



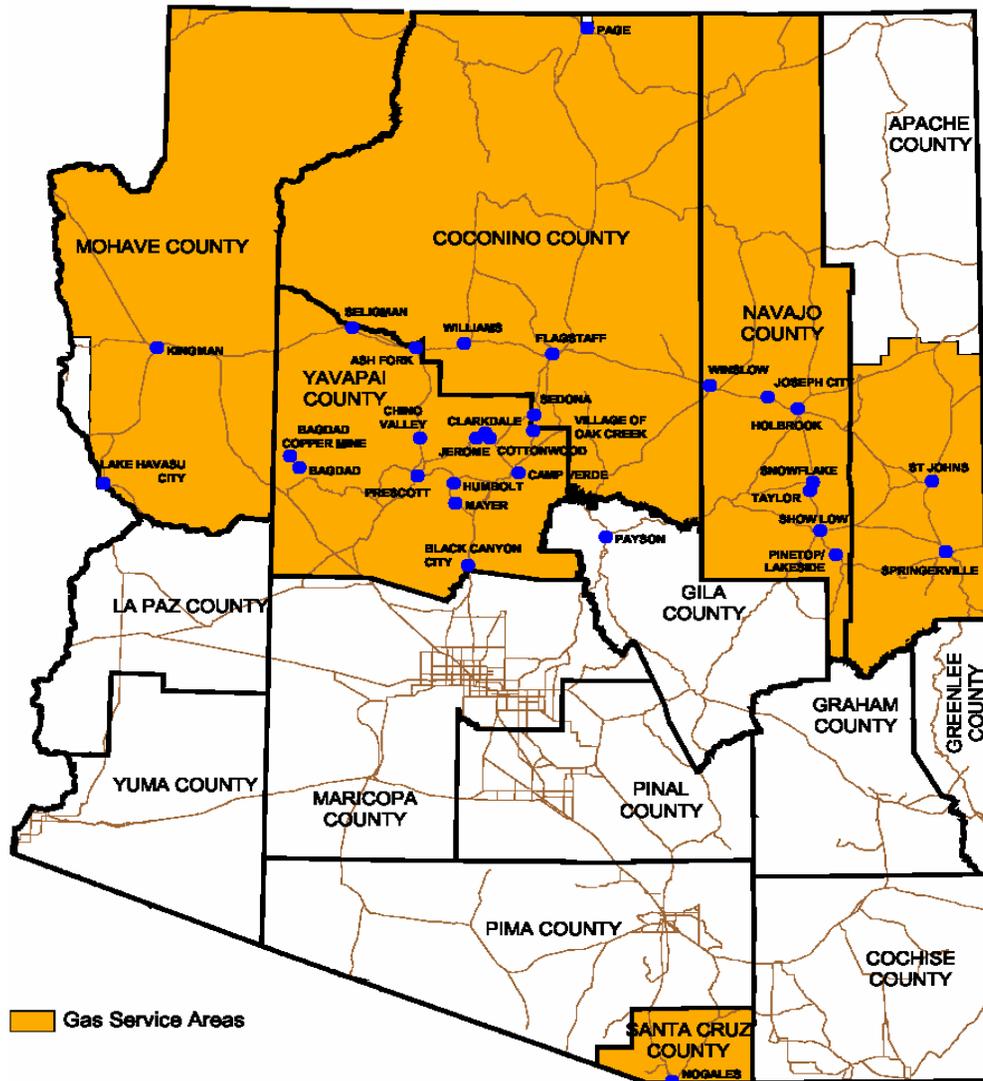
# UNS Gas

## Arizona Corporation Commission Winter Preparedness Presentation

October 19, 2009

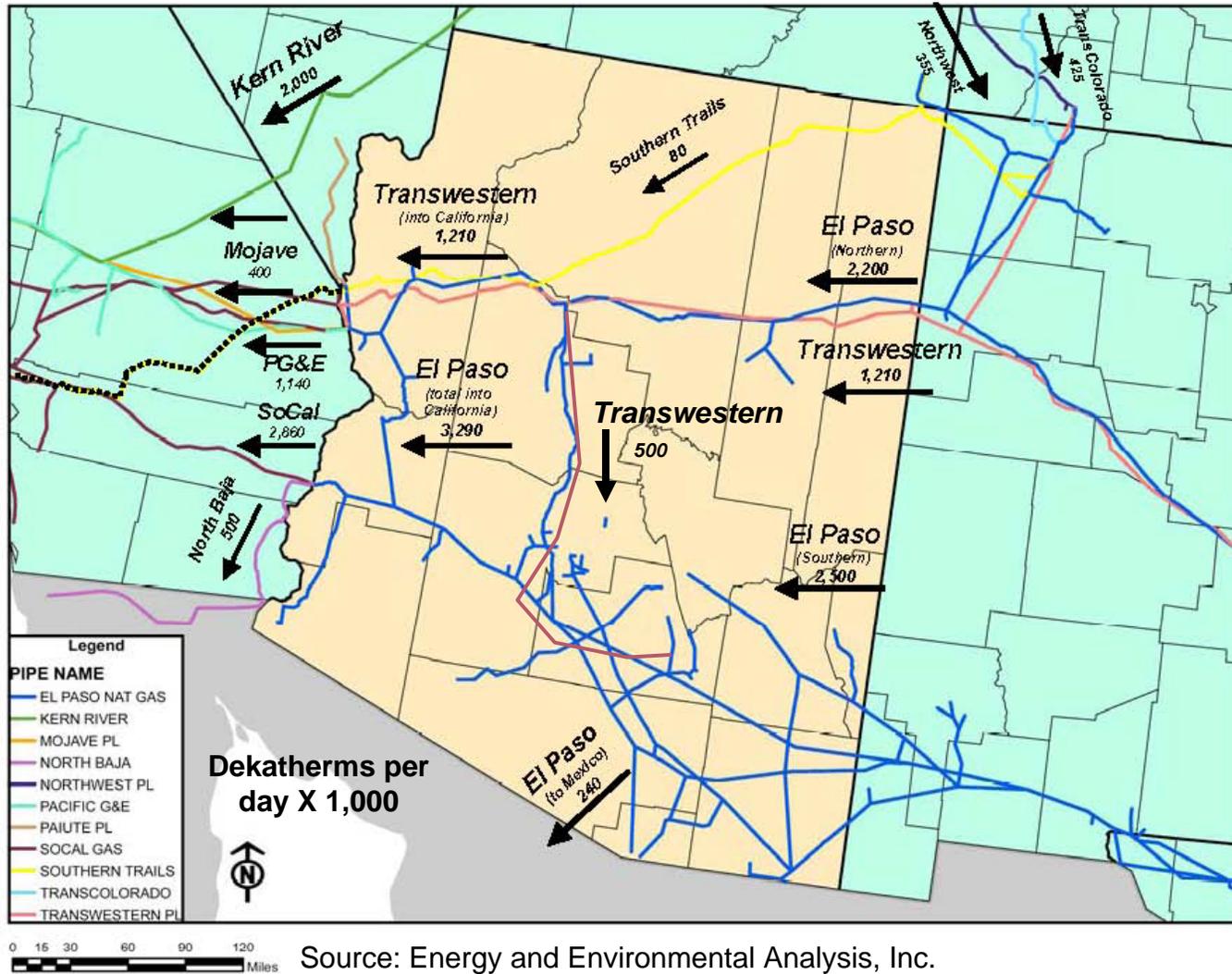


# Service Territory



- 5 COUNTIES
- 6 DISTRICTS
  - Flagstaff
  - Prescott
  - Verde Valley
  - Show Low
  - Mohave
  - Santa Cruz

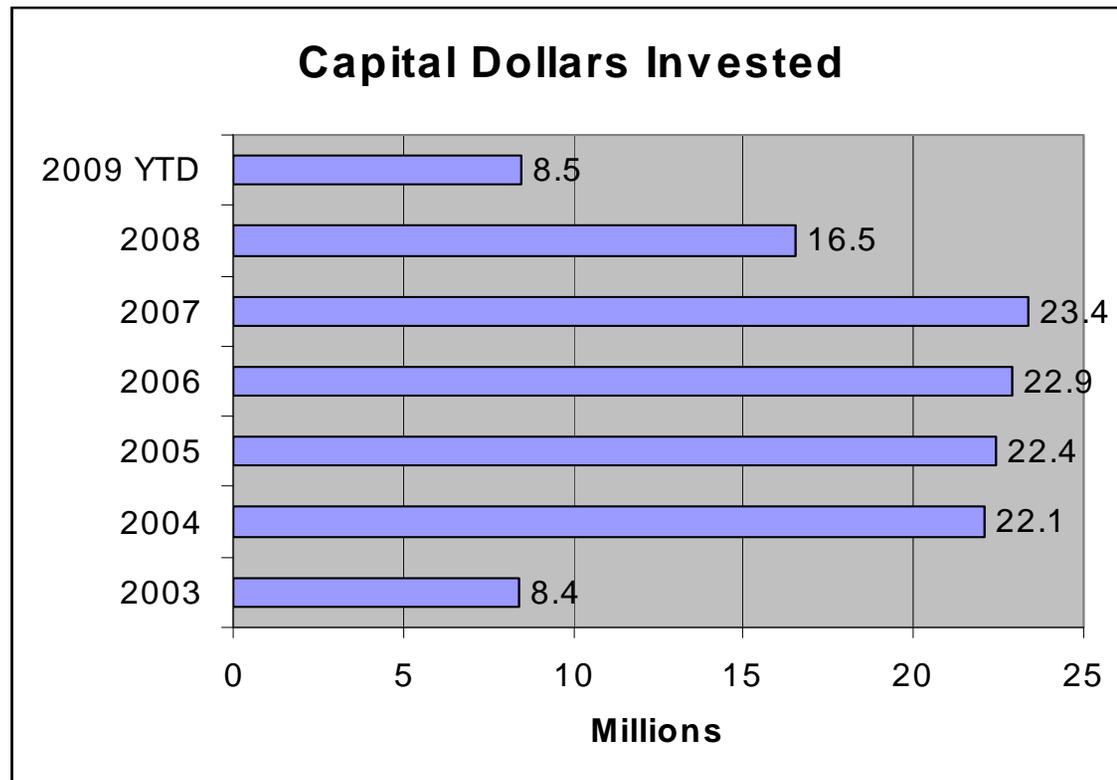
# Major Pipelines in Arizona and Surrounding States



# Capital Investment

Since Acquisition -

- Over \$124 Million System Investment



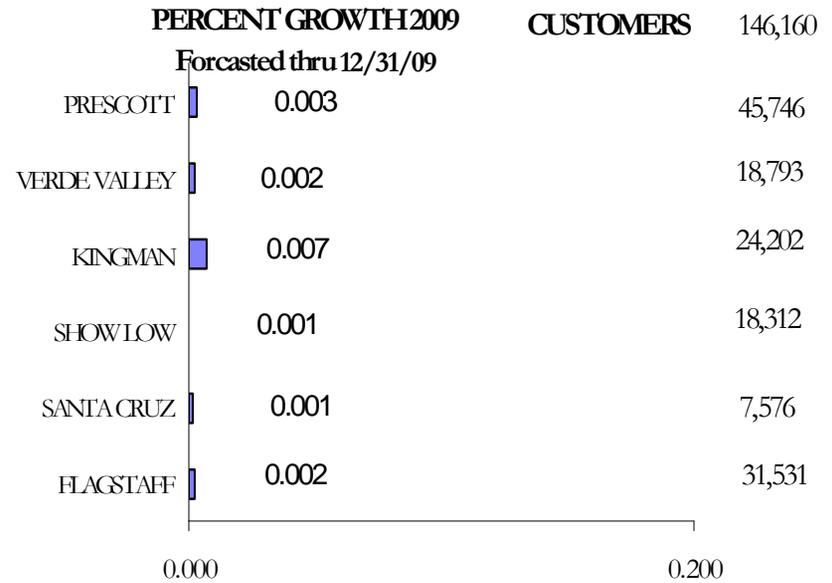
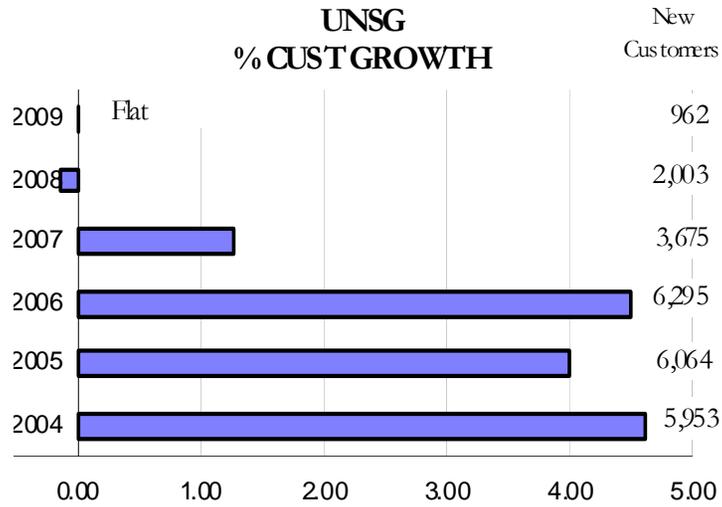
# System Reinforcements

- **Prescott**
  - Reinforced supply lines and systems
    - Completed \$3.5 million reinforcement –Wilkinson line August 2009
    - TW / EPNG dual supply – completed April 2009
- **Show Low**
  - Show Low / Pinetop / Holbrook / Snowflake / Taylor systems reinforcements and upgrade – 2008
- **Kingman**
  - Additional city gate feeds - 2008
- **Santa Cruz**
  - Tubac Supply – October 2009

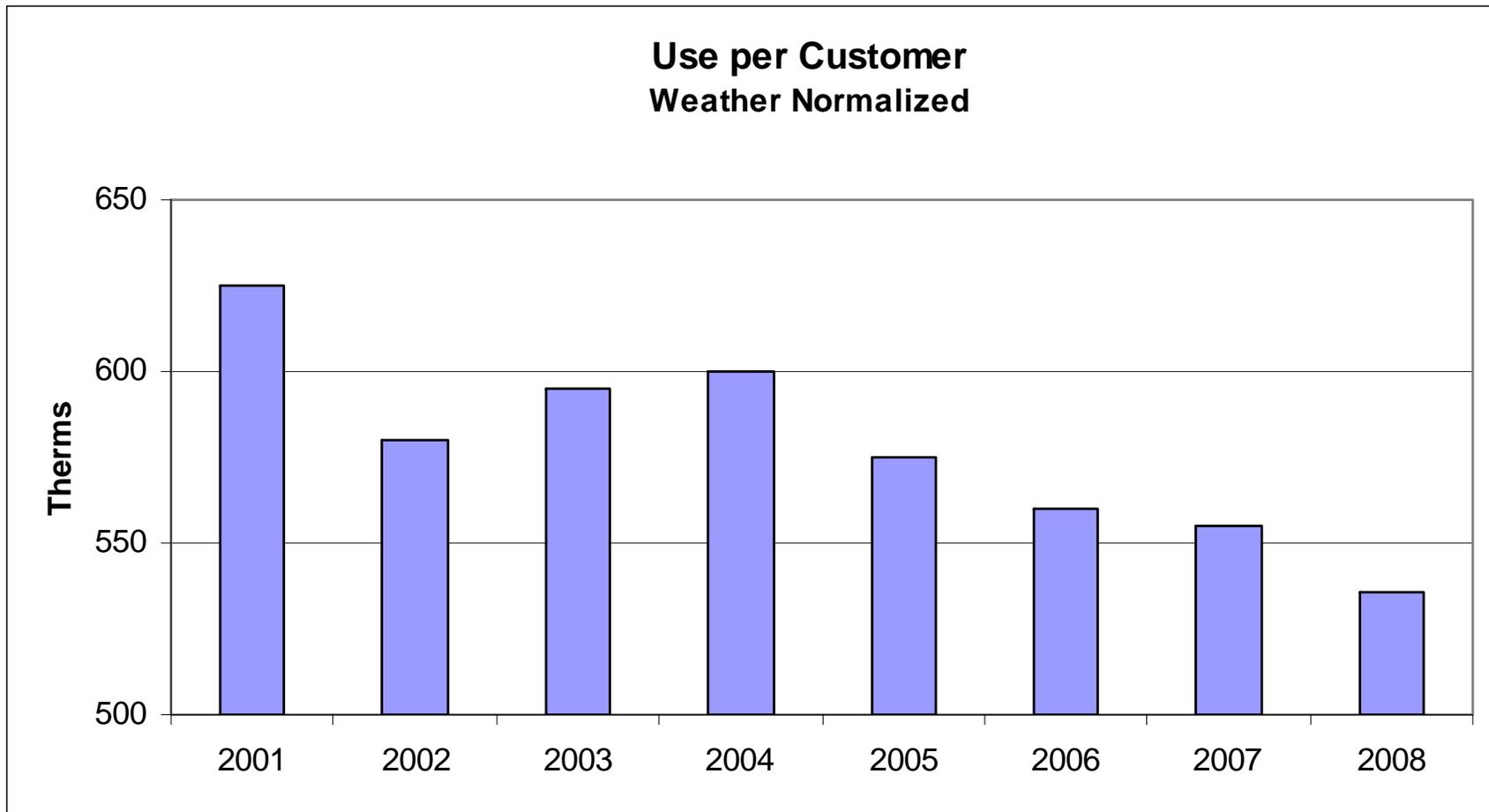
## Pipeline Safety

- ACC Annual Audit – excellent record
- Reinforcement & Planning – no customer service interruptions
- Pipeline Safety
  - RP 1162 – Continue to expand and promote public awareness and prevention activities
  - UNS Gas represented on Arizona Utilities Group
- Operator Qualification Training Program
- Customer Safety < 17 min response to emergency calls

# Customer Growth

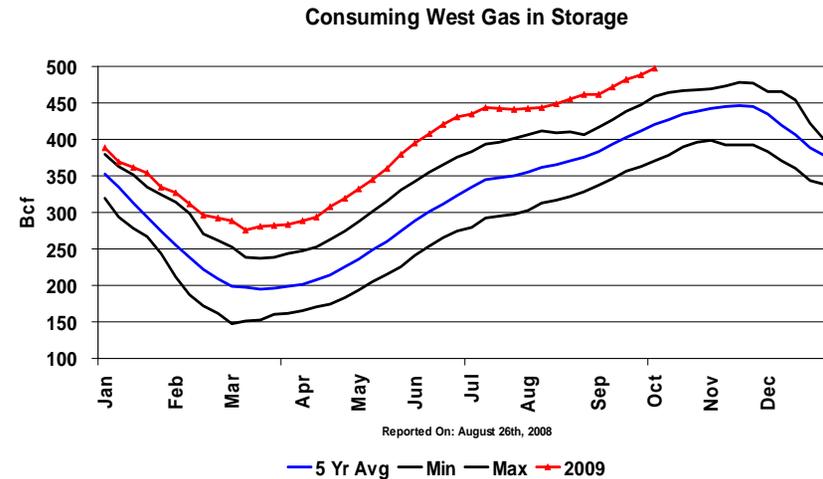
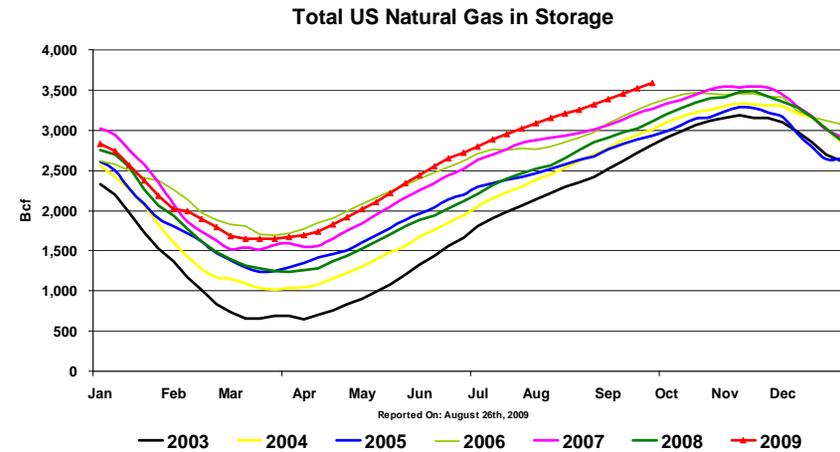
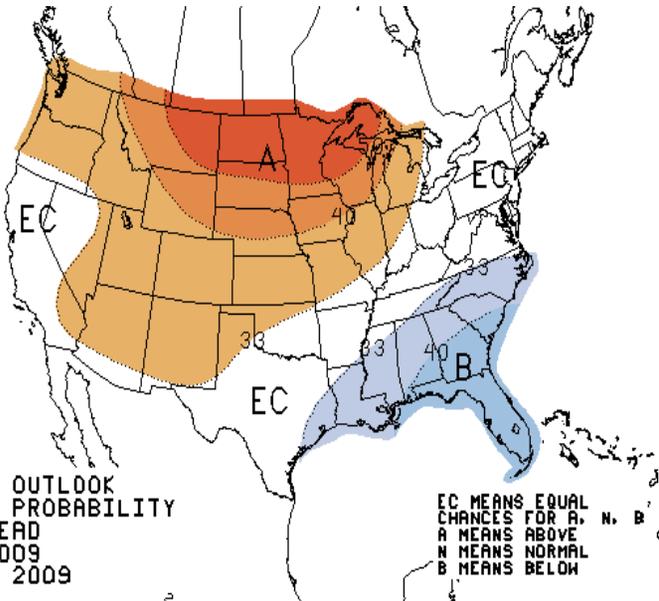


# Residential Customer Usage



# Winter Supply Outlook

- Above Average Storage Levels US-wide
- Above Average West Storage
- Normal weather is generally expected in SW



# Natural Gas Supply

Flagstaff	(EPNG)	(TW)
Prescott	(EPNG)	(TW)
Kingman	(EPNG)	(TW)
Show Low	(EPNG)	
Nogales	(EPNG)	
Cttnwd/Sedona	(EPNG)	
Lake Havasu City	(EPNG)	

EL PASO NATURAL GAS (EPNG)

TRANSWESTERN (TW)



## Winter Preparedness

- Conducted Annual Winter Planning Meeting with Interstate Pipelines
  - UNS Gas Flagstaff office – September 22, 2009
  - UNS Gas Operations and Wholesale Supply
  - Transwestern Pipeline Operations and Marketing
  - El Paso Natural Gas Operations and Marketing

## Natural Gas Supply/Transportation Summary

- Transportation: Firm agreements with El Paso Natural Gas and Transwestern Pipeline with combined capacity sufficient to meet load requirements.
- Gas Supply: 100% expected supply secured