



**Vector Pipeline™**

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## **Customer Meeting**

### **January 2025**



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# **Brian Schultz**

## **Manager, Marketing & Project Development**

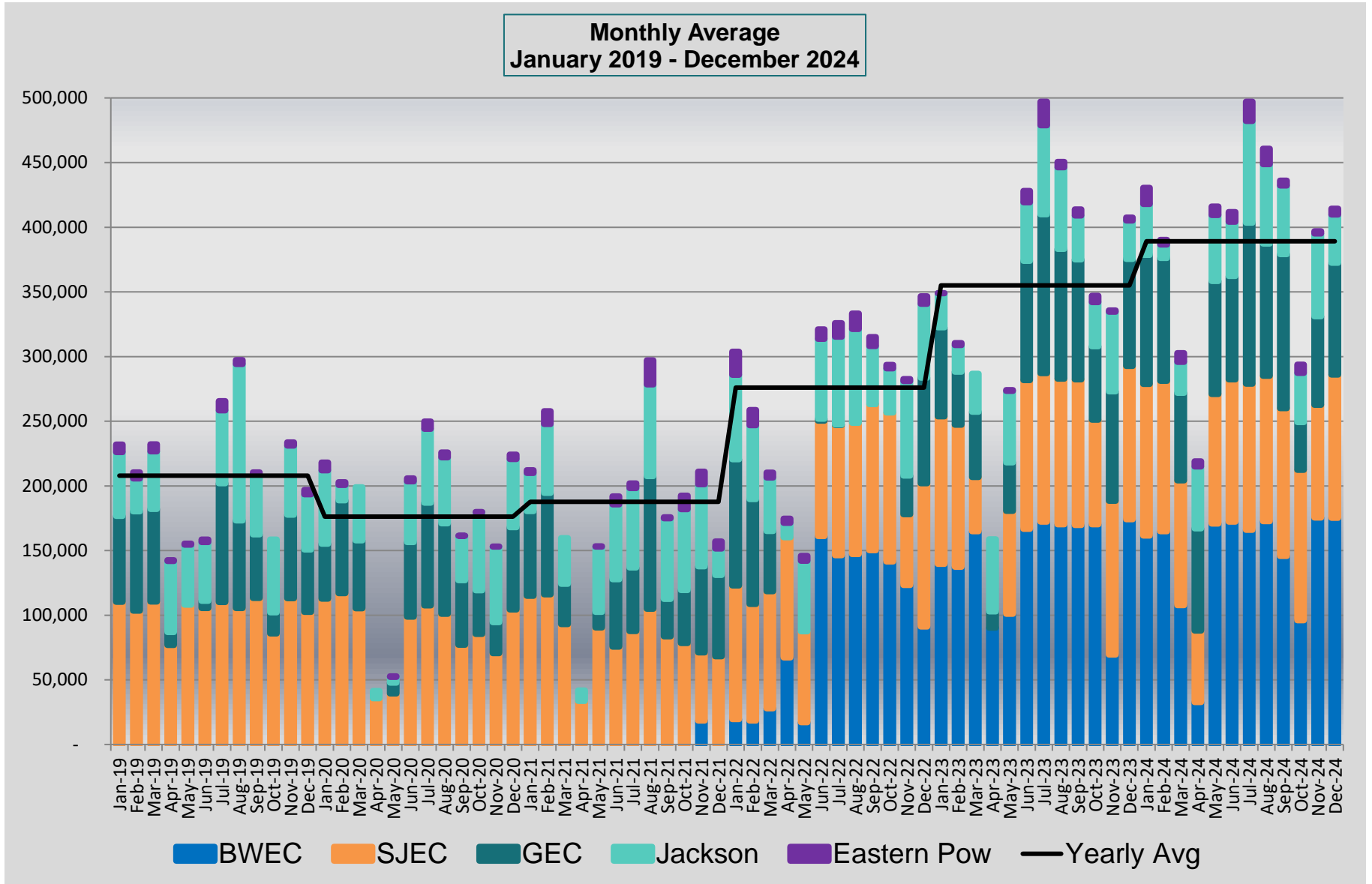
# 2025 Maintenance

- Cleaning pig run
  - 1 cleaning tool on Athens to Milford Junction segment
  - Tentatively scheduled mid June (1 day impact to Firm)
- Washington Unit 200 Early Overhaul
  - Engine change tentatively scheduled early April
  - 5-day unit outage (no expected impact)
- Ray Interconnect
  - FCV whisper trim cleaning completed in September and October 2024
  - Capacity currently capped at 120,000 Dth/day
- No other major outages planned at this time for 2025



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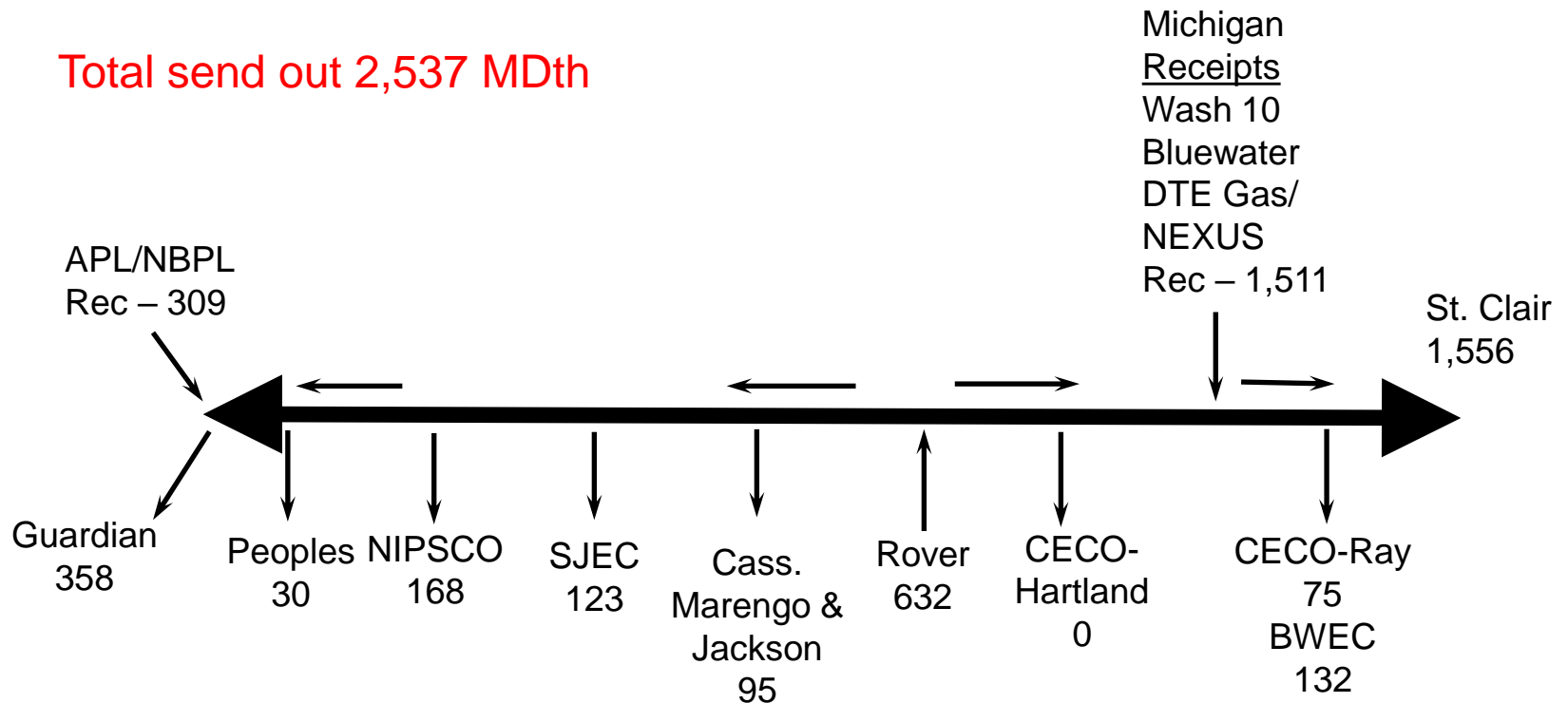
# Power Plant Deliveries



# Winter Peak Day 2024/25

December 21<sup>st</sup>, 2024

Total send out 2,537 MDth



# Past Peak Day Volume by Year

<u>Date</u>	<u>MDth</u>
January 7, 2014	2,341
February 20, 2015	2,216
March 13, 2016	1,594
January 6, 2017	2,189
January 4, 2018	2,057
January 31, 2019	2,971
December 18, 2019	2,702
February 7, 2021	2,361
January 10, 2022	2,778
January 31, 2023	2,721
January 14, 2024	2,325
December 21, 2024	2,537

# 2024/25 Winter Trends

- High receipts from Michigan storage
  - Averaging ~650,000 Dth/d from Wash10 for month of January
- Changing weather patterns present operational challenges
- Michigan storage to Dawn path showing day to day value with IT capacity available



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# **Pete Ciani**

## **President**



# Rate Case Update

## What has Happened

- FERC initiated a Section 5 Rate Case on 9/19/24.
- Vector has received 3 sets of data requests from FERC Trial Staff to date
  - 168 Questions with subparts
  - Still working on responses to the last set
- Vector filed the required Cost & Revenue Study on 12/03/24
- Vector received a limited time settlement offer from FERC Trial Staff on 12/10/24
- Vector filed a petition for review in Sixth Circuit Court of Appeals, challenging FERC's initiation of the proceeding

# Rate Case Update

## Upcoming Events

- Staff / Intervenor Testimony – 3/18/25
- Vector Answering Testimony – 5/7/25
- Staff / Intervenor Cross-testimony & rebuttal testimony – 6/18/25
- Hearing – 7/15/25
- Initial Briefs – 9/2/25
- Reply Briefs – 9/23/25
- Initial Decision – 10/28/25
- Commission Order implementing rates – estimated 4/27

# Rate Case Update

## Vector's Perspective

- Vector's preference is to reach an amicable settlement with its Shippers
- Vector is unwilling to settle at the rate proposed by the FERC Trial Staff Limited Time Offer.
- Although the required Cost & Revenue Study resulted in a rate of ~\$0.121/dth, Vector is unwilling to settle at that rate, and Vector's current rate structure is out of date.
- Vector is considering adding more rate zones to better reflect how its system is used today, which includes bi-directional transportation on a long-haul and short-haul basis



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# Rate Case Update

## Intro to new rate development

- Vector is considering breaking the system into more zones (3 or even possibly 4 zones).
- Rate zones will be additive and the potential separations points could be as follows;
  - Zone 1: Joliet to Indiana/Michigan Border
  - Zone 2: Indiana/Michigan Border to Ingham Co./ Livingston Co. Border
  - Zone 3: Ingham Co./ Livingston Co. Border to International Border
- Shippers will only be paying for the portion of the system that they are using



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# Rate Case Update

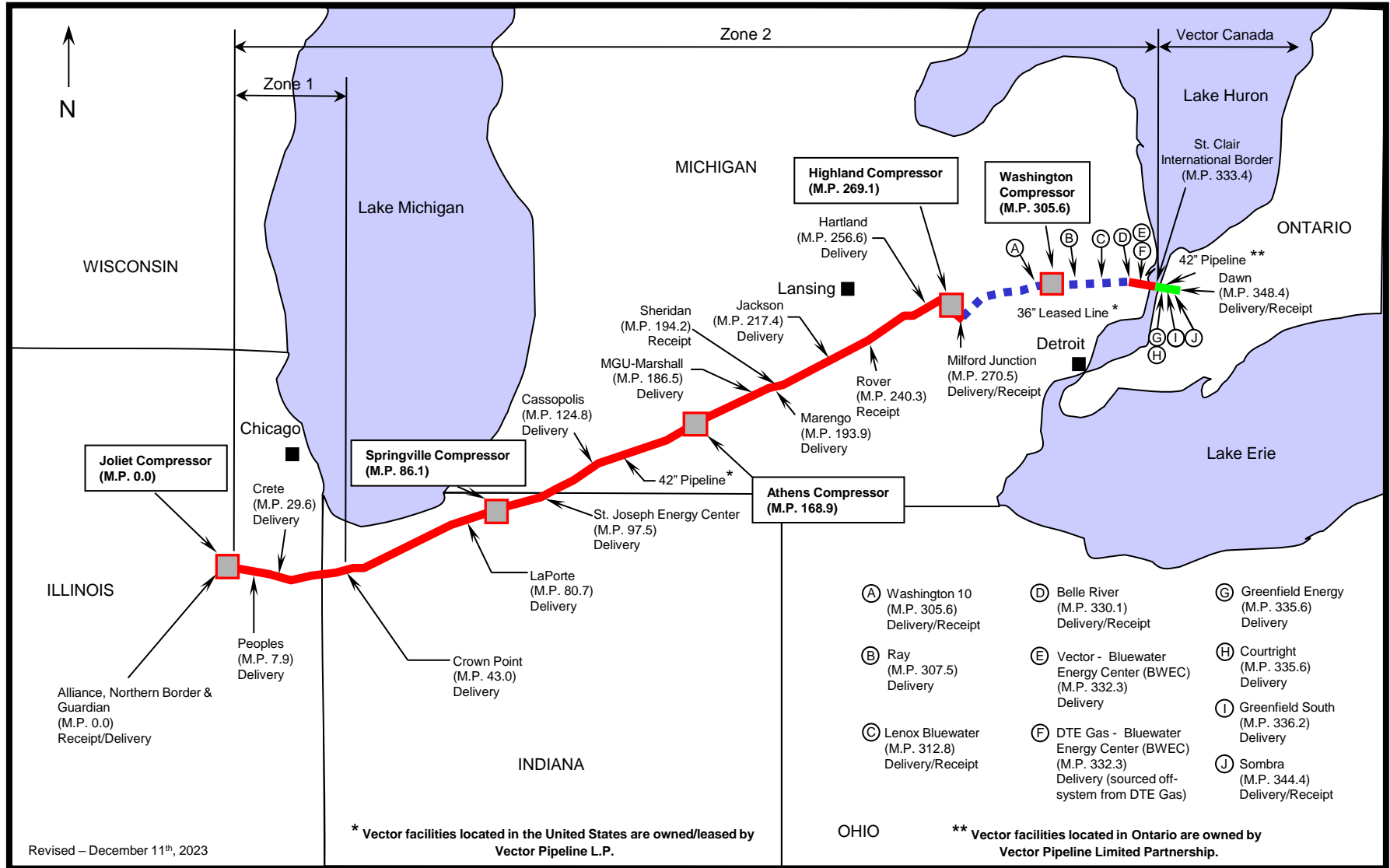
## Rate Structure

- Vector's Current Rate Structure
  - 2 non-additive Zones
    - Zone 1: Joliet to NIPSCO Crown Point / Rate ~ \$0.037/dth
    - Zone 2: Joliet to the International Border / Rate ~ \$0.232/dth
- Potential Vector Zonal rates
  - Zone 1 & 2: rate will be similar for each of these 2 zones. Higher Net Plant and lower throughput than Zone 3
  - Zone 3: lower rate due to lower cost of service and higher throughput.
- Primary Impact to Shippers:
  - Westbound Recourse Shippers will see a 10-20% decrease in rates.
  - Discounted short-haul may also receive a discounted rate.



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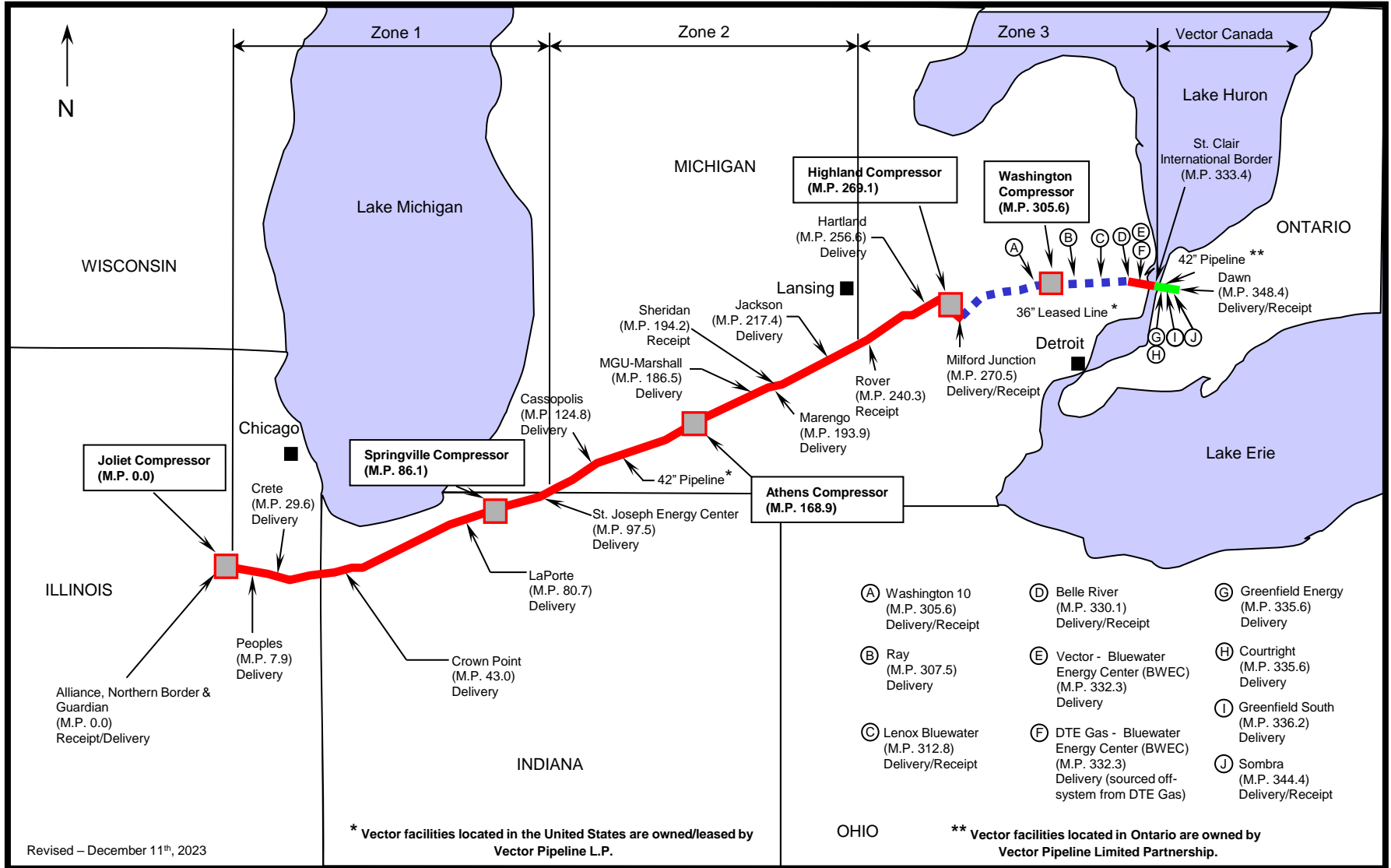
# Vector Pipeline System Map – Existing Zones





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# Vector Pipeline System Map – Potential 3 Zones





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# Rate Case Update

## Path Forward / Next Steps

- Obtain feedback on zonal rate structure concept.
- Work with interested Shippers towards settlement.
- Share more defined zonal rate structure with interested parties.
- Alternatively, Vector is willing to consider settling under the current rate structure
- Vector's goal is to reach settlement expeditiously
- However, Vector is prepared to fully prosecute the Section 5 case and possibly initiate a Section 4 rate case.



# Rate Case Update Closing

- Any questions or comments?
- Thank you for attending!!