ANR Monthly Customer Update

August 2020



Agenda

Safety moment Catherine Szuhay

Storage update Jeffery Keck, Operations Planning

Operational/Power Desk update Michael Gosselin, Operations Planning

Interconnects & Meter Stations update Roger Williams, Director, Project Coordination

Noms & Scheduling update DeAnna Parsell, Noms & Scheduling

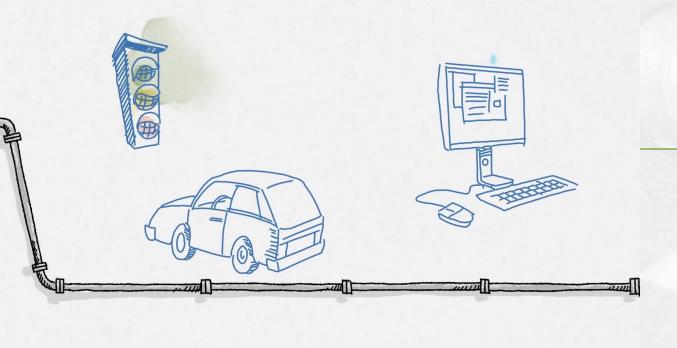




Lions, tigers ... and bugs? Oh my!

- Use insect repellent
- Cover skin surfaces by wearing long sleeves and pants
- Avoid being outside at night when mosquitos are most prevalent
- Avoid areas with overgrown plants or tall grass
- Avoid standing water





Why is natural gas important for society?

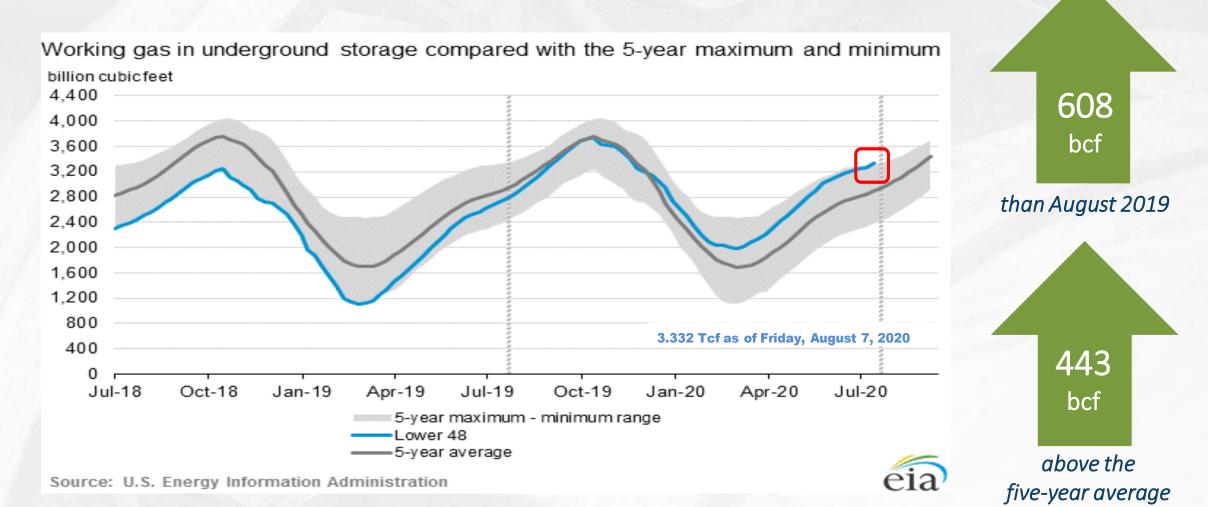
Watch the video about the importance of natural gas and why what TC Energy does matters at <u>tcenergy.com/stories</u>

"We are a major component of the power behind the plug. Natural gas fired power generation is the cornerstone that makes everything turn on from appliances and smart devices in homes, to traffic lights in cities and even the computers that run the world."

Stan Chapman *On the benefits of natural gas to society* (Select the "Why is natural gas important for society?" story)

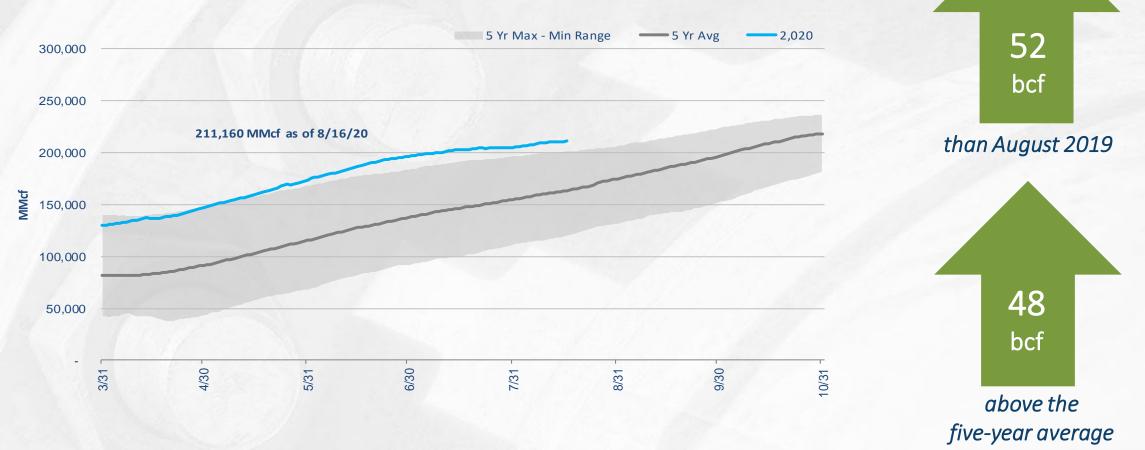
Storage update Jeffery Keck – Operations Planning

EIA storage position: The big picture



Storage position

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



Storage operations

- From July 9 August 16, storage activity averaged an injection of about 205-MMcf/d. However, daily activity varied from a withdrawal of 205-MMcf/d to an injection as high as 770-MMcf/d.
- ANR has met all firm customer demand for storage activity on both injection and withdrawal.
- Capacity is 84 percent full with roughly 2.5 months left in the injection season.
- There is currently one posted restriction on storage activity.
 - Under this restriction, DDS and MBS storage activity is allowed but it requires interruptible contents to be no higher on Sept. 1, 2020, than they were on March 29, 2020. This posting also restricts infield transfers from FSS into DDS accounts.

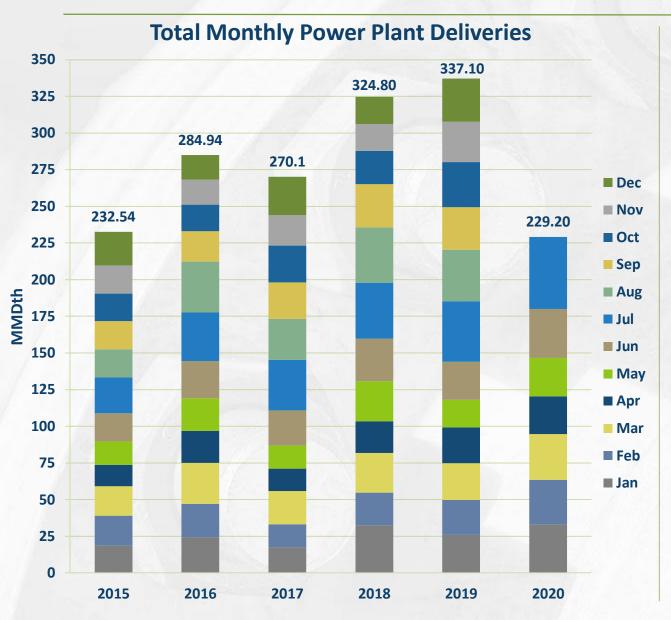


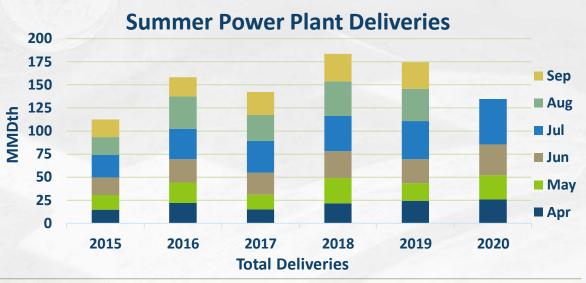
Storage operations

- There is planned maintenance activity that will occur throughout the summer.
 - The impacts from this maintenance activity will be reflected on the EBB under the operationally available capacity.
- With continued low gas prices and the temperatures looking to be near normal over the next two weeks, injections are expected to vary from the light to moderate range, with occasional heavier injections.
- The hotter temperatures have slowed injections such that ANR has been able to reposition content in some of its fields. This has eased concern about filling storage before the end of the season, though it is still expected to be at or near capacity by the end of the season.
- ANR feels that it is positioned well to meet customer demand through the remainder of the injection season.

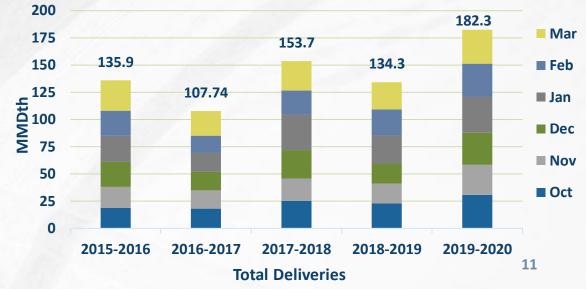
Operational update Michael Gosselin – Operations Planning

Monthly deliveries to Power Plants





Winter Power Plant Deliveries





July average daily flows

SWML Northbound flow averaged 502-MDth/d (\triangle 3% June and \forall 14% last July) (1)with a utilization of 79% (\land 10% June).

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Wisconsin deliveries averaged 722-MDth/d (\triangle 13% June and \triangle 30% last July) with a peak flow of 887-MDth/d.

Michigan Leg South through St. John averaged a Eastbound flow of 181-MDth/d (\checkmark 57% June) with a peak flow of 458-MDth/d.

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Woolfolk averaged a Northbound flow of 268-MDth/d (▼51% June), with a peak flow of 591-MDth/d.

ANR Pipeline storage averaged an injection of 206-MDth/d (▼61% June) with a peak flow of 553-MDth/d.

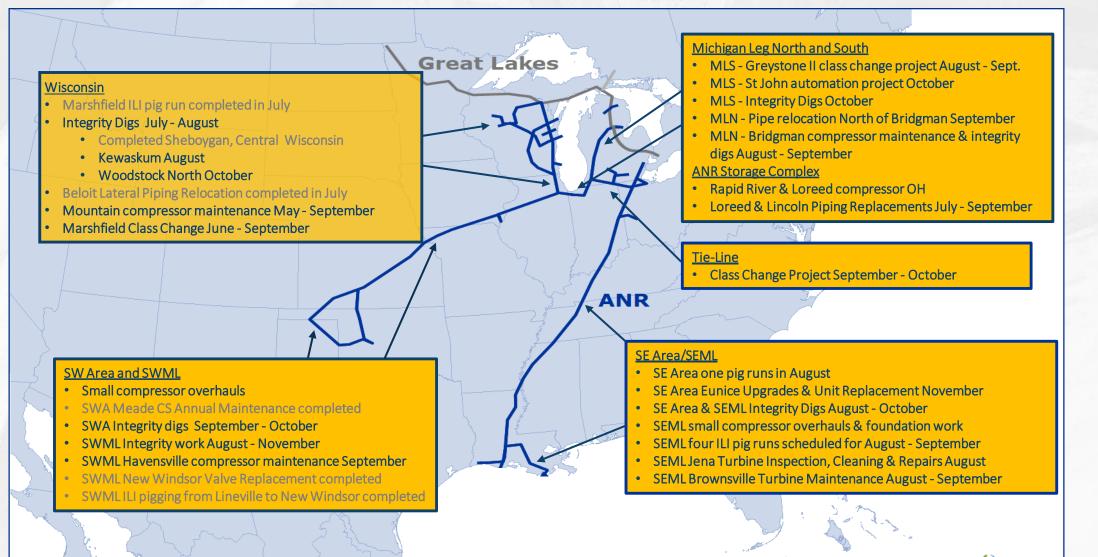
- Eunice Total averaged 1,103-MDth/d (\leftrightarrow June and ∇ 4% last July) with a utilization of 90% (↔ June). Deliveries between Eunice and Patterson averaged 926-MDth/d (10% June). ANR received an average of 206-MDth/d from offshore at Patterson (▼5% June).

Southbound flows through Jena averaged 1,071-MDth/d (**V**4% June and last July) with a utilization of 91% (▼2% June).

REX Shelbyville receipts averaged 304-MDth/d (**A** 7% June) and Westrick Interconnect averaged 1,689-MDth/d (\triangle 2% June).

Deliveries to MichCon at Willow Run averaged 341-MDth/d (▼25% June).

2020 ANR Maintenance Activity



Posted capacity impacts

SE Gathering Firm Primary Only (August 18 – 31) CN #9842

- St. Landry/FL INT (LOC #322625)
- Fournerat Rd (Loc #523092)

Eunice Total Location (LOC #505592) CN #9818

 171-MMcf/d (leaving 1,000-MMcf/d available) Aug. 6 – 31

Jena Southbound location (LOC #9505489) PSO #9843

- 150-MMcf/d (leaving 1,028-MMcf/d) Aug. 18 – 23
- 258-MMcf/d (leaving 920-MMcf/d) Aug. 24 – 28

Brownsville Southbound (LOC #1260569) PSO #9839

- 187-MMcf/d (leaving 920-MMcf/d available) Aug. 24 – Sept. 4
- 207-MMcf/d (leaving 900-MMcf/d available) Sept. 8 – 18

Hanover Int (REC) (LOC# 153852) CN #9827

 Limited to 23-MMcf/d from Aug. 7 – 31

Marshfield/Viking INT (LOC #28873) CN #9833

110-MDth/d
 Aug. 13 – Sept. 19

SWML Northbound (LOC #226630) PSO #9808

 50-MMcf/d (leaving 641-MMcf/d available) Aug. 18 – 31

Outage postings

- Service impacts are estimates. Actual nominations, markets, weather and pipeline conditions determine any level of curtailments.
- Projects may be added, altered, delayed or cancelled.
 Emergent work cannot be planned and will happen from time to time.
- Notice of such planned work, including additions or changes, will be provided via a posting under the Planned Service Outage (PSO) category in GEMS. Emergent work will be posted under the Critical Notice category as soon as possible.



Interconnects & Meter Stations update Roger Williams – Director, Project Coordination

New Meters completed

Completed and In-service (2019)

- Morenci Meter Expansion
 - Lenawee County, MI
 - 48 MMscf/d
- Barnitz Creek MS
 - Custer County, OK
 - 60 MMscf/d
- Dane Co. Interconnect
 - Dane County, WI
 - 12.6 MMscf/d
- Town Hall Dr. MS
 - Dane County, WI
 - 2.15 MMscf/d
- Arnold Road MS
 - Marquette County, MI
 - 170,000 Dth/d
- Newton Rd.

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- Manitowoc County, WI
- 7 MMscf/d



New Meters committed

In Progress

- Lehigh Cement Delivery MS
 - Lawrence County, IN
 - 31.5 MMscf/d
- Jackson Generation Project
 - Will County, IL
 - 180 MDth/d
- N. Mason Road
 - Gratiot County, MI
 - 26 MMscf/d
- Indeck Niles Interconnect
 - Cass County, MI
 - 100 MMscf/d
- Mermentau River MS
 - Jefferson Davis, LA
 - 1.1 MMscf/d
- Wheeler
 - Porter, IN
 - 480 MMscf/d



Interconnects & Meter Stations update Meter Station initiatives

Standardization initiatives

General feedback from customers regarding interconnects:

- Slow
- Expensive
- Overbuilt

ANR/GLGT developed four initiatives in response to this feedback:

- 1. Standard Facilities Agreement (FA)
- 2. Standard Meter Station Design
- 3. Flexibility in payment arrangements
- 4. Web Based Customer Interface (CMRS) Revised for 2020

Standard Facilities Agreement contract

ANR/GLGT has standardized its Facility Agreements across the USPL footprint

Contract philosophy

- Identified as many historical customer "sticking" points as possible with contracts and pre-remedy them
- Took the best of regional contracting practices
- Six Standard Responsibility Matrices
 - POD Full and Partial Build
 - POR Full and Partial Build
 - Biogas / RNG

Benefits to Customers

• Reduce negotiation time in Interconnect process

Standard Meter Design

ANR/GLGT has developed a "typical" set of 3D Meter Station designs

Design Philosophy – Chevy not Cadillac

- Safe/Reliable
- Inexpensive
- Designed to 80 percent of most common skids and flow rates
- Merged the best regional practices and new thinking with respect to design

Implemented – Q1 2019

Benefits to Customers

- Decreased time to design / estimate, 25 50% initial forecast
- Cost savings, 10-25% initial forecast
- More economical offerings for full build projects
 - Oversight and inspection savings
 - Streamlining of communication on jobsite

Payment and financing flexibility

New contracting flexibility offered on all ANR/GLGT projects

Philosophy

- Allow for greater flexibility in payment timelines and shaping
- Allow for greater flexibility in scope and ownership options

Timeline – currently in place

Benefits to customer

- Cash flow / budget alignment
- Tax Gross Up mitigation
- Customer Cost of Capital considerations
- Gas transportation benefits

Expansion of standard customer interface

ANR/GLGT has gone back to the Request for Facilities form versus web based interface solution

Philosophy

• Web based service created more challenges than it solved

In summary...

ANR/GLGT will continue to expand its systems to meet Market Growth Demand.

Contact Information:

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Jim Downs Jim_Downs@tcenergy.com

Nominations & Scheduling update DeAnna Parsell – Noms and Scheduling

ANR Pipeline penalties to start September 1

REMINDER: ANR Pipeline will begin assessing Unauthorized Overrun Service penalties and Daily Scheduling Penalties effective Tuesday, Sept. 1

Penalties which are assessed are subject to refund and the outcome of a paper hearing in FERC Docket No. RP20-608-000.

Unauthorized Overrun Service penalties

• May be assessed to allocated volumes in excess of contract MDQ and scheduled overrun

Daily Scheduling Penalties

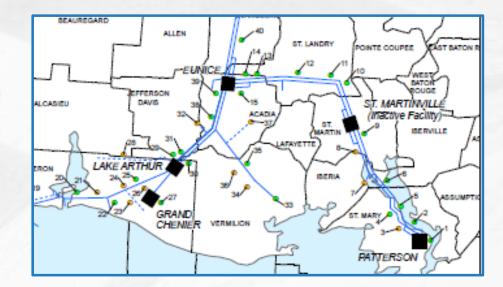
 May be assessed to allocated volumes outside the applicable Swing Percentage, up to the contract MDQ

Each penalty's applicability is dependent upon rate schedule and the allocation method at each delivery location

For more information, see Critical Notice 9844 or contact your Marketing or Customer Service Representative.

Eunice Total

- What is Eunice Total?
 - A point of control for deliveries that utilize the Eunice Compressor Station. The group includes receipts and deliveries in or near ANR's southeast zone
- If ANR must cut Eunice Total, all nominations into the group are evaluated for delivery point priority. Cuts are made following tariff guidelines.
- In many cases, if a nomination has **both** a receipt and a delivery within Eunice Total, then it will not be cut.
- NOTE: the SE Headstation (103565) is not part of Eunice Total. Nominations from that location into the Eunice Total delivery area always have the potential for cuts.



Eunice Total locations

7692	CHENIERE PERDUE
7694	LAKE ARTHUR (REC FR NGPL
7695	GRAND CHENIER/LRC
7703	CHALKLEY/TENN
8650	WEST LAKE ARTHUR
10111	OPELOUSAS
10369	SHADYSIDE/SONAT (DEL)
10410	CENTERVILLE LA
22040	HOG BAYOU NO 2
28554	LOWRY PLANT INLET
33400	SHADYSIDE/SONAT (REC)
38278	LOWRY PLANT OUTLET
38295	AVALON
40317	PATTERSON/TRUNKLINE DEL
40464	JOHNSON BAYOU/UTOS
40674	MIAMI NO D-1/ARCO
40682	JEANERETTE FIELD CDP
42593	RIVERWAY (TO BRIDGELINE)
43456	CAMERON
43613	PATTERSON TO COL GULF

44885	EUNICE PROC'G PLANT
46912	BARRACUDA-NGPL (CM)
48640	PATTERSON/TRUNKLINE REC
103707	KILLILEA MARY NO 1
135819	STINGRAY INT
147977	ST. MARTINVILLE EAST
150708	KINGS BAYOU NO 2
174629	LAKE ARTHUR (DEL TO NGPL)
186899	EGAN (DELIVERY) INT
186900	EGAN (RECEIPT) INT
199331	HENRY ESTATE INT
217760	EUNICE PVR
218192	ST MARTINVILLE E TO LRC
218538	TECHE PLANT (CLECO)
233620	WEEKS ISLA/LIG PL
233907	NAUTILUS DHS INT
279735	PECANIERE INT
312115	DURALDE EVANGELINE INT
314210	HENRY ESTATE (BUYBACK)
322045	ACADIA POWER PLANT

322625	ST LANDRY/FL INT
325427	LOWRY PLANT PVR
467239	SHADYSIDE/TGP (REC)
467240	SHADYSIDE/TGP (DEL)
484697	PRAIRIE BEACH WC 3
523091	ACADIA 2 INT DEL
523092	FOURNERAT ROAD DELIVERY
580006	ANR WORK ORDER DELIVERY
742882	BOBCAT STORAGE (REC)
742883	BOBCAT STORAGE (DEL)
767091	ACADIA 2 INT REC
1250765	GRAND CHENIER/ANR
1250766	PATTERSON/ANR
1390725	BARRACUDA/ANR

For further customer assistance concerning scheduling priorities related to your specific firm service agreement(s), firm service rights and features, GEMS new user training, virtual and face-to-face meetings, etc., please contact the ANR Noms & Scheduling Team:

Toll Free: 1-800-827-5267

Group Email: ANR Noms Scheduling@tcenergy.com

Web address for the ANRPL Tariff: www.anrebb.transcanada.com

