2025 WINTER READINESS

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NW Natural®

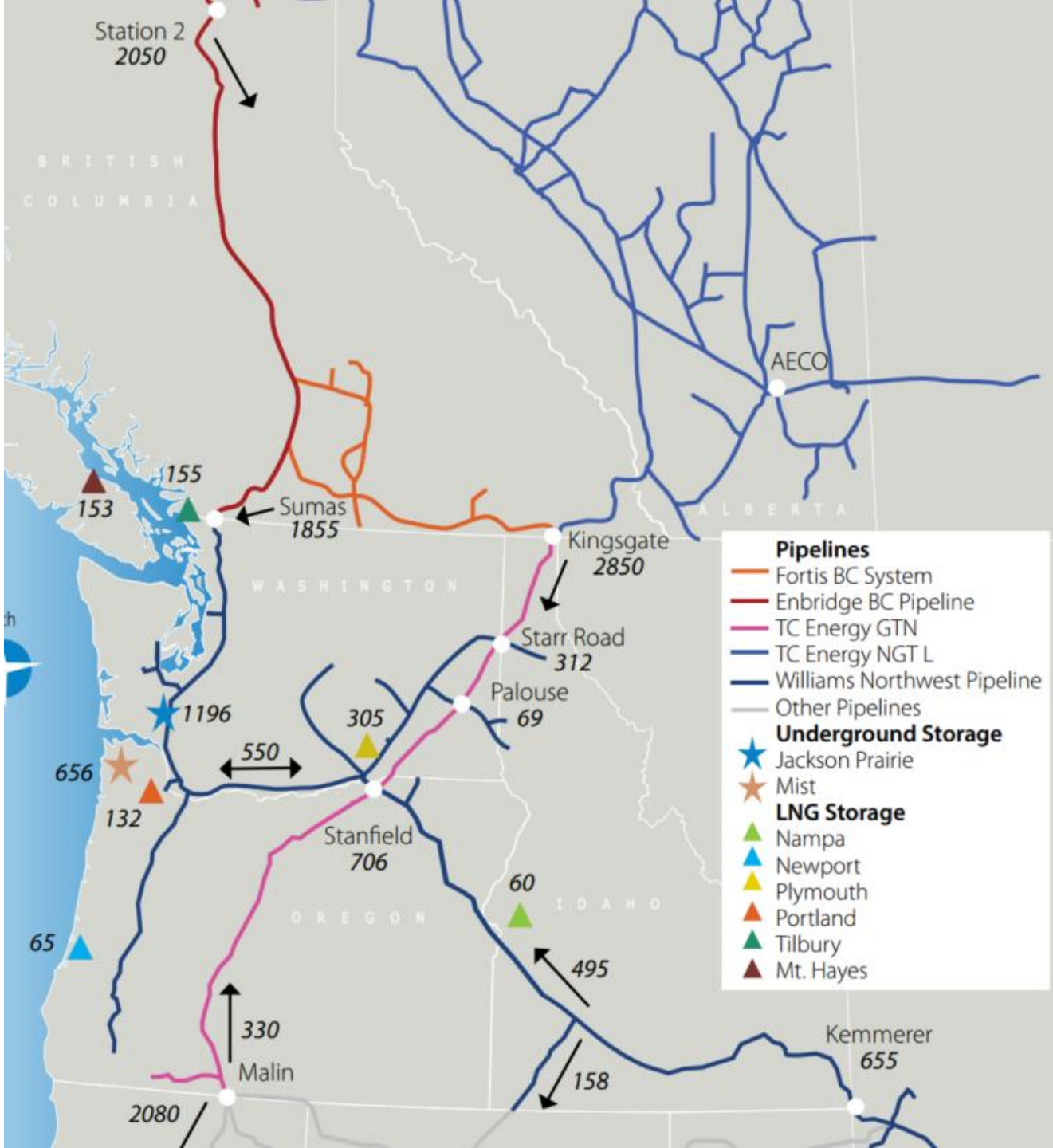
Regional Infrastructure

Natural gas in our region flows over a pipeline network stretching back to production sources in Northern BC, Alberta and the US Rocky Mountains.

For Washington Utilities, almost all gas supplies are eventually delivered on either Northwest Pipeline or GTN.

There are also underground gas storage facilities and LNG storage facilities in the region which provide critical support during cold weather.

NW Natural owns and operates three storage facilities (Mist Underground Storage, Newport LNG, Portland LNG) and we have contractual capacity at Jackson Prairie



Northwest Pipeline Preparedness

Current Preparedness

- All facilities and operations districts are following established winterization procedures to maintain reliability.
- LNG liquefaction of natural gas at the Plymouth LNG facility is ongoing to secure adequate storage for peak demand.
- Maintenance Progress - Majority of scheduled maintenance will be completed by the end of October with a couple minor outages occurring in early to mid-November.

Weather Resiliency Plan

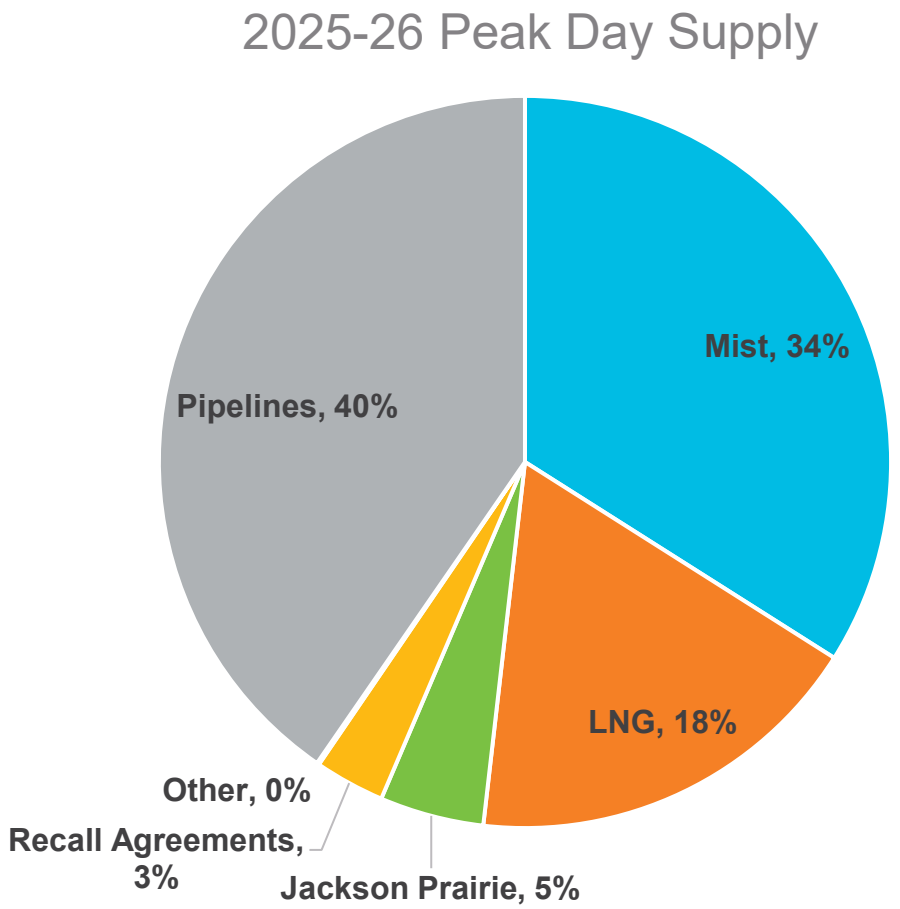
- Real-Time Monitoring - Deploy advanced flow data technology for system overviews and gas storage visibility.
- Proactive Forecasting - Utilize cutting-edge weather prediction tools to anticipate and mitigate risks.
- Mock Event - Conduct a limited simulation to validate readiness and response protocols.

Summary

- Critical winterization activities are on track.

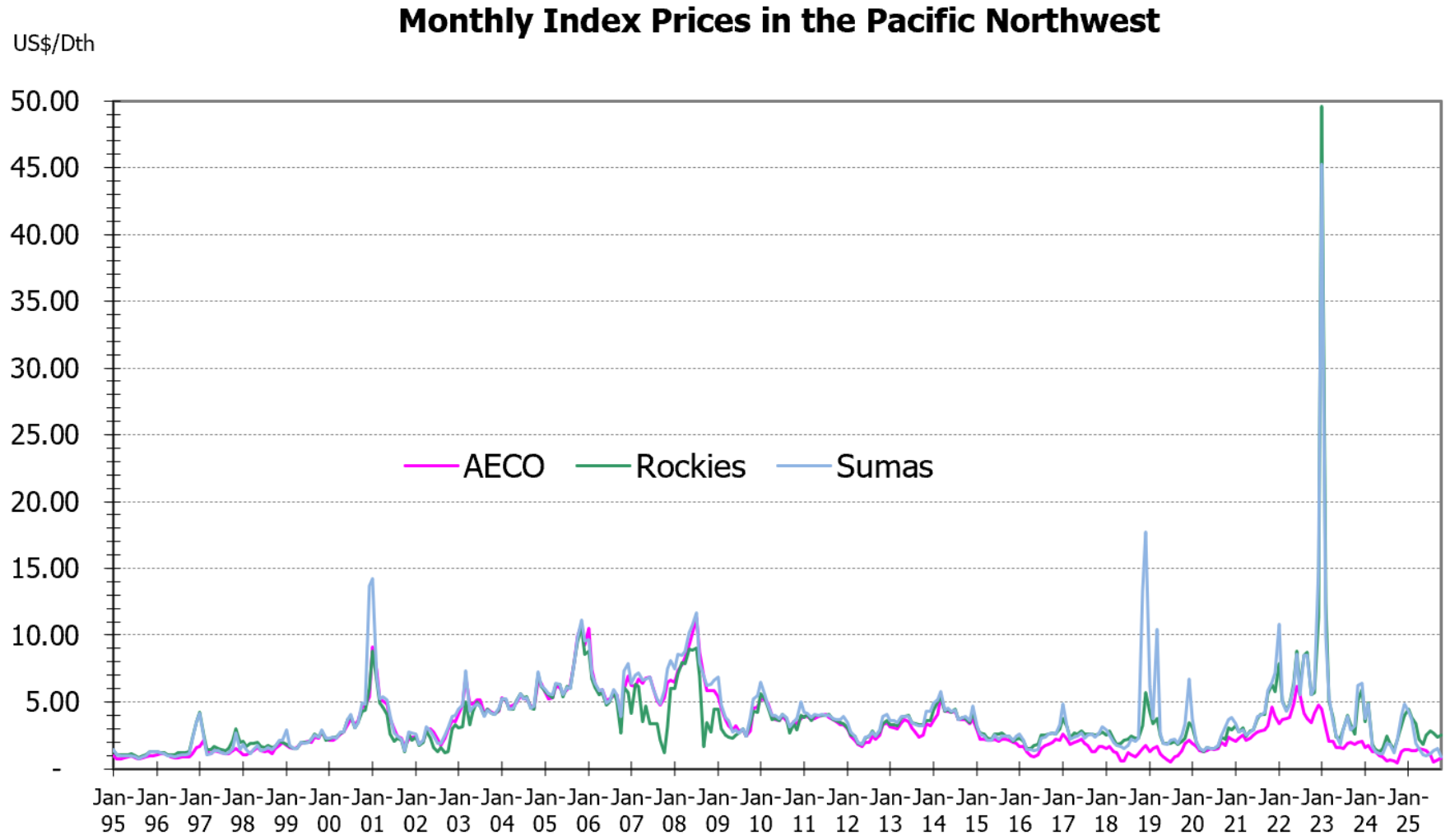
NW Natural has gas supplies in place to serve peak demand of 1 million Dth this winter

- Over half of our peak day supplies come from on-system storage, providing excellent resilience
- Our planning assumes all resources are available at their maximum output, so they need to be reliable
  - New Mist compressor is in service for the 2025-26 winter



Regional prices can be highly volatile, especially when supplies are constrained

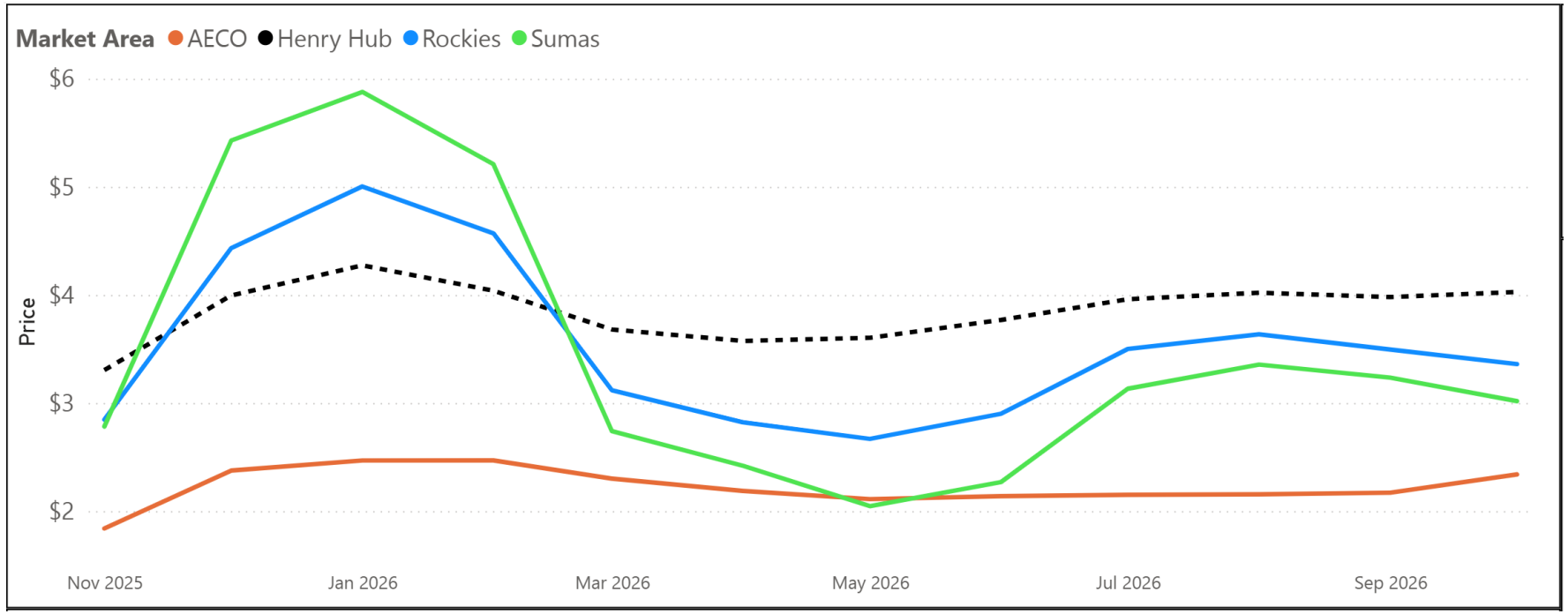
- We are relying on a very constrained pipeline system in the Pacific Northwest
- The potential for high market prices persists
- Cold weather and/or infrastructure constraints often lead to high prices
- These monthly index prices are less volatile than the daily spot market



Current Market

Regional prices

- Rockies and Sumas prices remain elevated in winter months while Canadian gas trades at a discount year-round

National fundamentals

- National storage levels are 4.5% above the 5-year average and 0.9% above last year
- Continuing record high levels of national production in 2025
- Additional LNG export facilities are coming online, driving higher demand
- Natural gas used for power generation remains high