



Centuri



Operations Roundtable

OpCo / Customer Overview



A Centuri Company



A NiSource Company

Ray Brumley / Director Construction - June 2026

THINK AHEAD »



Initiative Purpose

Today's Discussion Topics

- 1 Operations and Investment Strategy
- 2 Capital Program Risk Reduction
- 3 Safety & Reliability Progress
- 4 Challenges
- 5 Customer Affordability

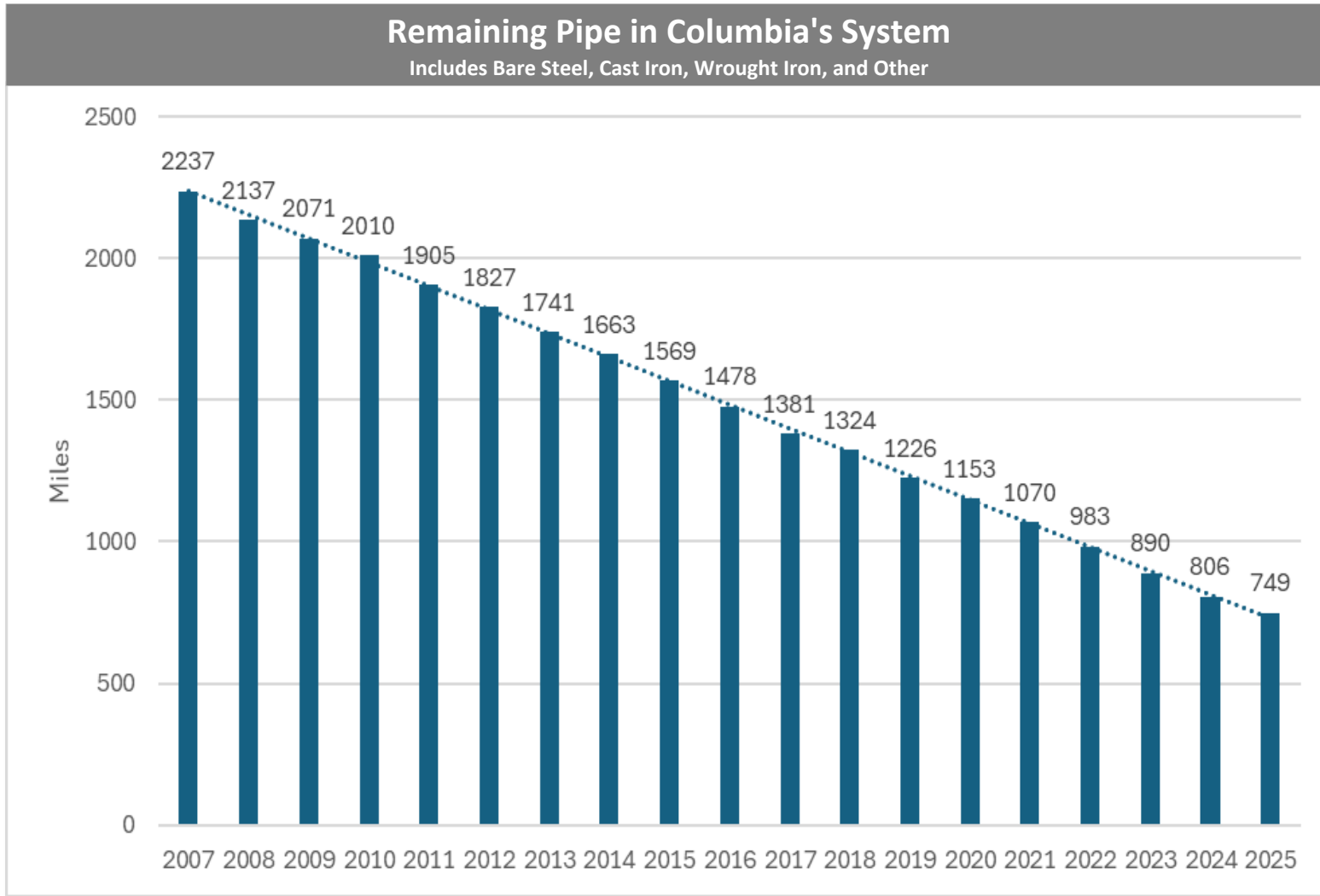
Connecting You + Energy

Operations & Investment Strategy: Top 10 Distribution Risks

RISK	PROGRAMS TO ADDRESS RISK
Corrosion on Bare Steel	Annual Leakage Survey, Accelerated Pipe Replacement Program
Cross Bore	QA/QC Line Location, Legacy Cross Bore Program, PA Cross Bore Communications (plumber and public awareness)
Excavation Damage due to Excavator Error	DP Plan, Frequent Damager Program, GPS Program, Additional protections at regulator stations, Gold Shovel Program, Damage Prevention Risk Model
Excavation Damage due to Poor Records	Map Corrections, GPS Program, GIS Mapping of Service Lines, Accelerated Pipe Replacement Program
Excavation Damage due to Locator Error	DP Plan, Installation of electronic markers at difficult to locate areas, QA/QC Line Locating, GIS Mapping Service Lines, GPS Program
Excavation Damage due to Failure to Notify	DP Plan, Frequent Damager Program, Call before you dig stickers on company vehicles
First Generation Plastic Mains and Services	Accelerated Pipe Replacement Program
Excavation Damage due to Unmarked Stubs	DP Plan, camera investigations for project areas where stubs are found/suspected
Excavation Damage due to 2 nd party damages	DP Plan, 2 nd Party locating QA/QC program
Inside Meters on LP System	Meter Move Out Program, Accelerated Pipe Replacement Program

Data-driven Identification of the System's Highest Operational and Safety Risks

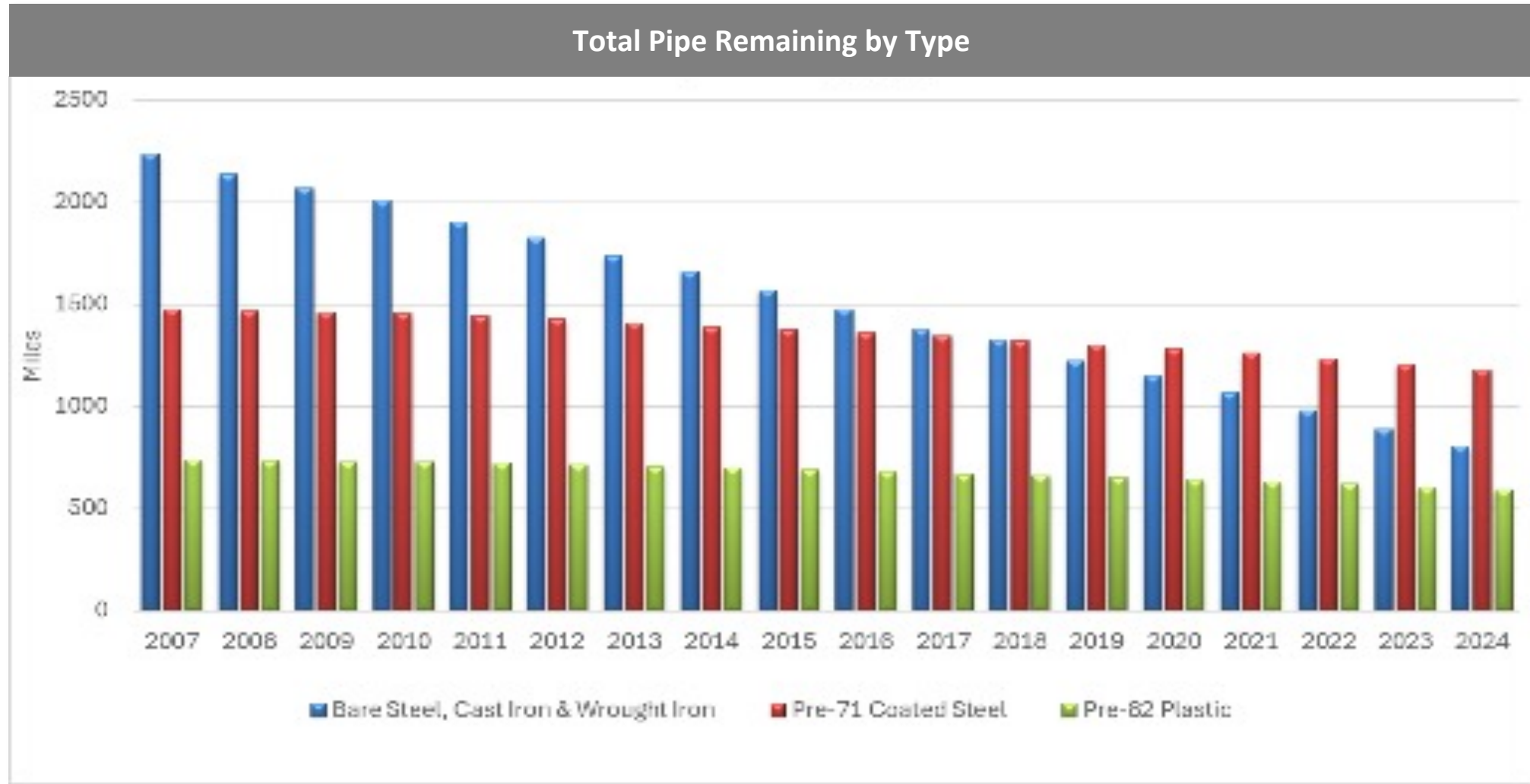
Capital Program Risk Reduction – Modernizing our System



67%
Reduction in
Bare
Steel since
2007

Cast Iron Pipe ELIMINATED in 2022

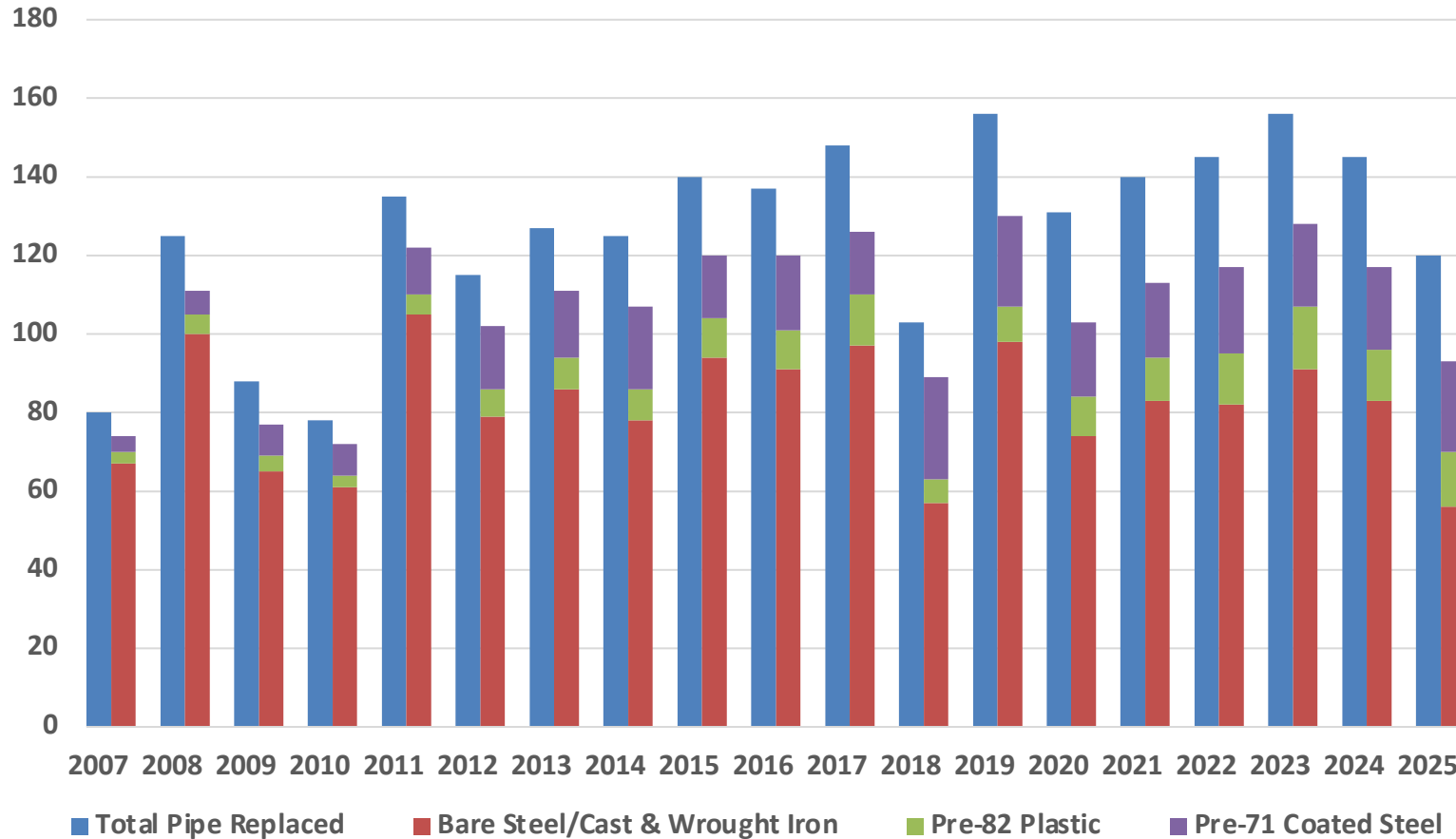
Capital Program Risk Reduction – Remaining Pipe Inventories



Systematic Reduction Across All Priority Pipe Types Since 2007

Capital Program Risk Reduction – Replacement Progress

Columbia Gas of Pennsylvania Pipe Replacement by Type 2007-2025



2,394
Miles Replaced

Since 2007 Across All Pipe Types
Bare steel, pre-71 coated steel, and pre-82 plastic

Consistent Year-Over-Year Investment in Pipeline Safety and Modernization

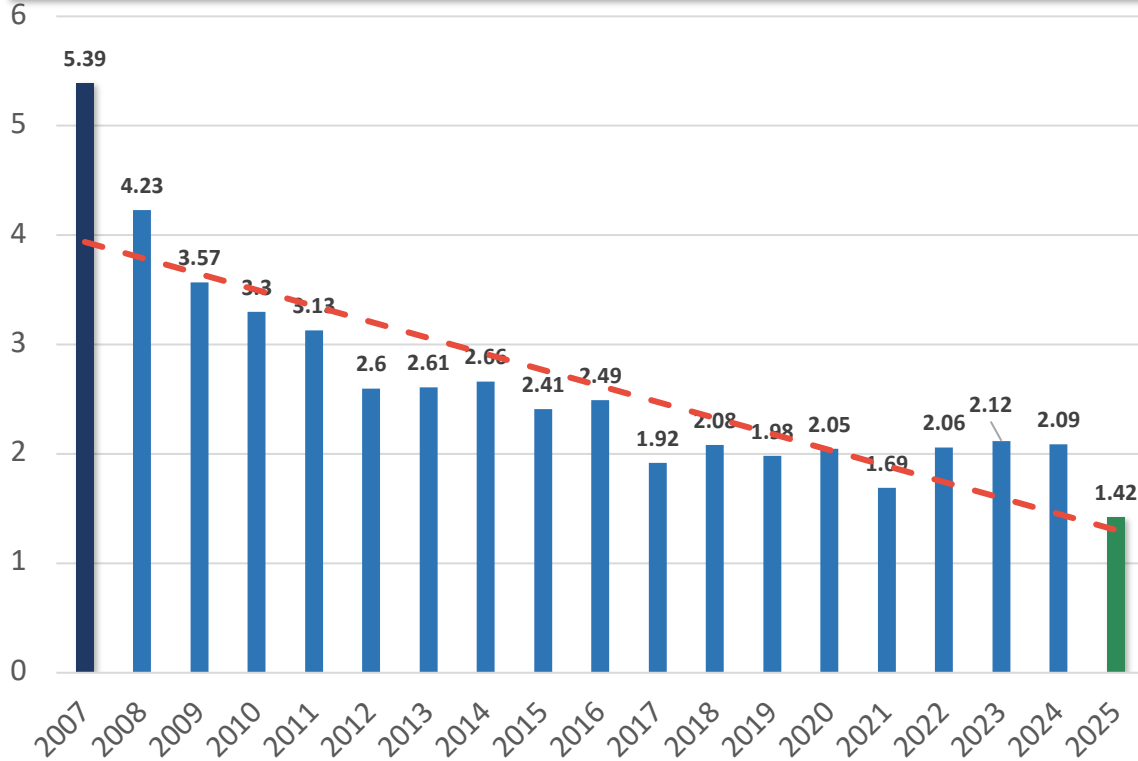
Safety and Reliability – Reduce Damages

74% Reduction in Damages Since 2007

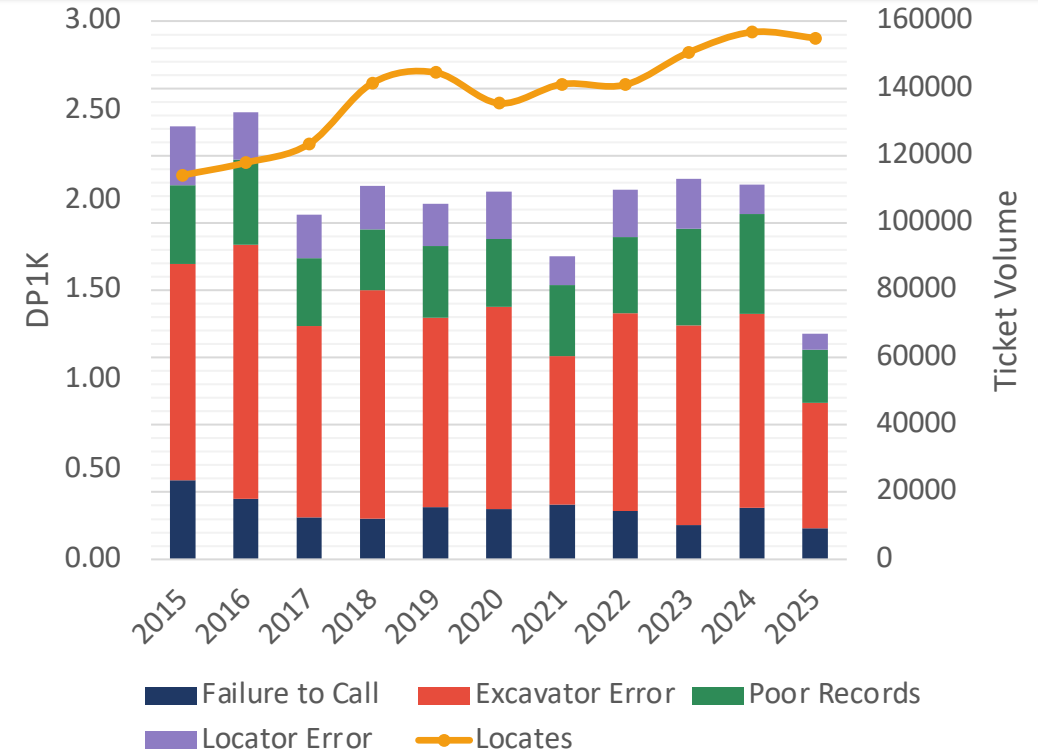
1.42 Damages per 1,000 Locates (2025)

155K+ Locates Completed in 2025

Damages per 1,000 Locates



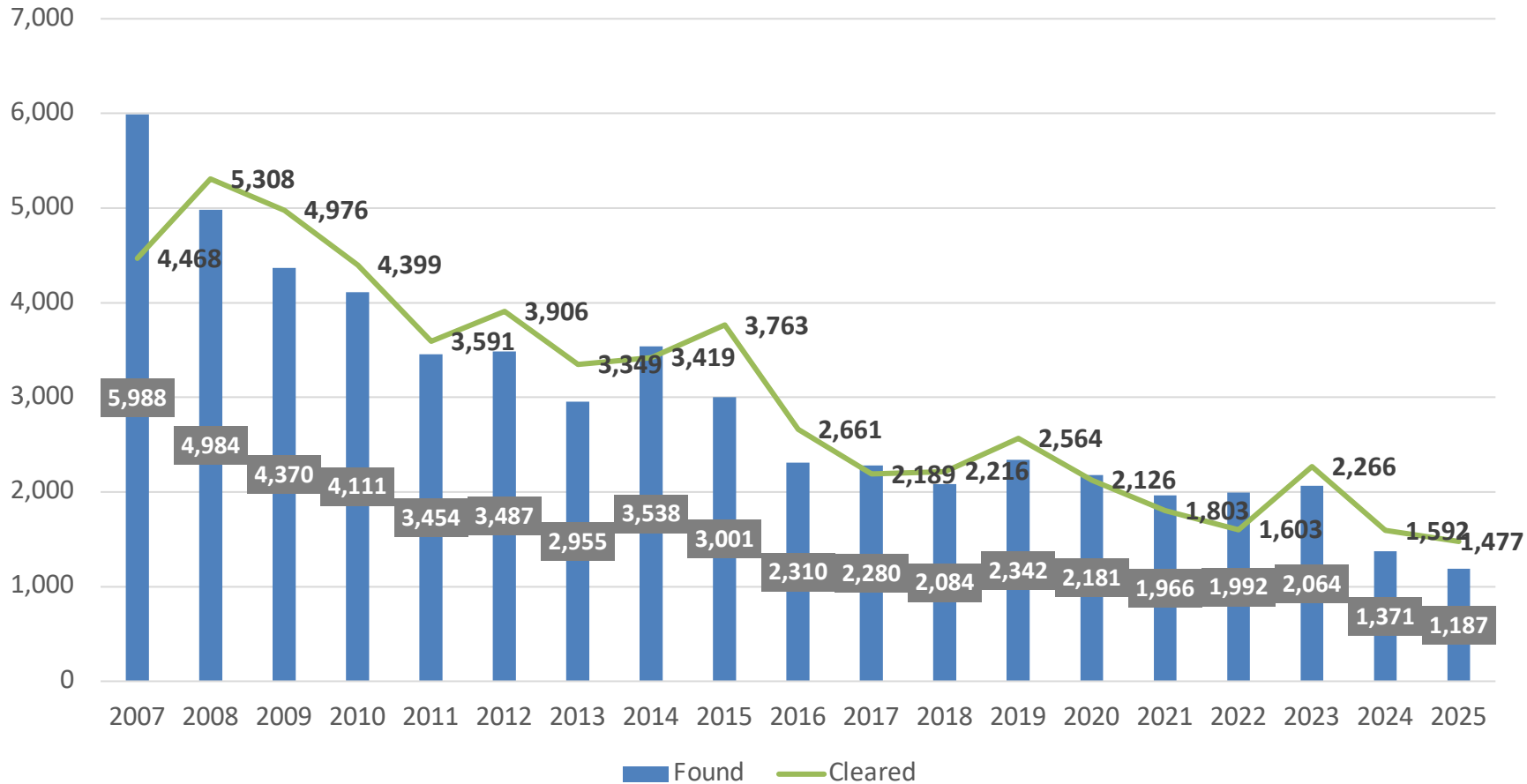
Damages By Apparent Cause



Sustained Focus on Excavation Damage Prevention Driving Long-Term Risk Reduction

Safety And Reliability – Reduce Leakage

Grade 2 Leaks Found vs. Cleared by Year



80%
Reduction

in Grade 2 Leaks Found
Since the start of the infrastructure replacement program in 2007
5,988 → 1,187 leaks

Accelerated Pipeline Replacement Driving Sustained Leak Reduction Since 2007

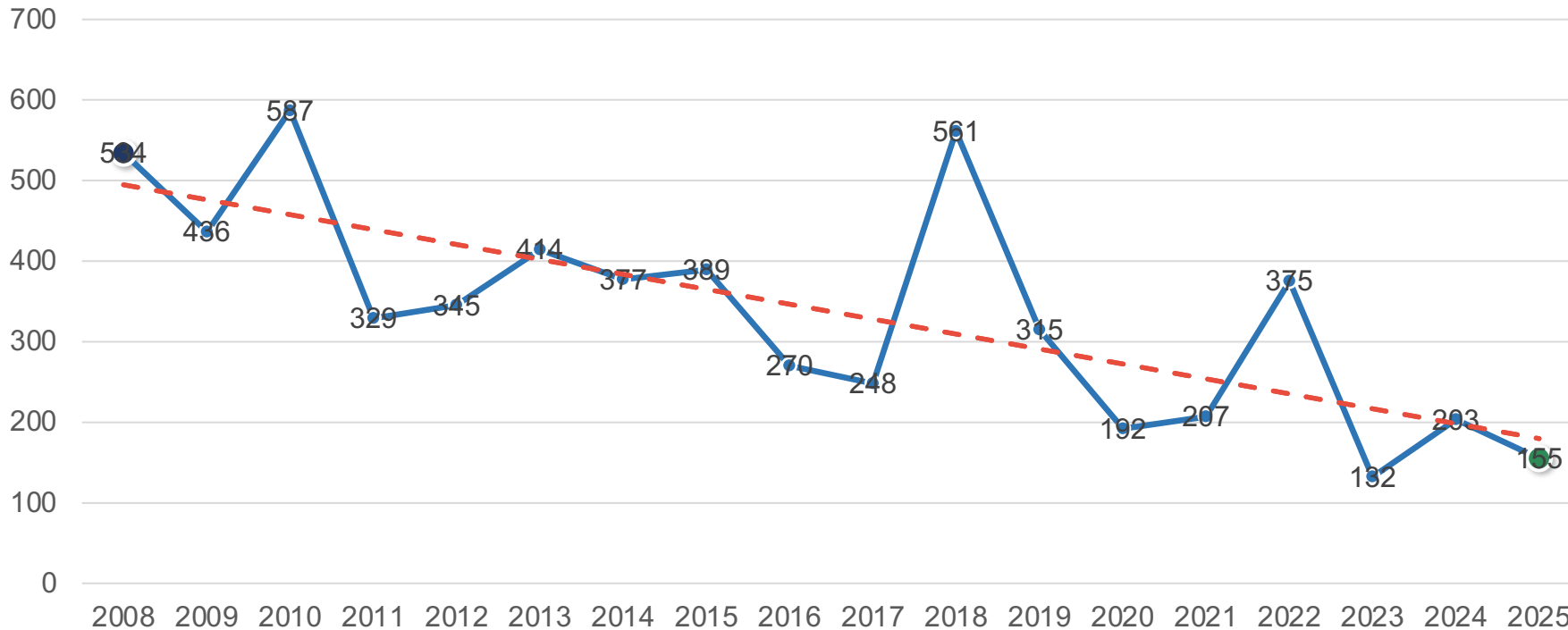
Safety and Reliability – Improve Reliability

71% Reduction Since 2008

155 No-Gas Orders in 2025

534 → **155** Water-Related Orders

Orders Associated with No Gas Calls Due to Water Off



71%
Reduction in Water
Related No Gas
Events

Water-Related No-Gas Events Reduced by 71% Through Targeted Infrastructure Upgrades

Key Challenges

FOR IMMEDIATE RELEASE

PECO Withdraws Electric and Natural Gas Regulatory Rate Review Filings to Prioritize Customer Affordability

PHILADELPHIA | April 16, 2026

PECO Communications | PECO.Media@exeloncorp.com

THE CAPITOL

Shapiro demands a stop to ‘excessive’ utility rate increases, but has little authority to force change

by Charlotte Keith and Stephen Caruso of Spotlight PA | May 4, 2026

WHYY NEWS CLIMATE DESK

Pa. Gov. Shapiro says regulated utility system is ‘broken’

In a letter to the state’s regulated utilities, the governor laid out a new system to rein in corporate profits.



By [Susan Phillips](#) · Updated May. 4, 2026 1:02 pm

Politics & Government

Pa. Shapiro says investor-owned utilities are making too much profit at the expense of ratepayers

By [Susan Phillips](#) | WHYY

Published February 9, 2026 at 10:10 AM EST



Key Challenges (continued)

- » HB 2224 – This bill was introduced to “limit the excessive profits for utilities”. The bill would establish a new legislative formula to calculate a “default authorized return on equity”(ROE), which would be recalculated annually based off of the 10-year treasury rate plus up to 2% Legislation such as this, if passed, could reduce investment in Pennsylvania utilities by the capital markets increasing borrowing costs, which would adversely affect customers, and reduce the amount of work and jobs utilities provide throughout Pennsylvania.

Customer Affordability - Our Customers' Dollars At Work

Where Every Dollar Goes

For every dollar paid to
Columbia Gas of Pennsylvania...



- 29¢**
...goes directly to the third-party gas supplier to pay for the cost of natural gas itself. By law, Columbia Gas cannot profit on the sale of natural gas.
- 24¢**
...goes to operating and maintenance expenses required to deliver safe and reliable natural gas.
- 24¢**
...goes to fund pipeline replacement and other required capital programs.
- 7¢**
...goes to pay interest
- 7¢**
...goes toward repaving roads after we complete our pipeline replacement projects
- 5¢**
...goes to pay taxes
- 4¢**
...goes toward assistance programs to help income-eligible customers in need

31¢

Largest Share

Goes to pipeline replacement, ensuring safety & long-term reliability for customers

29¢

Gas Supplier Costs

24¢

Operations & Maintenance

Every dollar is invested to deliver safe, reliable, and affordable natural gas service.

Connecting You + Energy

Customer Affordability

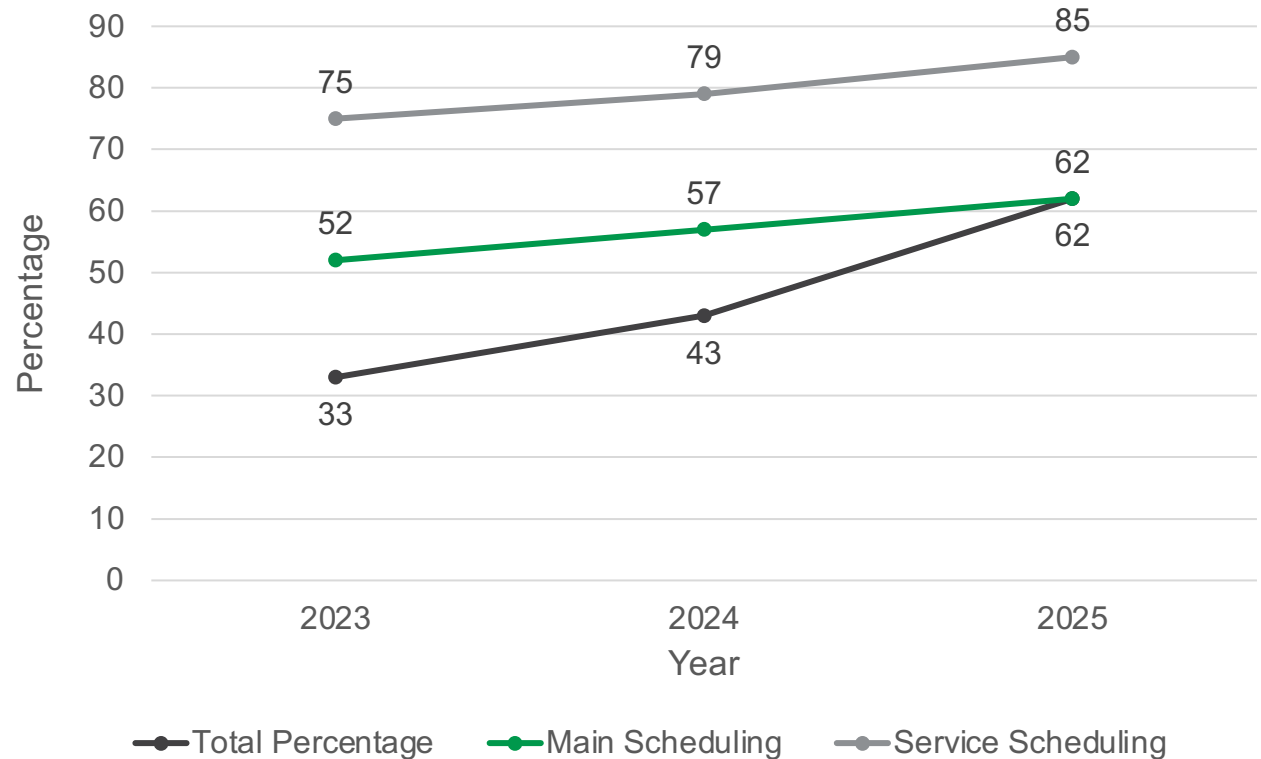
Aspects of the NPL Partnership

- Transparent discussions on efficiencies
- Project Management Implementation
- Creation of Columbia's Capital Value Stream Improvement Plan (VSIP)
- Involvement of our contract partners in the solutioning

Customer Affordability - Project Management

- » Tracks the amount of mainline put in each day in two ways. A fully loaded number (scheduling) and production number (production).
- » Scheduling includes all activities required to further installation, such as spotting utilities and unlocatables, run line investigation, tie in preparation, saw cutting, etc.
- » Production is the amount of pipe/number of services installed per day when units are recorded.
- » For example, if a crew saw cut and spotted utilities Monday and Tuesday, and installed 150' of main on Wednesday, Scheduling average would be 50' and Production would be 150'.
- » Tracking in these two ways allows to gain insights into where crews are working efficiently and where there are opportunities for improvements.
- » Since tracking and partnering with our contractors to discuss these metrics, we have seen a large decrease in the amount of idle time we have in the field.
- » Total Percentage includes "Non-Productive" time (training, vacation, sick, etc).

2023-2025 Percentage of Install Days



Customer Affordability – VSIP Idea Generation

- Three-Walks
 - Design Phase, Constructibility (sign-off), Pre-Construction walk
- Efficient Look Aheads for leaders/CC's/Foreman
 - Reduce delays - schedule resources ([welders](#), [M&R](#), [additional workforce](#), [etc.](#)), tooling needs, material availability...
- Sewer Camera Standard Requirements
 - Review Standard Compliance
- Hydrovac – Spot Ahead
 - Investment Upfront for more productivity and reduced damages
- Tie-in Location Verification
 - Reduce Delays – Scope Changes
- Unit Consolidation Effort
- Strategic Alliance Partnership



Top Municipal Challenges

- 1 Paving Restoration Mandates**
Curb-to-curb paving restoration mandates increasing project costs
- 2 Engineering Oversight Delays**
Mandated engineering company review and oversight creating permit delays
- 3 Road Degradation Fees**
Compaction testing and road degradation fees adding to project burden

LEGAL VICTORY

Columbia Gas, with the PUC's help, wins lawsuit against Menallen Township's unreasonable engineering and inspection fees

PA Commonwealth Court struck down Menallen's inspection and engineering fee provisions as impermissible utility regulation



Actively Addressing Municipal Challenges to Protect Infrastructure Investment Progress

Takeaways

Balancing Priorities in a Challenging Environment

Capital Program

- Critical Infrastructure Investments
- System Reliability
- Growth & Modernization
- Long-Term Value creation

Challenges

- Political & Regulatory Climate
- Rising Costs
- Customer Affordability

We must continue to find ways to balance these priorities



Questions?

THINK AHEAD »

