

*November 17, 2022*

# **NGA Pre-Winter Briefing: Overview**



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Northeast Gas Association

# Today's Program

- Purpose: overview of how the regional natural gas system operates – and winter readiness

- Segment areas:

- Interstate pipelines



- Liquefied natural gas (LNG)



- Q & A

# About NGA

- Non-profit trade association
- Local gas utilities (LDCs) serving New England, New York, New Jersey, and Pennsylvania
- Several interstate pipeline companies
- LNG & CNG importers/suppliers
- NYSEARCH RD&D org is part of NGA
- About 400 “associate member” companies, from industry suppliers and contractors to electric grid operators
- [www.northeastgas.org](http://www.northeastgas.org)



## NGA'S ANTITRUST COMPLIANCE PROCEDURES

*Adopted by the NGA Board of Directors on June 20, 2018*

### Objective

The Northeast Gas Association (NGA) and its member companies are committed to full compliance with all laws and regulations, and to maintaining the highest ethical standards in the way we conduct our operations and activities. Our commitment includes strict compliance with federal and state antitrust laws, which are designed to protect this country's free competitive economy.

### Responsibility for Antitrust Compliance

Compliance with the antitrust laws is a serious business. Antitrust violations may result in heavy fines for corporations, and in fines and even imprisonment for individuals. While NGA's attorneys provide guidance on antitrust matters, you bear the ultimate responsibility for assuring that your actions and the actions of any of those under your direction comply with the antitrust laws.

### Antitrust Guidelines

In all NGA operations and activities, you must avoid any discussions or conduct that might violate the antitrust laws or even raise an appearance of impropriety. The following guidelines will help you do that:

- **Do** consult counsel about any documents that touch on sensitive antitrust subjects such as pricing, market allocations, anti-employee poaching practices, refusals to deal with any company, and the like.

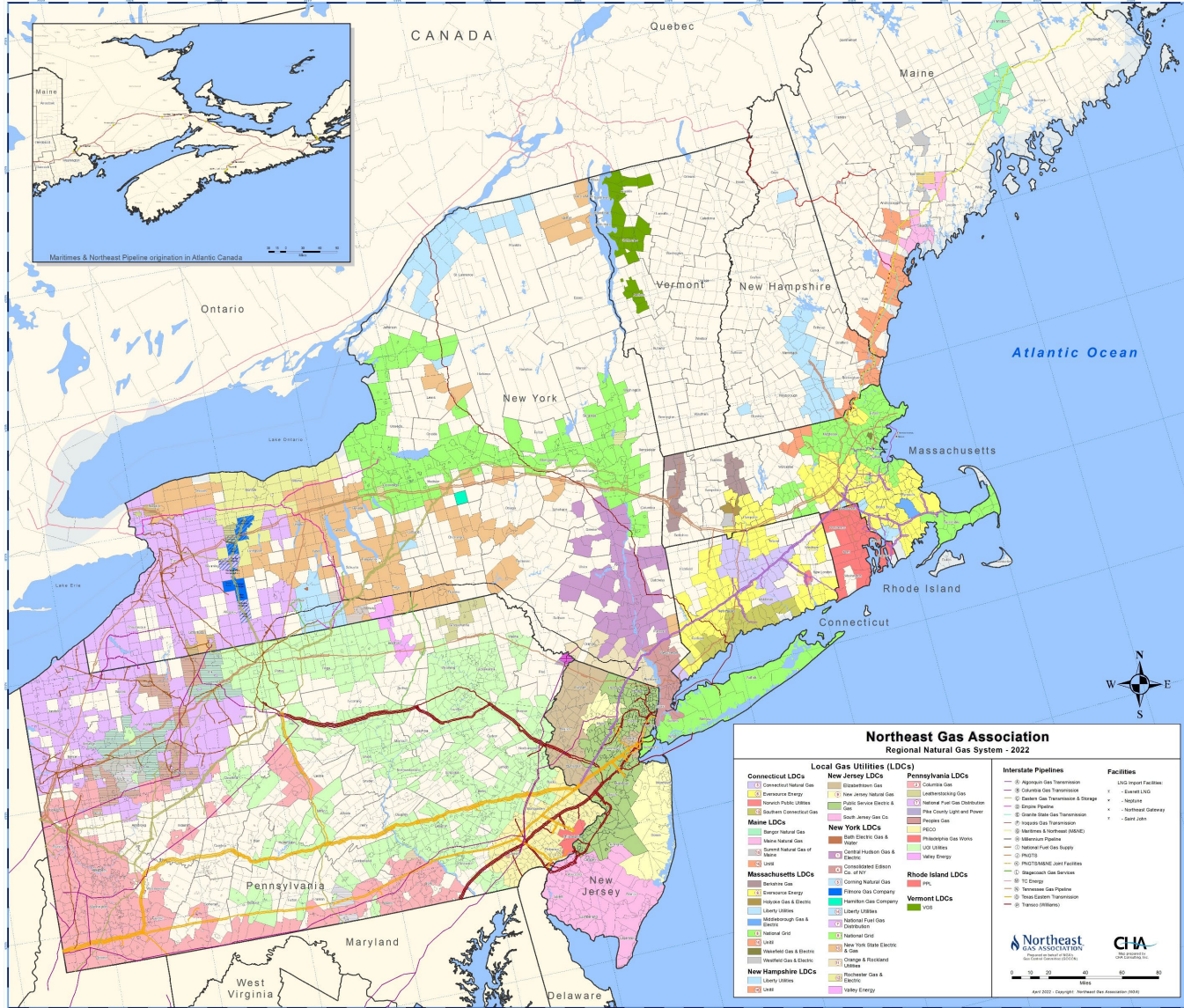
*Continued on NGA web site...*

[https://www.northeastgas.org/compliance\\_docs.php](https://www.northeastgas.org/compliance_docs.php)

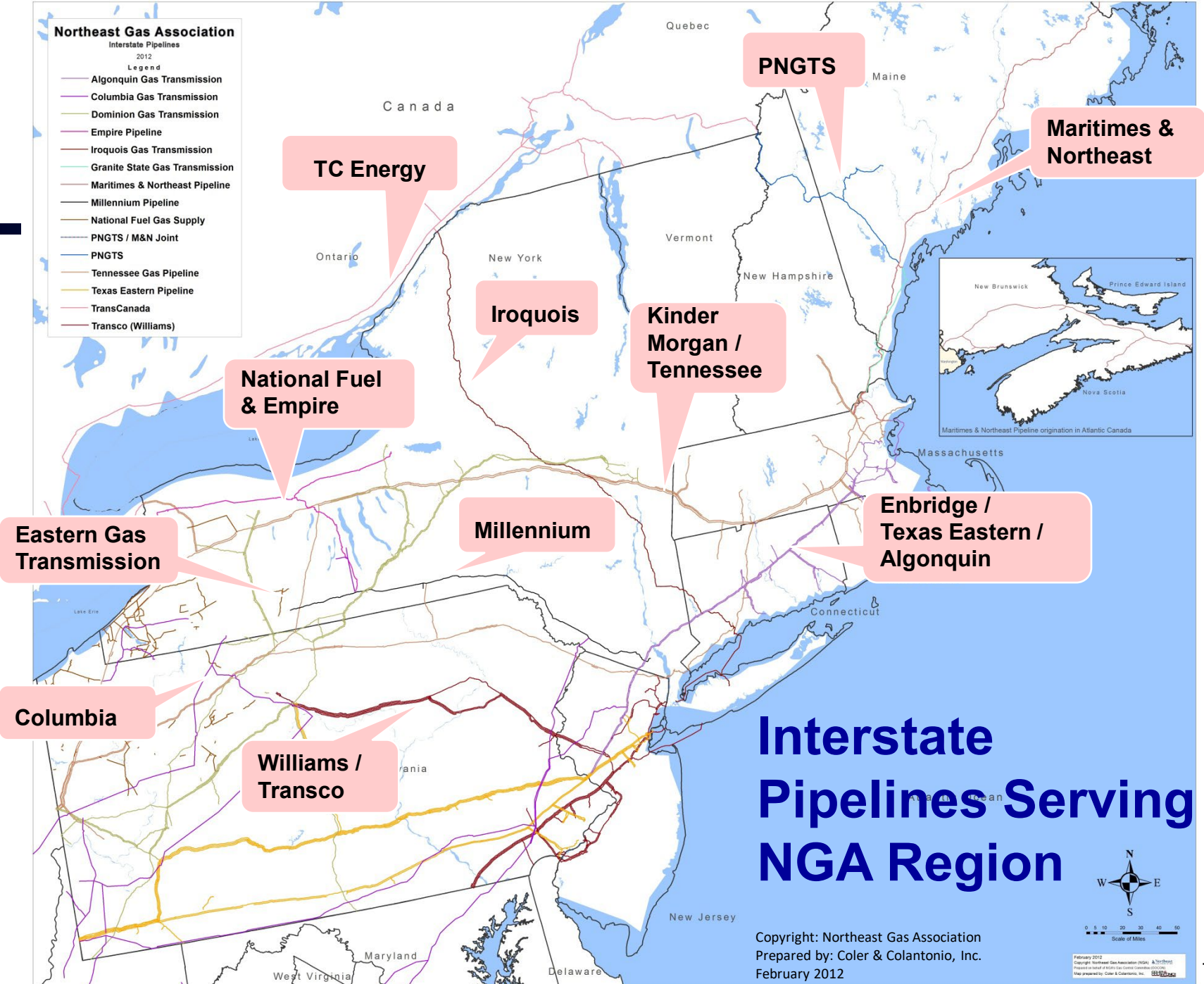
# Webinar Format

- We welcome your questions. During the webinar, please send questions via the “chat” function.
- All attendees are on mute with cameras turned off during the webinar.
- Presentations will be posted on NGA web site.
- Your feedback is valued – let us know how you like this format and topics.

# Gas Utility Service Areas, NGA Region

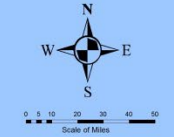


- Northeast Gas Association**  
Interstate Pipelines  
2012  
Legend
- Algonquin Gas Transmission
  - Columbia Gas Transmission
  - Dominion Gas Transmission
  - Empire Pipeline
  - Iroquois Gas Transmission
  - Granite State Gas Transmission
  - Maritimes & Northeast Pipeline
  - Millennium Pipeline
  - National Fuel Gas Supply
  - PNGTS / M&N Joint
  - PNGTS
  - Tennessee Gas Pipeline
  - Texas Eastern Pipeline
  - TransCanada
  - Transco (Williams)



# Interstate Pipelines Serving NGA Region

Copyright: Northeast Gas Association  
Prepared by: Coler & Colantonio, Inc.  
February 2012



February 2012  
Copyright: Northeast Gas Association (NGA) A Terrestrial  
Product of Coler & Colantonio, Inc. (CCC)  
Map prepared by: Coler & Colantonio, Inc.

# LNG

- ❖ LNG key to meeting peak day demand in the region – especially New England
- ❖ LDCs in NE, NY, NJ, PA utilize LNG for peak-shaving
- ❖ Three LNG import terminal operators serve the region



*Everett LNG facility, part of  
Exelon (Constellation)*



*Northeast Gateway,  
Excelerate Energy*



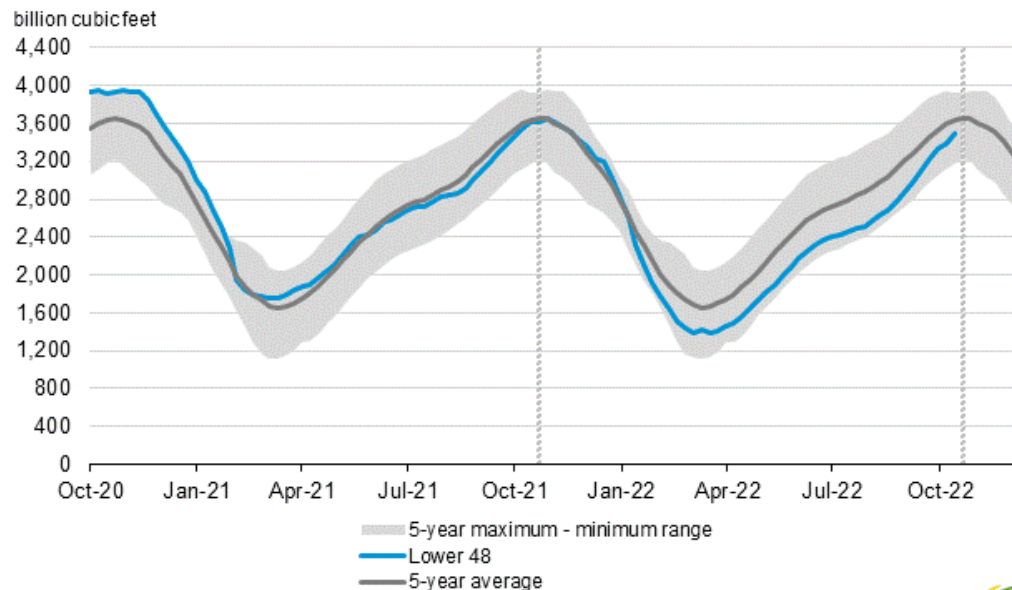
*Saint John LNG (Repsol Energy  
North America)*



# Storage Levels

- Storage at lower than average levels - 3.5 Tcf through Oct. 28, but refills have accelerated in recent weeks due to generally mild fall weather.
- U.S. storage levels are 3.7% below 5-year average.
- East Region storage levels are 6.1% below 5-year average.

Working gas in underground storage compared with the 5-year maximum and minimum

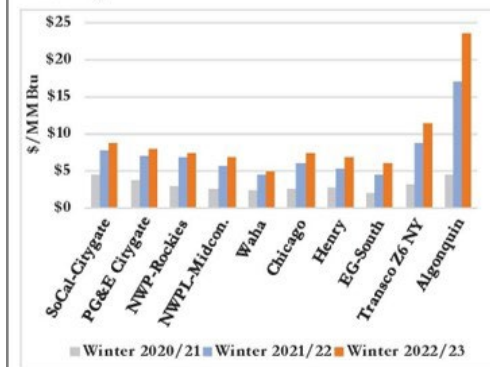


*Chart: U.S.  
EIA,  
November 3,  
2022*

# Some Other Key Market Variables

- ❖ Potential spot price volatility at constrained points in the region (see chart to right). However, much greater price volatility in European & Asian markets, with fallout from Russian invasion of Ukraine.
- ❖ Natural gas commodity price, after very low annual price in 2020 – COVID year – higher again this year. Still, most affordable home heating option (see lower chart).
- ❖ FERC’s recent Winter Market Assessment notes concern, esp. in New England, of potential limited availability for power market during high demand periods.
- ❖ Weather is always the wild card...

Figure 2: Average U.S. Natural Gas Futures Prices Across Sampled Hubs, November to February



Source: InterContinental Exchange, Inc.  
Note: Winter 2022/23 futures prices are as of September 14, 2022. Prior winters are settled prices.

Chart: FERC "Winter Energy Market" paper, October 20, 2022

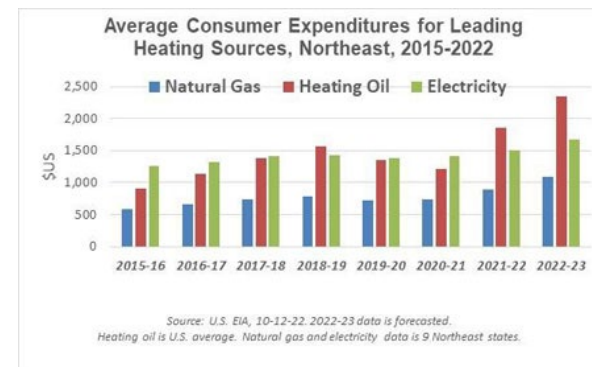
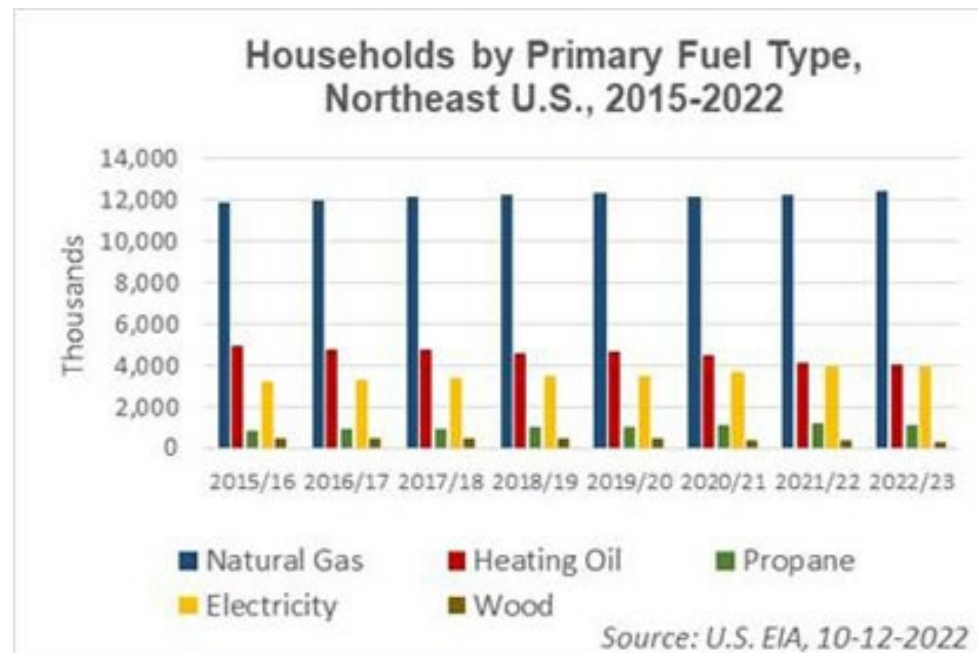


Chart based on U.S. EIA data, October 12, 2022

# Gas Utility Preparedness

- Gas utilities in the region preparing for winter
- Supply and storage contracts in place
- Managing new customer growth on system; peak day challenges at certain key points; “constraints”
- Role of “portable” CNG and LNG inputs as supply option.



# Coordination with Power Systems

- NGA maintains joint Electric-Gas Operating Committee with 3 ISOs in region
- Regular communication between ISOs and pipeline control operators; coordination on “critical infrastructure facilities” for reliability
- NGA has link to pipeline EBBs on its website:  
[https://www.northeastgas.org/electronic\\_bulletin\\_board.php](https://www.northeastgas.org/electronic_bulletin_board.php)



# NGA Gas Supply Task Force

- **Members:** LDCs in region, interstate pipelines, LNG & CNG transporters
- **Purpose:** to help deal with meeting winter supply needs and deliverability within the Northeast region
- **Tasks:** *Monitor* regional deliverability of its members' gas supplies during periods of peak demand or supply curtailment; *Advise* region's energy, regulatory and policy officials; also *Communicate with* ISOs regarding meetings, outcomes
- **Upcoming:**
  - First call to be held next week. Summaries of discussions will be provided same day to state agencies (and ISOs)
  - Annual supply manual is being prepared; will be provided to state agencies in early December.

# Presenters

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## *Northeast Interstate Pipeline System*

**Mike Dirrane**, Enbridge / Algonquin / Texas Eastern / M&NE

**Jim McCord**, Kinder Morgan / Tennessee Gas Pipeline / Stagecoach

**John Esposito**, Iroquois Gas Transmission

**Tom Lockett**, TC Energy /Portland Natural Gas Transmission System /  
Columbia / Millennium

## *Liquefied Natural Gas (LNG) Import Terminal Operators in the Region*

**Gary Ritter**, Excelerate Energy (Northeast Gateway)

**Karen Iampen**, Repsol (Saint John LNG)