

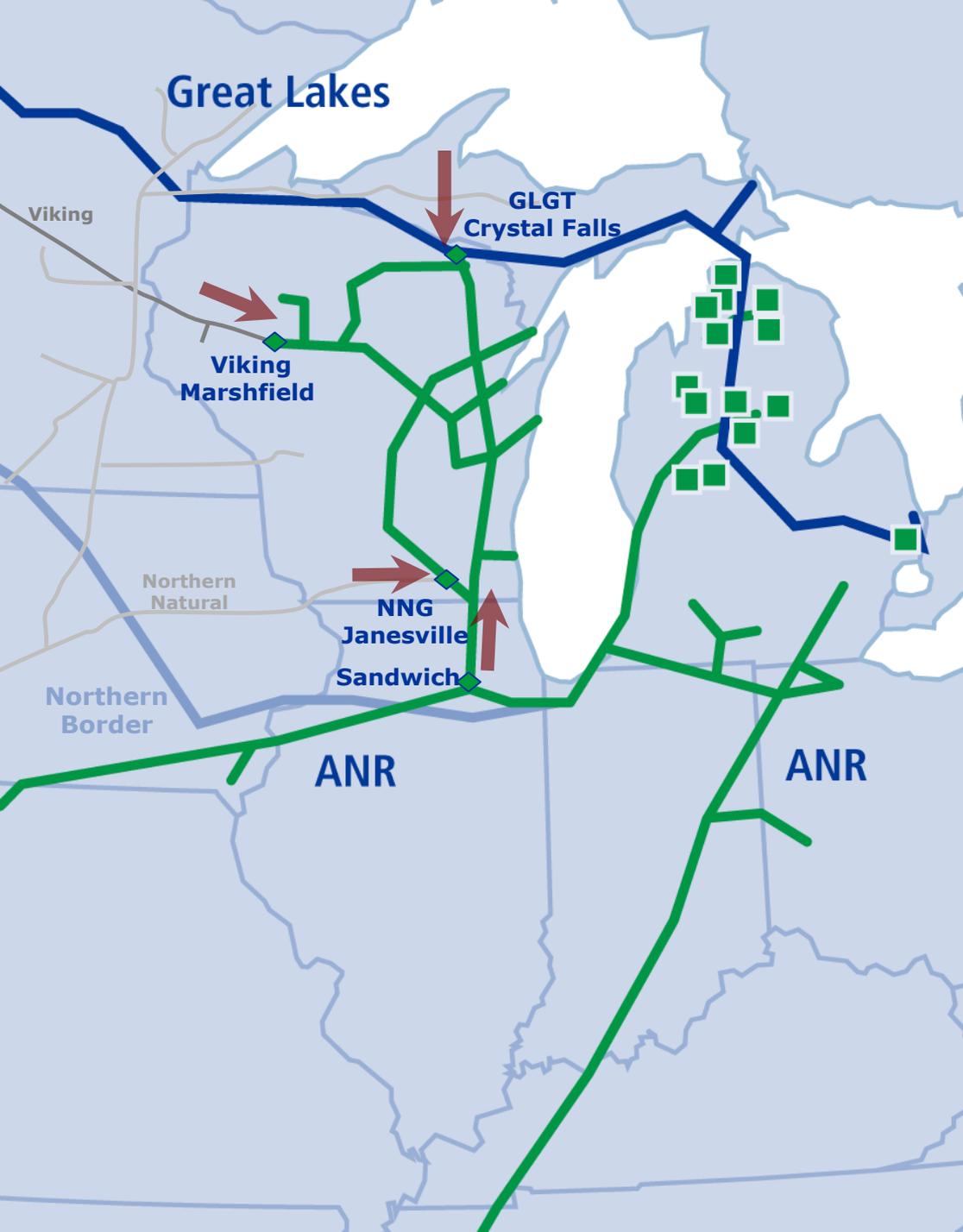


# Natural Gas Price Risk: An Anomaly of Last Winter or a Warning for Wisconsin?

Joseph Pollard, Director Long Term Marketing  
November 20, 2014



# ANR in Wisconsin Key Supply Routes



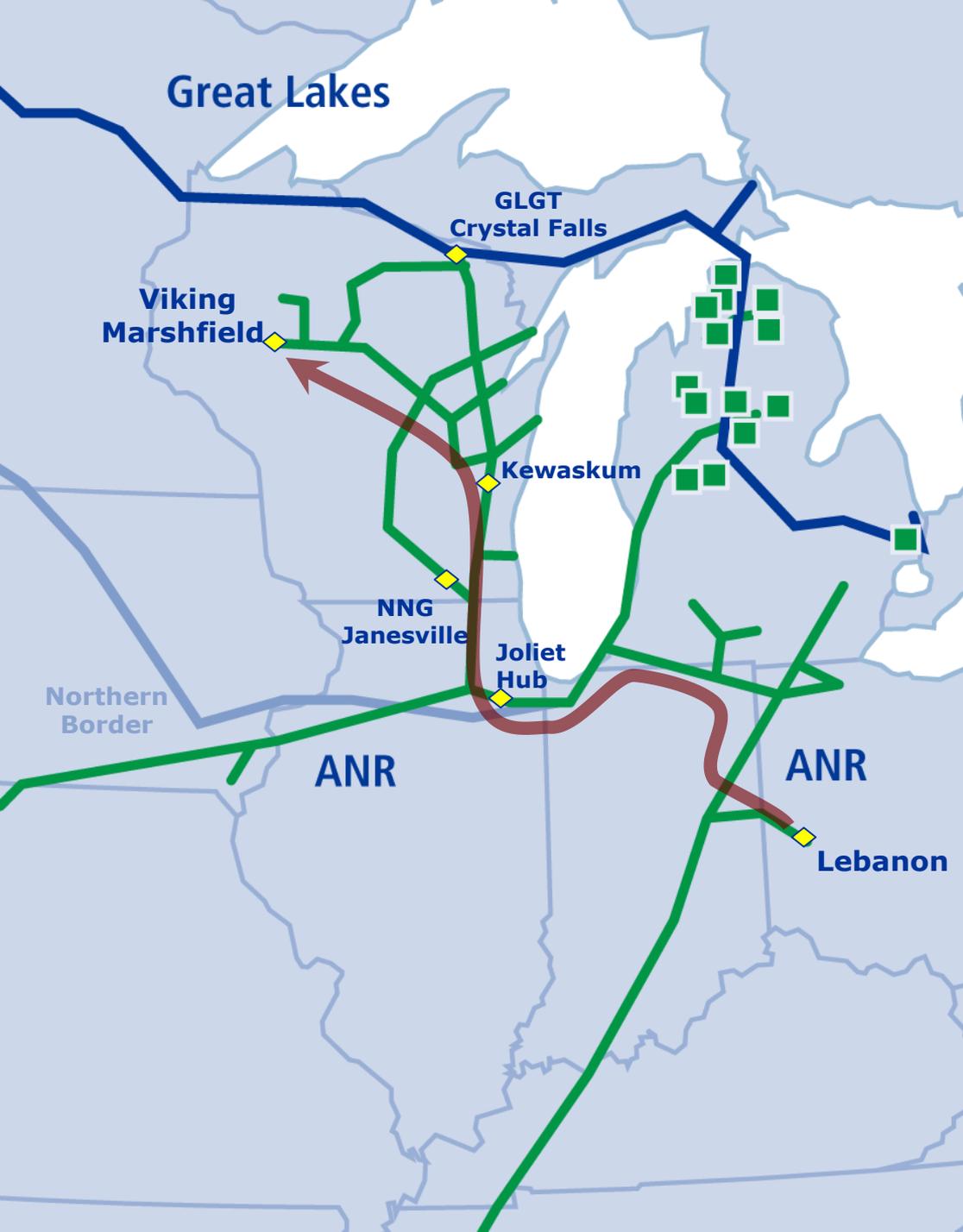
- Wisconsin delivery capacity ~ 2.2 Bcfd
- Primary receipts
  - ANR Sandwich 1.5 Bcfd
  - Great Lakes 0.9 Bcfd
  - Viking 0.3 Bcfd
  - NNG 0.2 Bcfd
- 255 Bcf of owned/operated Storage capacity
- Connected to most all major supply basins

# Pipeline Scheduling Priorities

1. Firm - Primary
2. Firm - Secondary
3. Interruptible & Overrun

## Path and Point Priorities

- Primary path and points: Lebanon to Marshfield
- Primary in-path: Lebanon to Joliet Hub  
Secondary Joliet delivery point
- Secondary out-of-path: Kewaskum to Crystal Falls (Lebanon to Crystal Falls)  
Secondary Crystal Falls delivery point



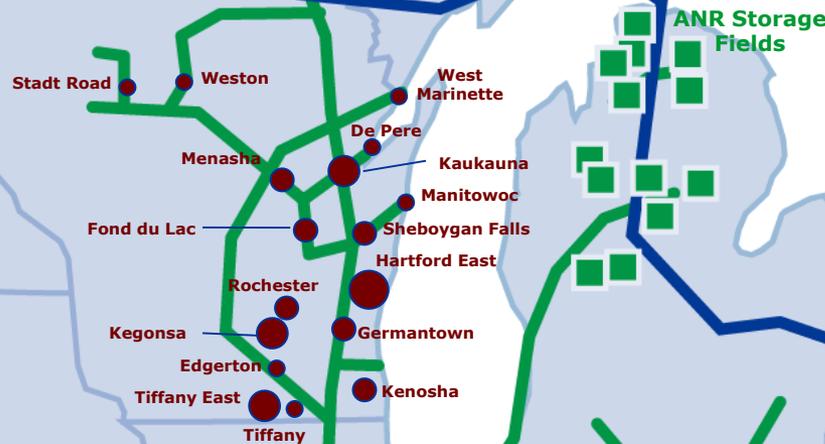
## Winter 2013-14



- Sustained cold everywhere
- Wisconsin Peak day 2.18 MMDth 1/16/14
- Milwaukee was 20.2% CTN
- No Operational Flow Orders (OFO's)
- Secondary generally scheduled
- Limited IT/overrun availability
- Lowered imbalances to 5%
- Some limitations on hourly flows
- No restrictions to storage

Great Lakes

# Midwest Market Area Power Plants on ANR

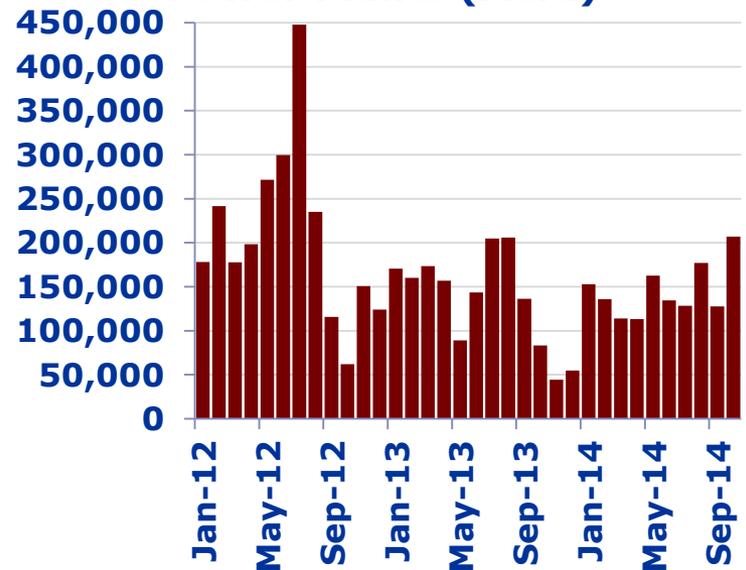


**Legend**  
**Nameplate Capacity**

- 0-250 MW
- 251-500 MW
- 501-1,000 MW
- 1,000 + MW

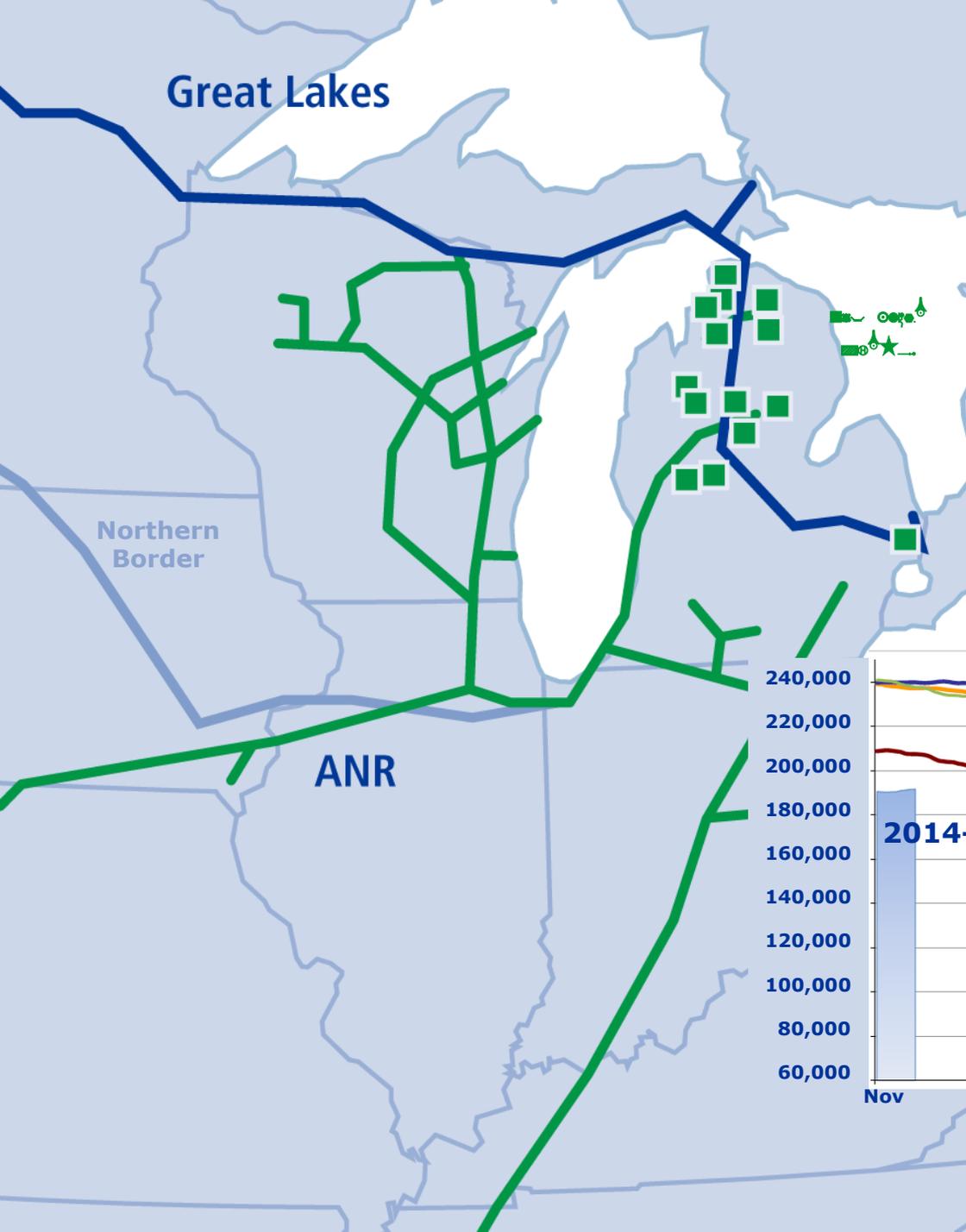
- Wisconsin deliveries impacted by high volume of FT sold during heating season
- Limitations on hourly flows required hourly services
- MISO winter communications

**ANR Wisconsin Deliveries to Power Plants (Mcf/d)**

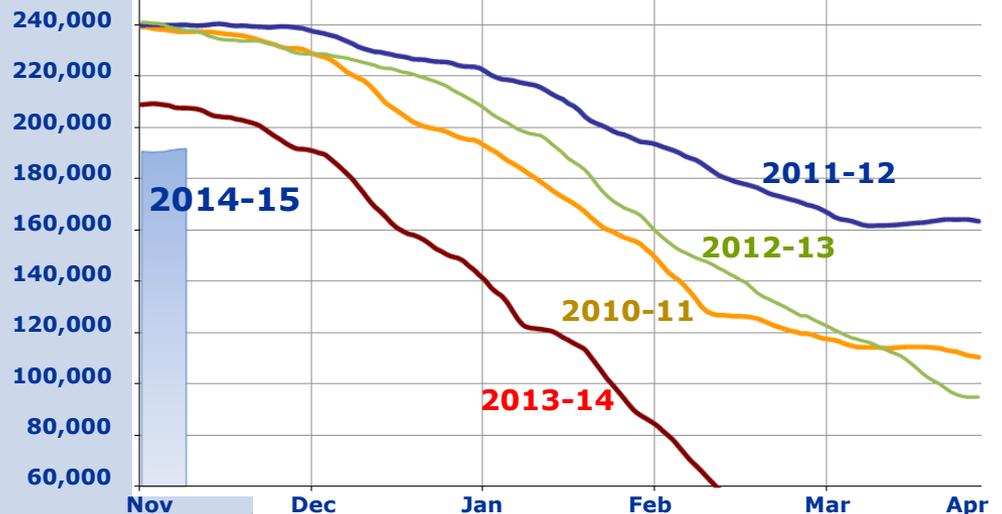


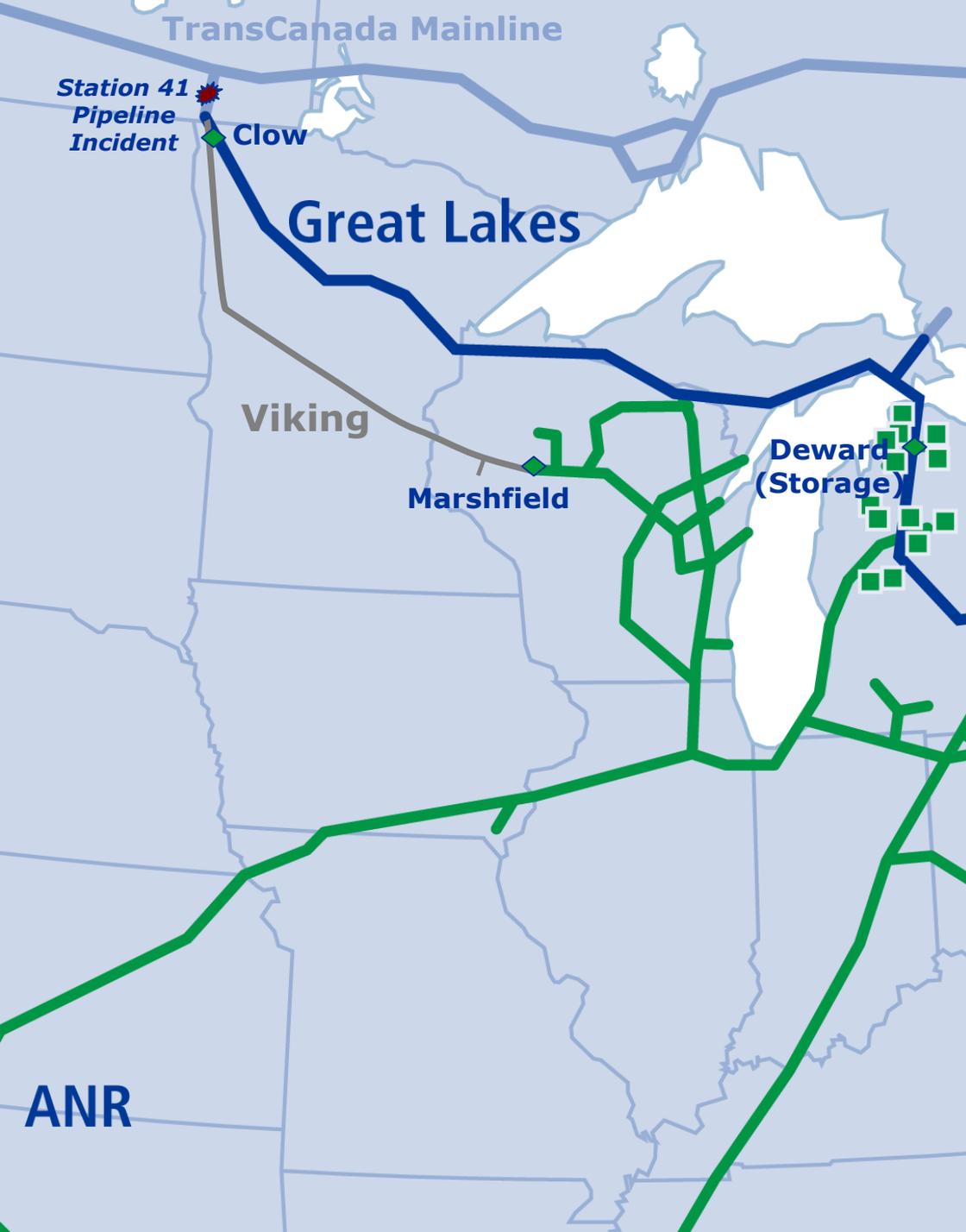
# ANR Storage Inventory

- Year to Date balance of 192 Bcf as of November 10, 2014
- 76% full
- ~15 Bcf below prior year



## Storage Inventory, Mmcf

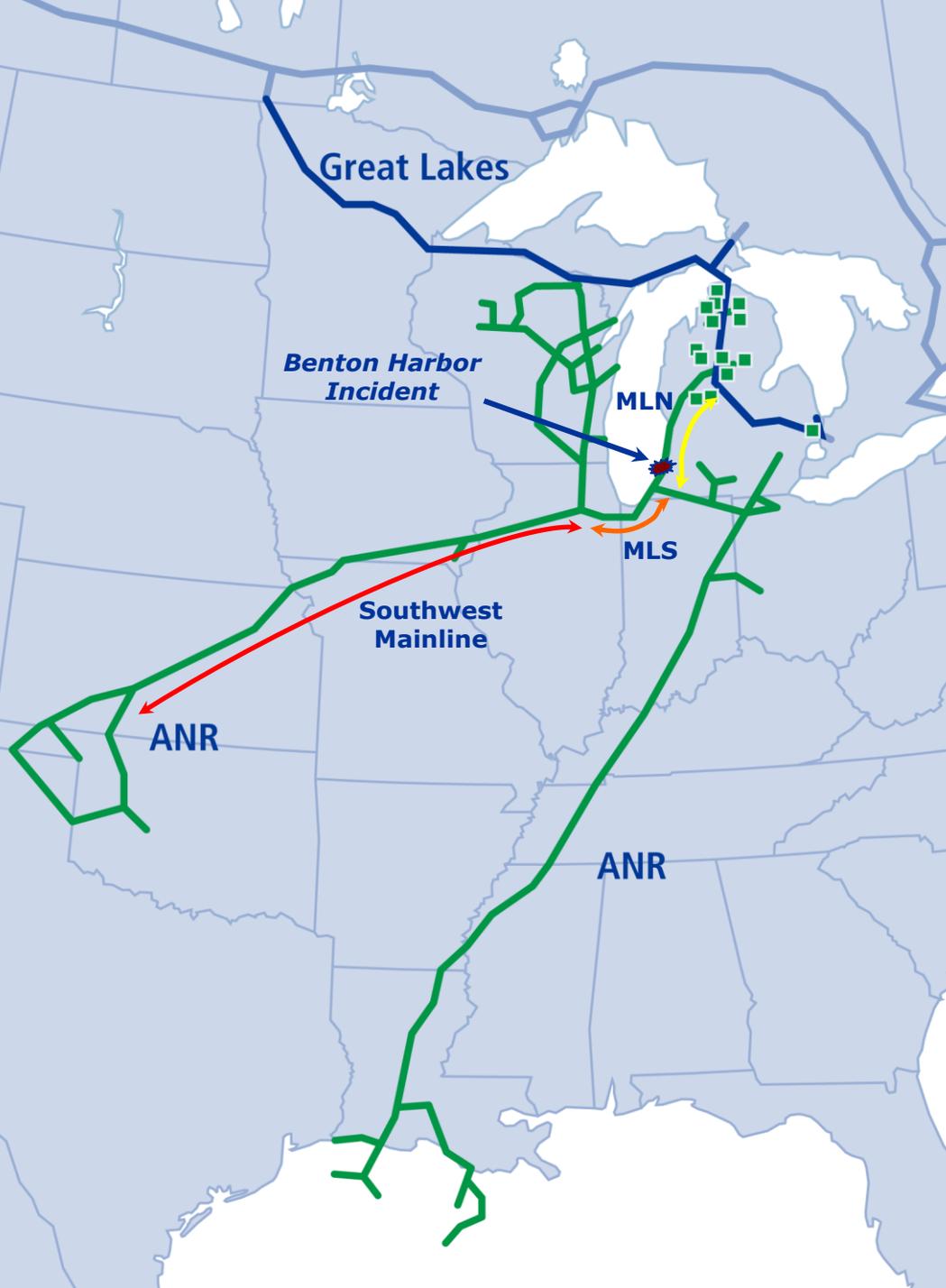




## Winter Assistance

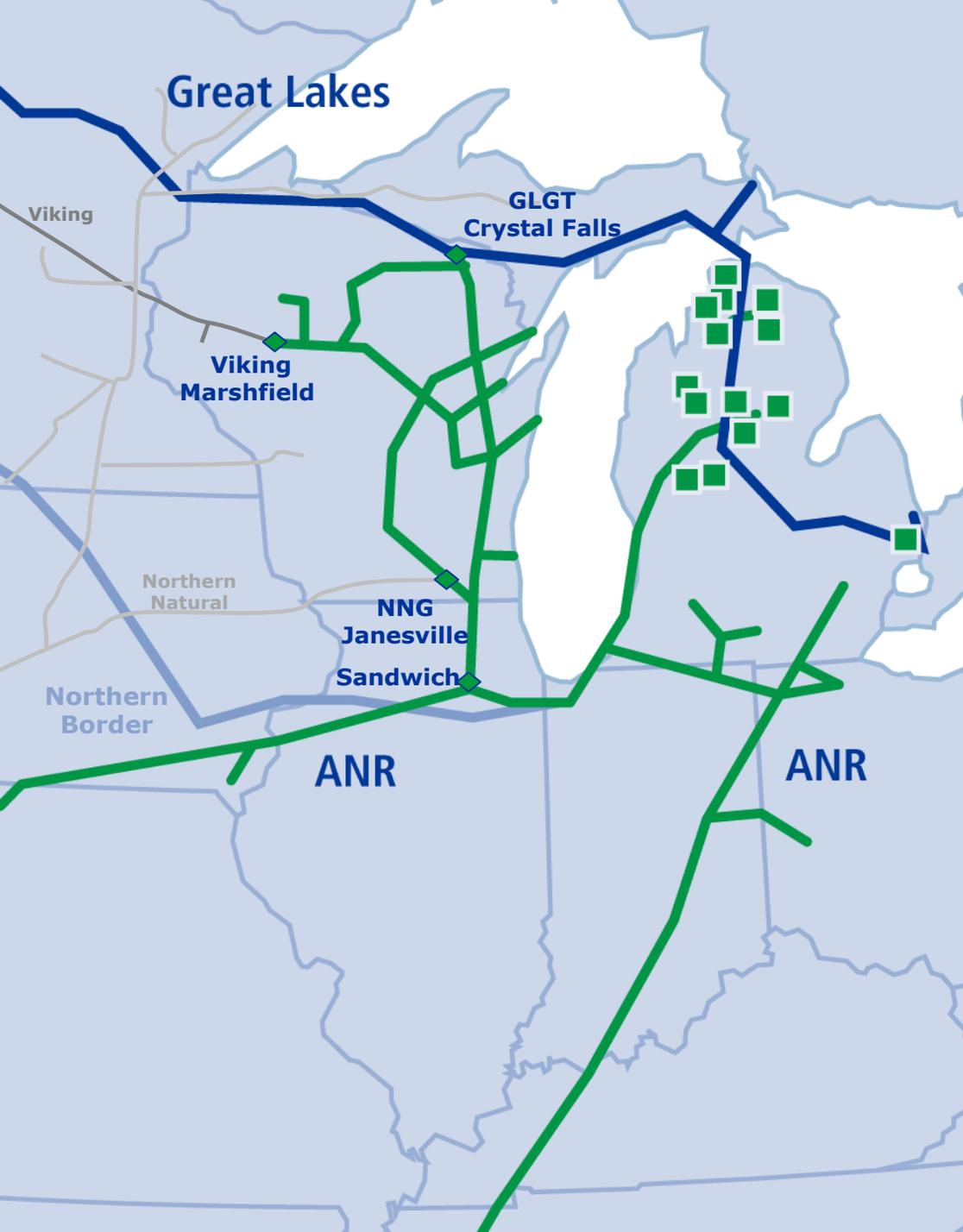
- TransCanada Pipeline incident at Station 41 limited deliveries into Viking January 24 & 25
  - ANR to Viking
    - Marshfield deliveries totaled 258,000 Dth
  - ANR to Great Lakes and Great Lakes to Viking
    - 150,000 Dth from ANR Storage to Clow
  - ANR Great Lakes
    - 150,000 Dth from ANR Storage to Great Lakes

# ANR Mainline North Pipeline Incident



- PHMSA issued Corrective Action Order
  - Preliminary assessment resulted in restriction of operating pressures and capacity
- Reduction of capacity on Southwest Mainline, Mainline South (MLS), and Mainline North (MLN)
  - Southwest Mainline returned to full service November 1<sup>st</sup>
  - MLS returned to service November 3<sup>rd</sup>
  - MLN returned to service November 11<sup>th</sup>
  - No anticipated impact to Firm Primary Service

# Winter 2014-15



- Weather?
- Prices?
- Storage?
- Facility Outages?
- Will the Packers win the Superbowl?