



El Paso Natural Gas Pipeline 2012-13 Winter Preparedness

Presentation to the Arizona Corporation Commission

October 4, 2012

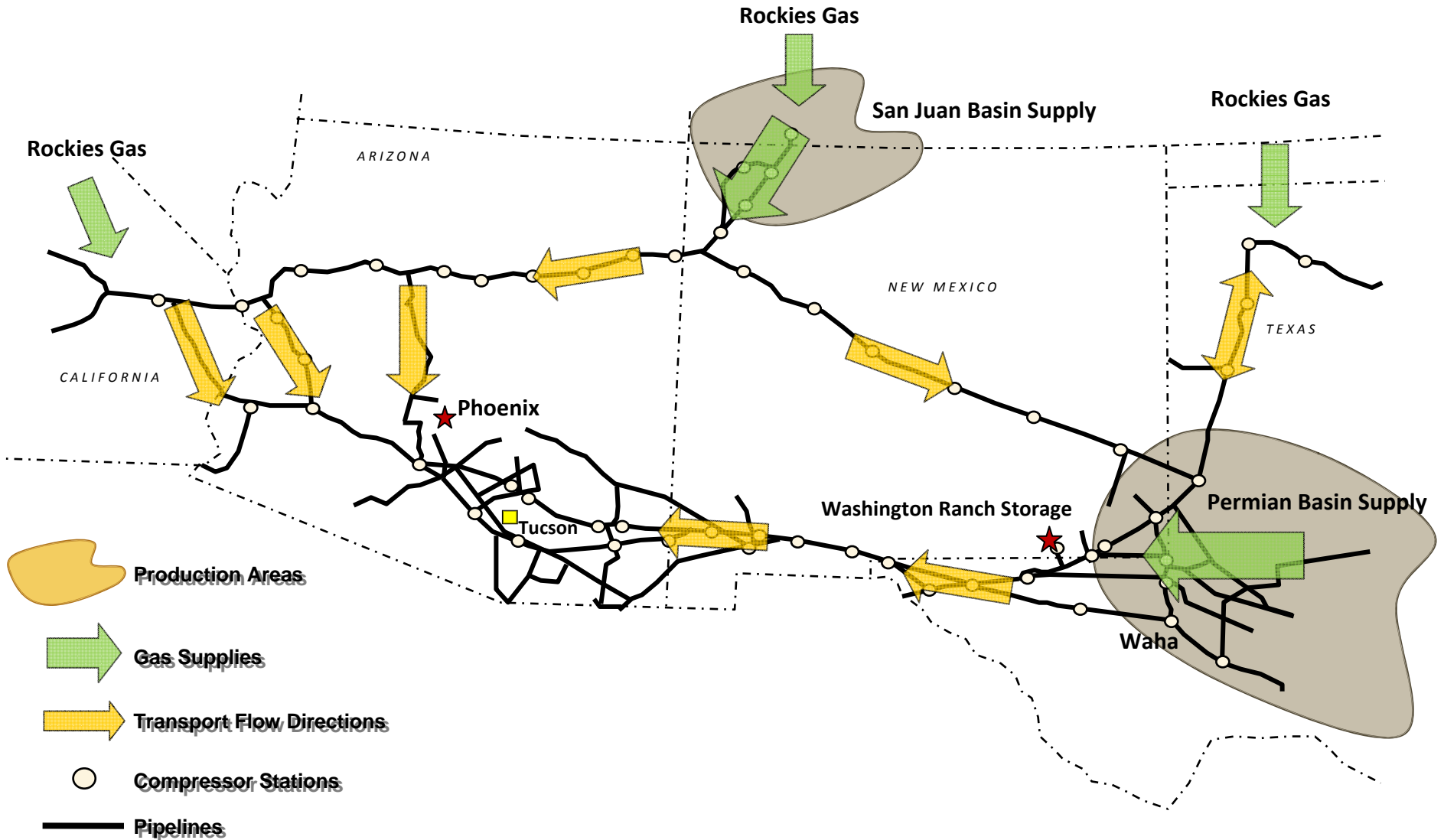
Kevin Johnson, Director, Gas Control

Kinder Morgan Acquisition of EPNG

- Transaction Completed May 25, 2012.
 - Same Assets / Different Leadership
 - Gas Control remains in Colorado Springs
- Kinder Morgan is the largest natural gas transporter and largest storage operator in North America.
 - Serves the major consuming markets of the entire United States.

EPNG System Overview

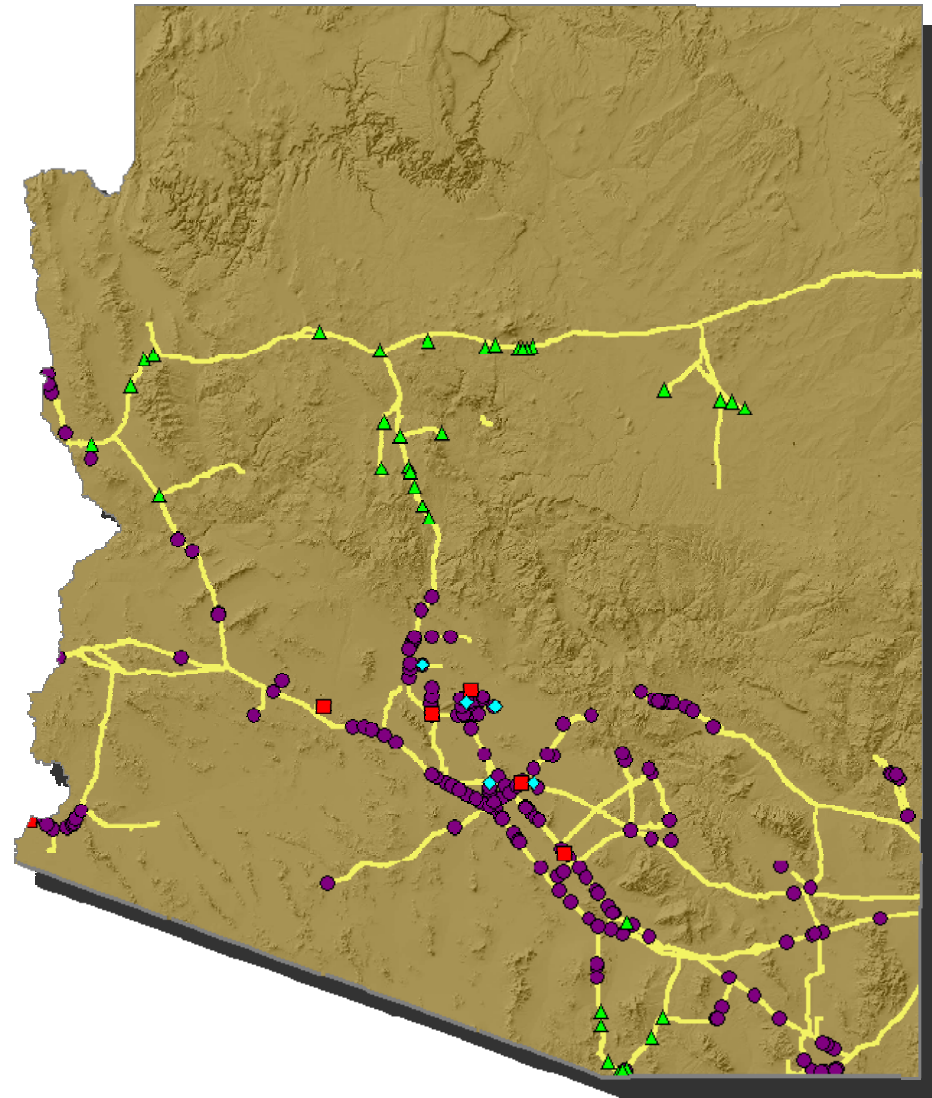
Supply Locations and Flow Direction



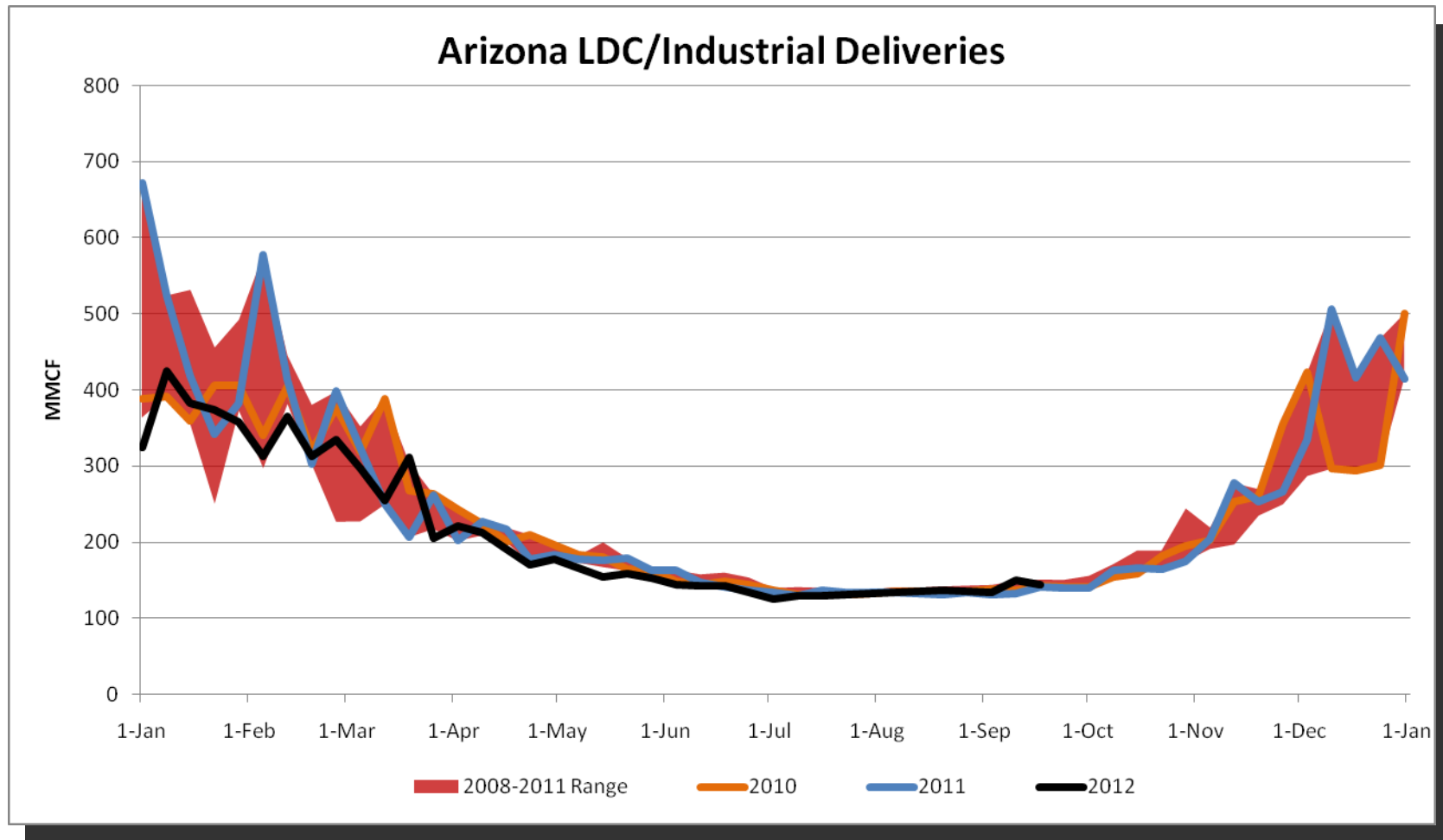
EPNG System Overview

Arizona Delivery Locations

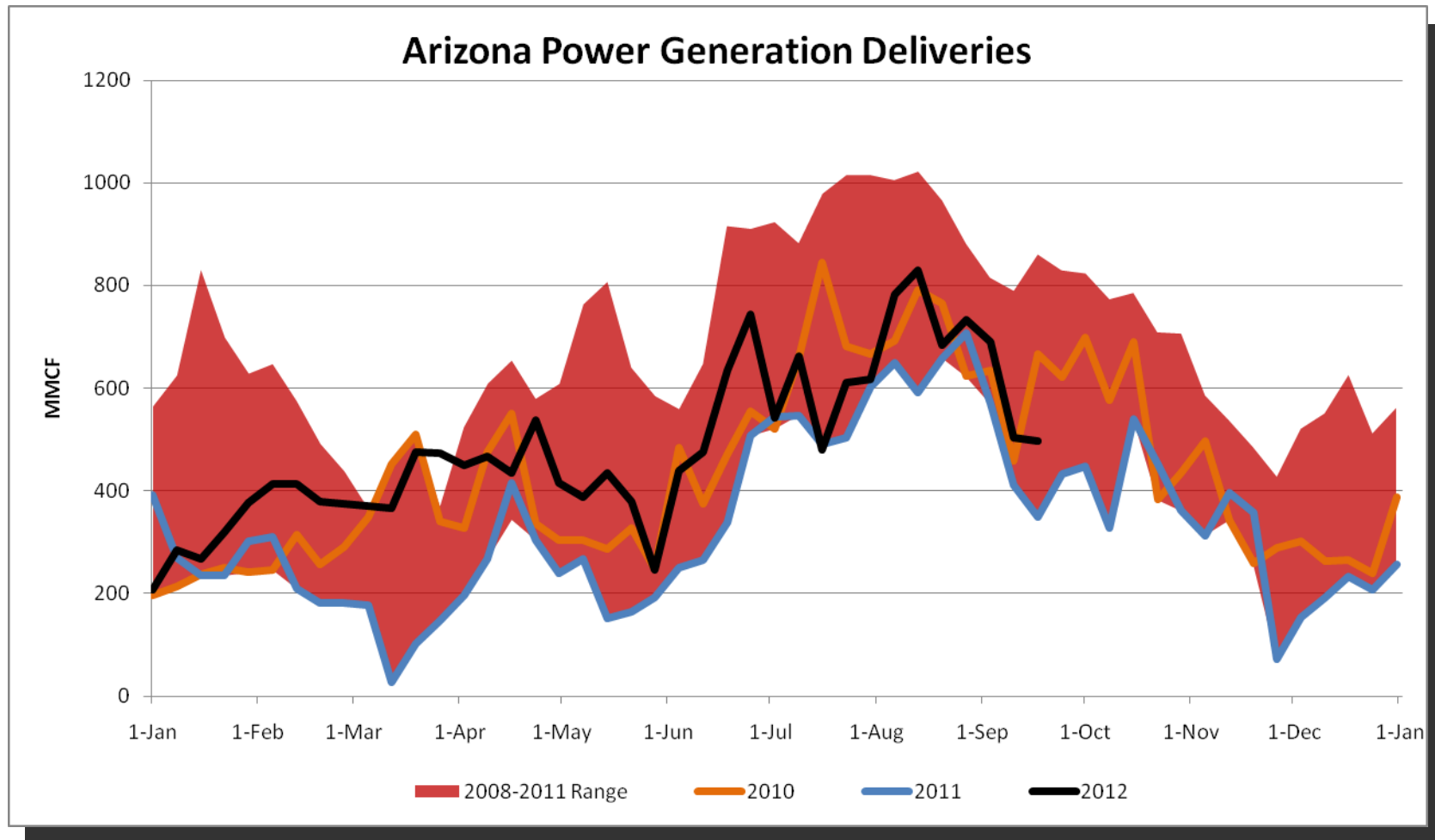
Delivery Meters		
222	Southwest Gas	●
40	UNS	▲
11	APS	■
8	SRP	◆
66	All Others	
347	TOTAL	



EPNG Throughput Arizona LDC/Industrial



EPNG Throughput Arizona Power Generation



Mock Emergency Exercise – April 10, 2012

● Purpose

- Promote cross-industry understanding and assess communication improvements
- Provide opportunity for customers to assess their response to strained or critical pipeline conditions.

● Cross-industry participation balanced among natural gas utilities, electric generators, producers, midstream, pipelines

- Included TW, SWG, APS, UNS, TEP, SRP and City of Mesa

● Key Takeaways

- During critical conditions, it is important to have developed solutions in advance because creativity and likelihood of success are better. Parties need to work together because one party cannot solve a system-wide issue.
- There is not one solution. Communication and sharing information early is critical to help figure out quick and effective actions.
- As a delivery operator, it's important to prioritize demand and put all options on the table for effective demand side management when supply is limited.

Interdependency and Communication

Cross-Industry Outreach Efforts



- Desert Southwest Training Advisory Committee (DSTAC)
- Rocky Mountain Training Advisory Committee (RMTAC)
- Western Energy Institute (WEI) Spring Operations Conference
- Western Electricity Coordinating Council (WECC)

Winter Preparedness Plans

● Staffing

- Gas Control is 24 x 7 x 365
- Field technicians are on-site or on-call
- Customer Winter Preparedness Meeting – October 17, 2012
- Customer-specific winter preparedness meetings or communications

● Facility preparation

- Facility inspections with focus on weatherproofing
- Assessment of back-up power needs (existing stand-by generation and rental generators as required)
- Prepare vehicles for cold weather