



National Fuel Gas Distribution Corporation
Spring 2023 Marketer/Supplier Teleconference
March 23, 2023
2:00 p.m. EST

AGENDA

Welcome and Introduction	Dan Czechowicz
Capacity Update	Nick Pasquarella
Rates & Regulatory Update <ul style="list-style-type: none">○ Federal Regulatory Update○ PA Regulatory Update	Jeff Same
Transportation Update	Patrick Dailey
Operational Update	Dan Czechowicz
General Discussion	All
Closing	Dan Czechowicz



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Spring 2023 Marketer / Supplier Teleconference

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Capacity Review

**Presentation by: Nick Pasquarella
March 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

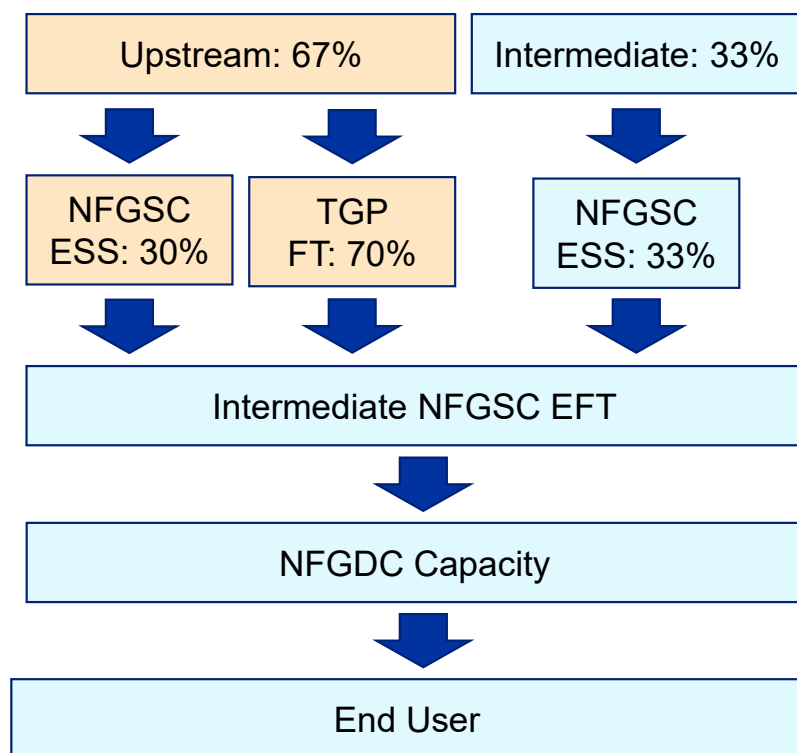
Small Aggregation Transportation Supplier (SATS)

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

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

NY STBA Capacity Release

Serves requirements up to 62 HDD



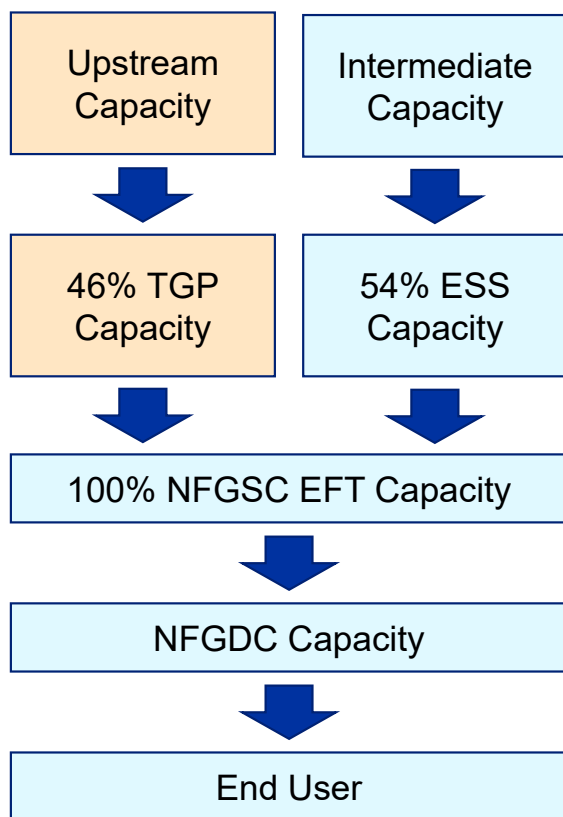
Upstream Release Rates, \$/Dth

	WACOC Rate	Change from Apr-2012	NFGSC ESS Max Rate	TGP FT Rel. Rate ¹
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 Est	\$8.33	-23%	\$5.10	\$9.72

¹ 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 ¹
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 Est	\$7.95	-47%	\$7.95

¹ TGP FT Release Rate = PA upstream WACOC Rate

Questions ?



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Rates & Regulatory Update

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

Rates & Regulatory Update

Federal Update

Pipeline Rate Events

- **RP 21-1187 – Eastern Gas Transmission & Storage**
 - Filed general NGA Section 4 rate case on September 30, 2021
 - FERC approved settlement on November 30, 2022
 - FERC approved EGTS compliance filing on January 10, 2023
 - Refund report filed on February 28, 2023
- **RP 21-1188 – Texas Eastern Transmission, L.P.**
 - Filed general NGA Section 4 rate case on July 30, 2021
 - Re-filed general NGA Section 4 rate case on September 30, 2021
 - FERC approved settlement on November 30, 2022
 - TETCO submitted compliance filings on January 30, 2023
 - Currently awaiting FERC review
- **RP 22-1121 – Stagecoach Pipeline & Storage Company LLC**
 - Section 5 rate proceeding initiated on September 22, 2022
 - Settlement in principle reached on February 16, 2023

Rates & Regulatory Update

Pennsylvania Update

Supplement No. 246 to PA Tariff

Docket No. R-2022-3035880

Filed: October 5, 2022

Proposed Effective Date: July 24, 2023

- Proposal to update Tariff Rule No. 33 (and other associated tariff pages) and the related Data Security Agreement and Self Attestation
- Proposed revisions to the DSA and SA reflected a reduced cybersecurity insurance requirement and changes that resulted from collaborative discussions
- Currently going through PaPUC review process

Questions ?



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Transportation Services Update

**Presentation by: Patrick Dailey
March 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
- **Billing Help Desk: (716)-857-7432**
 - Business Hours: 8:00 am – 4:30 pm
email: 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 %
Injection	April	0%	0%
	May	12%	12%
	June	29%	29%
	July	46%	46%
	August	63%	63%
	September	80%	80%
	October	95%	95%
Withdrawal	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”

TSS Outage Procedures

Email and Web posting

- Keep contact maintenance in TSS up to date (ECNTM)

TSS Emergency Forms

- To be used at National Fuel's direction
- Available online:
<https://www.nationalfuel.com/business-partners/operator-manuals-and-forms/>

Call TSS Help Desk if you experience a system outage

- TSS Help Desk: (716)-857-7232

Questions ?



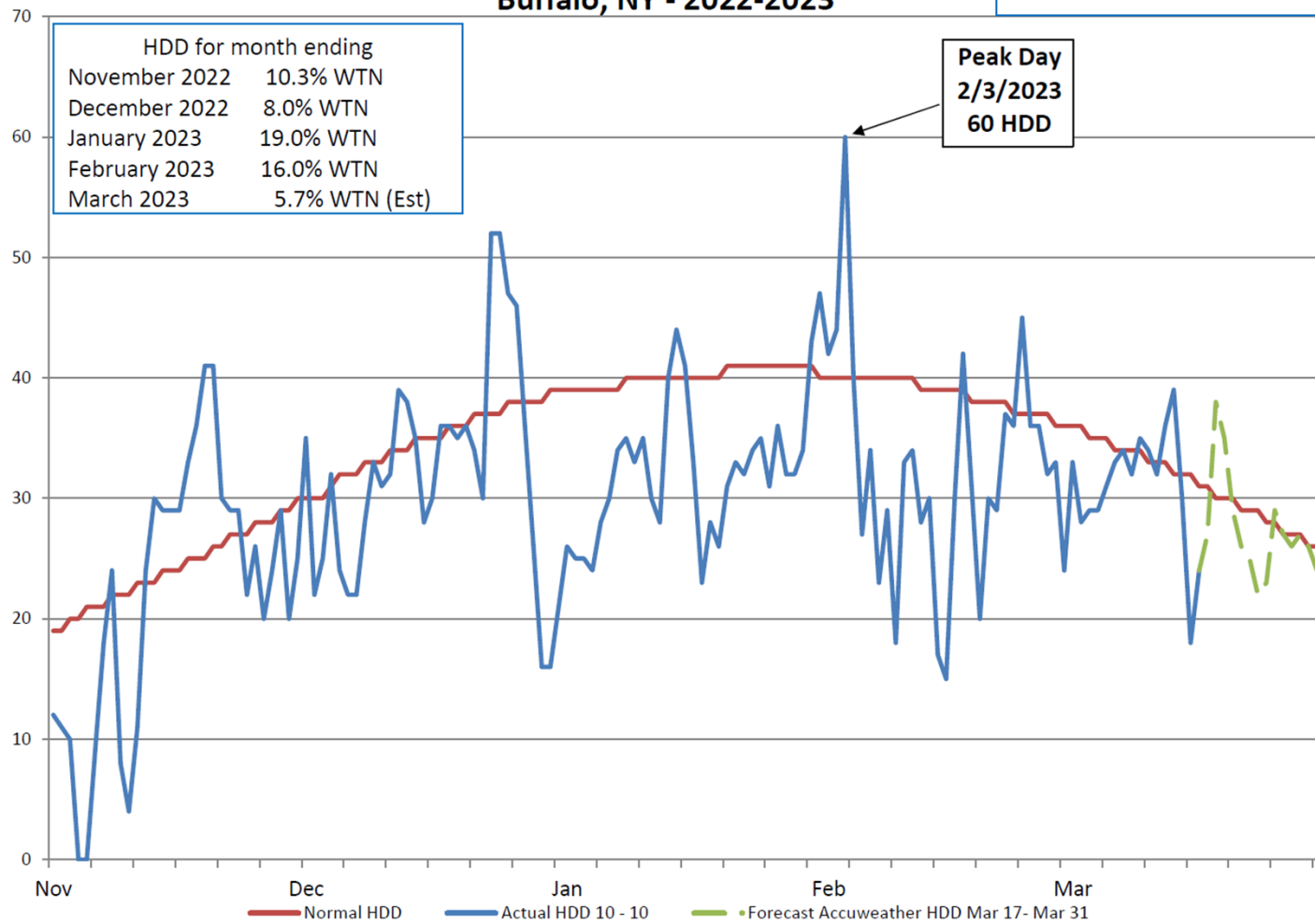
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Operational Update

**Presentation by: Dan Czechowicz
March 23, 2023**

National Fuel Heating Degree Days (HDD) **Buffalo, NY - 2022-2023**

Winter HDD through 3-16-23
 13.1% WTN



National Fuel Gas Distribution Corporation

Buffalo, New York

Winter Season			OFO (Under-delivery)		Peak Day		
Colder (CTN) /Warmer (WTN) than Normal			Number issued	Total Days	Dates	Mean Temp (°F)	Throughput (Dth)
2022-2023 (Est)	13.1%	WTN	1	1	2/3/2022	5	800,794
2021-2022	8.6%	WTN	4	9	1/15/2022	8	734,641
2020-2021	11.9%	WTN	0	0	2/7/2021	15	656,249
2019-2020	10.8%	WTN	0	0	2/14/2020	10	667,433
2018-2019	2.5%	CTN	2	7	1/30/2019	-1	874,658
2017-2018	1.5%	CTN	2	5	1/5/2018	1	845,535
2016-2017	11.8%	WTN	0	0	12/15/2016	14	681,532
2015-2016	17.8%	WTN	0	0	2/13/2016	-2	781,083
2014-2015	13.0%	CTN	1	15	2/23/2015	-2	836,714
2013-2014	13.3%	CTN	3	19	1/28/2014	4	845,309
2012-2013	6.1%	WTN	0	0	1/22/2013	8	743,338
2011-2012	21.6%	WTN	0	0	1/3/2012	11	672,998
2010-2011	5.7%	CTN	1	4	1/23/2011	-1	735,214
2009-2010	2.3%	WTN	0	0	1/30/2010	7	648,907

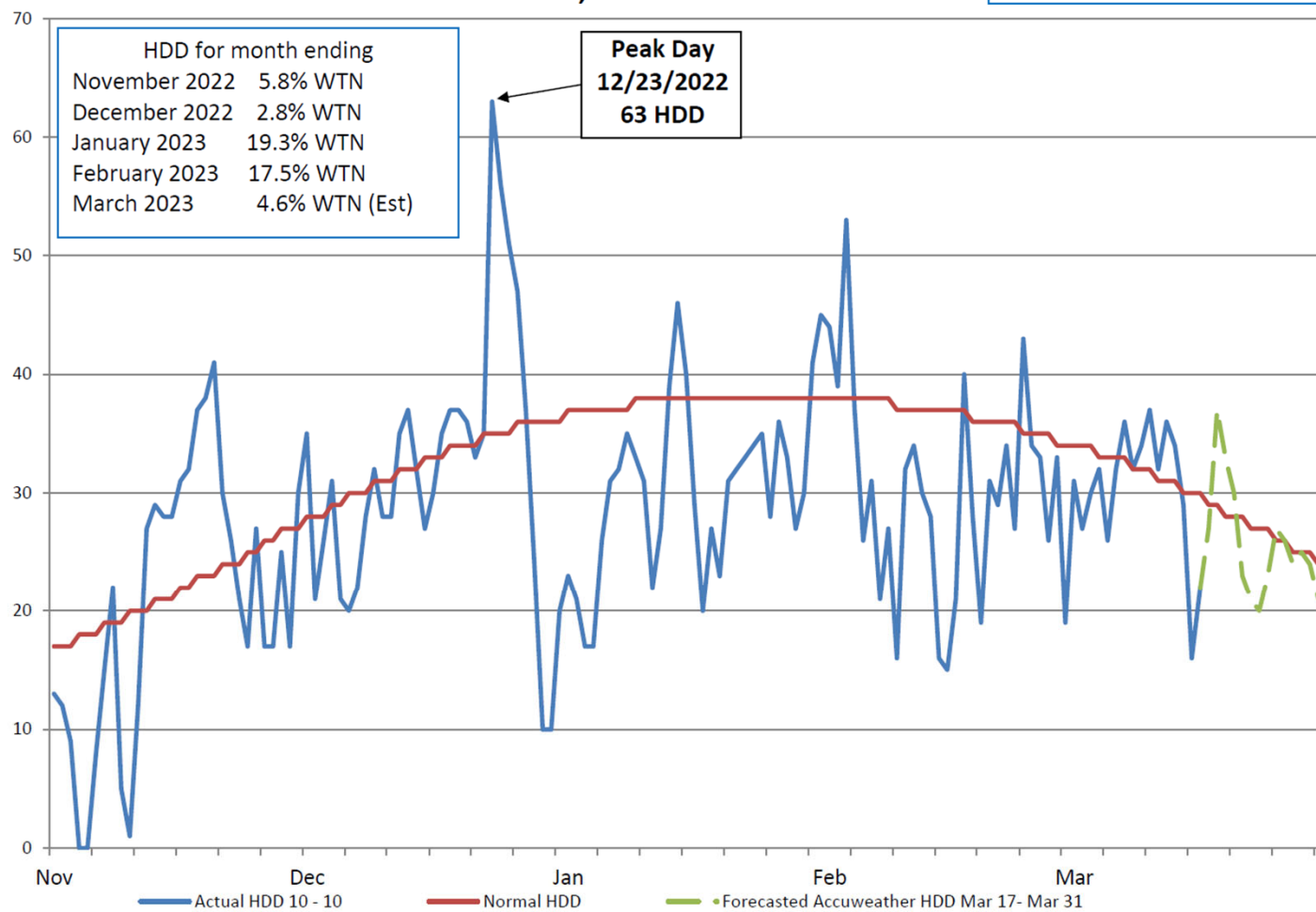
NOTE: 2022-2023 is an estimate
Winter 22-23 Temperatures through 3/16/23

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National Fuel Heating Degree Days (HDD) **Erie, PA - 2022-2023**

Winter HDD through 3-16-23
 11.4% WTN



National Fuel Gas Distribution Corporation

Erie, Pennsylvania

Winter Season			OFO (Under-delivery)		Peak Day		
Colder (CTN) /Warmer (WTN) than Normal			Number issued	Total Days	Dates	Mean Temp (°F)	Throughput (Dth)
2022-2023 (Est)	11.4%	WTN	2	4	12/23/2022	2	378,723
2021-2022	8.7%	WTN	4	9	1/26/2022	12	336,515
2020-2021	11.2%	WTN	0	0	2/7/2021	18	295,510
2019-2020	12.6%	WTN	0	0	2/14/2020	12	313,269
2018-2019	0.1%	WTN	2	7	1/30/2019	-2	426,677
2017-2018	2.0%	CTN	1	3	1/5/2018	7	389,018
2016-2017	13.6%	WTN	0	0	12/15/2016	16	327,562
2015-2016	19.1%	WTN	0	0	2/13/2016	8	336,218
2014-2015	14.7%	CTN	1	15	2/19/2015	-6	394,737
2013-2014	15.6%	CTN	3	19	1/7/2014	1	414,064
2012-2013	3.2%	WTN	0	0	1/22/2013	10	342,059
2011-2012	21.9%	WTN	0	0	1/3/2012	14	290,254
2010-2011	7.1%	CTN	1	4	1/23/2011	2	315,776
2009-2010	0.1%	WTN	0	0	1/28/2010	16	295,043

NOTE: 2022-2023 is an estimate
Winter 22-23 Temperatures through 3/16/23

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NFGDC Transportation Customers and Annual Throughput

Transportation Customers

(as of March 2023)

New York

STBA (Aggregation)	38,359
DMT (Aggregation)	44
MMT (Stand Alone)	1
Total New York	38,404

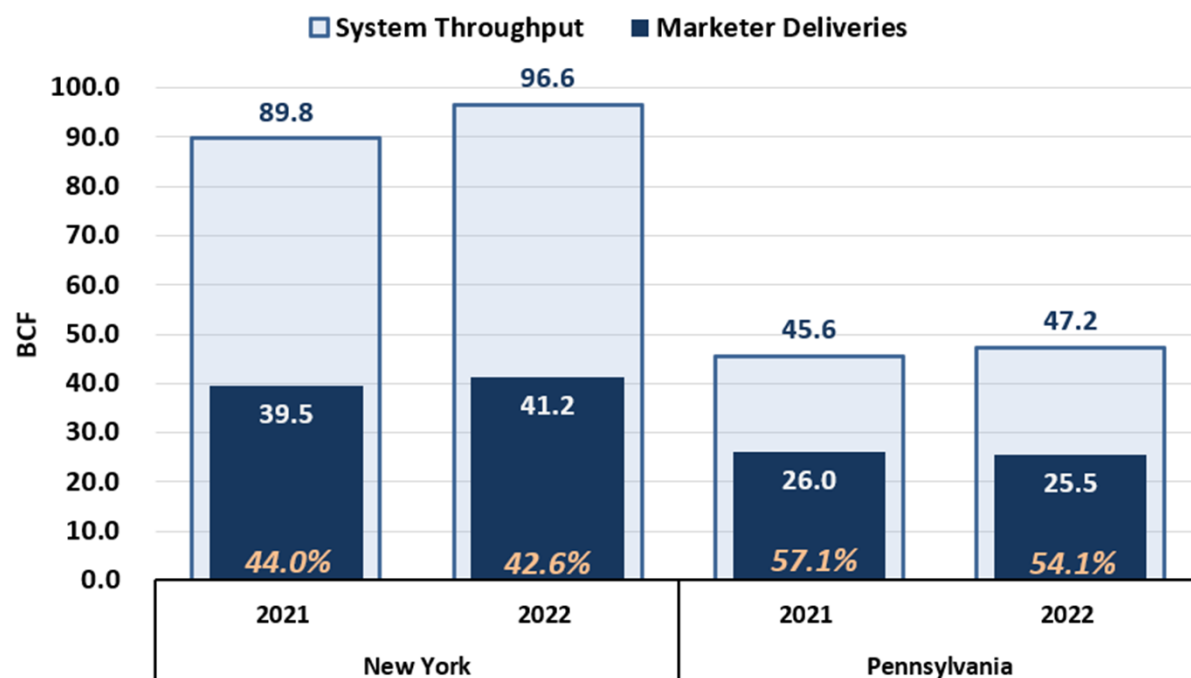
Pennsylvania

MMNGS (Aggregation)	3,979
SATS (Aggregation)	18,205
DMT (Stand Alone)	75
Total Pennsylvania	22,259

Total NFGDC 60,663

NFGDC Annual DELIVERIES

12 Month Totals
(Through December 2022)



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

System Maintenance Orders

Winter 2022 / 2023

(Gas days inclusive, Applies to NY and PA)

November 2022						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
		1	2	3	4	5 SA No DDQ Avg
6 SA No DDQ Avg	7 SA No DDQ Avg	8	9	10	11 SA No DDQ Avg	12 SA No DDQ Avg
13 SA No DDQ Avg	14 SA No DDQ Avg	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

December 2022						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23 OFO-PA No DDQ Avg	24 OFO-PA No DDQ Avg
25 OFO-PA No DDQ Avg	26 SA No DDQ Avg	27 SA No DDQ Avg	28	29	30	31

January 2023						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2023						
Sun	Mon	Tues	Wed	Thurs	Fri	Sat
			1	2 SA	3 OFO NY & PA	4 SA No DDQ Avg
5 SA No DDQ Avg	6 SA No DDQ Avg	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

SA - System Alert in Effect

OFO in Effect

- March 2022 - No SMOs to Date

Questions ?

