



York County
Natural Gas
AUTHORITY

2024
ANNUAL REPORT



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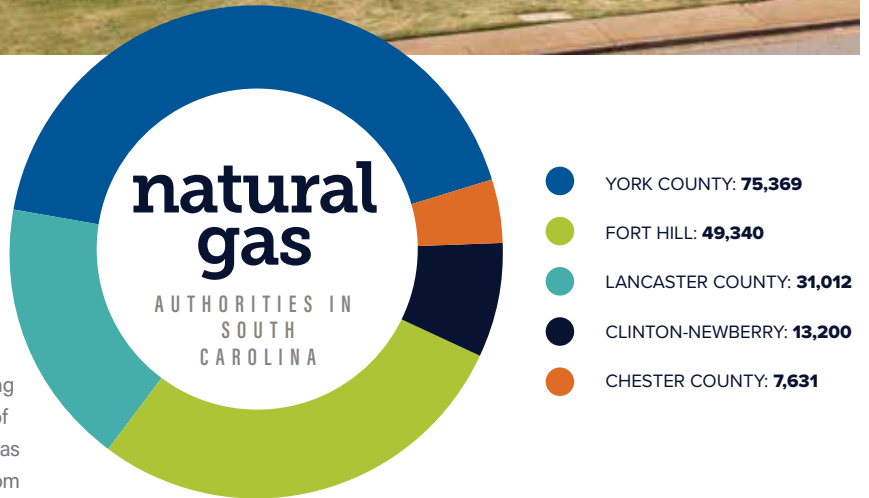


OUR BUSINESS

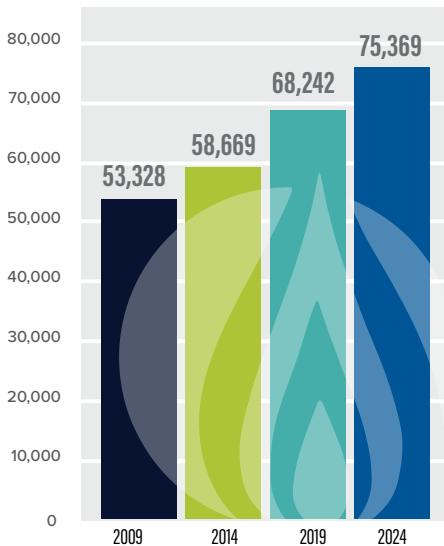
THE AUTHORITY

York County Natural Gas Authority is the largest public natural gas distribution system in the state and the 12th largest in the nation based on number of customers. Established in 1954 as a political subdivision of the State of South Carolina, the Authority's service territory includes York County and northeastern Cherokee County.

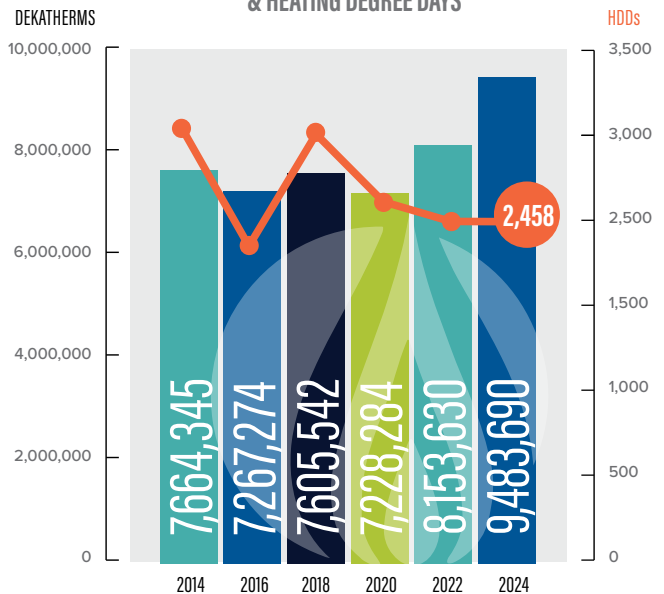
The Authority is governed by a ten-member Board of Directors representing York County (3), the City of Rock Hill (3), the Town of Fort Mill (1), the City of Tega Cay (1), the City of York (1) and the Town of Clover (1). The Authority has no taxing jurisdiction and operates solely based on revenues generated from the sale of natural gas. Despite the economic challenges of system expansion, the Authority continues to provide stable consumer rates.



**HISTORICAL GROWTH
(CUSTOMER COUNT)**



**ANNUAL THROUGHPUT
& HEATING DEGREE DAYS**



PRESIDENT & CHAIRMAN'S MESSAGE



James "Jimmy" Sprouse, Jr.
President and CEO
York County Natural Gas Authority

Fiscal Year 2024 has been a year of remarkable achievements for York County Natural Gas Authority. As we reflect on our progress, I am proud to highlight the strides we have made in safety, reliability, affordability, and innovation — core principles that define our mission of providing energy solutions to York County and the Town of Blacksburg.

This year, our work earned recognition through several prestigious awards, including the American Public Gas Association's (APGA) Safety Contest Award for our outstanding safety record, the Marketing & Communications Silver Award for our Gas Gourmet Culinary Workshop, and the J. Hardie Johnston Service Award recognizing Glen Boatwright for his contributions to our industry. These honors underscore our unwavering commitment to excellence and our employees' dedication to empowering the Authority to be a leader in safety and customer satisfaction.

“ The completion of the Patriots Energy Group Compressor Station and the Transco Carolina Market Link pipeline project were pivotal achievements, ensuring we can meet the growing energy demands of our service area. ”

The completion of the Patriots Energy Group Compressor Station and the Transco Carolina Market Link pipeline project were pivotal achievements, ensuring we can meet the growing energy demands of our service area. In addition, strategic initiatives like the Goldman Sachs and Royal Bank of Canada (RBC) prepay gas supply deals not only secured substantial savings and revenue but also strengthened our ability to deliver affordable energy solutions to our customers.

People are at the heart of everything we do, and we remain committed to empowering our employees through investments in training, development, and engagement. The launch of Natural Gas University, a new online learning platform, and our formalized succession planning efforts are forward-looking initiatives designed to prepare our workforce for the future. We also fostered a culture of safety and community with programs like the "Safety Olympics" and ongoing monthly engagement events for employees and their families.

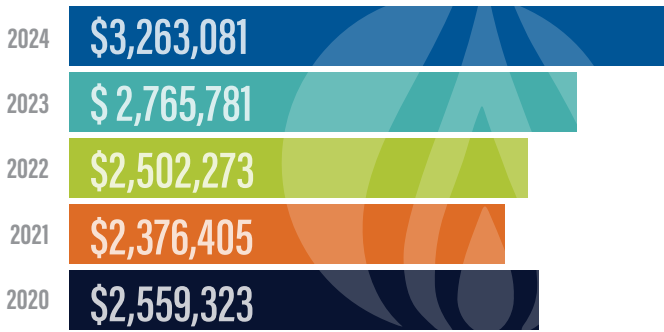
“ Together, we are fueling progress, driving innovation, and ensuring a sustainable future for our region. ”



March Safety Olympics
2024 Challenge Winners

“ The launch of Natural Gas University, a new online learning platform, and our formalized succession planning are forward-looking initiatives designed to prepare our workforce for the future. ”

ANNUAL PREPAY GAS SAVINGS



“The Carolina Gas Transmission rate case presented a significant hurdle, but our proactive negotiations resulted in a settlement that minimized the rate increase, demonstrating our commitment to protecting the affordability of our service.”

While we celebrated these achievements, we also confronted challenges with determination. The Carolina Gas Transmission rate case presented a significant hurdle, but our proactive negotiations resulted in a settlement that minimized the rate increase, demonstrating our commitment to protecting the affordability of our service.

Our commitment to the community continues to grow, guided by our mission to invest in the people and places we serve.

We revised our Feel-The-Heat Program to better assist those in need and initiated a Community Investment Initiative that supports workforce development and drives economic growth across York and Cherokee Counties. By building partnerships and embracing technology, we are creating a brighter future for our customers and communities alike.

Thank you to our employees, customers, partners, and community leaders for your trust and collaboration. Together, we are fueling progress, driving innovation, and ensuring a sustainable future for our region. Guided by our mission and vision, we look forward to building on this year's momentum and capitalizing on every opportunity to lead the way in safety, reliability, and customer satisfaction.

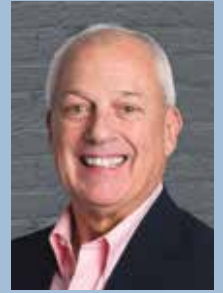
James T. Sprouse Jr.
President & CEO
York County Natural Gas Authority

M. Brian Hall, III
Chairman
York County Natural Gas Authority Board of Directors

YORK COUNTY NATURAL GAS AUTHORITY
BOARD OF DIRECTORS | 2023-24



M. Brian Hall, III
CHAIRMAN
Town of Clover



G. Stevens Moore, Jr.
VICE CHAIRMAN
City of Rock Hill



R. Grier Sandifer, Jr.
TREASURER
City of York



Elizabeth S. Owen
SECRETARY
City of Rock Hill



R. Marc Howie
Town of Fort Mill



Thomas Goebel
City of Tega Cay



Joel Wood
York County



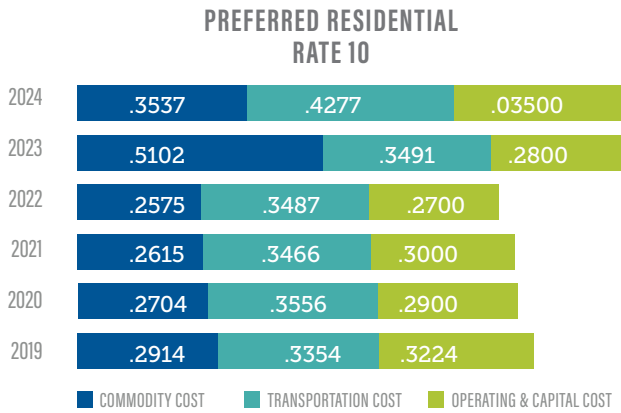
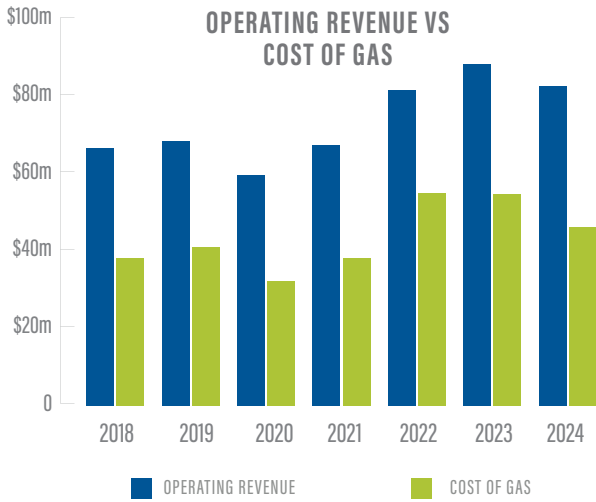
William J. Hagner
York County



April Simpkins
York County

Richard Heckerd, *City of Rock Hill - not pictured*

FINANCIALS



FY24 Residential Rate 10
\$1.13/therm



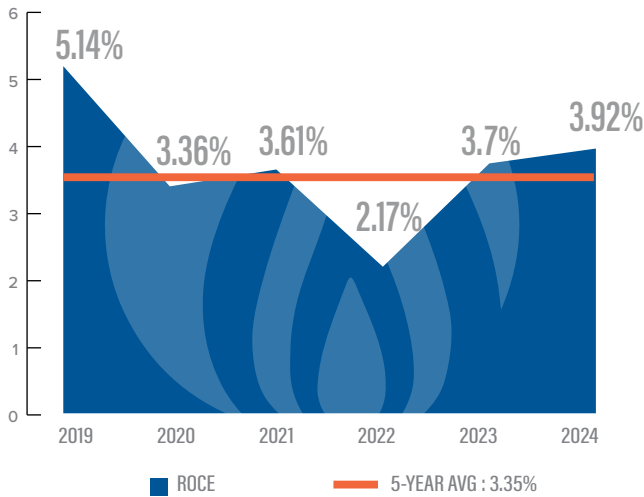
Jeff Deason named finalist for Charlotte Business Journal's CFO of the Year in July

STATEMENT OF NET POSITION

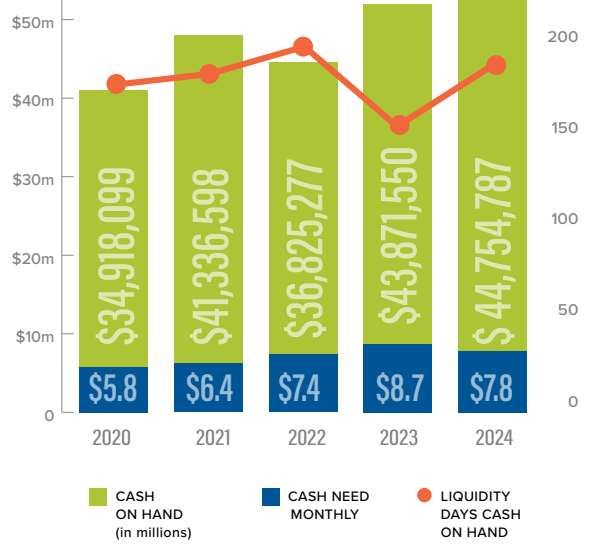
ASSETS

	<u>2024</u>	<u>2023</u>
Utility Plant		
Gas Plant in Service	\$ 331,237,663	\$ 350,803,301
Accumulated Depreciation	(133,955,659)	(126,927,217)
	<u>197,282,004</u>	<u>223,876,084</u>
Other Property and Investments		
Prepaid Pension Costs	3,521,239	1,598,032
Other	897,100	897,100
	<u>4,418,339</u>	<u>2,495,132</u>
Current Assets		
Cash & Cash Equivalents	13,914,783	12,040,064
Investments - Operating & Maintenance	9,442,162	10,678,273
Investments - Renewal & Extension	10,839,074	8,888,154
Investments - Series 2017 Bond Proceeds	1,079,231	1,079,231
Investments - Series 2022 Bond Proceeds	8,551,680	8,241,888
Investments - Capital Reserve Fund	927,857	2,943,939
Accounts Receivable (net)	3,440,137	4,404,327
Accrued Interest	6,482	2,329
Inventories	5,055,725	4,074,126
Prepaid Expenses	297,652	322,893
	<u>53,554,783</u>	<u>52,675,224</u>
Deferred Charges		
Intangibles, Net of Amortization	8,424,181	8,666,740
Deferred Outflows		
Deferred Outflows Related to Pension	6,488,576	5,564,637
	<u>\$ 270,167,883</u>	<u>\$ 293,277,817</u>
Liabilities and Net Assets		
Long-Term Liabilities		
Bonds Payable	\$ 11,511,000	\$ 13,582,000
Post Retirement Benefit Obligation	4,008,104	2,960,667
Deferred Compensation	3,521,239	1,598,032
	<u>19,040,343</u>	<u>18,140,699</u>
Current Liabilities		
Current Portion of Long-Term Debt	2,071,000	1,911,000
Accounts Payable	3,456,654	3,907,337
Accrued Expenses	985,533	40,793,122
Deferred Compensation	350,000	350,000
Purchase Deposit	14,499	-
Customer Deposits	2,228,227	2,165,775
	<u>9,105,913</u>	<u>49,127,234</u>
Deferred Inflows		
Deferred Inflows Related to Regulatory Liability - Cost Recoverable	3,178,448	-
Deferred Inflows Related to Pension	19,747	23,425
	<u>3,198,195</u>	<u>23,425</u>
Retained Earnings		
Invested in Capital Assets, Net of Related Debt	183,700,004	208,383,084
Restricted	-	3,206,394
Unrestricted	55,123,428	14,396,981
	<u>238,823,432</u>	<u>225,986,459</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, & NET POSITION	<u>\$ 270,167,883</u>	<u>\$ 293,277,817</u>

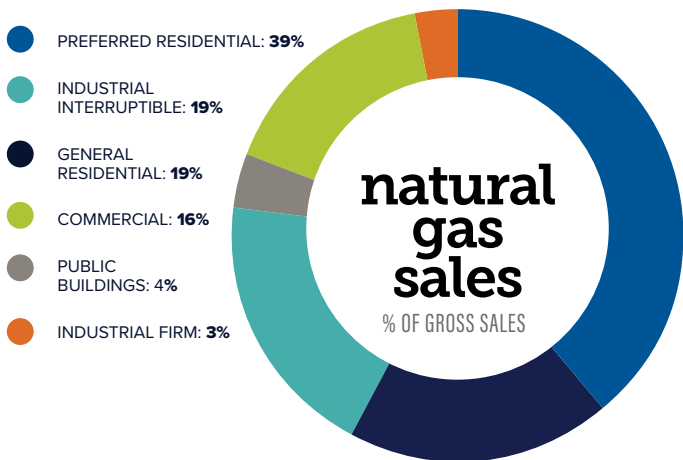
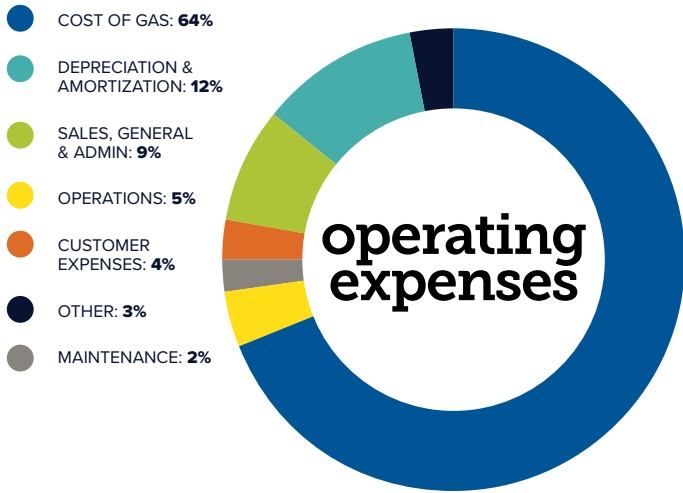
RETURN ON CAPITAL EMPLOYED (ROCE)



CASH & LIQUIDITY POSITIONS



STATEMENT OF REVENUE, EXPENSES, & CHANGES IN NET POSITION



	2024	2023
OPERATING REVENUE	\$ 82,893,396	\$ 88,524,275
Operating Expenses		
Cost of Gas	46,294,986	54,986,805
Operations	3,804,565	3,555,168
Maintenance	1,743,543	1,544,970
Customer Expenses	2,726,926	2,390,776
Sales, General, and Administration	6,399,530	6,078,089
Depreciation & Amortization	8,608,825	8,383,075
Other	3,148,791	2,567,322
	<u>72,727,166</u>	<u>79,506,205</u>
Operating Income Before Interest Expense	10,166,230	9,018,070
Interest Expense	414,162	418,281
OPERATING INCOME	<u>9,752,068</u>	<u>8,599,789</u>
Non-Operating Income (Expense)		
Interest	903,123	566,545
Appliance Program	284,601	589,600
Other	1,897,181	1,705,285
	<u>3,084,905</u>	<u>3,861,430</u>
NET INCOME	<u>\$ 12,836,973</u>	<u>\$ 11,461,219</u>
Capital Improvements		
System Expansion	\$ 10,093,203	\$ 10,437,607
Vehicles	468,563	73,879
Furniture, Fixtures, and Equipment	479,147	419,708
Land and Buildings	154,618	293,701
Construction in Progress - increase/(decrease)	(30,761,170)	33,430,130
	<u>(19,565,639)</u>	<u>44,655,025</u>
NET CAPITAL IMPROVEMENTS	<u>\$ (19,565,639)</u>	<u>\$ 44,655,025</u>

OPERATIONS



METER READING KEY NUMBERS

76,120
average meter readings / month

685,080
total FY24

794
Annual Zero Consumption work orders

STATION INSPECTION & MAINTENANCE KEY NUMBERS

61
work orders for Regulator & Relief inspections

48
work orders for Main Line Valve inspections (MLV)

97
Farm Tap Inspections

STATION SUPPORT

Operations team members are critical to the maintenance of all new and existing stations, including blow downs, purging high pressure lines, and managing system modifications.

FY24 YCNGA STATION SUPPORT

- Coltharp high pressure line modification
- New station to support Porter Rd asphalt plant
- Springfield station Over Pressure Protection (OPP) upgrade
- New Springfield #2 regulator station to support growth in Fort Mill & Tega Cay
- Transco & Compressor Station Interconnect upgrade to double available capacity

FY24 COMPRESSOR STATION SUPPORT

In the Compressor Station's first year of operation, the team developed, executed, and documented standard operating procedures (SOP) for the ongoing maintenance of the station:

- Monthly and Annual Fire Extinguisher Inspections
- Annual Emergency Shut Down (ESD) and Station Shut Down (SSD) inspections
- Monthly Flammable Materials Inspection
- Annual Gas Detector Testing
- Annual Regulator and Relief Inspections
- SOP: Station Start Up and Shut Down
- SOP: Isolation and Purging
- SOP: Lock Out Tag Out (LOTO)



Gas Control Command Center

STATION INSPECTIONS & MAINTENANCE

- Monthly 32-point odorant checks (384 points checked annually)
- Bi-Monthly testing of 17 Ultrasonic Meters (102 tests annually)
- Quarterly check of 11 Remote Control Valves (RCV) in partnership with Gas Control (44 checks annually)
- 61 work orders for Regulator & Relief inspections
- 48 work orders for Main Line Valve inspections (MLV)
- 97 Farm Tap inspections
- Responsible for 563 Electrical & Instrumentation (E&I) components controlling critical reporting to the Supervisory Control and Data Acquisition (SCADA) system

REGULATORY COMPLIANCE & SAFETY



Safety is always the Authority's top priority. These efforts play a critical role in protecting employees, customers, and the community by ensuring compliance with safety regulations and promoting a culture of vigilance. The Safety team leads the implementation of safety programs, conducts regular training, develops emergency response planning, and addresses potential risks with proactive solutions. By fostering awareness and adhering to rigorous standards, the Authority's safety efforts emphasize a commitment to reliability and the well-being of those it serves.



Mock Emergency Drill, September 2023

SAFETY TRAINING

500 HOURS OF IN-PERSON EMPLOYEE SAFETY TRAINING

1,315 HOURS OF ONLINE EMPLOYEE TRAINING - FIRST TIME PASS RATE : **95%**

25 HOURS OF OUTREACH PIPELINE SAFETY & DAMAGE PREVENTION TRAINING TO FIRST RESPONDERS & CONSTRUCTION CONTRACTORS

NOTABLE SAFETY TRAININGS:

- PATRIOTS ENERGY GROUP MOCK EMERGENCY DRILL
- AERIAL & ROUGH TERRAIN LIFT TRAINING
- EXCAVATION COMPETENT PERSON TRAINING
- WORK ZONE TECHNICIAN TRAINING
- CPR/FIRST AID/AED TRAINING
- YOUTH MENTAL HEALTH FIRST AID TRAINING
- FLAGGER TRAINING
- INCIDENT COMMAND SYSTEMS - EMERGENCY RESPONSE (ICS-ER) TRAINING
- SELF CONTAINED BREATHING APPARATUS (SCBA) & TURNOUT GEAR TRAINING
- DAMAGE PREVENTION TRAINING WITH FIBER CONTRACTORS
- MONTHLY COMPANY-WIDE SAFETY MEETINGS

NOTABLE ACHIEVEMENTS:

APGA AWARDS

SAFETY CONTEST WINNER
(70,001+ Man hours)

J. HARDIE JOHNSTON SERVICE AWARD
(Glen Boatwright)



EXCAVATION STATS DAMAGES ON MAINS & SERVICES

YEAR	MAIN	SERVICE	TOTAL	TICKETS
2024	50	225	275	61,086 *
2023	24	160	184	45,446
2022	38	192	231	50,549
2021	42	164	206	49,978
2020	25	170	195	46,872
2019	35	161	260	46,385

* CALENDAR YEAR AS OF 11/30/24

Excavation Damages
per 1,000 Tickets
Damages/1000 tickets: **4.5**

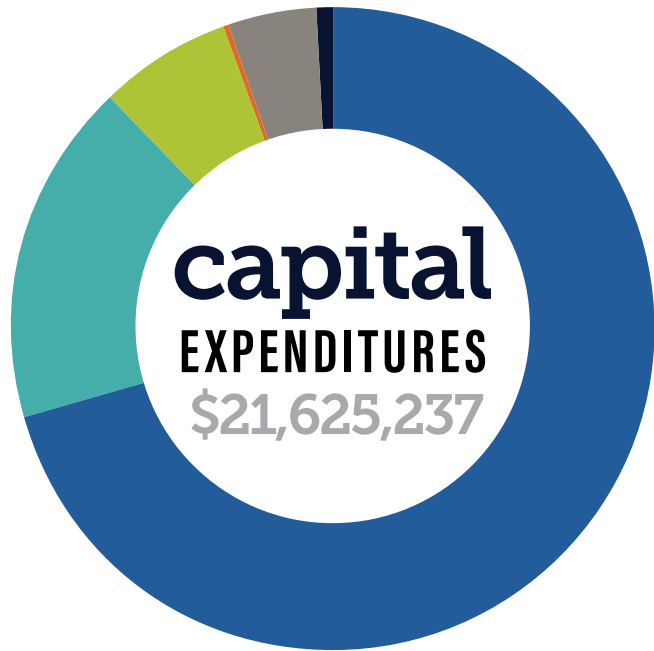
CAPITAL EXPENDITURES BY REGION

CLOVER

SYSTEM IMPROVEMENT & STRENGTHENING

Project: **Kings Mountain Street - 4" Tie-In**
 Investment: **\$ 325,046**
 Status: *In-Progress*

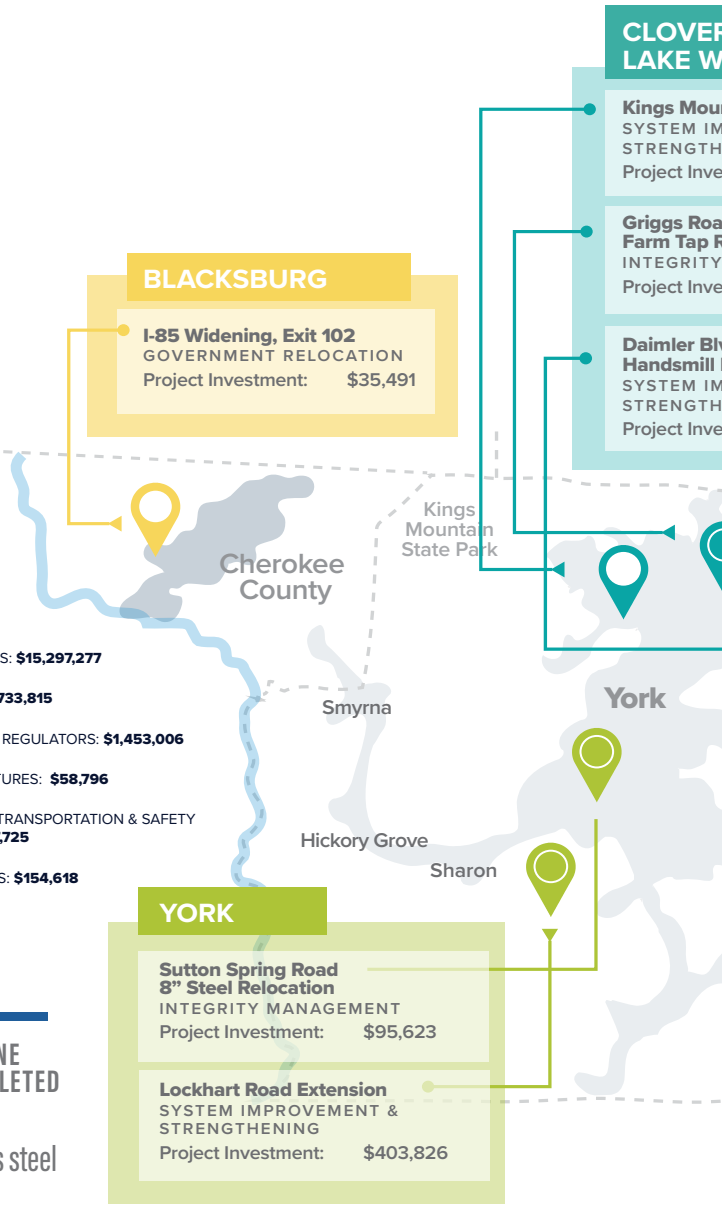
As development in York County continues to expand beyond Fort Mill and Lake Wylie, Clover is another town facing heavy growth. Subdivisions to the west of Clover are supplied by a 4" plastic main that ties-in to an existing 4" plastic main on Hwy 321/Main Street. However, in the middle of these two tie-in locations is a segment of approximately 3,000' of old 2" steel pipe, creating a challenge for future growth. With the installation of approximately 1-mile of new 4" plastic pipe, the older, leak-prone 2" steel pipe will be removed as well as the delivery challenge it creates.



- CAPITAL PROJECTS: **\$15,297,277**
- SERVICE LINE: **\$3,733,815**
- HOUSE METERS & REGULATORS: **\$1,453,006**
- FURNITURE & FIXTURES: **\$58,796**
- CONSTRUCTION, TRANSPORTATION & SAFETY EQUIPMENT: **\$927,725**
- LAND & BUILDINGS: **\$154,618**

MAIN PIPELINE PROJECTS COMPLETED

5.71 miles steel
35 miles plastic



YORK/ SHARON

SYSTEM IMPROVEMENT & STRENGTHENING

Project: **Lockhart Road Main Ext**
 Investment: **\$ 403,826**
 Status: *Completed*

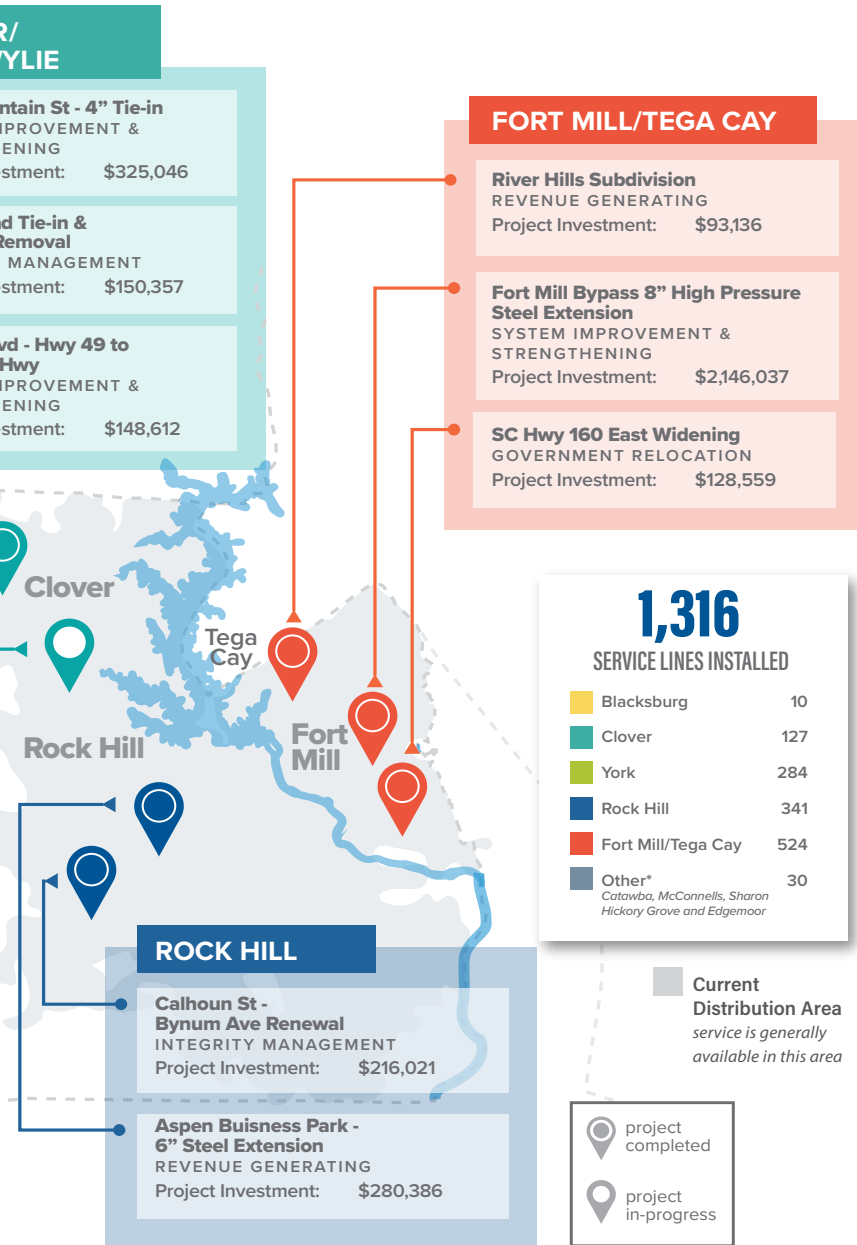
This project will help us to expand the Authority's footprint into southwest York County. In FY24, approximately 2 miles of 4" plastic distribution main was tied-in adjacent to Lockhart Road (heading south from the Town of Sharon). In the coming years, the Authority will work to extend this main to loop toward the western side of York and provide a dual-feed in the event of a hit gas main. There are a multitude of homes with propane tanks along these roads and the Business Development group has been active with their community outreach to potentially gain new residential customers.

YORK

INTEGRITY MANAGEMENT

Project: **Sutton Spring Road - 8" Steel Relocation**
 Investment: **\$ 95,623**
 Status: *Completed*

After 20 years in service, a near-miss during a homeowner's well installation indicated that the existing 8" steel pipeline had been originally installed outside of the Authority's defined right-of-way. The relocation project resulted in a new high-pressure 8" steel pipe being successfully moved to the appropriate area within the right-of-way, while the previous 8" steel pipe was retired. The Authority utilized methane capture technology during the purging process to mitigate the release of methane into the atmosphere and minimize the project's environmental impact.



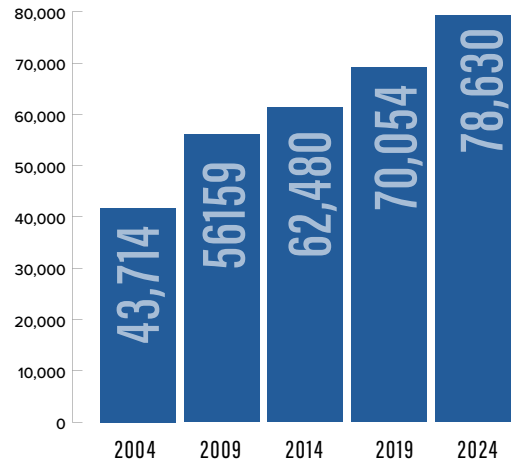
FORT MILL

SYSTEM IMPROVEMENT & STRENGTHENING

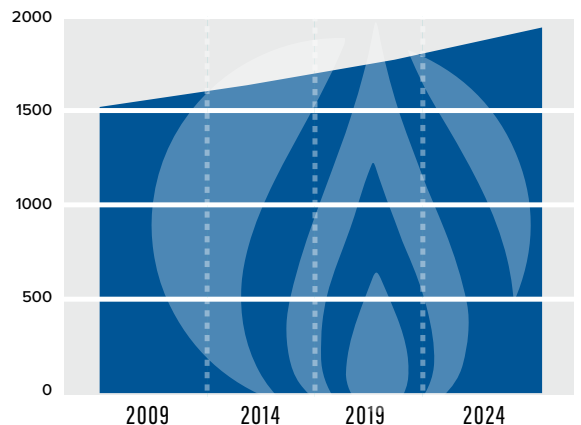
Project: **Fort Mill Bypass 8" High Pressure Steel Ext**
 Investment: **\$2,146,037**
 Status: *Completed*

In FY24, the final 3.4 miles of pipeline was installed with the required over-pressure protection at the Springfield Station in order to operate this pipeline at an elevated pressure. The objective of this project was to deliver high pressure gas from the Fort Mill Lateral to the Springfield Station via a new 5.9-mile, 8-inch pipeline, which added more capacity to Fort Mill and the northern area of York County. Once completed, the new 8" pipeline added significant supply from Springfield Station to US21 and multiple meter and regulation (M&R) stations, improving pressures in Tega Cay and western Fort Mill.

TOTAL NUMBER OF SERVICE LINES
(ACTIVE & INACTIVE)



TOTAL MILES OF MAIN
1,950



ROCK HILL

REVENUE GENERATING

Project: **Aspen Business Park - 6" Steel Extension**
 Investment: **\$ 280,386**
 Status: *Completed*

This project is located on the south side of Hwy 161, across the street from the City of Rock Hill/ York County Airport, and will eventually tie-in at both Celanese Road (Hwy 161) and Heckle Blvd (SC 901). The City of Rock Hill has only built-out approximately one-third of what will eventually be a 3,000-foot, 3-lane road, but the construction of a new industrial customer, required the installation at a gas main to provide service. This project was awarded to a qualified steel pipeline contractor and approximately 1,300' of new, 6" steel distribution main was installed. In subsequent years, as this road is constructed and connected to SC 901, the Authority will continue it's 6" steel installation and tie-in to existing facilities to provide a two-way feed into the business park.

BUSINESS DEVELOPMENT



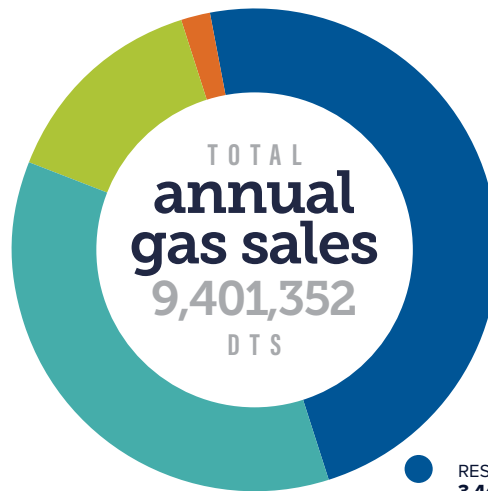
NOTABLE PROJECTS

INDUSTRIAL CUSTOMER:

BLYTHE ASPHALT COMPANY

Blythe Asphalt Company purchased an older asphalt plant site on Porter Road, in Rock Hill, SC in early 2024 and during the spring and summer, installed a new plant facility on this property. The Authority coordinated the fabrication, delivery and installation of a new meter station and secured a contract to provide the underground house piping from our new Authority station to Blythe's equipment. All work, including a new service line, was completed in July of 2024 as requested by Blythe. The plant began operations in September of 2024. Services provided by the Authority include:

- (1) 6-inch steel service line from Porter Rd. to the station
- (1) 8-inch steel pipe to the Power Burner
- (1) 2-inch plastic pipe to the Hot Oil Burner



- RESIDENTIAL (37%): **3,448,091**
- INTERRUPTIBLE (47%): **4,405,655**
- COMMERCIAL (14%): **1,343,030**
- FIRM INDUSTRIAL (2%): **204,576**

KEY NUMBERS

51
NEW
commercial lines

13
NEW
residential developer agreements totalling **1,825** single family homes with an increase of

132%
from FY23

14
NEW
residential main extension projects

17,000
feet of *NEW* main to reach

61
NEW
customers

“ As a General Contractor that has completed many commercial projects around both Carolinas, I really appreciate Benton’s professional approach in how he has handled my needs for NG in York County. He is great to work with. I hope to work with him again on the next one. ”

RESIDENTIAL

TILLERY AT WILSON FARM - FORT MILL

In June 2024, natural gas was installed for Tillery at Wilson Farm in Fort Mill. Consisting of 203 luxury townhomes, Tillery, developed by Stanley Martin Homes, is the Authority's first all-townhome community utilizing our meter bank solution, which eliminates concerns around safety, access, and code-compliance.



“ Joel, your crew came out yesterday, did their thing... right the first time... and done! You guys were out two to four days early, which moves forward the other guys to do their thing. It was wonderful to FINALLY deal with folks who knew what they were doing and got it done. ”



Meter bank installation in Lake Wylie



BELLINA - YORK

Bellina, a 75 single-family home subdivision developed by SouthCraft Builders, is the Authority's first subdivision that was secured with our Builder Incentive Program, a program designed to convert previously planned all-electric communities to natural gas.





APPLIANCE SALES & INSTALLATION

“ We had a million questions and Melissa was able to answer all of them for us. Seriously the best appliance purchase experience we have ever had. ”



- INSTALLS: **975**
- SERVICE: **1,290**
- LIGHT PILOT: **327**
- URGENT: **344**
- WARRANTY: **207**
- ELECTRICAL: **304**

NOTABLE PROJECTS

DOROTHY DAY SOUP KITCHEN

In early 2024, Dorothy Day Soup Kitchen contacted the Authority to request a stove change out at their facility. After realizing the replacement stove had not yet been purchased, the Sales & Appliance team reached out to an existing vendor and secured a significantly higher-quality stove at a deeply discounted rate. The Authority team was able to safely install the new stove while saving the non-profit more than \$5k in the process.



TJ'S FAMILY RESTAURANT

In February of this year, the owner of TJ's Family Restaurant walked into the Showroom and asked to speak with someone about water heaters for his restaurant. Sales staff spoke with him and assessed his initial needs. The next morning, the team evaluated his existing water heating system. They quickly determined the best course of action, and within 4 days of initial contact we were able to install a new Rinnai Demand Duo system for the restaurant. This gave him an even greater hot water capacity than he had previously, while also saving him money on his gas bill.

“ My experiences with the quote, the purchase, the install were all better than I have had in a long time. It seems YCNGA has a priority of good customer relations and customer service. ”

AT A GLANCE

97%
satisfaction
rating appliance
install survey

864
quotes

1,100+
showroom visits

10,012
phone calls
up 9.4% from FY23

524
post-sale
follow-ups up
43.5%
from FY23

387
tankless sales

232
tank sales

274
gas log sales

ACCOUNT MANAGEMENT



- INCOMING CALLS: **62,257**
- OUTBOUND CALLS: **18,529**
- COURTESY CALLS: **7,654**

CUSTOMER SERVICE UPDATES DEPARTMENT NAME TO "ACCOUNT MANAGEMENT"

This change better reflects the department's expanded responsibilities and essential role within the Authority. The team manages most incoming calls, addressing a wide range of customer account needs and resolving most issues without transferring calls. This new name better represents the department's comprehensive account management functions and aligns with its elevated scope and importance to the Authority's operations.

Staff of **18** averaged **3,458** inbound calls per employee in FY 2024

Applications for Service: **6,871**
Total Service Orders: **36,319**

AFTER HOURS CALL DATA

In July of 2024, Account Management took over the after-hours call service, previously provided by a third party call center. This change provides customers 24/7 access to an Authority team member for urgent situations outside of regular business hours.

After hours incoming calls **299** | outbound **143** | courtesy calls **347**

* AS OF 07/22/24

“ I've been with YCNGA since 1988 and have never had a bad experience. The [people] there have been very pleasant and helpful. ”

COMMUNITY SUPPORT

The Authority strives to develop relationships and partnerships that support the communities we serve. These purposeful partnerships impact and improve the quality of life for all, while ensuring our communities have the resources and support they need to thrive.

In 2024, the Authority supported over **33** events within the communities it serves.



Winthrop Baseball game, May 2024



- FACEBOOK: **2,585**
- INSTAGRAM: **946**
- LINKEDIN: **96**
- TWITTER/X: **909**

The Authority's marketing team connects the organization with its key stakeholders by promoting services, educating customers about natural gas safety and efficiency, and building community relationships. They manage campaigns, social media, press releases, and events to ensure consistent messaging aligned with the company's mission and vision. This includes crisis communication to maintain trust during disruptions and highlighting the company's contributions to the community, sustainability, and innovation, strengthening its reputation as a trusted energy provider.

“ Supported over **442** various YCNGA initiatives in FY24 ”

NOTABLE ACHIEVEMENTS



MARKETING & COMMUNICATIONS SILVER AWARD FROM APGA

The Gas Gourmet Culinary Demonstration received a national award for the creative promotion of using natural gas appliances.



SAFE DIGGING MONTH PHOTO CONTEST

Customers submitted photos of their "safe digging buddies" and voted for their favorites with 191 entries & 25,572 views.



PUBLIC DAMAGE NOTIFICATIONS

NEW public damage notifications on social media reached up to 21,587 people per post, with over 4,300 engagements.

SOCIAL MEDIA REACH

401%

Instagram reach increase from FY23

193%

Facebook reach increase from FY23

WEBSITE

374,780

website page views

118,196

unique visitors

EMAIL

865,951

total email messages sent

7.16%

average click-thru rate 69% increase from FY23

45.81%

average open rate



HUMAN RESOURCES & WORKFORCE

“ Supported **87** employee engagement opportunities during FY24 ”

15 NEW HIRES

INVESTING IN OUR GREATEST ASSETS

Human Resources (HR) is essential for managing workforce operations, including recruitment, talent acquisition, and employee development. It plays a key role in ensuring compliance with industry regulations and labor laws while also administering benefits and fostering a positive workplace culture. Ultimately, the HR department contributes to the company’s success by shaping and sustaining a skilled and motivated workforce in the dynamic energy sector.

NEW PARENTAL LEAVE POLICY

The Authority now provides full-time employees with up to six weeks of paid maternal or two week paternal leave upon the occurrence of a qualifying event (birth, adoption, or foster). This inclusive policy provides paid time to both our female and male employees without the use of short-term disability or other forms of paid time off.

ENGAGEMENT

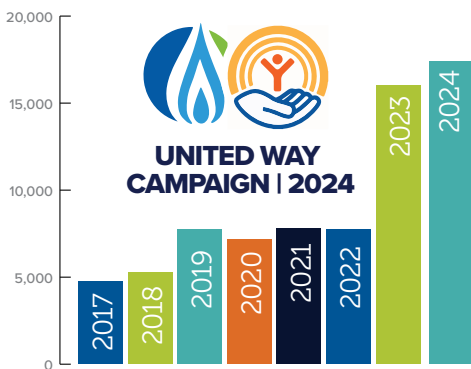
Employee engagement activities foster a positive, productive workplace culture, enhance safety, and builds strong team relationships. Investing in employee engagement contributes to a motivated and innovative workforce, ultimately driving organizational success.

ENGAGEMENT HIGHLIGHTS

- MONTHLY BIRTHDAY BREAKFASTS
- EMPLOYEE COOKOUTS & FOOD TRUCK CELEBRATIONS
- RED CROSS BLOOD DRIVE
- SAFETY MONTH
- RED CROSS CPR/AED/FIRST AID TRAINING
- HOLIDAY MEALS & APPRECIATION EVENTS
- INDUSTRY TRIVIA GAMES WITH PRIZES
- REGULAR EMPLOYEE-ONLY NEWSLETTERS WITH UPDATES ABOUT THE COMPANY



United Way Reward Breakfast, January 2024



UNITED WAY GIVING

Authority employees contributed a record **\$17,500** to United Way of York County, supporting to their goal of helping 3,000 families in York County achieve financial stability by 2030.



Patriots Energy Group (PEG) is a joint action agency formed in 2001 to bring cost-effective and reliable energy to residential, commercial, and industrial customers of Chester County Natural Gas Authority, Lancaster County Natural Gas Authority and York County Natural Gas Authority. The Patriots Energy Group Compressor Station and pipeline are operated and maintained by the employees of York County Natural Gas Authority.

INFRASTRUCTURE PROJECT

On November 8, 2023, PEG held a ribbon-cutting ceremony in Blacksburg, SC, marking the commissioning of the new PEG compressor station, which became operational in November 2023. This compressor station is expected to extend PEG members' downstream capacity (PEG Pipeline & Carolina Gas Transmission) for many years, in line with our historical growth trends. The costs associated with the compressor station were included in our 2021 refinanced debt without increasing our annual debt service. Furthermore, on January 26, 2023, Williams Transco completed the construction of a new meter station, doubling the capacity to match the increased capacity from the compressor station and the Carolinas Market Link Capacity.

INTERSTATE PIPELINE CAPACITY

With the cost of Delivered Services and Peaking Service at all-time highs, and pipeline expansion projects being either unavailable or cost prohibitive, PEG sought alternative solutions for its long-term capacity needs. After extensive discussions with Williams Transco, we successfully secured 65,000 of upstream capacity through the Carolinas Market Link Project. Additionally, we participated in the Southeast Supply Enhancement Project, obtaining 14,000 of upstream capacity. These agreements are expected to extend our upstream capacity for a minimum of 10 years, based on historical growth trends. All the gas is sourced from Station 165, the endpoint of the Mountain Valley Pipeline

COST SAVINGS

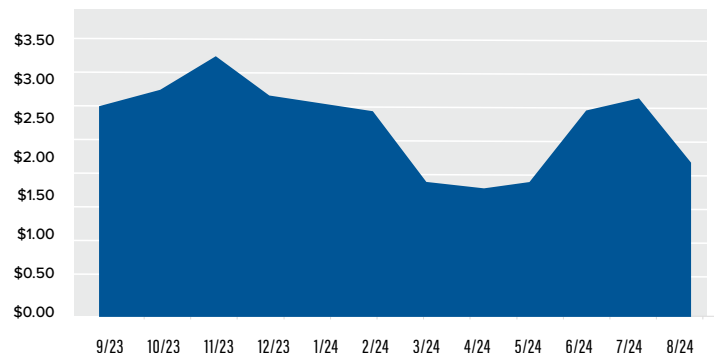
There are many factors that affect natural gas prices, but the primary factors that drive prices include economic conditions, natural gas storage levels, weather, supply and demand balance, as well as the market's perception of these factors. PEG and its members mitigate exposure to the volatility of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

CAROLINA GAS TRANSMISSION (CGT) CAPACITY RELEASE	\$ 343,782
TRANSCO CAPACITY RELEASE	\$ 7,967,501
TOTAL SAVINGS	\$ 8,311,284

FISCAL YEAR HIGHLIGHTS

COMPRESSOR STATION	PLACED PEG COMPRESSOR STATION IN SERVICE
SC NATURAL GAS CONFERENCE	HELD IN HILTON HEAD, SC
ADDITIONAL CAPACITY	CAROLINAS MARKET LINK (CML) CAPACITY STARTS IN 01/2024 PEG MOVES FROM CAPACITY POOR TO CAPACITY RICH
CAPACITY RELEASE	RELEASE CML CAPACITY FOR SUMMER IN 04/2024 RELEASE CML CAPACITY FOR NOVEMBER 2024 THROUGH OCTOBER 2027 IN 07/2024
CONSTRUCTION	TRANSCO COMPLETE NEW METER STATION AT YORK ROAD (DOUBLES CAPACITY AT THAT STATION)
CRITICAL DAY	01/20/24 = SET NEW DAILY RECORD OF GAS SALES
RATES	CAROLINA GAS TRANSMISSION FILES AT FERC FOR 85% RATE INCREASE IN NOVEMBER 2023- CUSTOMERS SETTLE FOR AVERAGE OF 34%. IN JULY 2024, WILLIAMS TRANSCO FILES AT FERC FOR RATE INCREASE ON 10/30/24

MONTHLY PRICE OF NYMEX NATURAL GAS





Patriots Energy Group Financing Agency (PEGFA) is a separate South Carolina Joint Action Agency created in 2018 to secure prepaid gas supply arrangements for Chester, Lancaster, and York County Natural Gas Authorities.

FINANCING, SUPPLY MANAGEMENT, & SAVINGS

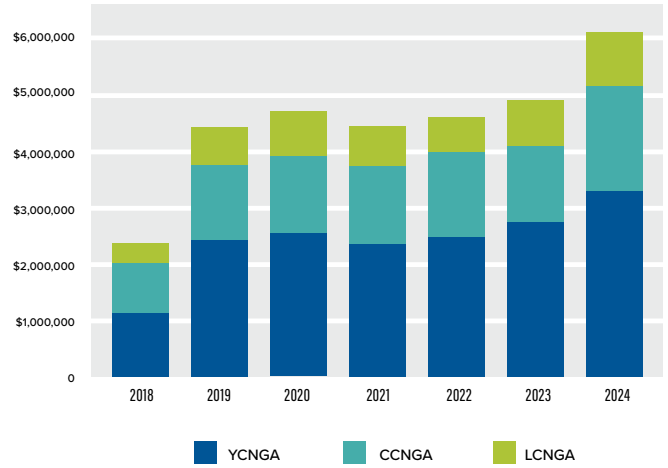
SEP 2023	CLOSE ON 30-YR PREPAY TRANSACTION WITH GOLDMAN SACHS
NOV 2023	CLOSE ON PEGFA-RBC REPRICING PREPAY
JAN 2024	PEGFA-RBC REPRICE PREPAY GAS STARTS FLOWING
APR 2024	PEGFA-GOLDMAN SACHS PREPAY GAS STARTS FLOWING
JUL 2024	RELEASE CML CAPACITY FOR NOV 2024 - OCT 2027

GAS SUPPLY

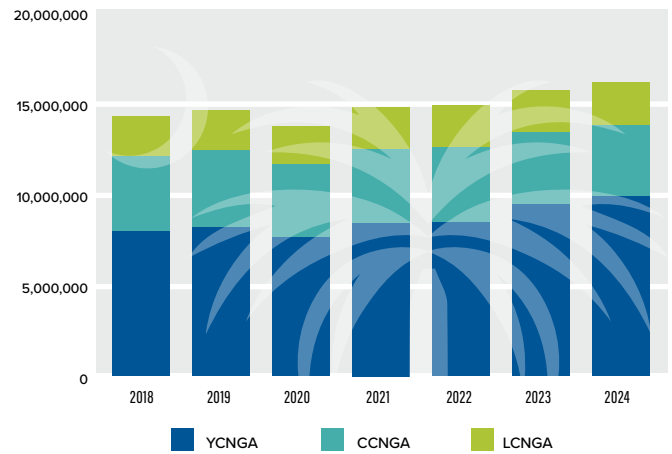
In September 2023, PEGFA completed its second prepay transaction with Goldman Sachs, securing discounted natural gas supply for the next 30 years. This arrangement builds on the 2018 RBC prepay issuance, ensuring that a substantial portion of PEG's natural gas supply will be financed at discounted rates.

In November 2023, PEGFA successfully completed the repricing of its first prepay transaction with RBC, resulting in improved savings compared to the 2018 issue. These arrangements further strengthen our energy portfolio for the long term.

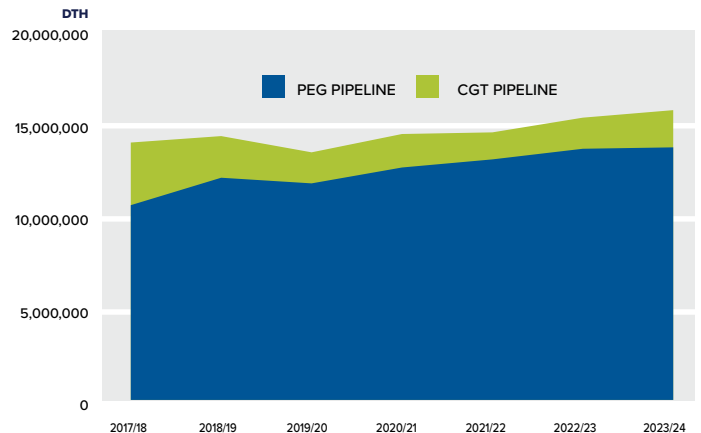
PREPAY GAS SAVINGS - OVER 6 YEARS



TOTAL GAS SALES BY AUTHORITY



TOTAL PEG THROUGHPUT



BREAKING THROUGHPUT RECORDS (DEKATHERMS)

	MONTHLY	12-MONTH
NOVEMBER 2023	1,687,148	15,412,218
JANUARY 2024	2,491,936	15,760,997
FEBRUARY 2024	1,876,478	16,120,847



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