



**Public Service
Commission**

Winter Preparedness of Natural Gas Utilities

2018-2019 Winter Season

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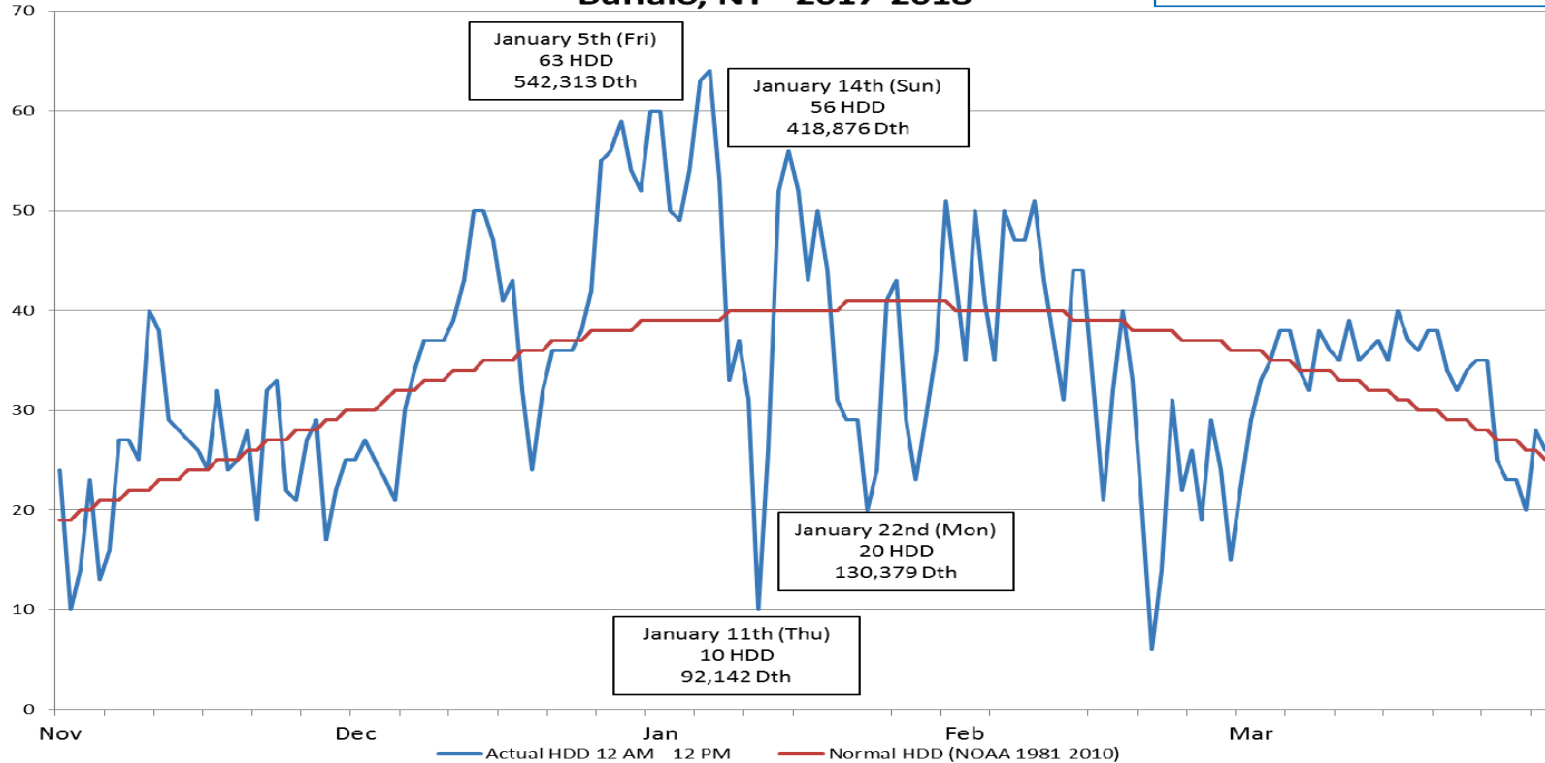
October 31, 2018
Albany, New York

Adequate Capacity and Supplies

- Review of expected customer requirements for design weather conditions for this winter
- Review of supplies to meet those customer requirements
- Staff will continue to monitor supply, prices and interruptible customers throughout the winter

National Fuel Heating Degree Days (HDD) Buffalo, NY - 2017-2018

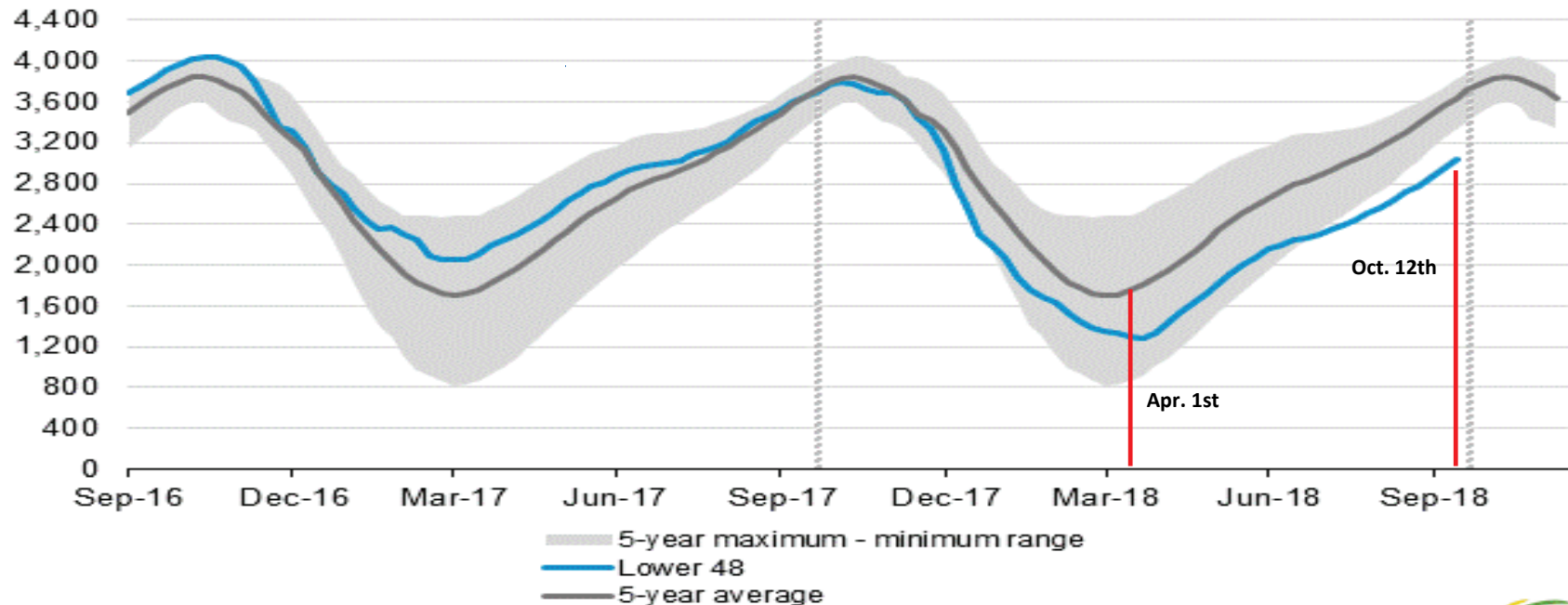
Winter HDD through 3-31-18
1.5% CTN



National Weekly Storage Report

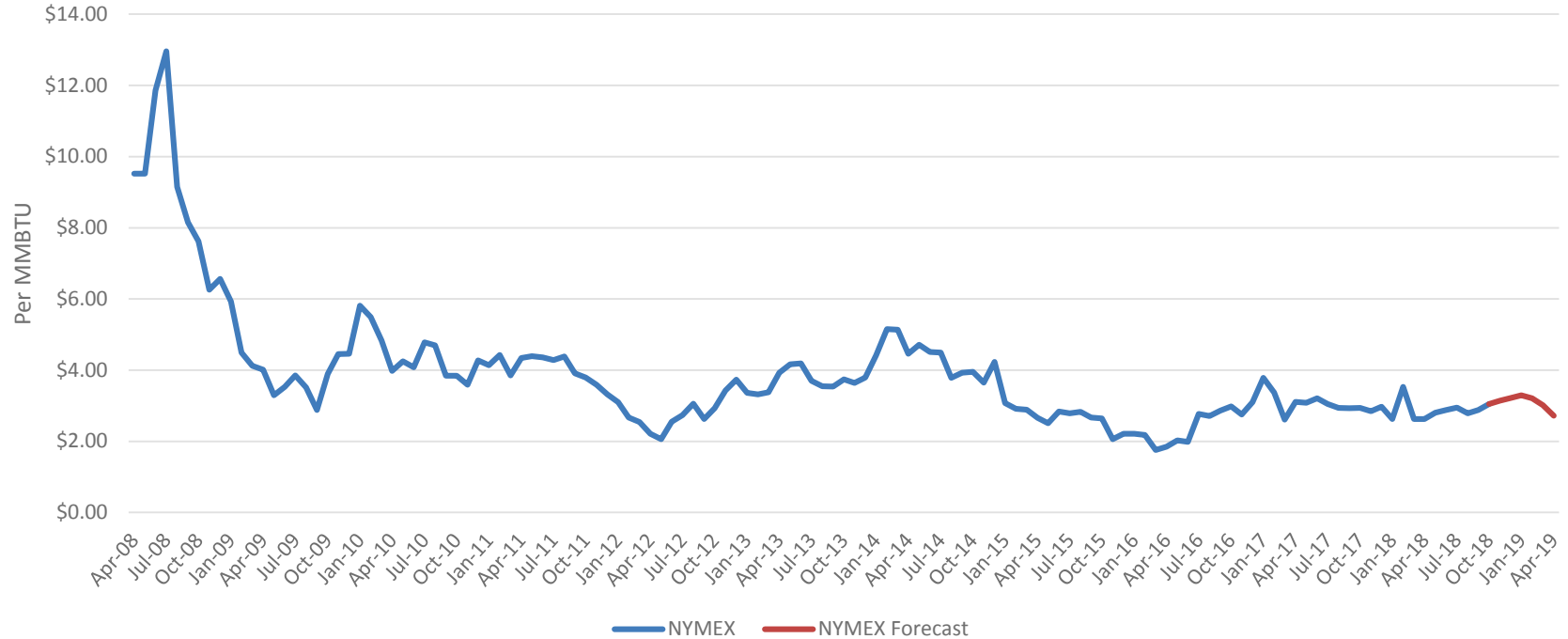
Working gas in underground storage compared with the 5-year maximum and minimum

billion cubic feet



Source: U.S. Energy Information Administration

NYMEX Gas Futures Prices

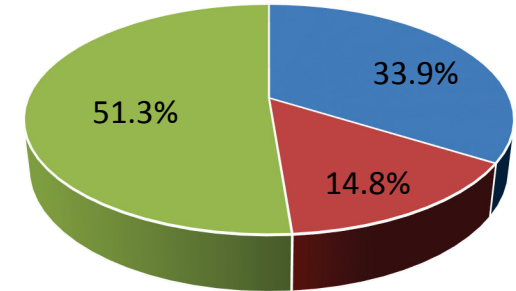


LDC Commodity Portfolio

	2018-19 Typical Portfolio	2017-18 Winter Forecast (11/1/17) \$/dth	2017-18 Winter Actual \$/dth	2018-19 Winter Forecast \$/dth
Physical Storage	34%	2.22	2.14	2.38
Hedged Supply	15%	3.06	2.98	2.85
Flowing Gas	51%	3.14	4.28	3.14
Average Winter Commodity Price		2.83	3.39	2.85

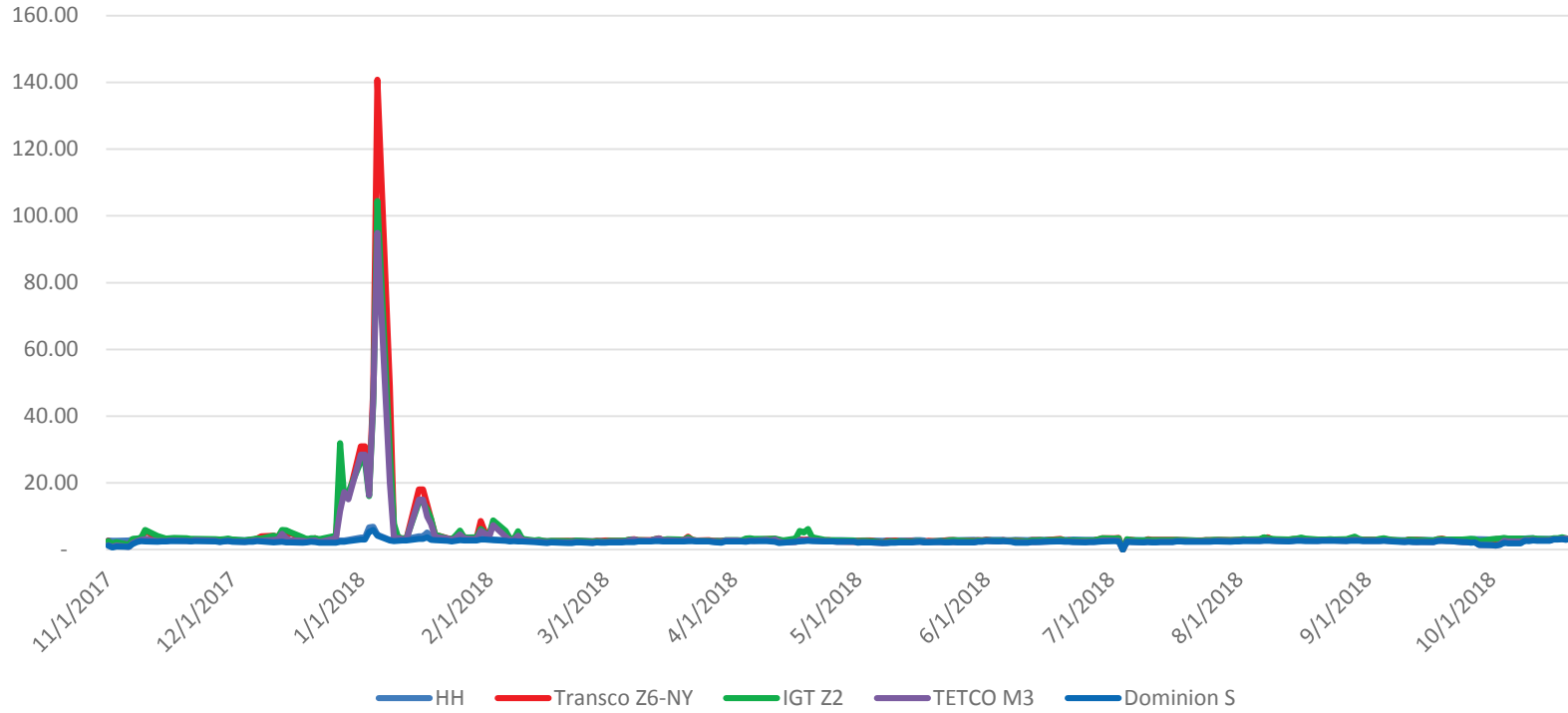
Firm Customers

New York State Gas Utility Typical
2018-19 Winter Supply Portfolio



- PHYSICAL HEDGES (Storage)
- FINANCIAL HEDGES
- FLOWING

New York Spot Natural Gas Prices



Statewide Avg. Winter Bills

Residential Heating Customer

2017-18 Actual Weather	2017-18 Normal Weather	2018-19 Normal Weather Forecast	% Change Actual 2017-18 vs. Normal 2018-19	% Change Normal 2017-18 vs. Normal 2018-19
\$803	\$796	\$801	-0.3%	0.5%

Summary

- ❑ NY gas utilities have contracted for adequate capacity and supplies and are ready to meet 2018-2019 winter conditions
- ❑ Commodity prices are projected to be slightly higher compared to last year, but will vary depending on service territory
- ❑ Customer bills this winter are expected to be about the same as last year