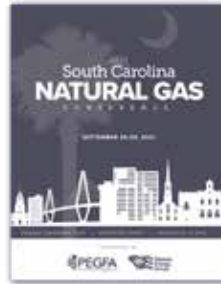


## PATRIOT'S ENERGY GROUP

*Patriots Energy Group (PEG) is a joint action agency who owns and operates a natural gas transmission pipeline that traverses York, Cherokee, Lancaster and Chester Counties bringing cost effective and reliable energy to residential, commercial and industrial customers. The PEG pipeline extends through several counties, but is operated and maintained by the employees of York County Natural Gas Authority.*

### FISCAL YEAR HIGHLIGHTS

Compression Station Planning & Procuring  
3-Day Compressor HAZOPS Facilitation  
Hosted First SC Natural Gas Conference | Charleston, SC  
Upgraded and refreshed PEG website | Patriotsenergy.com  
Patriots Press Newsletter | Winter 2022



### FINANCING, SUPPLY MANAGEMENT & SAVINGS

OCT 2021 Public Gas Partners (PGP) Pool #4 Refunds **(\$197,554)**  
APR 2022 Received information on the Carolina Market Link Project from TRANSCO  
AUG 2022 Station 85 Basis causes gas costs to spike  
PEGFA administrative fees returned **(\$304,558)**

## INFRASTRUCTURE PROJECT

### YORK ROAD COMPRESSOR STATION

In 2019, PEG engaged an outside consulting firm to complete a gas load forecast study to address the growth in the area and the future peak daily demand for the next 15-years.

**The results of the study illustrated the need for additional infrastructure to provide a steady and reliable supply of natural gas to the area well into the future.**

In FY 2021 PEG began planning for a compressor station to be constructed in Blacksburg, SC. Throughout FY 2022, staff engaged in finalizing details for the station, acquiring components, selecting contractors, educating the public, and meeting with elected officials, emergency responders and neighboring property owners about the planned project. The York Road Compressor Station officially broke ground in May of 2022 with construction set to begin in October 2022. The station will be operational by May 31, 2023.



### COMPRESSOR STATION TIMELINE



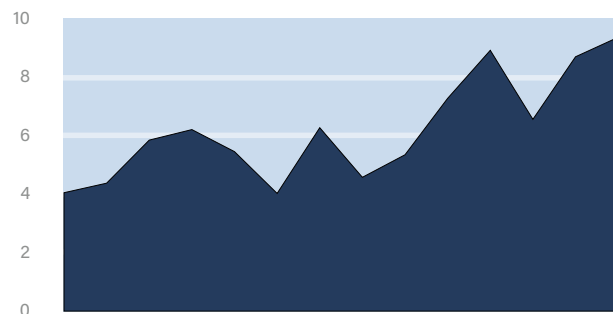
# PRICES SPIKE

The most significant event in FY 2022 was the increase in the wholesale price of natural gas.

The annual average fiscal year price of gas for FY 2020 was: \$2.008; for FY 2021 - \$2.901, but FY 2022 increased to \$6.122. Fortunately the members of PEG locked in prices during the low price environment of 2020 (by hedging) and avoided large rate increases for residential and commercial customers. PEG also extended other contracts in 2020, for five years, at favorable rates versus rates in 2022. Existing prepay transactions in place during FY 2022 also provided a discount to market price gas on a monthly basis. Another benefit to prices during this fiscal year, was the ability to sell excess capacity into the marketplace, returning record revenue back to PEG members.

## PRICE OF NATURAL GAS

AUGUST 2021 - SEPTEMBER 2022 (MMBtu)



# COST SAVINGS

## AVOIDED COSTS

By locking in services during the low price environment of 2020, PEG avoided millions in costs for delivered and peaking services in 2022.

PEAKING SERVICES	\$ 3,255,000
90 & 151 DAY DELIVERED SERVICES	\$ 7,545,150
<b>TOTAL COST AVOIDED</b>	<b>\$ 10,800,150</b>

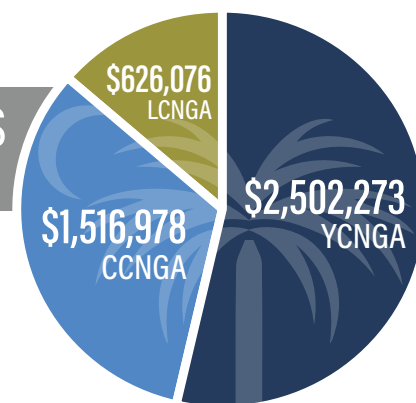
## OTHER COST SAVINGS

There are many factors that affect natural gas prices, but the primary factors that drive prices include economic conditions, natural gas storage levels, weather, supply and demand balance, and the market's perception of these factors. PEG and its members mitigate exposure to the volatility of prices through hedging, long-term prepayment agreements and capacity release.

CGT CAPACITY RELEASE	\$ 239,657
TRANSCO CAPACITY RELEASE	\$ 1,873,502
HEDGING	\$ 14,665,079
<b>TOTAL SAVINGS</b>	<b>\$ 16,778,231</b>

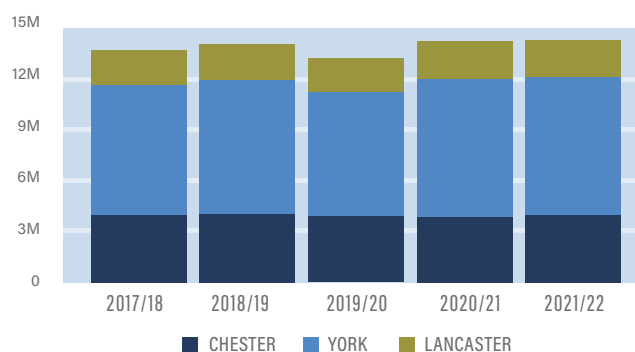
## PREPAY GAS SAVINGS

TOTAL SAVINGS  
**\$4,645,327**



## TOTAL GAS SALES PER AUTHORITY

IN DEKATHERMS - 12-MONTHS ENDING JUNE



## BREAKING THROUGHPUT RECORDS

	MONTHLY	12-MONTH
NOVEMBER 2021	1,637,946	15,239,320
JANUARY 2022	2,492,511	
JULY 2022	776,252	
AUGUST 2022	797,841	

## TOTAL PEG THROUGHPUT

