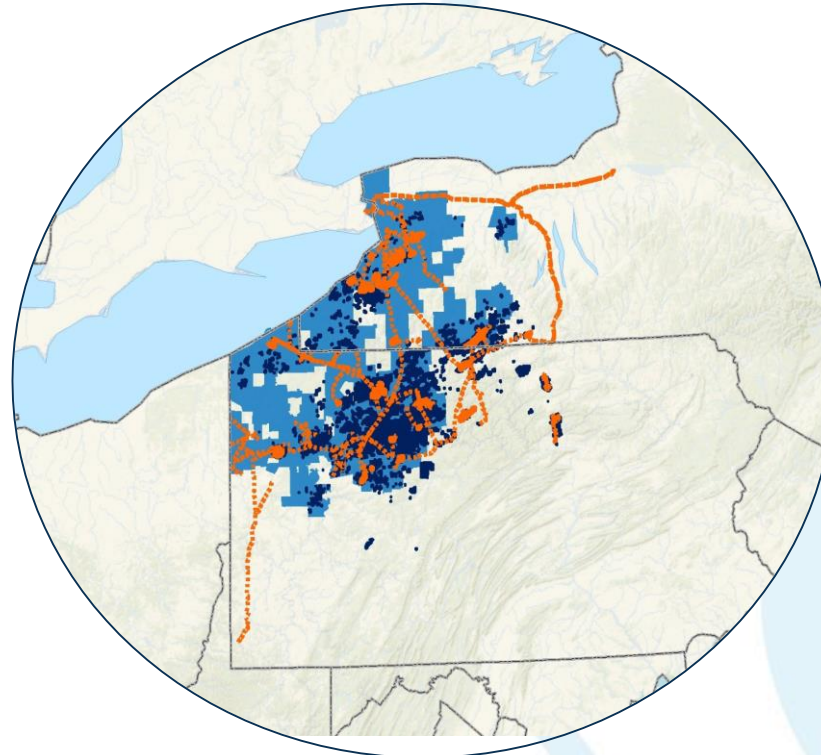
The Company

2,080 Full-Time
Employees Across
All Divisions

1,017
Union
Employees

2,274
Retirees

**NFG is the only large, diversified public energy
company headquartered in Western New York!**



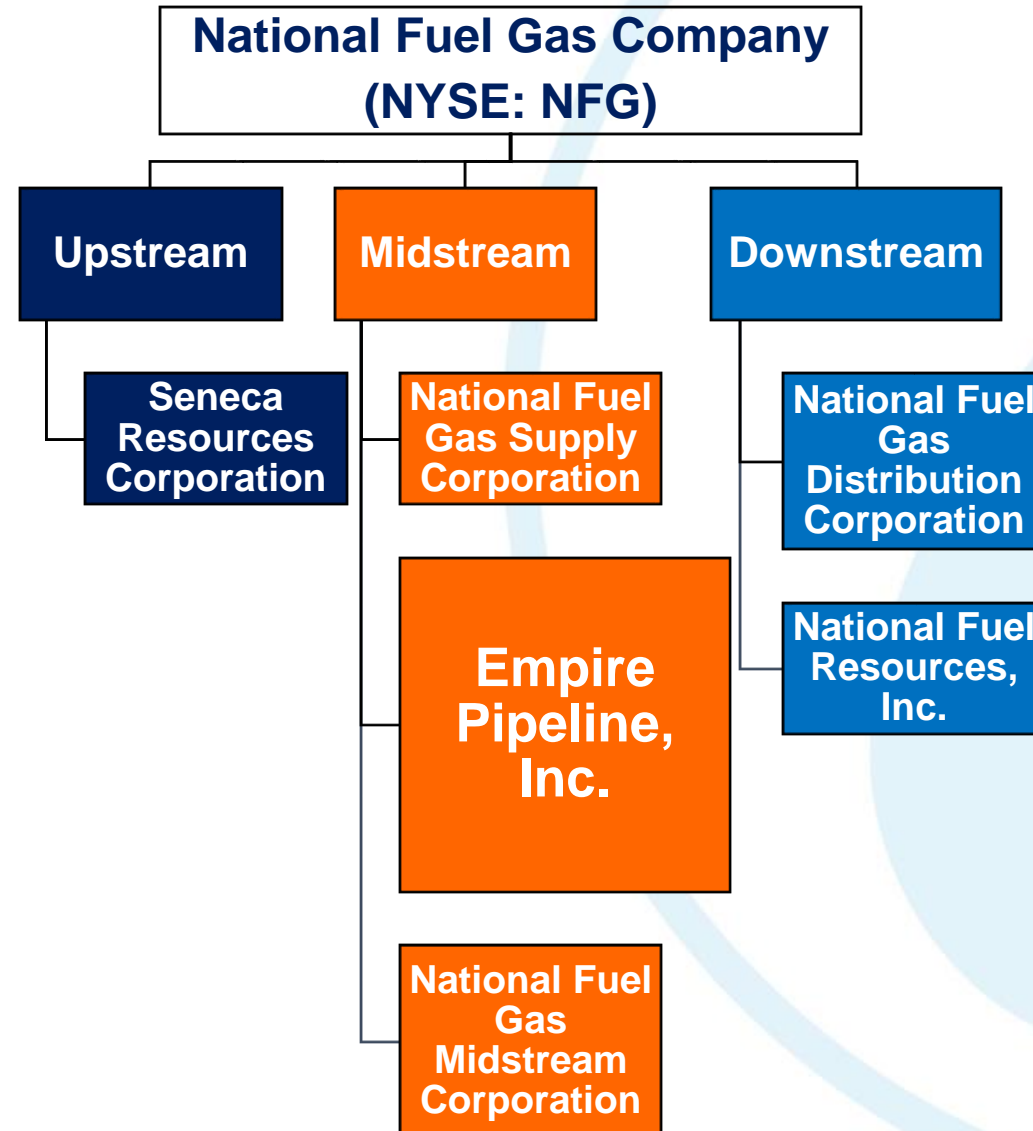
\$5.5 Billion
Investments in N.Y. &
Pa. since 2008

742,000
Utility accounts served
1.2 million people N.Y.
.5 million people Pa.

18 N.Y. Counties
23 Pa. Counties
Utility & Midstream footprint

**Our employees and retirees work, live and raise
families in our operational footprint.**

Company Structure

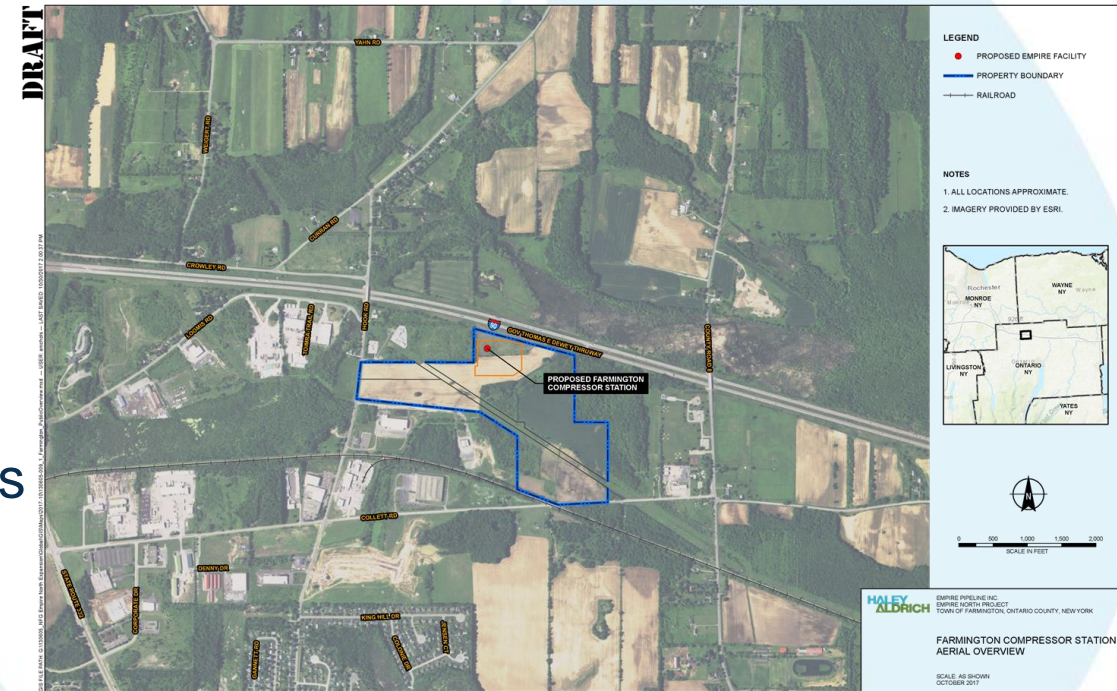


History of Empire Pipeline in Finger Lakes Region

- Empire Pipeline transports natural gas to more than 1 million residential and major industrial companies, utilities and power producers in western and central New York and is an interstate pipeline regulated by the Federal Energy Regulatory Commission (FERC).
- Originally constructed in 1993, Empire Pipeline initially was a 157-mile natural gas pipeline, running from near Buffalo to Syracuse.
- In 2008 Empire Pipeline expanded the pipeline's route by approximately 77 miles through the Empire Connector Project.
- November 2011, the 15-mile Tioga County Extension was completed, extending the Empire Connector to producer gathering systems located in Jackson, Pa.
- In 2015, the Tuscarora Lateral Project connected a gas storage field and compressor station in Tuscarora, N.Y. with the existing Empire Pipeline. This project made available much needed extra volumes of natural gas for Upstate New Yorkers.

Empire North Project

- This is a Federal Energy Regulatory Commission (FERC) jurisdictional project
- Increasing capacity of **existing** modern pipeline system
- Target In-Service: November 2019
- System: Empire Pipeline, Inc.
- Estimated Cost: \$141 million
- Natural gas delivery for N.Y. and Northeast Utilities as well as the North American Pipeline Grid.
- N.Y. Facilities:
 - 32,000 HP Electric Motor Driven Compressor Station (Farmington, N.Y.)
 - Minor Regulator Station Upgrade: New Victor Regulator Station (Victor, N.Y.)
 - Existing Facility Improvement: Empire Connector Pipeline (N.Y.)



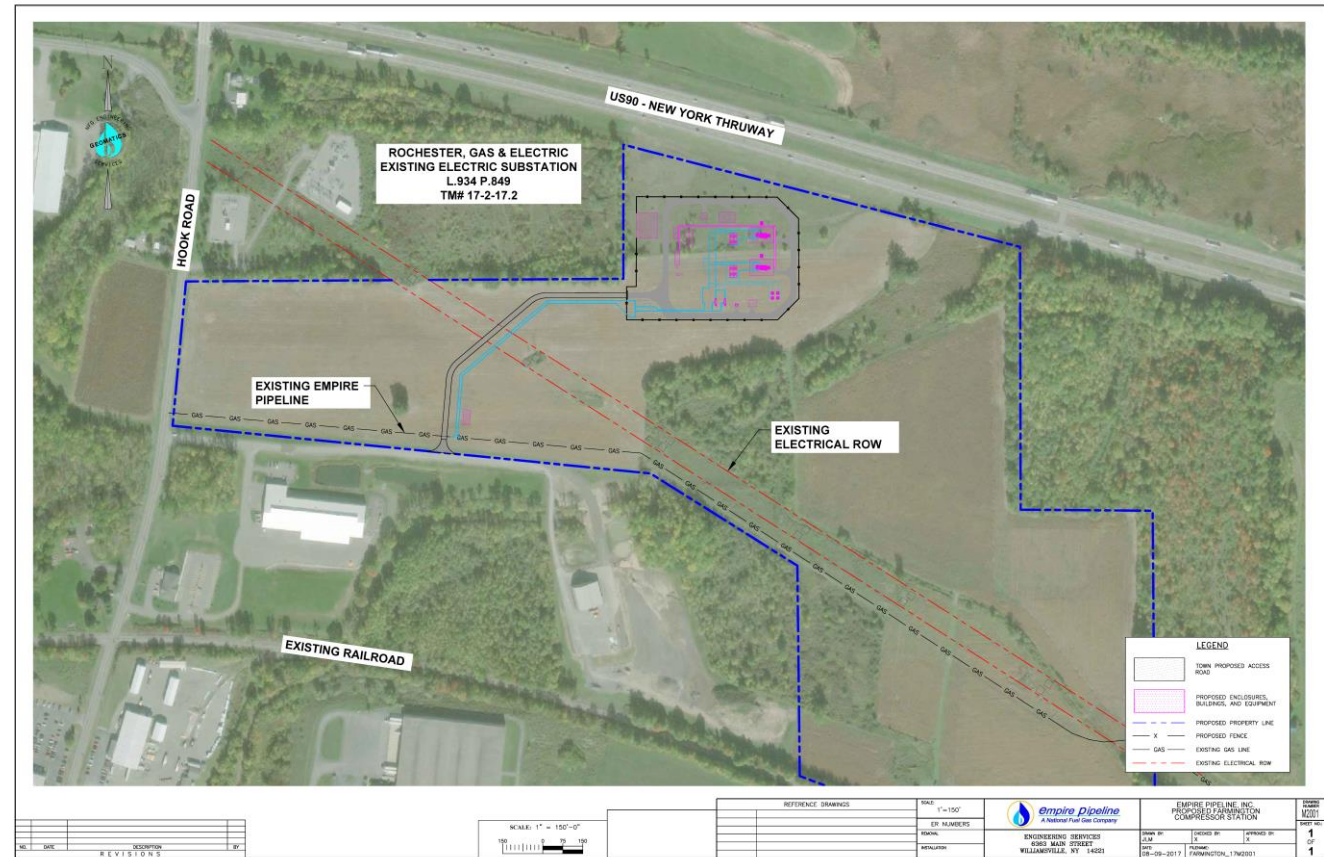
Farmington Compressor Station

Location: Farmington, N.Y.

- 92.4 acre parcel
- Compressor Station to take up less than 10 acres and be located over 1,660 ft. off Hook Road
- Adjacent to Rochester Gas & Electric substation/Utility power lines & ROWs/NYS Thruway
- Proposed site zoned GI-Industrial

Description of Facility

- Two (2) 16,000 horsepower electric motor drive compressor packages housed in buildings
- Substation, medium voltage, drive building, power distribution, and generator buildings
- Vent gas recovery, air compressor, storage and office buildings
- Ancillary equipment



Compressor Station: *Minimizing Impacts*

FARMINGTON

- Commitment to low noise: Minimal to no increase over ambient noise levels at closest residences
 - ✓ Low noise electric motor driven compressor packages
 - ✓ Acoustically designed compressor buildings with sound suppression
 - ✓ Low noise auxiliary equipment
 - ✓ Extensive utilization of below grade piping
 - ✓ Low noise station and vent gas silencing
- Commitment to: Electric motor drives, vent gas recovery system, no stack emissions



Hinsdale Compressor Station, Hinsdale, NY (Cattaraugus County)

Compressor Station: *Minimizing Impacts*

- Commitment to develop landscape plan during site plan process
- Commitment to no perceived increase in vibration
- Commitment to minimal, functional facility lighting
- Commitment to aesthetic architectural building treatment



Station can be Designed to Respect Agricultural Heritage



Safety

- Commitment to meet or beat all federal safety codes for design and operation
- Commitment to community outreach and dialogue
- INGAA Commitments
- Commitment to not seek any property tax abatements

FERC Review Process

- The Federal Energy Regulatory Commission (FERC) is an independent federal regulatory agency within the U.S. Department of Energy.
- Under the federal Natural Gas Act, FERC has exclusive jurisdiction over the environmental review, including the siting, of interstate natural gas pipeline facilities, such as the proposed Farmington Compressor Station.
- As part of FERC's review of Empire's application for approval to construct and operate the Empire North Project, FERC will undertake a detailed analysis of potential environmental impacts related to the proposed facilities. This will include a robust review of the following:
 - **Cultural Resources**
 - **Geology**
 - **Soils**
 - **Vegetation and Wildlife**
 - **Land Use**
 - **Alternatives**
 - **Aquatic Resources**
 - **Air Quality and Noise**

FERC Review Process

- Upon completion of a thorough environmental analysis, FERC will issue an environmental assessment, which will be an integral part of FERC's decision on whether to approve the proposed project.
- FERC's environmental assessments typically recommend various mitigation measures, which are included to ensure that the project facilities do not significantly affect the quality of the human environment.
 - Will be inclusive of commitments made by company

Substantial New York State Investment

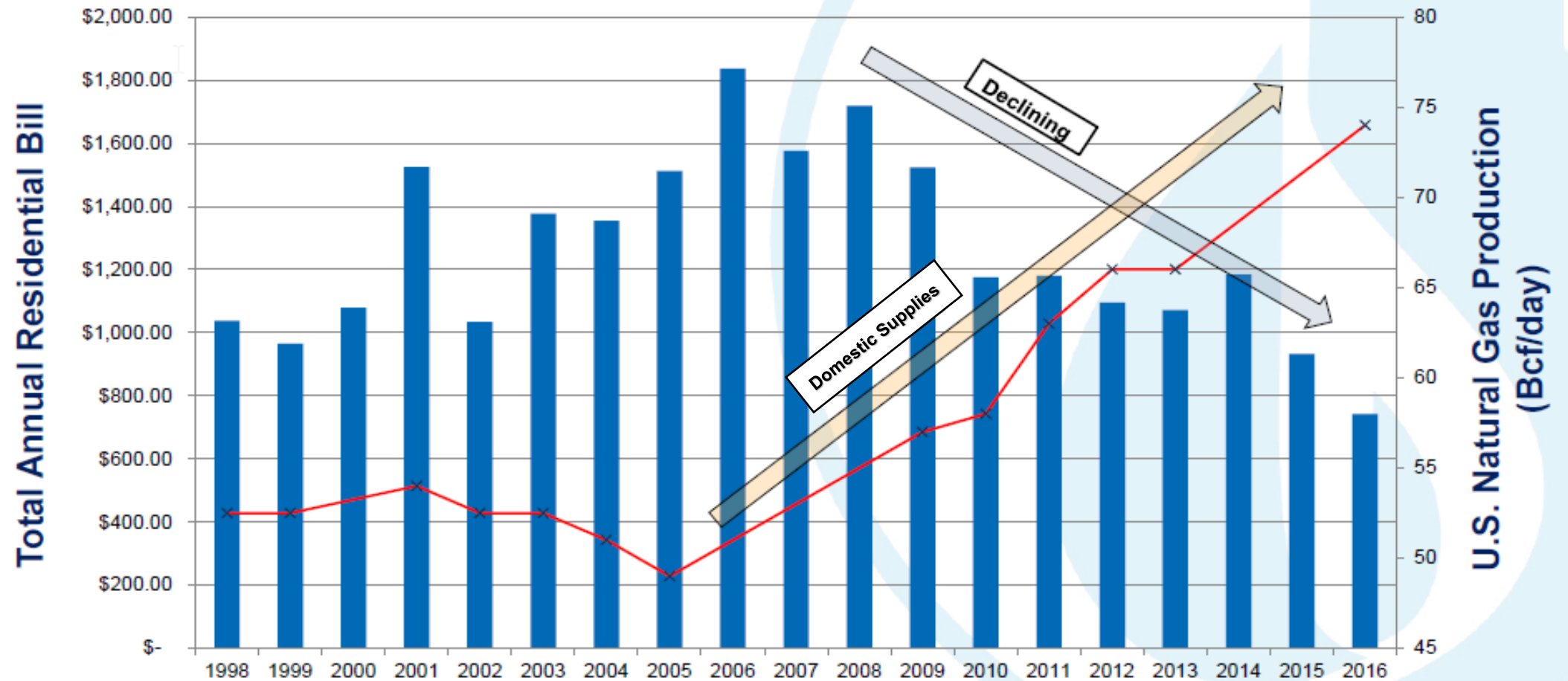
Empire North Project Investment

- \$141 million overall expected cost
- ~\$76 million in New York state
- Expected electric transmission upgrades will enhance reliability for local utility customers
- The Farmington Compressor Station will provide an estimated total property tax revenue of \$25 million over 10 years

- Town of Farmington	~\$107,700 annually
- Ontario County	~\$616,900 annually
- Victor School District	~\$1,590,000 annually
- Library Tax	~\$17,700 annually

Northeast Supplies Benefitting New York State

Average Annual Customer Bill (Weather Adjusted) vs Total Natural Gas Production



Twelve months ending September 2016

Extensive Planned Project Outreach

PROPOSED TIMELINE

Empire Informational Sessions	November/December 2017
Empire Submits Section 7(c) Application	January 2018
Commission Issues Certificate of Public Convenience and Necessity	January 2019
Empire Submits the Implementation Plan	February 2019
Empire Commences Construction Upon Receipt of Authorization	February 2019
Project Facilities Placed Into Service	November 2019

Contact Us

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