Natural Gas Infrastructure to Serve Growing Markets

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Gas Transmission & Midstream Assets

Critical gas infrastructure

- Transport 20% of natural gas consumed in the US
- Connecting to key demand pull markets: US Northeast, US Southeast, US Gulf Coast
- Well-positioned for ongoing growth

GTM Stats

- Miles of gas pipeline: 34,000
- Gas storage capacity: 255 Bcf
- Gas processing capacity: 11.4 Bcf/d
- NGL production: 307 Mbpd
- Operates in: 31 states & 5 provinces
Current State of Natural Gas Industry

- Consumers and businesses benefit from low cost energy
- Renaissance in domestic manufacturing
- Natural gas has aided U.S. in reaching CO2 emissions targets
- Demand-pull for natural gas continues to grow
- Pipeline industry has been responsive to change – reverse flow

Rapid growth in natural gas production has spurred historic need for increased infrastructure
Growth Now and In the Future

**Northeast & New England**
- Strong throughput throughout winter seasons
- Market expansion opportunities to serve LDCs, power generators and industrial customers

**Marcellus/Utica**
- Marcellus averaging 5.5 Bcf/d of flows directly into Texas Eastern
- By 2017, Spectra Energy will have capacity for transport of ~9.5 Bcf/d out of the basin

**Southeast & Gulf Coast**
- Significant incremental growth from power generation coal conversions
- Gulf Coast regional demand projected to increase 19 Bcf/d by 2025
Sabal Trail Transmission: Critical Gas Supply for Florida

New interstate pipeline into Florida increases diversity of supply

Project Scope:
- 1+ Bcf/d of capacity connecting Transco Station 85 supply to Florida power generation market
- CapEx: ~$3.2B (100%)

Customers:
- Florida Power & Light; Duke Energy

Facilities:
- 516 miles of greenfield pipe: 495 miles of 36” + 21 miles of 24”
- 5 new compressor stations; 210,000 HP phased-in 2017 – 2021; new metering and regulating stations
- Creates new Central Florida Hub -- interconnects with Gulfstream, FGT and Florida Southeast Connection

Project Timeline:
<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Filed FERC application</td>
<td>Nov 2014</td>
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<tr>
<td>Received FERC certificate</td>
<td>Feb 2016</td>
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<tr>
<td>Construction began</td>
<td>Aug 2016</td>
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<tr>
<td>Project In-service</td>
<td>June 2017</td>
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Reliably Meeting New England Demand

New Infrastructure is Needed

Declining Supplies

Algonquin Expansions

New Regional Supplies

Henry Hub | Texas Eastern M3 | AGT Citygates
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2016-2017 Winter – Average Daily Pricing (Nov.1 – Mar. 31) | $3.01 | $2.93 | $4.76

New England needs incremental gas pipeline infrastructure to deliver cost savings to consumers
Q&A