Columbia Gas of Ohio
A NiSource Company

OUR VISION IS TO BE A
PREMIER, INNOVATIVE & TRUSTED
ENERGY PARTNER

Columbia Gas SCO Supplier Training - Demand/Forecasting

Demand & Forecasting Team

Agenda

1. Demand Curve
2. Customer Assignment
3. Demand Curve Deliveries
4. Demand Curve Examples
5. Demand Curve Reports

SCO Demand Curve

Demand Curve

- Columbia provides each supplier with an estimate of customer demand, based on the most recent 12 months consumption of participating customers
  - Developed from actual customers assigned to SCO suppliers plus a pro rate share of the Default Sales Service (DSS) customers, based on the number of awarded tranches
- Establishes a supplier's delivery obligation to Columbia by pipeline scheduling point (PSP)
  - Each supplier will receive a Demand Curve for each PSP in which it has customers, updated monthly
- If a supplier is participating in both SCO and Choice, the Demand Curve will be combined

SCO Customer Assignment

SCO Customer Assignment

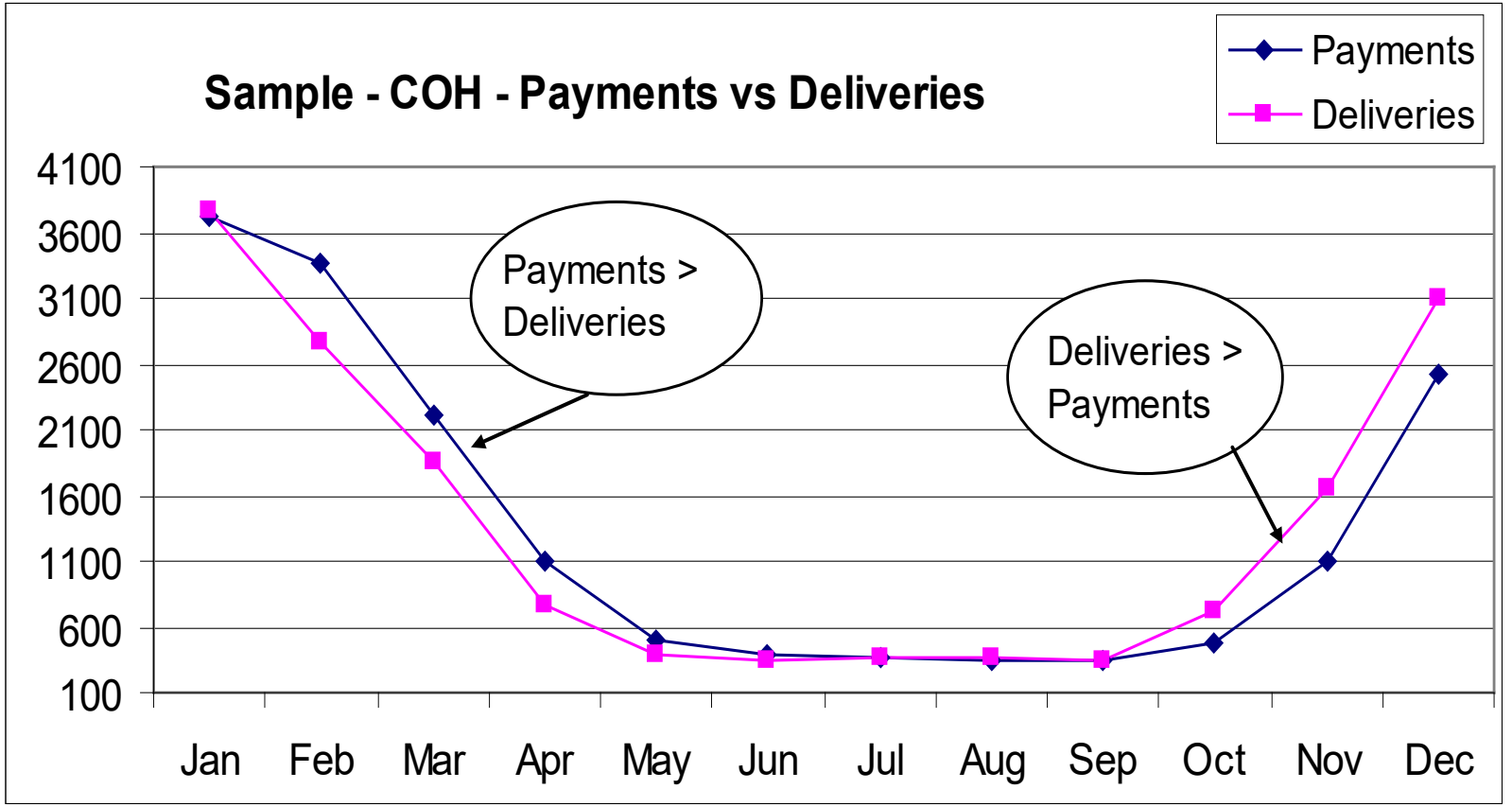
- Columbia will use its best efforts to establish relatively equivalent tranches; allocated based on revenue class, annual demand, PSP and credit rating
- A monthly allocation of newly eligible SCO customers will be randomly assigned by PSP to participating SCO suppliers, based on the number of tranches supplied by each SCO supplier

SCO Demand Curve Deliveries

SCO Demand Curve Deliveries

- Actual deliveries and collections affected by weather
- Calendar period volumes represent gas consumed by customers in a calendar month
- Meters are read throughout the month across 21 business days. These 21 scheduled readings are called billing units or billing cycles
  - Customers on billing cycle 1 may have their meter read on November 1, December 1, and so on. Customers on billing cycle 2 may have their meter read on November 2, December 2, and so on
- Billing period volumes refer to the sum of gas consumed between the dates of meter readings for all 21 billing units
  - Customers on billing cycle 1 may run from November 1 to December 1, and so on. Customers on billing cycle 2 may run from November 2 to December 2, and so on

Demand Curve Example



Assume for the same customers assigned and receiving payments and flowing gas with normalized weather.

SCO Demand Curve - Reports

Four Reports

- Report 1: Calendar Month Consumption
- Report 2: Billing Month Consumption
- Report 3: Summary
- Report 4: Demand Curve (Oct-April only)

SCO Demand Curve : Report 1

Report 1: Calendar Month Consumption

- Expected deliveries
- Normal weather
- Most recent 12-months consumption
- Adjusted for shrink and Btu factor

Report 1. Normalized Dth Calendar Months

Co. ID	Cust Type	MktrId	PSP	Nom Group	Bal Type	2014-09	2014-10	2015-01	2015-08	Annual Cal Dth
34	SCO	XX	22-	1234	N	832	2120	11730	825	49582
34	SCO	XX	23-1	1235	N	9135	25645	113151	8030	522764
34	SCO	XX	23-3	1236	N	1700	4448	20516	1515	94354
34	DSS	XX	22-	1234	N	307	677	3420	308	15002
34	DSS	XX	23-1	1235	N	4645	12786	55906	4106	259351
34	DSS	XX	23-3	1236	N	523	1438	6793	460	30920

* Some columns from actual reports are not shown for this presentation only.

Parts may not add to the total because of rounding.

SCO Demand Curve : Report 2

Report 2: Billing Month Consumption

- Expected Billings (Payments)
- Normal Weather
- Most recent 12-months consumption
- Adjusted for shrink and Btu factor
- Btu factor

Report 2. Normalized Dth Billing Months

Co. ID	Cust Type	MktrId	PSP	Nom Group	Bal Type	2014-09	2014-10	2015-01	2015-08	Annual Billing Dth
34	SCO	XX	22-	1234	N	781	1226	11432	765	49582
34	SCO	XX	23-1	1235	N	7860	13426	108959	7354	522764
34	SCO	XX	23-3	1236	N	1460	2307	19819	1339	94354
34	DSS	XX	22-	1234	N	331	412	3317	275	15002
34	DSS	XX	23-1	1235	N	4277	6985	54248	3593	259351
34	DSS	XX	23-3	1236	N	427	762	6675	425	30920

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SCO Demand Curve : Report 3

Report 3: Summary Report

- Number of customers
- Annual Actual Volume
- Peak Day Volume at Design Temperature
- Over Delivery (May-Aug) / Under Delivery (Oct-Nov)
- Daily Delivery Dth (May-September)

Report 3. Dth Summary

Co. ID	Cust Type	Mktr Id	PSP	Nom Grp	Bal Type	Num Cust	BTU Factor A/	Prior 12 Mos Act Dth	Annual Normal Cal Dth	Peak Design Temp	Peak Dem. Dth	Over/ Under Del %	Over/ Under Del Dth	Dem Curve Plateau Dth	PSP Name
34	SCO	XX	22-	1234	N	621	1.034	54016	49582	0	833	-1.7	-14.15	586	PORTS.
34	SCO	XX	23-1	1235	N	4988	1.034	539730	522764	-7	6820	-1.7	-115.9	4798	TOLEDO
34	SCO	XX	23-3	1236	N	1009	1.034	97894	94354	-8	1307	-1.7	-22.21	919	LIMA
34	DSS	XX	22-	1234	N	142	1.034	16241	15002	0	231	-1.7	-3.93	163	PORTS.
34	DSS	XX	23-1	1235	N	2038	1.034	267527	259351	-7	3259	-1.7	-55.4	2293	TOLEDO
34	DSS	XX	23-3	1236	N	310	1.034	32086	30920	-8	418	-1.7	-7.11	294	LIMA
32	ALL	XX	22-	1234	N	763	1.034	70256	64583	0	1064	-1.7	-18.09	748	PORTS.
34	ALL	XX	23-1	1235	N	7026	1.034	807257	782115	-7	10079	-1.7	-171.3	7091	TOLEDO
34	ALL	XX	23-3	1236	N	1319	1.034	129980	125274	-8	1725	-1.7	-29.32	1213	LIMA

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The BTU factor effective April 1, 2022 is 1.075.**subject to change for the new program year.

SCO Demand Curve : Report 3

Report 3: Summary Report – Summer Month Example

Report 3. Dth Summary: Summer Month

Co. ID	Cust Type	Mktr Id	PSP	Nom Grp	Bal Type	Num Cust	BTU Factor A/	Prior 12 Mos Act Dth	Annual Normal Cal Dth	Peak Design Temp	Peak Dem. Dth	Over/ Under Del %	Over/ Under Del Dth	Current Cal Mo. Avg Daily Dth less local	Daily Del Dth	PSP Name
34	SCO	XX	22-	1234	N	659	1.034	55136	50423	0	887	0.6	5.32	21	26	PORTS.
34	SCO	XX	23-1	1235	N	4911	1.034	537583	520840	-7	6746	0.6	40.48	265	306	TOLEDO
34	SCO	XX	23-3	1236	N	1019	1.034	100325	96648	-8	1312	0.6	7.87	48	55	LIMA
34	DSS	XX	22-	1234	N	132	1.034	15260	14114	0	214	0.6	1.28	9	11	PORTS.
34	DSS	XX	23-1	1235	N	1927	1.034	257213	249482	-7	3110	0.6	18.66	125	143	TOLEDO
34	DSS	XX	23-3	1236	N	290	1.034	29591	28522	-8	381	0.6	2.29	13	16	LIMA
34	ALL	XX	22-	1234	N	791	1.034	70396	64537	0	1101	0.6	6.6	30	37	PORTS.
34	ALL	XX	23-1	1235	N	6838	1.034	794796	770322	-7	9856	0.6	59.14	390	449	TOLEDO
34	ALL	XX	23-3	1236	N	1309	1.034	129916	125169	-8	1693	0.6	10.16	61	71	LIMA

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The BTU factor effective April 1, 2021 is 1.0709.**subject to change for the new program year.

SCO Demand Curve : Report 4

Report 4: Demand Curve (October – April)

- Daily Estimated Delivery at Forecasted Temperature
  - Begins at 60 degrees
  - Based on regression
    - Intercept = Base Load
    - Regression Coef = Dth/HDD

Note: Confirmed deliveries must match Dth at actual temperature posted on Aviator at the end of the day for each PSP

- Temperature-related delivery plateaus
  - Approximately 68% of peak demand
- Temperature-related delivery resumes at HDD greater than design peak

SCO Demand Curve : Report 4

Report 4: Demand Curve (October – April)

Report 4. Nom Group Dth Curves Combined (CHO+SCO+DSS)

Co. ID	Cust Type	MktrId	PSP	NomGrp	Temp	Daily Del. Dth	PSP Name
34	ALL	XX	23-1	1235	60	400	TOLEDO
34	ALL	XX	23-1	1235	58	677	TOLEDO
34	ALL	XX	23-1	1235	55	1092	TOLEDO
34	ALL	XX	23-1	1235	52	1506	TOLEDO
34	ALL	XX	23-1	1235	24	5368	TOLEDO
34	ALL	XX	23-1	1235	23	5507	TOLEDO
34	ALL	XX	23-1	1235	13	6886	TOLEDO
34	ALL	XX	23-1	1235	12	7024	TOLEDO
34	ALL	XX	23-1	1235	11	7091	TOLEDO
34	ALL	XX	23-1	1235	10	7091	TOLEDO
34	ALL	XX	23-1	1235	9	7091	TOLEDO
34	ALL	XX	23-1	1235	8	7091	TOLEDO
34	ALL	XX	23-1	1235	-7	7091	TOLEDO
34	ALL	XX	23-1	1235	-8	7232	TOLEDO
34	ALL	XX	23-1	1235	-9	7376	TOLEDO

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The Daily Delivery Dth volumes include the like-in-kind adjustment, if applicable (applicable to Choice volumes only).

Thank You

DO YOU HAVE QUESTIONS?

Thank you for reviewing the Columbia Gas Supplier Training! Please contact your assigned specialist if you have any questions on this presentation.

They will be happy to assist!

In addition, you can also email the CHOICE team at choice@nisource.com

EXCEPTIONAL AT THE ESSENTIALS

Today and Always

BY FOCUSING ON THE ESSENTIALS TODAY, YOU ARE DIRECTLY ENABLING OUR STRATEGY

- SAFETY
- PEOPLE & CULTURE
- OPERATIONAL EXCELLENCE
- SUSTAINABILITY
- CUSTOMER EXPERIENCE
- FINANCIAL STEWARDSHIP
- POLICY & REGULATORY
- INNOVATION & TECHNOLOGY