

2012-2013 Winter Operations Outlook

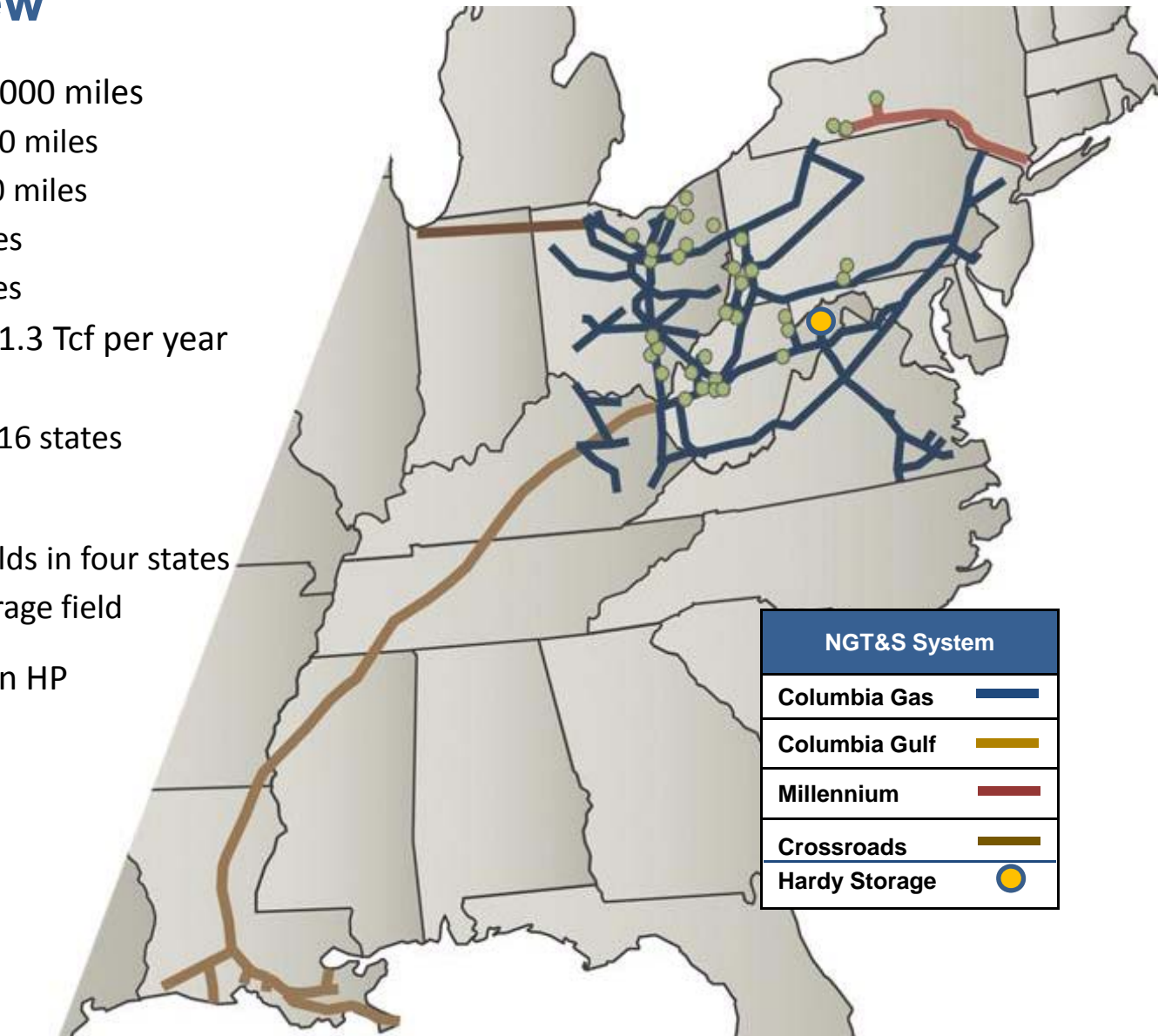
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Gas Control and Planning

PAPUC Winter
Reliability Forum
November 8, 2012



NGT&S Overview

- Pipeline: More than 15,000 miles
 - Columbia Gas: 12,000 miles
 - Columbia Gulf: 3,400 miles
 - Millennium: 182 miles
 - Crossroads: 202 miles
- Delivers approximately 1.3 Tcf per year
 - 5% of U.S. market
 - Serves customers in 16 states
- Storage: +280 BCF
 - Columbia Gas: 36 fields in four states
 - Hardy Storage: 1 storage field
- Compression: 1.1 million HP
 - 104 stations
 - Gulf: 77 units
 - TCO: 316 units
 - Millennium: 1 unit
 - Crossroads: 1 unit



NGT&S Footprint

Strategically Located Assets



Overlaying Utica
and Marcellus
Shale Region

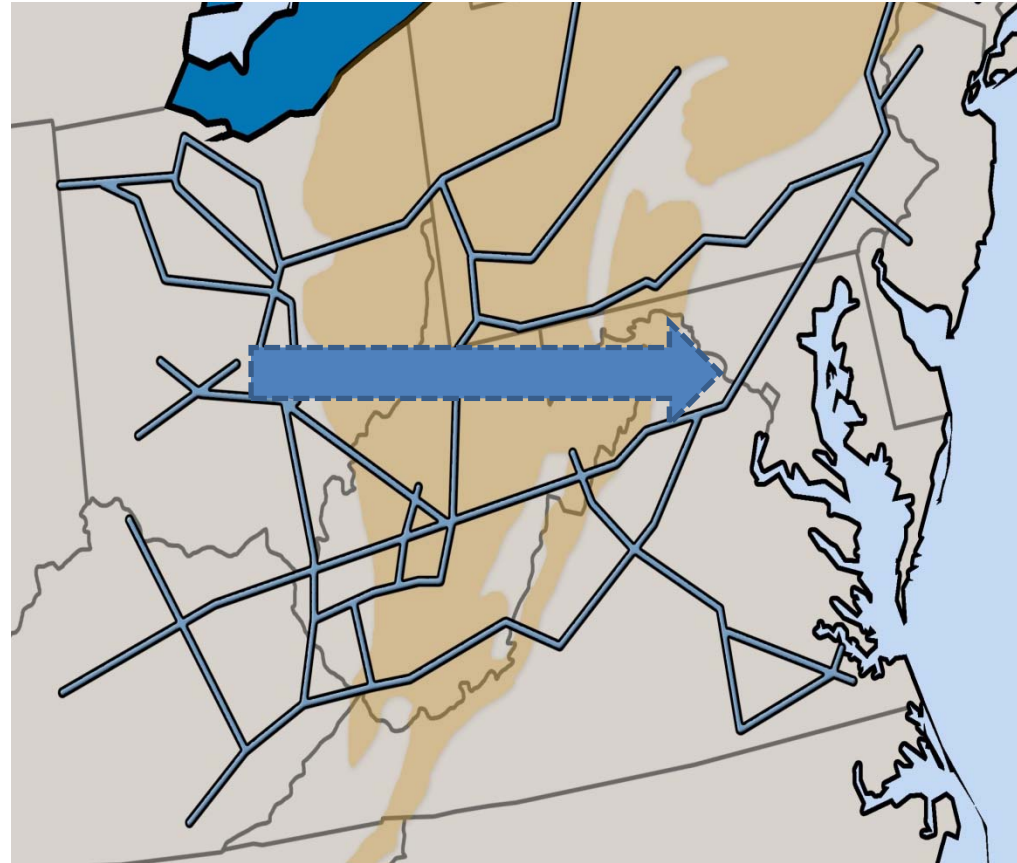
The map displays the Eastern United States with a network of blue lines representing the NGT&S footprint. A yellow shaded area highlights the Utica and Marcellus shale regions. A red line indicates a pipeline route from the Gulf Coast to the shale region. An orange arrow points from the text 'Overlaying Utica and Marcellus Shale Region' to the yellow shaded area.

- Marcellus Shale growth gives customers more supply options
- Changing flow patterns
- More dynamic operation

Columbia Gas Historical Flows

Pre-2010

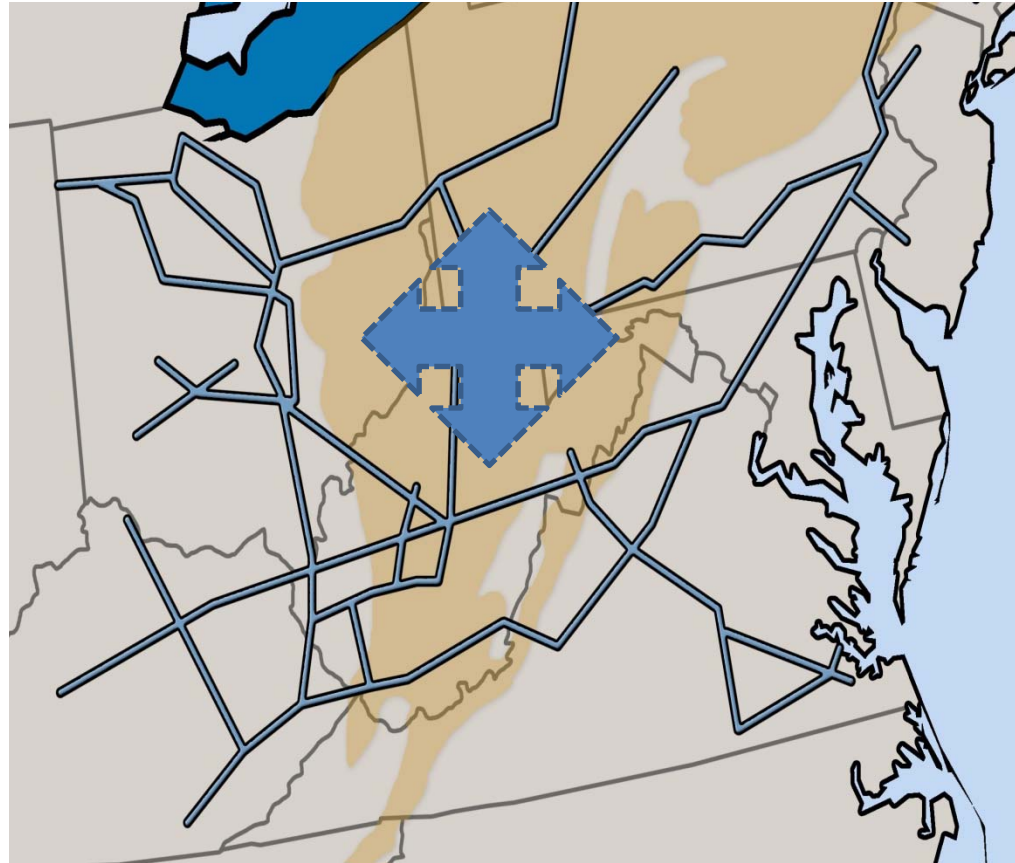
- ~80% of total supply in western half of the system
 - 60% at Leach via Gulf
 - ~15% from pipeline interconnects at Lebanon, Paulding, Maumee, Monclova, etc.
- Two-thirds of total market located in the east
- Storage cycling critical to meeting peak day needs



Columbia Gas Current Flows

2010 - 2012

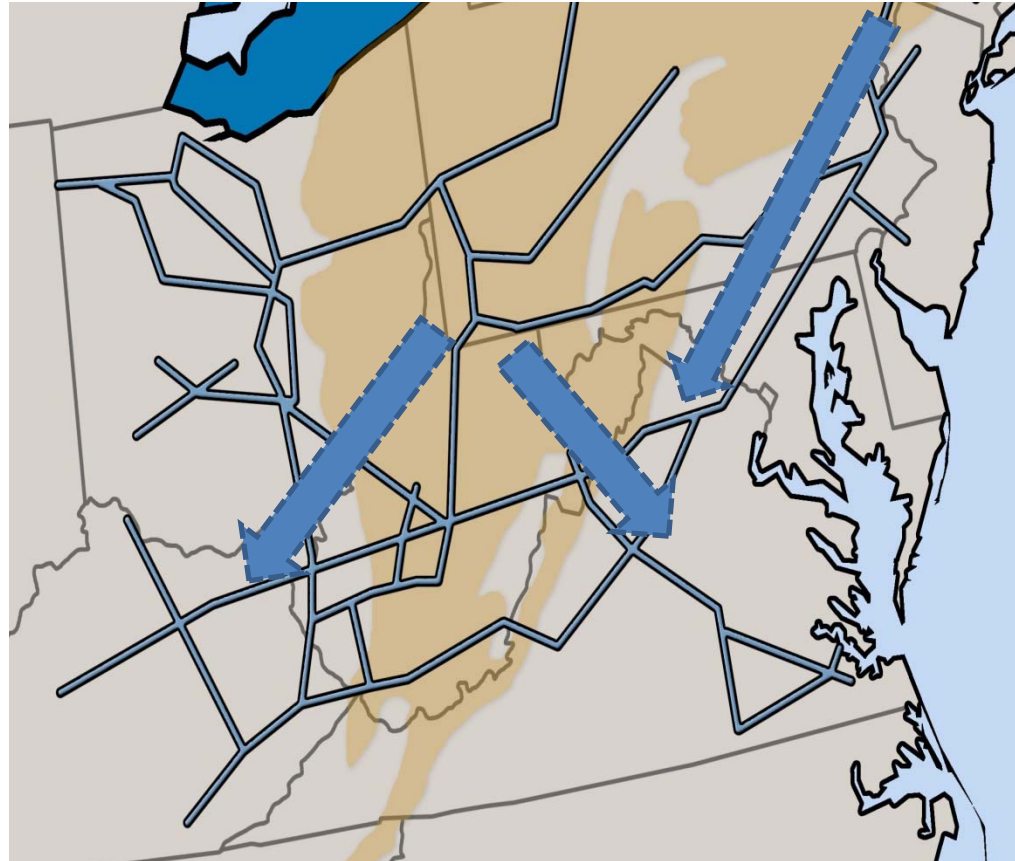
- Western supply reduced from ~80% to ~50%
- Reduced western supply creates challenges for Ohio operations
- Marcellus production growth
 - Dec. 2009: 140 MDth/d
 - Dec. 2010: 420 MDth/d
 - Dec. 2011: 640 MDth/d
 - Sep. 2012: 725 MDth/d
- Constraint points shift due to changing flow patterns



Columbia Gas Future Flows

2013 - 2018

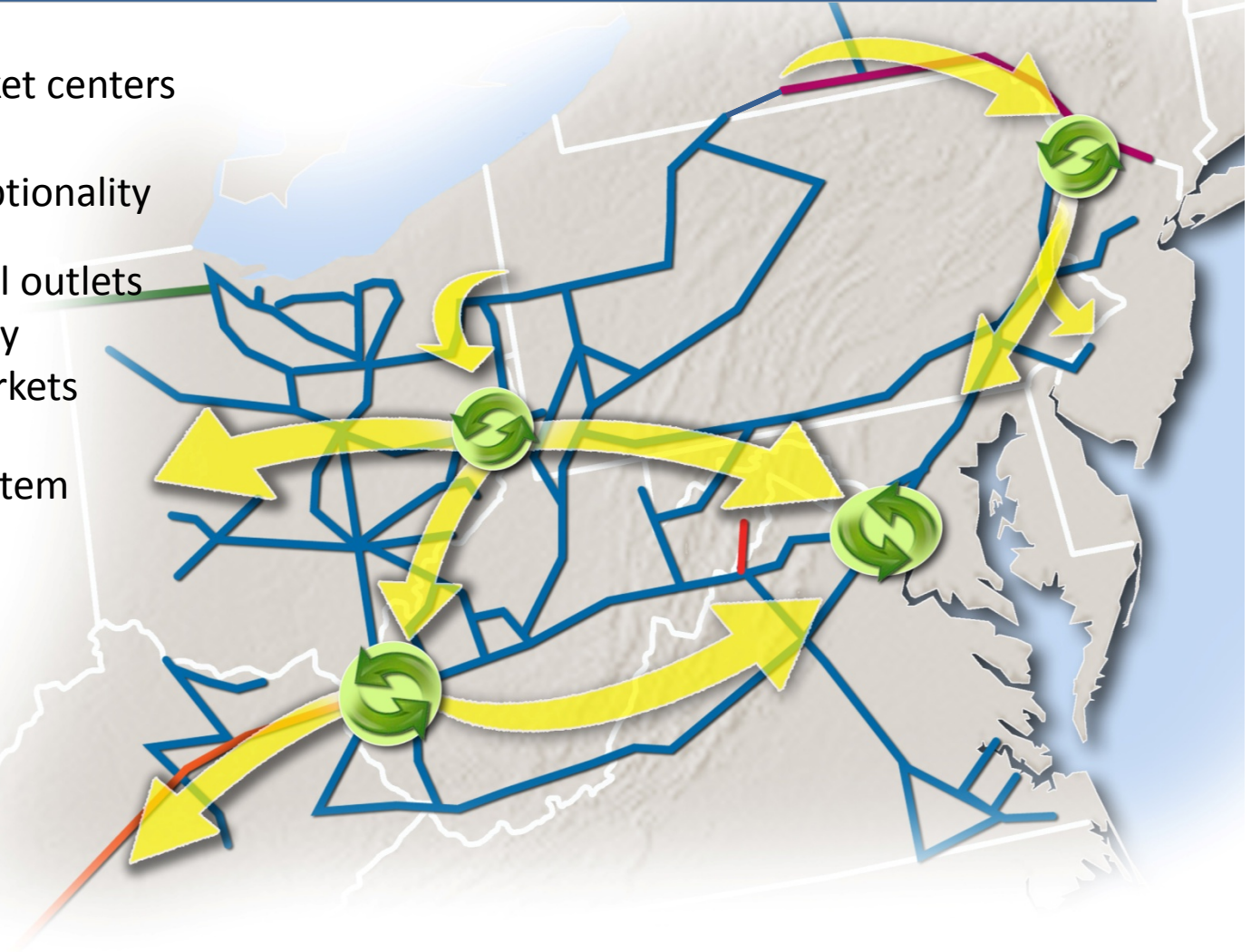
- Supply grows in the northern half of the system
- Power generation & coal displacement fuels market growth
- Virginia demand growth
- Production growth impacts Leach basis



Linking New Supplies to Growing Markets

Strategy

- Create liquid market centers
- Increase supply optionality
- Develop additional outlets for new supplies by attaching new markets
- Modernize the system



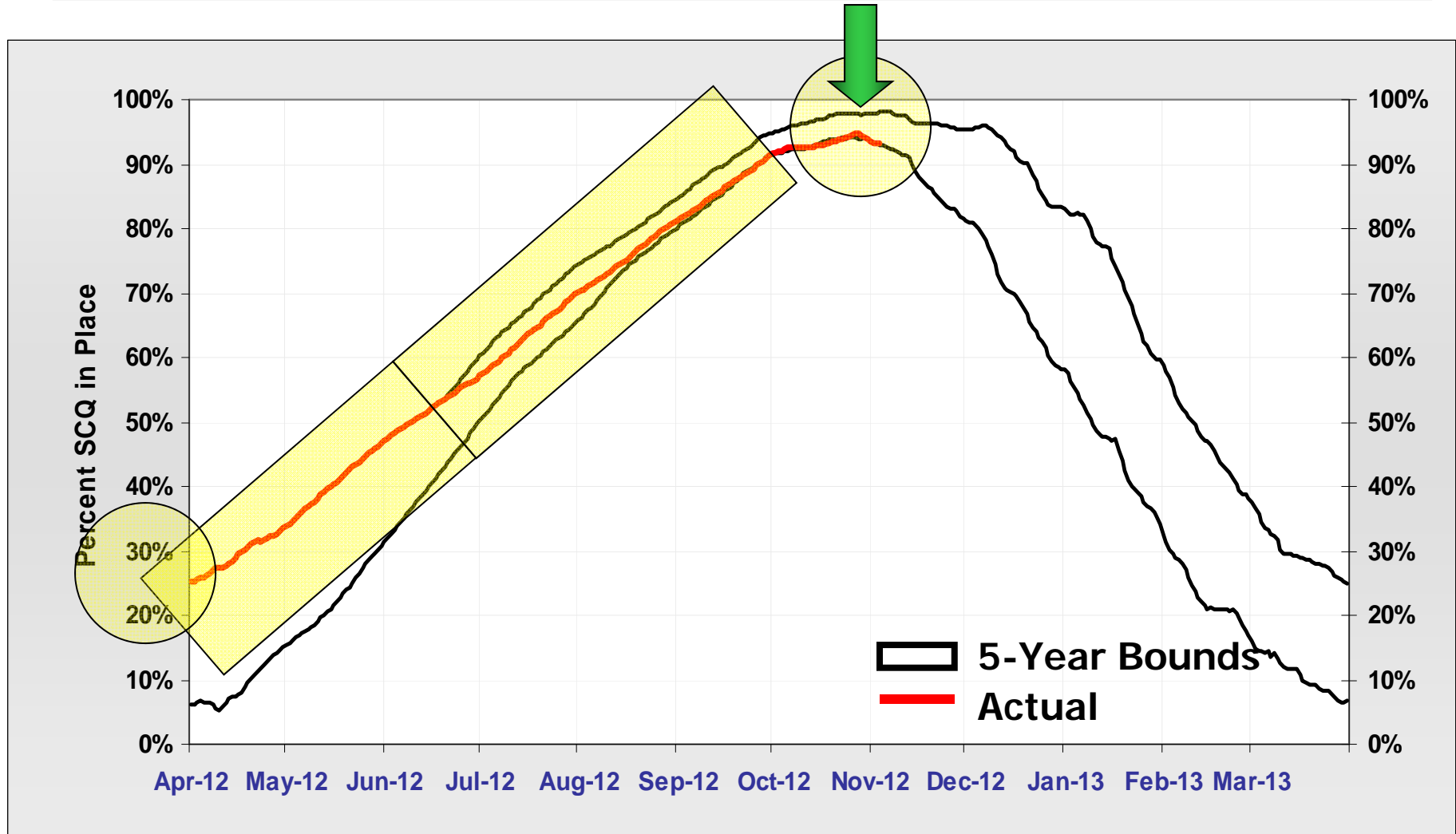
Modernization Program

Modernization Overview

- Columbia needs to replace significant infrastructure
 - Aging infrastructure, safety and reliability concerns
 - Size and scope of project required a unique approach
 - Worked with customers on a settlement, pending FERC approval
- Continue ongoing maintenance expenditures: ~\$100 MM/year
- Spend \$300 MM/year on defined projects over next 5 years:
 - Replace bare steel pipe: ~400 out of ~1,000 miles
 - Upgrade compression: ~55 out of ~100 critical units; install modern control systems
 - Increase system reliability: uprate and loop system where needed
 - Expand in-line inspection capabilities

Total \$400 Million Annual Infrastructure Investment

Columbia Gas Customer Storage Inventory



Operations Update

Winter Outlook

- Going into the winter, customers storage accounts are nearly full; storage system is looking good
- Reliability enhancement program has been ongoing
- Damage to Artemas compression/storage facility has been repaired, storage filled, ready for winter service
- Summer maintenance programs completed
- Ready for winter season