The Shale Industry - Anticipated Trends in the Industry and Impacts on Ohio

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Energy Cooperative

- Electric Cooperative
  - Serving Licking and Knox Counties
  - 26,000 Members

- Natural Gas Cooperative
  - Serving Licking, Muskingum and Franklin County
  - 35,000 Members

- Oil and Gas Production
  - 600 producing wells
  - 1 producing well in Utica Formation

- Propane Cooperative
  - 4,200 members
Direct Impacts-CURRENT

- Current Member Benefits
  - Infrastructure Replacement
  - Line Extensions
  - System Upgrades
  - Substation Upgrades

- Commercial Growth
  - Most tied to Shale Industry
  - Hotel and Restaurant

- Residential Growth
  - Very Little
Direct Impacts-Future

- **Member Benefits**
  - System Upgrades for New Service
  - New Substations
  - Reduced Cost to Serve

- **Growth**
  - Majority tied to Shale Industry
  - Largest Load growth Processing Plants
  - As Industry Matures should lead to growth not related to Shale Industry
Indirect Impacts - Future

- Clean Power Plan (CPP)
  - Role for Natural Gas
  - Generation Assets
  - Price Effect

NYMEX Settlement History