



FISCAL 2020

# Changing Gears

*PROGRESS DURING A PANDEMIC*

## OUR MISSION

York County Natural Gas Authority provides safe, reliable and affordable energy solutions to York and portions of Cherokee Counties, in accordance with our enabling legislation, through continuous investment in infrastructure, employees, and the community for the benefit of our customers.



## GROWTH

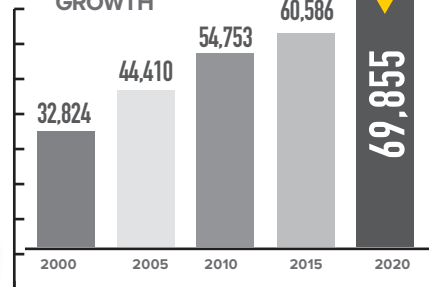
Meet the demands of our growing area and customers' needs while maximizing partnerships and opportunities

## CUSTOMER GROWTH

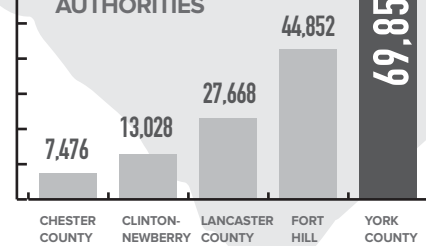
### CUSTOMERS BILLED & YEARLY GROWTH

August 2020	69,855	2.4% increase
August 2019	68,242	3.2% increase
August 2018	66,114	2.4% increase

### YCNGA HISTORICAL GROWTH



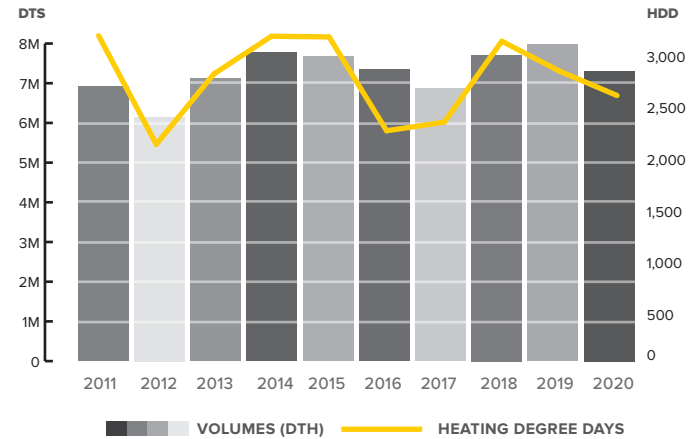
### SOUTH CAROLINA NATURAL GAS AUTHORITIES



### UNITED STATES PUBLIC GAS SYSTEMS

	CUSTOMERS
1. Philadelphia Gas Works, PA	508,378
3. Memphis Light, Gas & Water, TN	289,593
5. Metropolitan Utilities District, NE	231,088
7. Long Beach Gas & Oil, CA	148,240
9. Knoxville Utilities Board, TN	103,399
10. City Utilities of Springfield, MO	83,892
11. York County Natural Gas Authority, SC	69,855
12. Middle Tennessee Natural Gas, TN	64,470

### ANNUAL THROUGHPUT (DTH) COMPARED TO HEATING DEGREE DAYS (HDD)



### TOP 10 RECORD MONTHLY THROUGHPUT (DTH)

Jan 2018	1,494,141
Jan 2014	1,362,548
Jan 2016	1,348,412
Jan 2019	1,303,746
Jan 2015	1,285,982
Dec 2010	1,280,002
Jan 2010	1,263,620
Dec 2018	1,205,520
Feb 2015	1,187,162
Jan 2020	1,153,832

### EXCAVATION DAMAGES ON YCNGA MAINS & SERVICES

YEAR	MAIN	SERVICE	TOTAL	TICKETS	DAMAGES PER 1K TICKETS
2020*	23	144	167	37,530	4.45
2019	35	161	260	46,385	5.61
2018	43	263	306	51,506	5.94
2017	44	265	309	49,942	6.19
2016	50	298	348	47,044	7.40

(\*) AS OF NOVEMBER 1, 2020

### SERVICE LINES INSTALLED

2020  
1,618

2019  
2,121

2018  
1,991

2017  
1,909

2016  
1,862

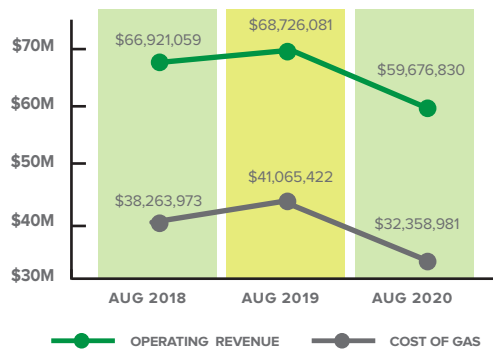
SERVICE LINES INSTALLED  
1618  
FY2020



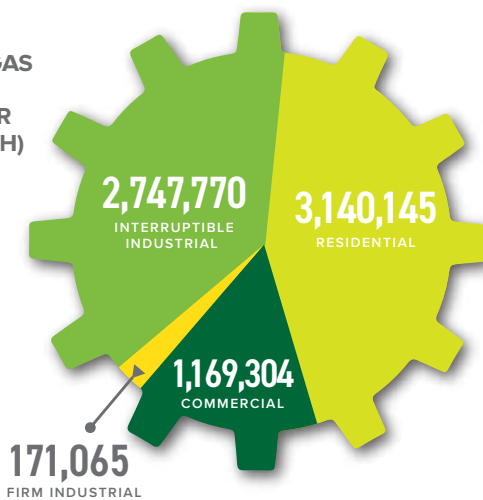
## FINANCIAL

Achieve financial results to fully fund operation and maintenance expenses, renewal and expansion expenses, and maintain sufficient cash reserves while providing reasonable rates for customers

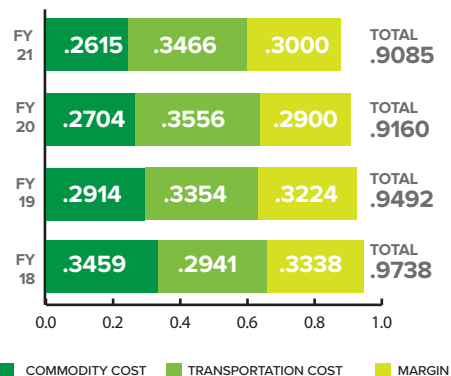
### OPERATING REVENUE VS COST OF GAS



### ANNUAL GAS SALES BY CUSTOMER CLASS (DTH)



### PREFERRED RESIDENTIAL RATE 10



### AUTHORITY VS AUTHORITY

#### Comparing Coordinates

	York County Natural Gas Authority	South Carolina Gas Authority
Customers	67,208	43,691
Total Revenues (millions)	\$68.7	\$51.0
Sales (Bcf)	7.7	5.7
Expense/Employee (thousands)	\$106	\$183
Expense/Dth	\$1.44	\$2.77
Monthly Expense/Customer	\$13.76	\$30.14
Customers/Employee	646	508
Customers/Mile of Main	38	23
Total Assets/Customer	\$3,047	\$2,567

(\*) KHA RATIO ANALYSIS 2019



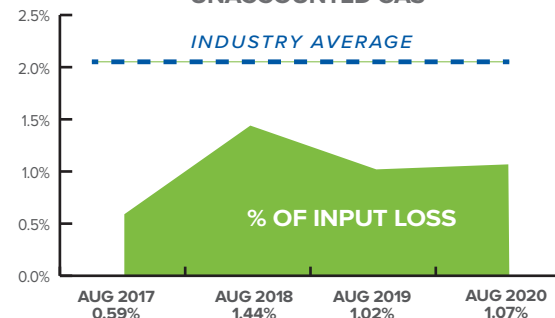
### SOUTH CAROLINA RATE COMPARISON



FORT HILL NGA	\$ .870
CLINTON-NEWBERRY NGA	\$ .900
CITY OF ORANGEBURG	\$ .903
YORK COUNTY NGA	\$ .908
GREER CPW	\$ .960
FOUNTAIN INN	\$ .970
LANCASTER COUNTY NGA	\$ .990
CHESTER COUNTY NGA	\$ 1.046
SCE&G (DOMINION)	\$ 1.172

(\*) AS OF OCTOBER 2020

### UNACCOUNTED GAS





## SAFETY

Strive to  
be an industry  
leader in safety

### IN-HOUSE SAFETY TRAINING:

- Gas Detector Use and Maintenance
- Self-Contained Breathing Apparatus Use
- Fire Safety
- National Safety Council Defensive Driver Training (for all company drivers)
- Hazard Communications
- Hazard Recognition
- Damage Prevention

SAFETY-RELATED TRAINING HOURS  
**25+**  
FY2020



**HOSTED:**  
Pipeline Safety Regulations Course for Carolinas Public Gas Association (CPGA)

**PRESENTED:**  
Emergency Response Protocols to SC Office of Regulatory Staff (ORS)



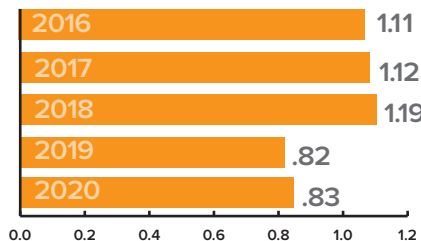
### REGULATORY INSPECTIONS

- 1 Drug and Alcohol Program Inspection - SC ORS (Oct 2019)
- 2 Eden Terrace Propane Air Plant Annual Inspection - SC ORS (Dec 2019)
- 3 Insurance Risk Audit - AIG Insurance - (Dec 2019)
- 4 PEG Transmission Comprehensive Inspection - SC ORS (Jan 2020)

**4**

### EXPERIENCE MODIFIER BY YEAR

Experience Modification Rate (EMR) is a number used by insurance companies to gauge both past cost of injuries and future chances of risk. EMRs commonly range between .75 and 1.25 based on a business' claims history.



### STAKEHOLDER SURVEY RESPONSES

	2020	2019
• October Online Safety	3,700	3,409
• 811 Day Online	350	326
• April Safe Digging Month Quiz	3,205	1,753



## EMERGENCY MANAGEMENT/RESPONSE

- Pipeline Emergency Response Training Seminars for public sector responders held in Rock Hill, Fort Mill, Tega Cay, Lancaster, Chester and Blacksburg
- SCPERI Training for York County Responders
- 2020 PEG Enhanced Tabletop Exercise

EMERGENCY MANAGEMENT RESPONSE MEETINGS  
**6**



### PIPELINE SAFETY INSPECTIONS

- Pipelines monitored 24/7/365
- Aerial and ground patrols
- Internal pipeline inspections
- Corrosion controls
- Leak surveys - conducted over 22,000 leak surveys & meter inspections

OVER  
**13k**  
LEAK INSPECTIONS



Created leak survey notification program sent to 14,000 customers

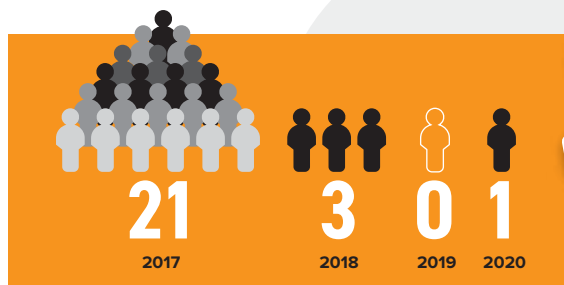


Aerial inspection of right-of-way

METER INSPECTIONS  
**8,920**  
ATMOSPHERIC CORROSION PROGRAM



### LOST WORK DAYS DUE TO INJURY



Safe, economical,  
and reliable  
natural gas supply  
is critical to our  
local community  
and to our nation.

Even during a  
pandemic we have  
continued our  
mission to invest in  
infrastructure and  
expand service for  
the benefit of our  
customers.

## CAPITAL EXPENDITURES BY REGION

### BLACKSBURG

**Blacksburg Renewal**  
INTEGRITY MANAGEMENT  
Project Investment: \$513,538

**I-85 State Widening Project**  
GOVERNMENT RELOCATION  
Project Investment: \$49,647

Cherokee  
County

Kings  
Mountain  
State Park

### CLOVER/ LAKE WYLIE

**Lawrence Road - Hwy 161**  
SYSTEM IMPROVEMENT  
Project Investment: \$368,173

**Elizabeth Avenue Renewal**  
INTEGRITY MANAGEMENT  
Project Investment: \$61,623

Clover

### FORT MILL

**Fort Mill District Tie-ins**  
SYSTEM IMPROVEMENT  
Project Investment: \$454,512

**Massey Subdivision**  
REVENUE GENERATING  
Project Investment:  
\$21,209

Fort  
Mill

### ROCK HILL

**York Highway Main Reconnect**  
GOVERNMENT RELOCATION  
Project Investment: \$299,797

**Greenbriar Subdivision Renewal**  
INTEGRITY MANAGEMENT  
Project Investment: \$25,546

**Strait Road Tie-in**  
SYSTEM IMPROVEMENT  
Project Investment: \$315,444

Current Distribution Area  
coverage is generally available in this area

### SERVICE LINES INSTALLED

Blacksburg	8
Clover	458
York	121
Rock Hill	250
Fort Mill/Tega Cay	776
Other* <i>Catawba, McConnells, Hickory Grove and Smyrna</i>	5

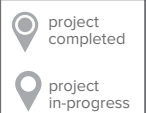
TOTAL INVESTMENT  
**\$10,306,458**

**\$1,213,004**  
M&R

**\$2,629,080**  
PLANNED  
CAP EX

**\$3,481,161**  
UNPLANNED  
CAP EX

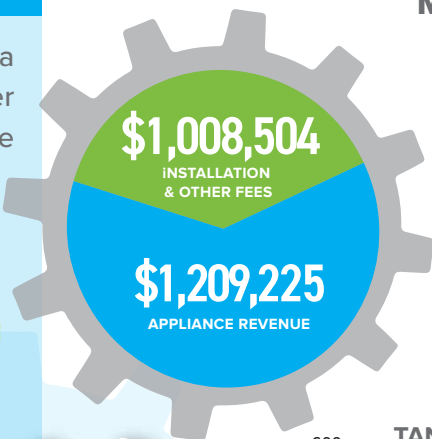
**\$2,983,213**  
SERVICE LINES



## CUSTOMER SERVICE

Provide a premier customer experience

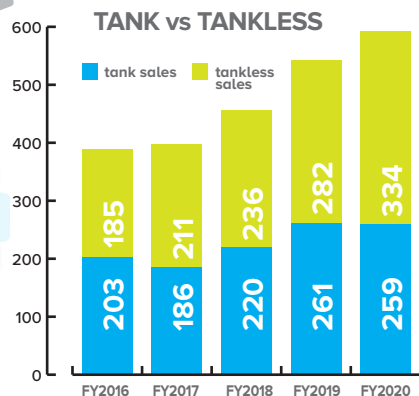
MONTHLY RECORD  
SALES CONTRACTS  
**\$380k**  
JUNE 2020



## MARKETING & SALES

APPLIANCE  
SALES &  
SERVICE

**\$2,217,729**  
TOTAL REVENUE



## ANALYTICS

**TANKLESS  
WATER HEATERS**  
TOP APPLIANCE LANDING PAGE:

**310**  
ONLINE QUOTES

## Business Development

- Hired new Residential Representative
- Installed 80 new commercial lines
- Completed large projects including:
  - New service line for Honeywell Safety Products
  - Installation of new secondary feed for Cel-River Industrial customers
  - Relocation of service line for York Technical College
  - New service lines for Carowinds

**OUTDOOR LIVING**

**Legal Remedy Cantina**  
Installed custom 120" linear fire table showpiece

## CUSTOMER SERVICE



## WEBSITE ANALYTICS

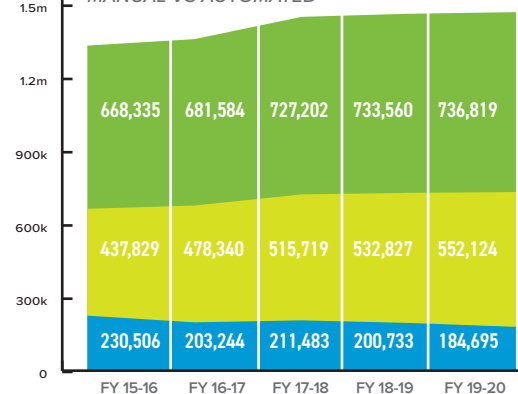
AVERAGE VISITS  
**16,423**  
PER MONTH

## TOP 5 LANDING PAGES:

- residential
- start-stop-change service
- shop appliances
- contact us
- PNGW2019 Safety Survey

## CUSTOMER PAYMENTS

MANUAL VS AUTOMATED



MANUAL: agents, direct, mail  
AUTOMATED: IVR, draft, online, mobile  
COMBINED TOTAL

## TOP 5 CUSTOMERS based on DTH sales

- New-Indy Catawba 1,809,727
- Fomas 157,207
- Nation Ford Chemical 125,126
- Winthrop University 117,276
- Solvay 103,525

## CUSTOMER COMMUNICATIONS



Bi-Annual Newsletters



Bi-Monthly Emails



Super-friendly and helpful!  
Got our gas turned on within a few hours of approved application.  
Thanks! -- Smokehouse

★★★★★



Website



Direct Mail

4-OUT-OF-5 STAR RATING  
**4**  
GOOGLE

Social Media



2,080 FOLLOWERS



916 FOLLOWERS



331 FOLLOWERS



NEW TO NEXTDOOR



96 REVIEWS



## STAKEHOLDERS

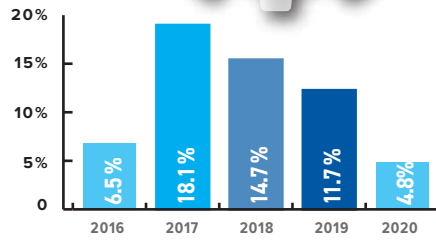
Create, empower and equip all stakeholders to be champions for YCNGA



"WFH" Working From Home



### EMPLOYEE TURNOVER



Hired new HR Director, Laura Smoak



## WORKING DURING A PANDEMIC

- Provided office employees with resources necessary to work from home
- Continued operations at 50% capacity in office vs home
- Lobby open by appointment
- Field employees operating individually vs groups when possible
- COVID screenings of customers prior to dispatching employees
- Proper PPE provided to field employees (KN95 masks, gloves, wipes, hand sanitizer)
- Empowered field employees to decline entering homes, unless emergency
- Training meetings split into multiple small-group sessions with social distancing



SMALL GROUP TRAININGS

## COMMUNITY RELATIONS



STEAM Festival



Winthrop Basketball Game



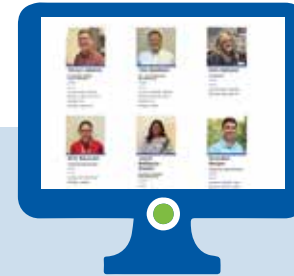
Come-See-Me Festival and all spring/summer events cancelled due to COVID-19



CAREER CONNECT  
York Technical College



MIRACLE PARK  
ROCK HILL, SC



## EMPLOYEE RELATIONS



EDNA now stores company documents for accessibility and shared communications, as well as an employee dashboard with contact information and photos.



Hallo-Team



School supplies for Back-2-School Block Party



Souper Bowl - 242lbs food + \$154 donation to H.O.P.E. of Rock Hill



Art Studio Night



Festive Christmas Sweater Day



## GAS CONTROL

- Developed *new purchase screens* for PEG and each Gas Authority
- Installed e-logger for day-to-day operations

## VAN WYCK

Completed 4.4 miles of construction in the Van Wyck area of Lancaster County. Installed this 12" line at no additional annual debt service cost to PEG members.

## NEWSLETTERS

Fall 2019 and Winter 2020



## TRANSMISSION PURCHASE

Made offer to purchase 15 miles of 3" transmission from Dominion Energy Carolina Gas Transmission (DECGT), running from York County to Chester County. Offer tentatively accepted, but currently pending merger. (see below)



## INDUSTRY NEWS

- Dominion Energy Carolina Gas Transmission and other Dominion assets sold to Berkshire Hathaway
- Atlantic Coast Pipeline project cancelled due to legal uncertainty



APRIL 2020

## PEG 2-DAY WORKSHOP

Held virtual workshop with PEG Executive Committee and PEG Operations Group.

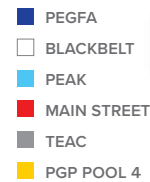
AUGUST 2020

## 2020 TABLE TOP MOCK EMERGENCY DRILL

Initially planned to be full scale drill but changed to tabletop exercise due to pandemic.

## YCNGA PREPAY GAS SAVINGS

FY2020

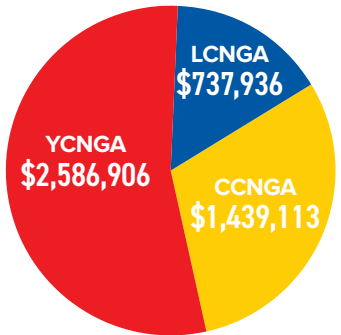


TOTAL SAVINGS

**\$2,586,906**

## TOTAL PREPAY GAS SAVINGS TO PEG MEMBERS

FY2020



TOTAL SAVINGS

**\$4,753,955**

## OTHER REFUNDS & SAVINGS

**Oct 2019** Public Gas Partners (PGP) Pool #4 Refunds – **\$138,876**

**Nov 2019** Williams Transco acceptance for turnback of PEG capacity to be moved from zone 1 to zone 3 – **\$492,000**

**Jan 2020** Adjustment to dept service provided discount to members through refinancing – **\$212,090**

**Feb 2020** PEGFA's initial return to lower PGP assessments – PEG **\$295,871**

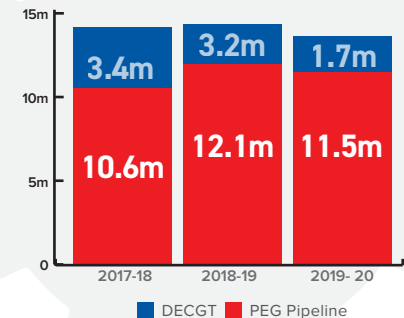
**June 2020** Transco refund from rate case and lower rates moving forward – **\$2,219,110**

Advance prepayment transaction between BP and PEG creating **\$183,608** discount for PEG members

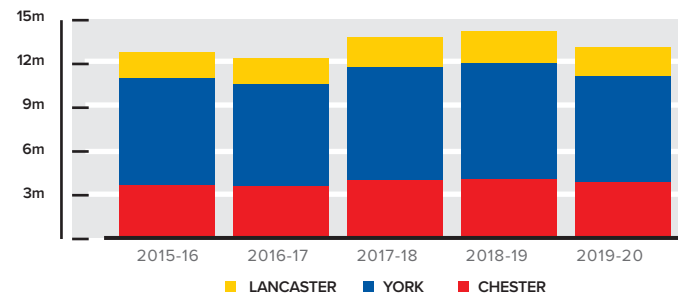
**July 2020** Public Energy Authority of Kentucky (PEAK) change in rate stabilization fund to annual return – est **\$24,910**

**Aug 2020** Unaccounted for gas reduced in 12-month period ending August 2020 – **\$189,105**

## TOTAL PEG THROUGHPUT IN DEKATHERMS



## PEG TOTAL SALES IN DEKATHERMS



Joint Action Agency created for the purpose of enabling members to acquire long-term natural gas supplies to achieve lower costs in the competitive natural gas market. Members include: York, Chester and Lancaster Natural Gas Authorities.





## STEPHENSON ADMINISTRATION CENTER

The new administrative offices and state-of-the-art natural gas appliance showroom is projected to be completed in the spring of 2021.



*Sunlight and rain poured into the Stephenson Administration Center as Leitner Construction took the building down to its brick foundation.*