



**National Fuel<sup>®</sup>**

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# **National Fuel Gas Distribution Corporation**

Fall 2023 Marketer / Supplier Teleconference

Winter Readiness

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Fall 2023 Marketer/Supplier Teleconference  
Winter Readiness  
October 23, 2023  
2:00 p.m. EST

**AGENDA**

<b>Welcome and Introduction</b>	<b>Dan Czechowicz</b>
<b>Transportation Update</b>	<b>Patrick Dailey Chase Bahne</b>
<b>Capacity Update</b>	<b>Nick Pasquarella</b>
<b>Regulatory Update</b>	<b>Jeff Same</b>
<b>General Discussion</b>	<b>All</b>
<b>Closing</b>	<b>Dan Czechowicz</b>

# **National Fuel Gas Distribution Corporation Fall 2023 Marketer/Supplier Teleconference Winter Readiness**

## **Transportation Services Update**

**Presentation by: Chase Bahne & Patrick Dailey  
October 23, 2023**

# Marketer/Supplier Support

NFGDC Website: <https://www.nationalfuel.com/business-partners/>

Operating Procedures Manuals:

- GTOP, TSS, TSS Reports, Aggregator, Market Pool, Production Pool

Transportation Scheduling System – TSS


Training

Contact info:

- Chase Bahne, Patrick Dailey, Brandon Jackson, Reve Rofot and Dan Czechowicz
- **TSS Help Desk: (716) 857-7232**
  - After Hours Support (24/7)
  - Business Hours: 7:30 am – 5:00 pm  
email: [TSSSupport@natfuel.com](mailto:TSSSupport@natfuel.com)
- **Billing Help Desk: (716) 857-7432**
  - Business Hours: 8:00 am – 4:30 pm  
email: [TSD-Billing@natfuel.com](mailto:TSD-Billing@natfuel.com)

# Transportation Scheduling System (TSS)

## VMware Horizon Client

- Required by all TSS Users
  - Multifactor Authentication / RSA SecurID Token
  - Improved access across multiple platforms
  - Personalized Security Measures (unique to each user)
- 
- VMware Horizon Client and TSS Passwords must be at least **15 characters** and contain 3 out of 4 of the following:
    - 1 upper, 1 lower case letter
    - 1 numeral, 1 special character

## TSS back-up user is highly recommended

- Send in a TSS User Role Request form

## Marketer Contact Information

- Update in TSS, under Contact Maintenance (**ECNTM**)
- Important to keep this information current
  - System Alerts / OFOs
  - Scheduling cuts
  - Capacity Release
  - Announcements / Other Information

# Marketer Requirements

## Daily Delivery Quantities (DDQs)

- Customer usage estimates based on usage history, weather forecasts, and actual measurement including mid course correction
- **Meet daily delivery quantity requirements (DDQs) to serve your market**
  - Posted in TSS and in the Secure Transactions section of the website
  - Degree Day data is derived from AccuWeather forecasts
  - “Degree Day Information Report” is on the website under General Information files
  - Requirements under normal operating conditions:
    - NY STBA and PA MMNGS = 95% - 105%
    - PA SATS = 98% - 102%

## Production Daily Quantities (PDQs)

- Estimates of local production based on production volume history

## Pool operators are responsible for monitoring DDQs / PDQs and actual volumes

- Request DDQ and PDQ modifiers via TSS
  - Detailed descriptions required when requesting modifiers

# Marketer Requirements

## Minimizing Month End Imbalances

### **Marketer communication with customers is crucial**

- Customer usage changes need to be addressed by the marketer
  - Customers whose usage has daily / monthly variability (i.e. difficult to estimate)
  - Customers whose usage is being estimated for long periods - lack of actual meter reads
- Provide meter readings to TSS Support

### **Daily Metered Transportation (DMT) customers**

- Match daily deliveries to actual daily usage
- PA DMT statement 'USAGE EST' - marketer / pool operator's responsibility to obtain:
  - 10:00 am read directly from the customer
  - first of the month meter reading for closing out the previous month

### **Review DDQs daily**

- Request DDQ modifiers
- Midcourse correction
  - NFG automated routine that adjusts individual customer's DDQs based on actual readings

# Marketer Requirements

## End of month storage inventory requirements (minimums, not targets)

		New York (STBA) EOM Minimum %	Pennsylvania (SATS) EOM Minimum %
<b>Injection</b>	April	0%	0%
	May	12%	12%
	June	29%	29%
	July	46%	46%
	August	63%	63%
	September	80%	80%
	October	95%	95%
<b>Withdrawal</b>	November	89%	86%
	December	71%	68%
	January	46%	45%
	February	28%	28%
	March	0%	0%





# Marketer Responsibility

## Pipeline Critical Notices

### **Regularly review the appropriate pipeline notices**

- Subscribe to receive emails of Critical Notices from each pipeline
- Review and assess potential impacts
- Contact the appropriate pipeline for notice clarification
- Contact NFGDC for assistance

### **Subscribe for Critical Notice emails:**

- NFGSC - contact your internal System Administrator or NFGSC Commercial Services (Interstate Marketing)
- TGP - Update DART user setting in “Business Preferences”

# System Maintenance Orders

## MAINTAIN SYSTEM OPERATIONAL INTEGRITY

Communication: email and website postings



### System Alert

### Operational Flow Order (OFO)

#### DDQ Requirements

- NY STBA 98-105% (cold); 95-102% (warm); 95%-105% (normal)
- PA SATS 100-102% (cold); 98-100% (warm); 98%-102% (normal)
- PA MMNGS 100-105% (cold); 95-100% (warm); 95%-105% (normal)

#### DMT Requirements

- NY DMT - Option to shrink tolerance from 10% to as low as 2%
- PA DMT - Option to disallow use of banks

#### Communication: ROBO text

#### Marketers must opt-in

- TSS Contact Maintenance Screen



### Unauthorized Overrun

### Curtailment

# Important Upcoming Billing Notification

## Erie County is suspending Sales Tax on Home Heating Bills

- National Fuel will update Erie County sales tax rates to 0% for residential customers for the billing period of 12/1/23 through 2/29/24.
  - This rate will be applied to NFG charges (NFG delivery & NFG supply) only for consumption used during the period.
- It is the ESCO's responsibility to submit an 814C to change the tax rate for their supply charges **prior to the effective date**.
- Any additional questions can be sent to  
Billing Help Desk: (716) 857-7432  
Business Hours: 8:00 am – 4:30 pm  
Email: [TSD-Billing@natfuel.com](mailto:TSD-Billing@natfuel.com)

# Pennsylvania Data Security Agreement

## Pennsylvania Tariff Requirements

- Effective July 1, 2023
- Marketers, Suppliers and Agents with access to customer information via publicly available Company business systems must sign a Data Security Agreement
- Parties required to maintain current Cybersecurity insurance of \$2 million

# Questions ?



# National Fuel Gas Distribution Corporation Fall 2023 Marketer/Supplier Teleconference

## Capacity Review

**Presentation by: Nick Pasquarella  
October 23, 2023**

# New York & Pennsylvania Capacity Release

## New York

Supplier Transportation Balancing and Aggregation (STBA)

- Mandatory Upstream Transmission Capacity (MUTC)
- Intermediate NFGSC ESS Capacity

## Pennsylvania

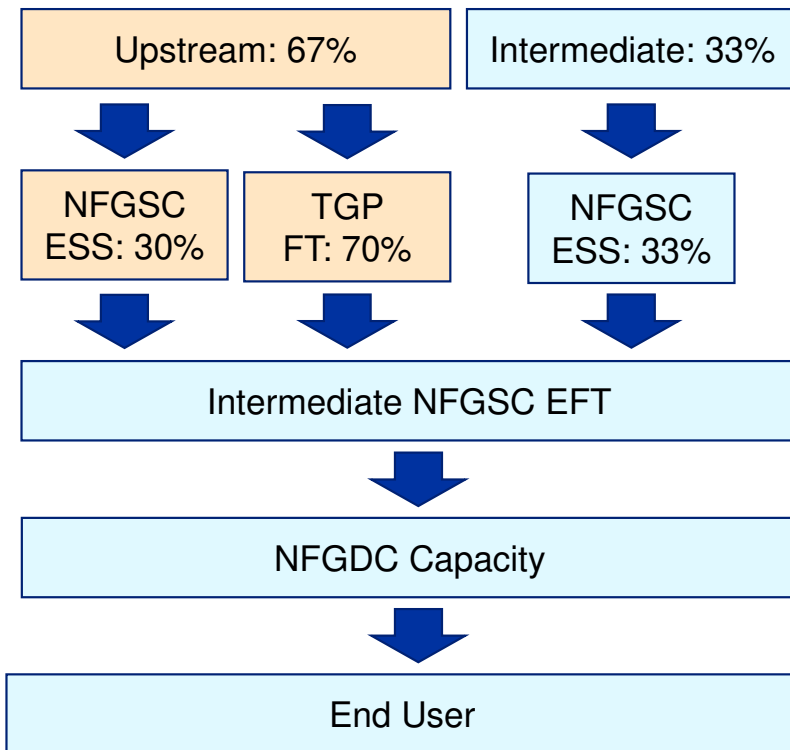
Small Aggregation Transportation Supplier (SATS)

- Released Transmission Capacity (RTC)
- Intermediate NFGSC ESS Capacity

**Reminder: Capacity releases are available to execute by the 5<sup>th</sup> business day prior to each month and must be accepted by the first of month**

# NY STBA Capacity Release

## Serves requirements up to 62 HDD



Upstream Release Rates, \$/Dth

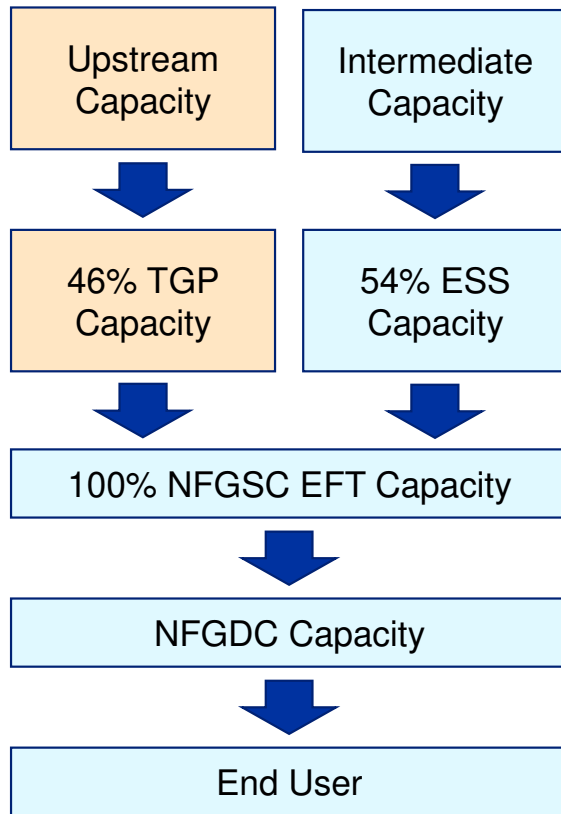
	WACOC Rate	Change from Apr-2012	NFGSC ESS Max Rate	TGP FT Rel. Rate <sup>1</sup>
Apr 2012	\$10.84	-	\$4.16	\$11.92
Apr 2013	\$10.51	-3%	\$4.49	\$11.49
Apr 2014	\$9.81	-9%	\$4.48	\$10.68
Apr 2015	\$9.40	-13%	\$4.48	\$10.27
Apr 2016	\$10.05	-7%	\$4.39	\$11.04
Apr 2017	\$9.49	-12%	\$4.30	\$10.40
Apr 2018	\$8.60	-21%	\$4.48	\$10.37
Apr 2019	\$8.86	-18%	\$4.49	\$10.74
Apr 2020	\$8.96	-17%	\$4.91	\$10.69
Apr 2021	\$8.07	-26%	\$5.07	\$9.35
Apr 2022	\$8.96	-17%	\$5.12	\$10.61
Apr 2023	\$8.33	-23%	\$5.10	\$9.72

<sup>1</sup> Derived such that weighted average cost of ESS and TGP equals WACOC



# Pennsylvania SATS Capacity Release

## Serves requirements up to 62 HDD



Upstream Release Rates, \$/Dth

	WACOC	Change from Aug-2012	TGP FT Rel. Rate <sup>1</sup>
Aug 2012	\$14.98	-	\$14.98
Aug 2013	\$13.88	-7%	\$13.88
Aug 2014	\$11.80	-21%	\$11.80
Aug 2015	\$10.14	-32%	\$10.14
Aug 2016	\$9.63	-36%	\$9.63
Aug 2017	\$9.57	-36%	\$9.57
Aug 2018	\$8.94	-40%	\$8.94
Aug 2019	\$7.78	-48%	\$7.78
Aug 2020	\$7.31	-51%	\$7.31
Aug 2021	\$8.79	-41%	\$8.79
Aug 2022	\$8.17	-45%	\$8.17
Aug 2023	\$7.95	-47%	\$7.95

<sup>1</sup> TGP FT Release Rate = PA upstream WACOC Rate

# Questions ?



# **National Fuel Gas Distribution Corporation Fall 2023 Marketer/Supplier Teleconference**

## **Rates & Regulatory Update**

**Presentation by: Jeff Same  
October 23, 2023**

# Rates & Regulatory Update

## Federal Update

### Pipeline Rate Events

- **Texas Eastern Transmission, L.P.**
  - Filed general NGA Section 4 rate case on July 30, 2021
  - Filing rejected by FERC due to TETCO's proposal to use a federal income tax rate of 25%
  - Re-filed general NGA Section 4 rate case on September 30, 2021
  - Settlement approved on November 30, 2022
  - Refund received April 2023
- **Eastern Gas Transmission & Storage**
  - Filed general NGA Section 4 rate case on September 30, 2021
  - Settlement approved on November 30, 2022
  - Refund received February 2023
- **Stagecoach**
  - Section 5 rate proceeding filed on September 22, 2022
  - Investigation to determine whether rates currently charged are just and reasonable
  - Settlement approved on July 13, 2023
- **National Fuel Gas Supply**
  - Filed general NGA Section 4 rate case on July 31, 2023
  - Rates to go into effect subject to refund February 1, 2024
  - Pre-hearing conference held October 19, 2023

# Questions ?

