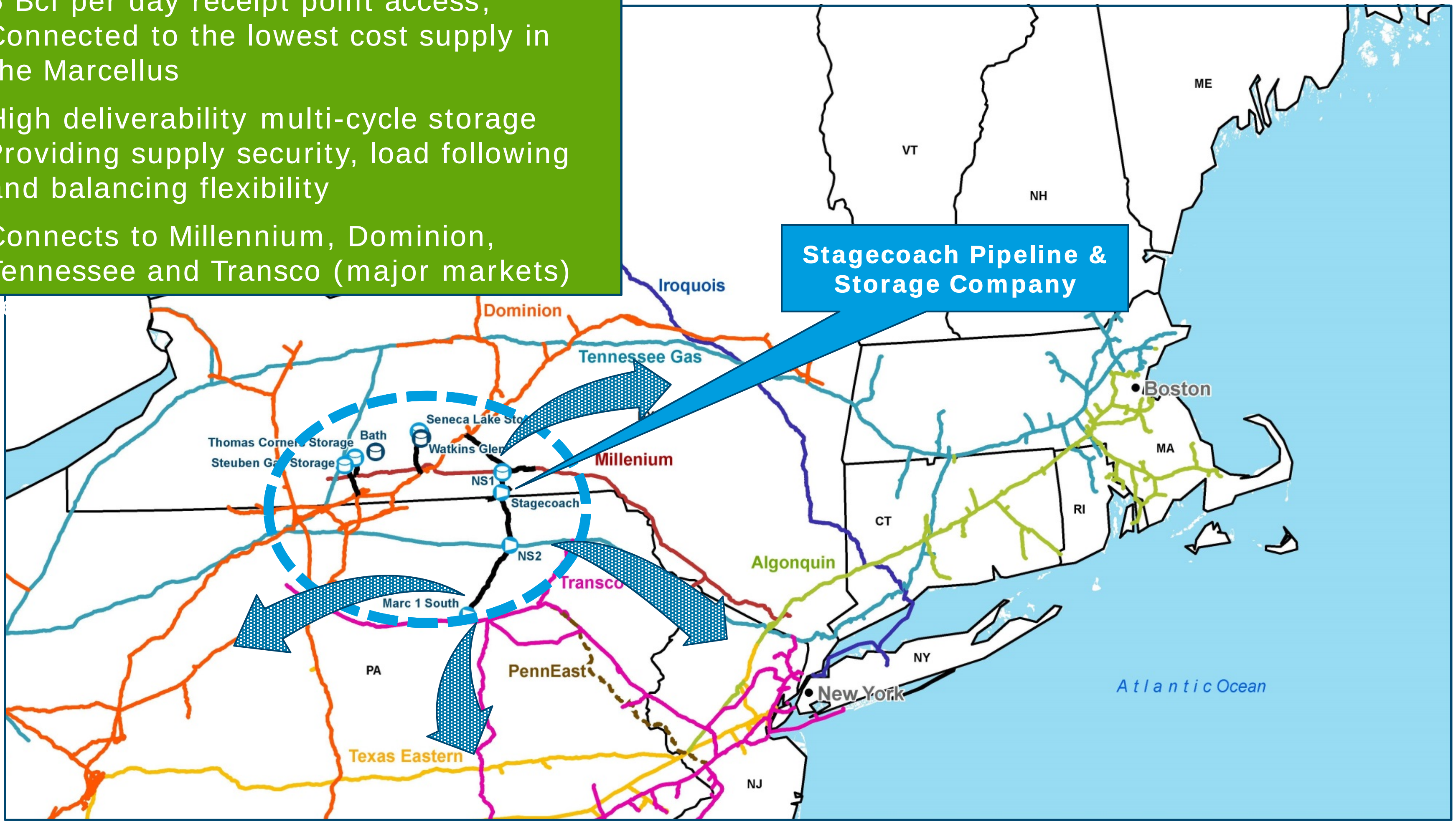
Stagecoach Gas Services
Northeast Gas Association
May 2018

Stagecoach – Premier Supply Access & Operating Flexibility

- 5 Bcf per day receipt point access; Connected to the lowest cost supply in the Marcellus
- High deliverability multi-cycle storage Providing supply security, load following and balancing flexibility
- Connects to Millennium, Dominion, Tennessee and Transco (major markets)



Significant connectivity to downstream pipelines; collaborating to develop projects out of the basin

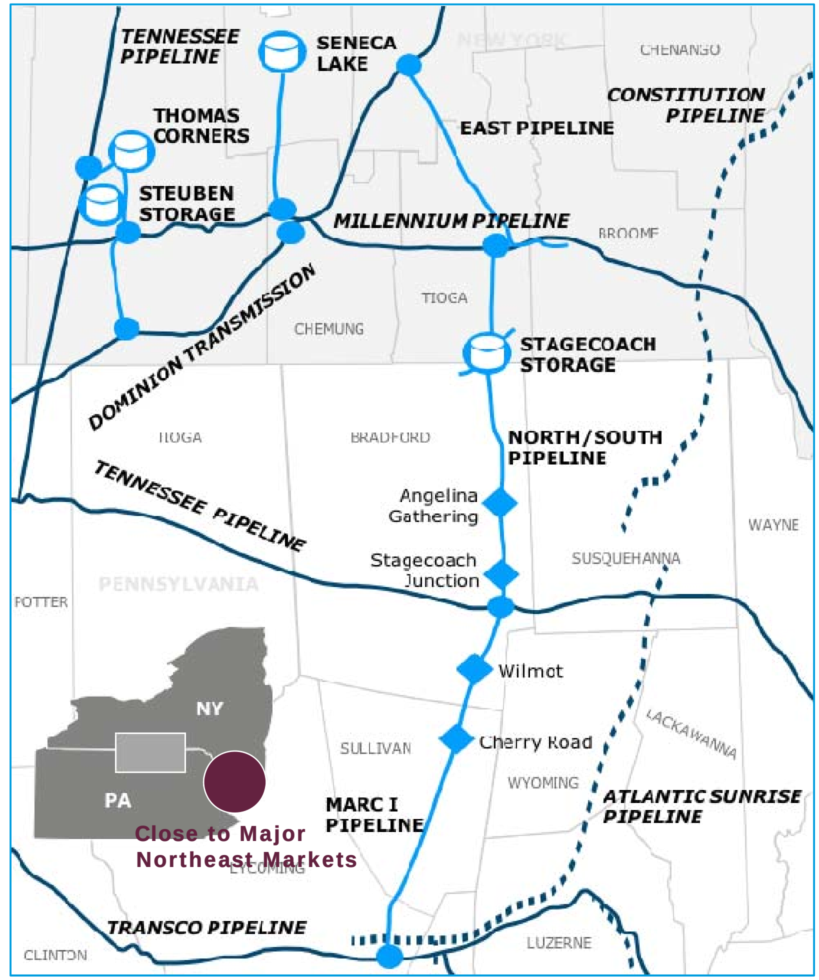
Stagecoach™ Gas Services LLC

Stagecoach Gas Services JV
Crestwood and Con Edison Transmission

Joint Venture Highlights

- Formed in June 2016 & FERC regulated:
  - Stagecoach Gas Pipeline & Storage, LLC
  - Arlington Gas Storage, LLC
- Significant storage and transportation network
  - 41 Bcf working gas capacity
  - 185 miles of pipeline
  - 3.1 Bcf/day deliverability
  - 5.0 Bcf/day supply access
- Marketing new services and expansion opportunities

Strategic Location



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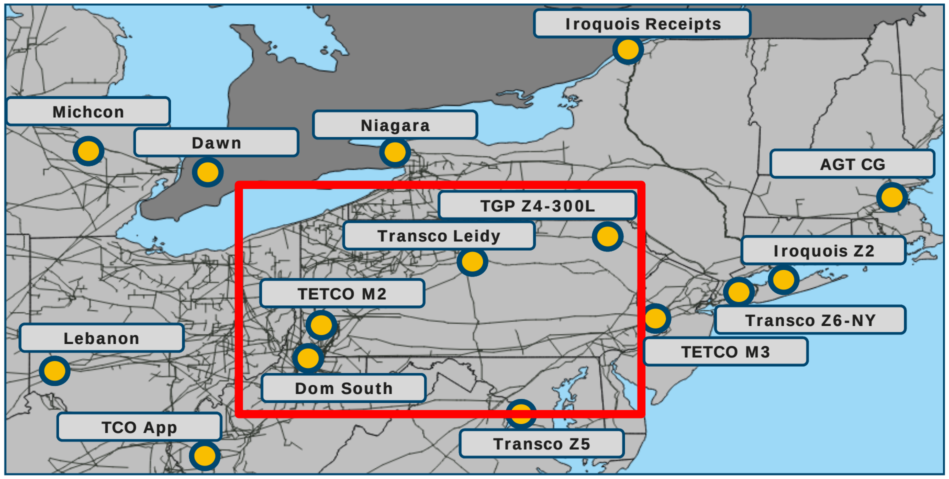
Winter 17/18 Observations

- Northeast Supply was very reliable with a few freeze off events
- Storage provided reliable baseload and peaking supply for downstream markets
- Loads continue to grow across entire Northeast
- Producers have pushed as far as they can, but cannot get to the last mile
- Year round capacity factors are up altering historic flow patterns and operations
- Pipeline and storage operators proved reliable despite load growth/changes and supply changes
- Abundant/plentiful/cheap Supply + Gas Storage + Reliable Pipeline Partners = Safe and reliable delivered Energy
- Industry must continue stakeholder outreach conveying these benefits to just in time demand

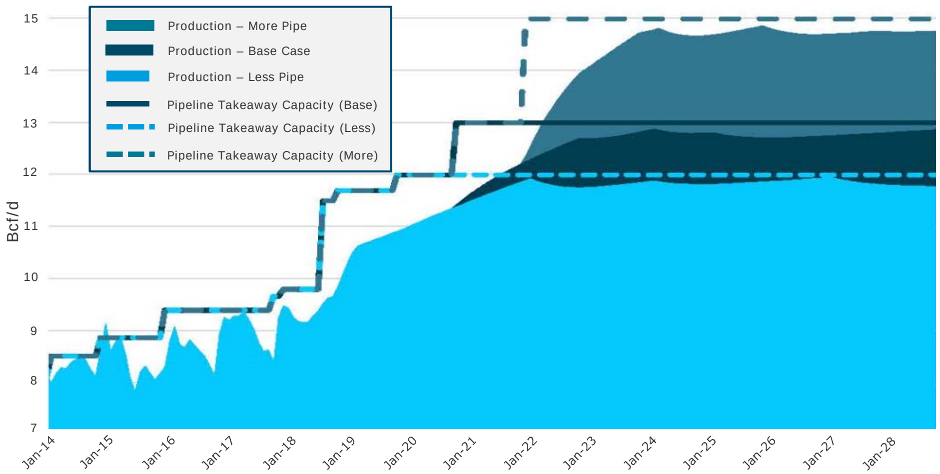
Northeast Marcellus Outlook

- Constraints continue in Northeast Marcellus until new pipeline capacity is built
- Northeast Marcellus is lowest cost supply
  – Expected to Average $1.00+ / MMBTU in the next 10 years
- An additional 3-5 Bcf/d of incremental pipeline capacity is required
  – Beyond current projects expected to be in-service

The Appalachian Capacity Constrained "Box"



Northeast Appalachia Production Forecast



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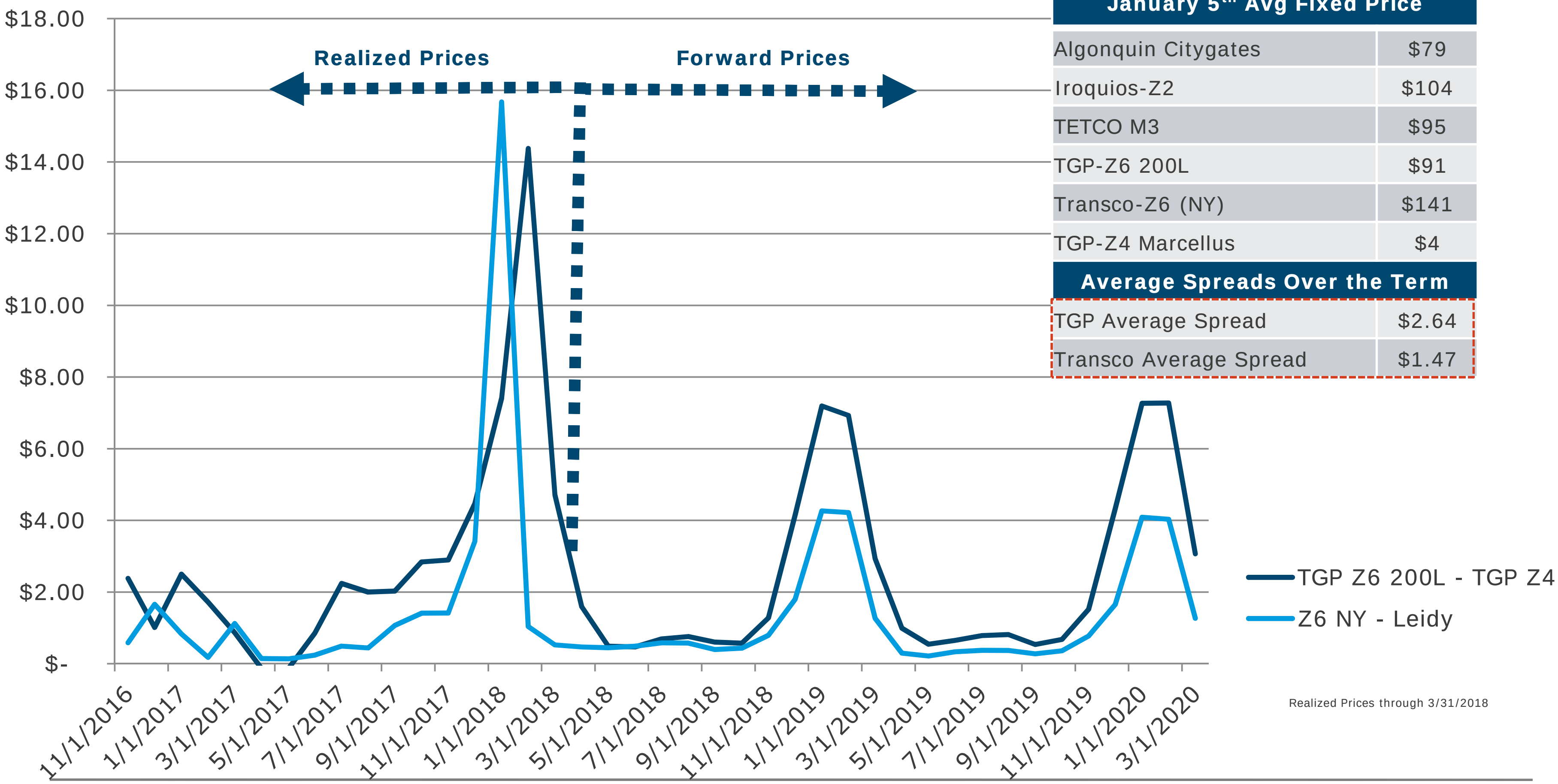
Northeast Gas Market Impact from Recent Weather

Consumers are paying the price in delivered gas supply for the lack of infrastructure

Transco and Tennessee Supply to Market Spreads



January 5th Avg Fixed Price	
Algonquin Citygates	$79
Iroquios-Z2	$104
TETCO M3	$95
TGP-Z6 200L	$91
Transco-Z6 (NY)	$141
TGP-Z4 Marcellus	$4
Average Spreads Over the Term	
TGP Average Spread	$2.64
Transco Average Spread	$1.47

Realized Prices through 3/31/2018

The Big Question

What should the conversation be?

What is the role of natural gas in the future?

Thank You

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