

Welcome to Kern River's 2026 Customer Meeting

September 9-11, 2026

Park City, Utah

Kern River
GAS TRANSMISSION COMPANY

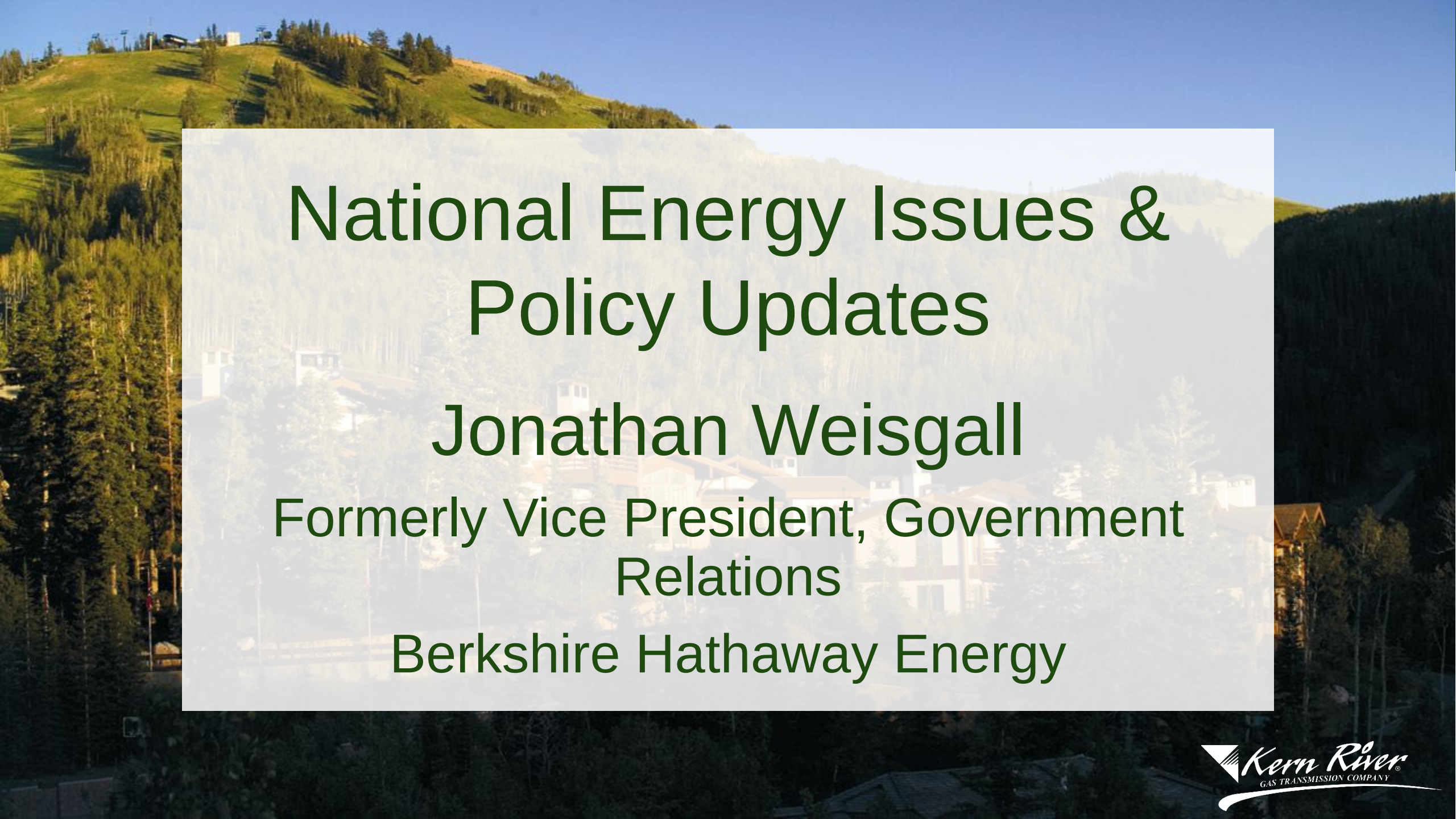


Welcome

Mac McGuire

Vice President, Customer Service
& Business Development

Kern River Gas Transmission Company



National Energy Issues & Policy Updates

Jonathan Weisgall

Formerly Vice President, Government Relations

Berkshire Hathaway Energy

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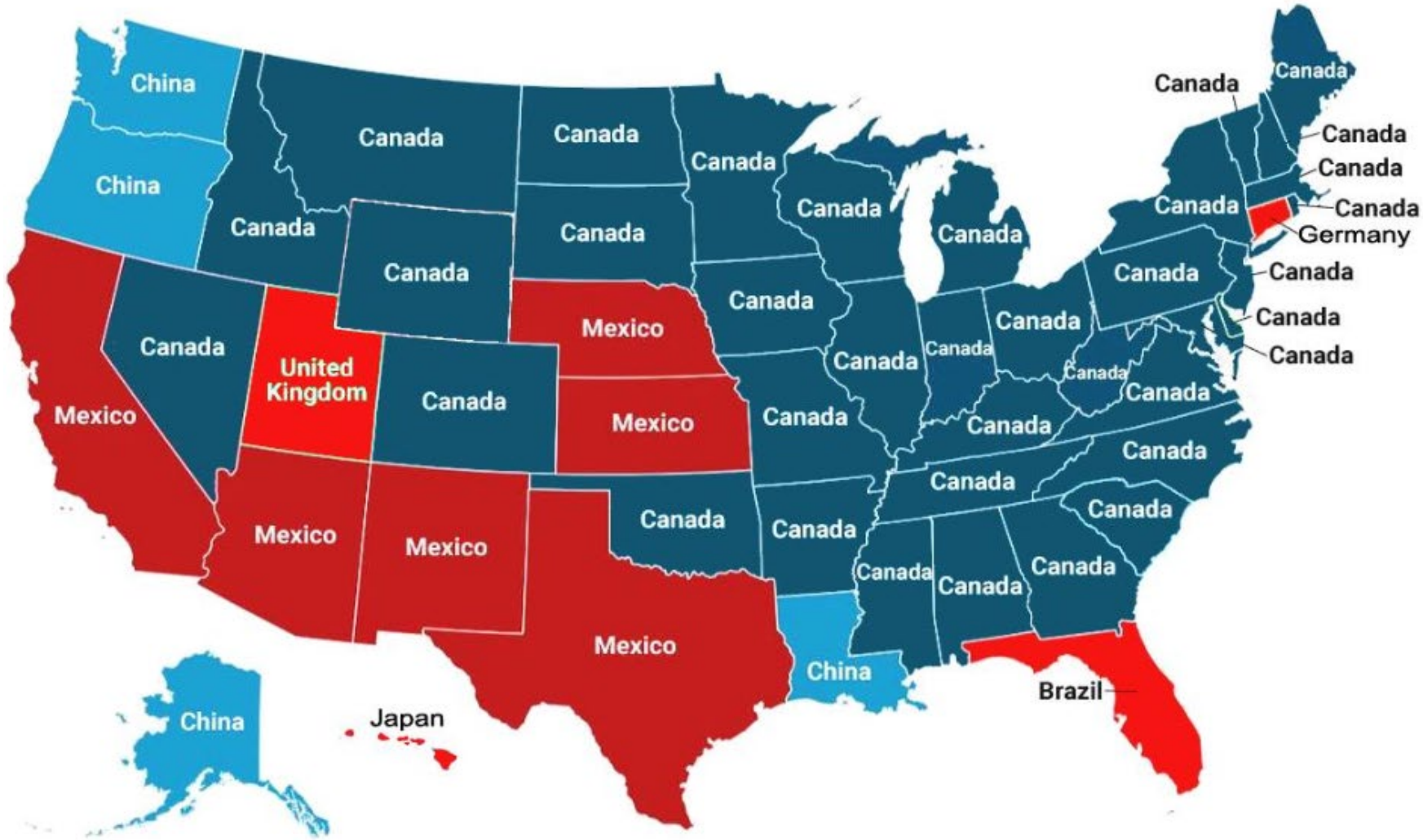
Topics

Trade and Tariffs
Trump II/Congress Scorecard
Social Trends
Economic Trends
A.I./Data Centers
Critical/Rare Earth Minerals
Energy Trends
Midterm Elections 2026

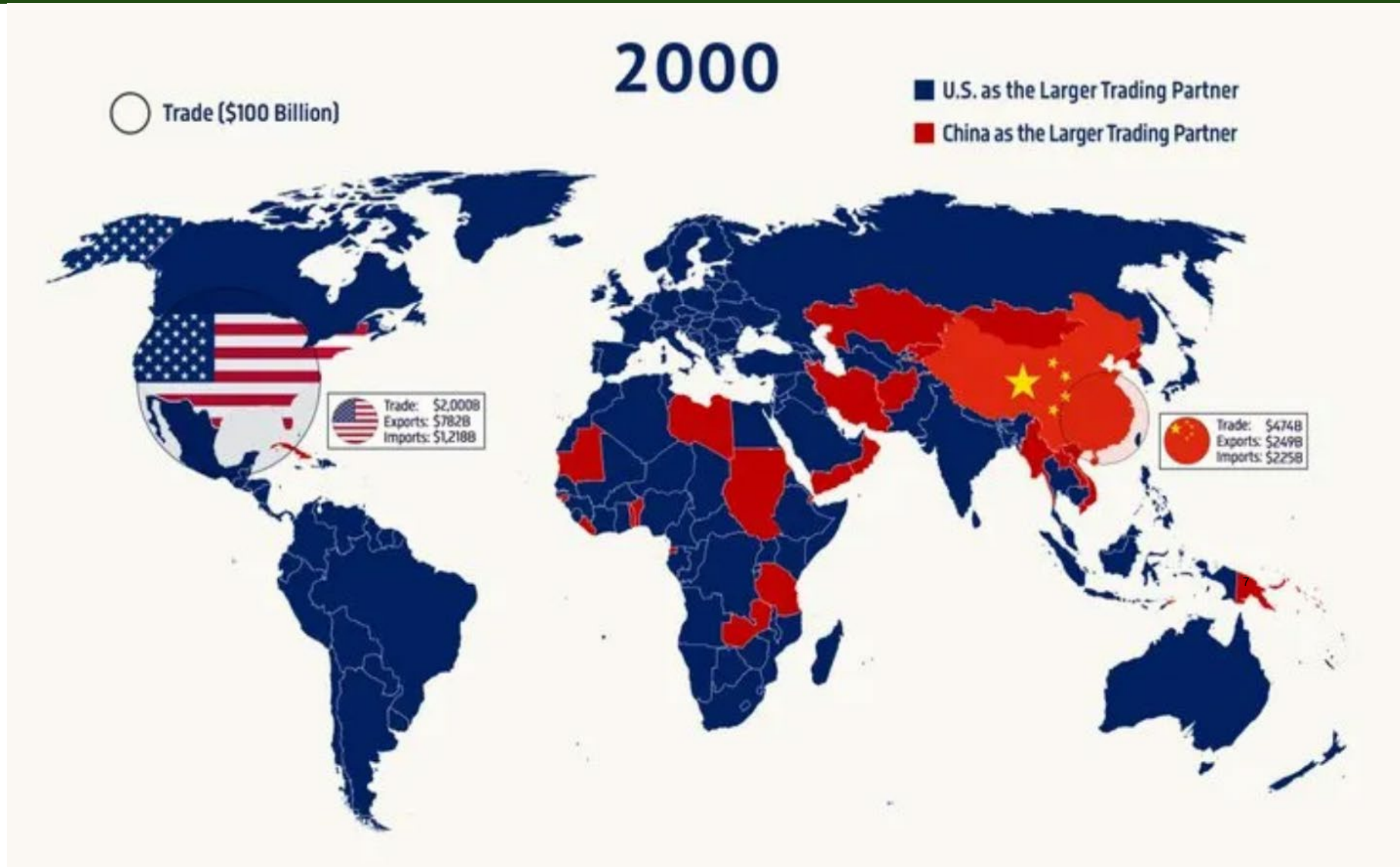


Trade and Tariffs

Top export trading partner for each U.S. state


China
China
Canada
Canada
Canada

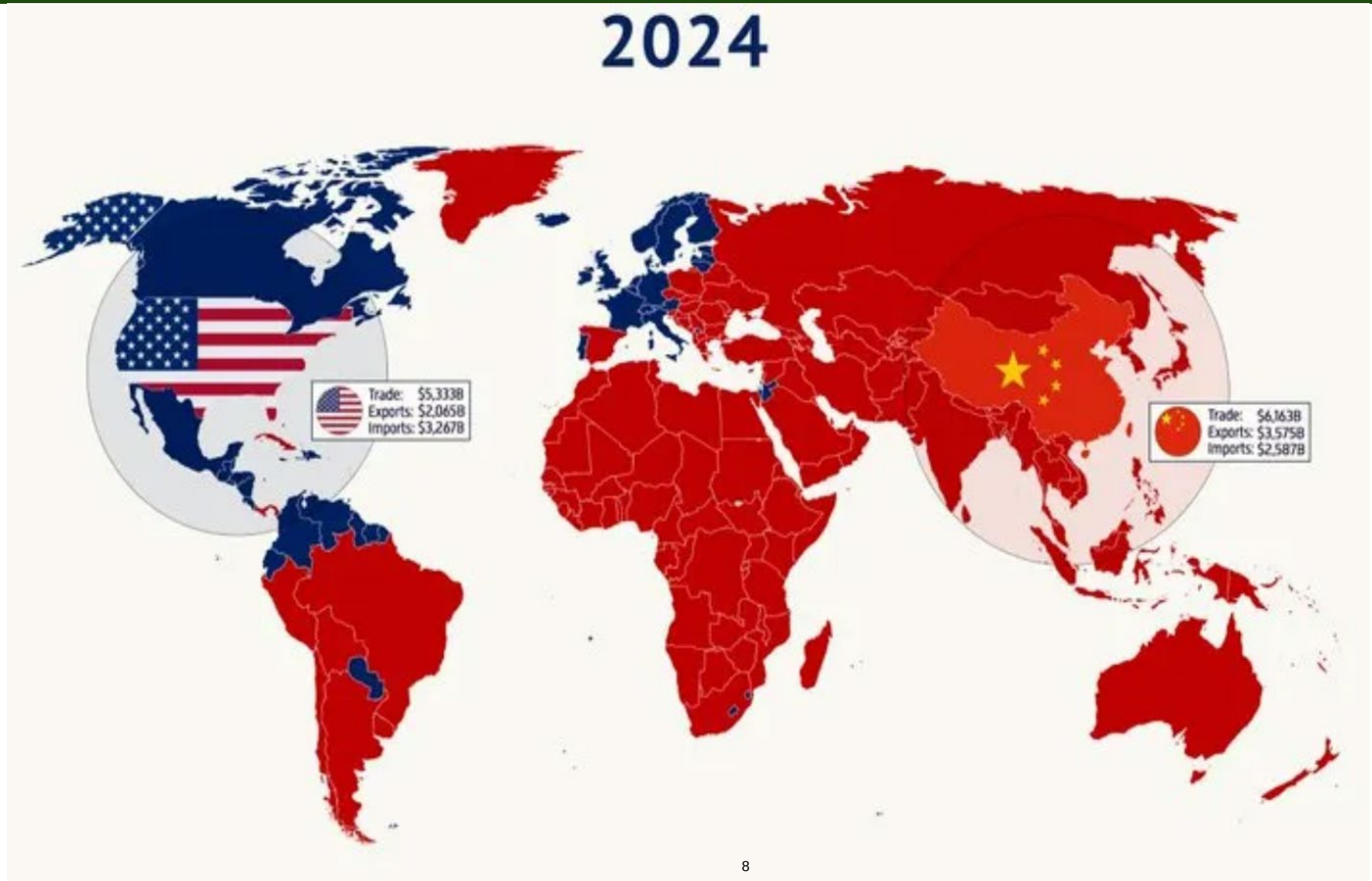
Global trade dominance: U.S. v. China



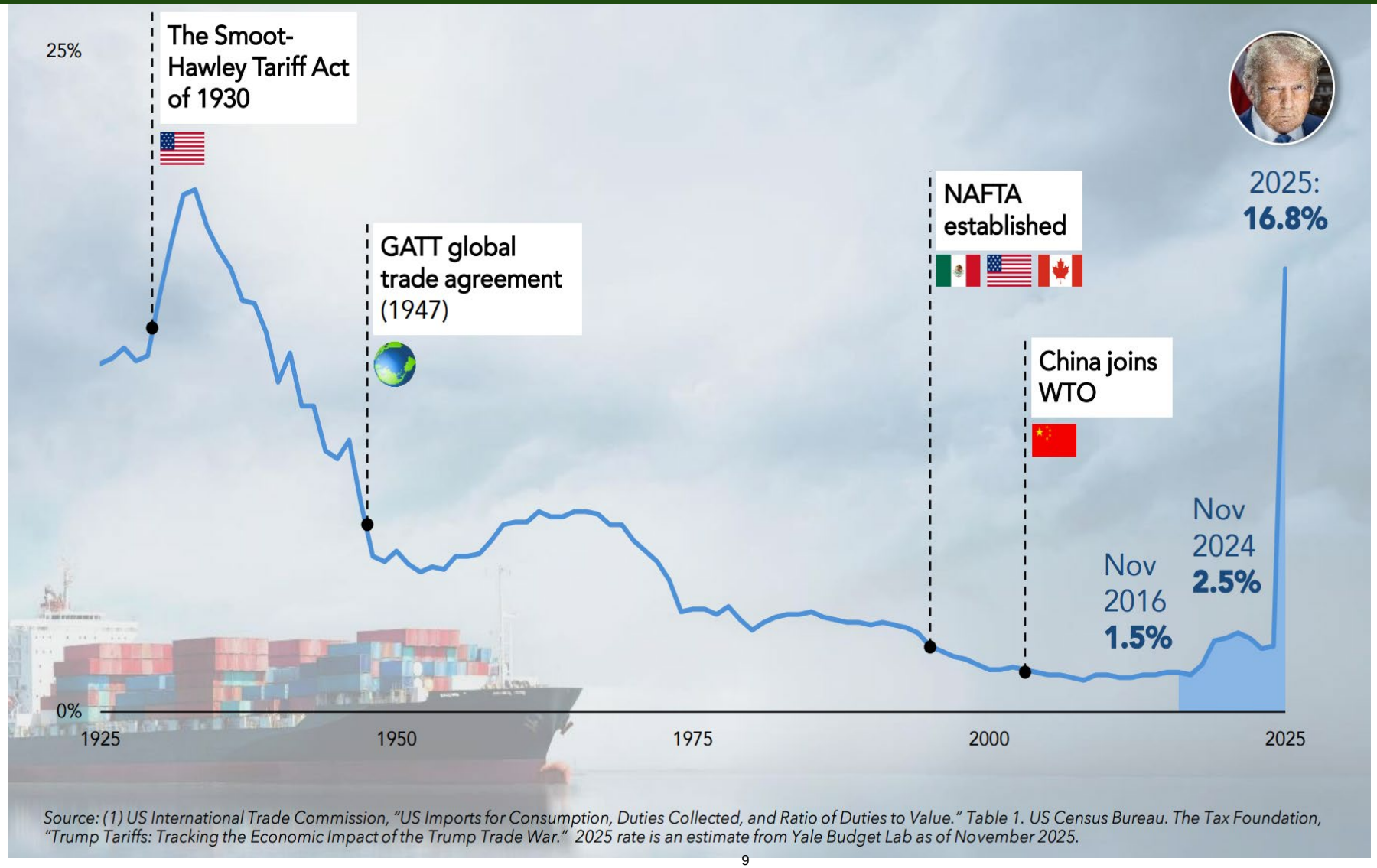
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Global trade dominance: U.S. v. China

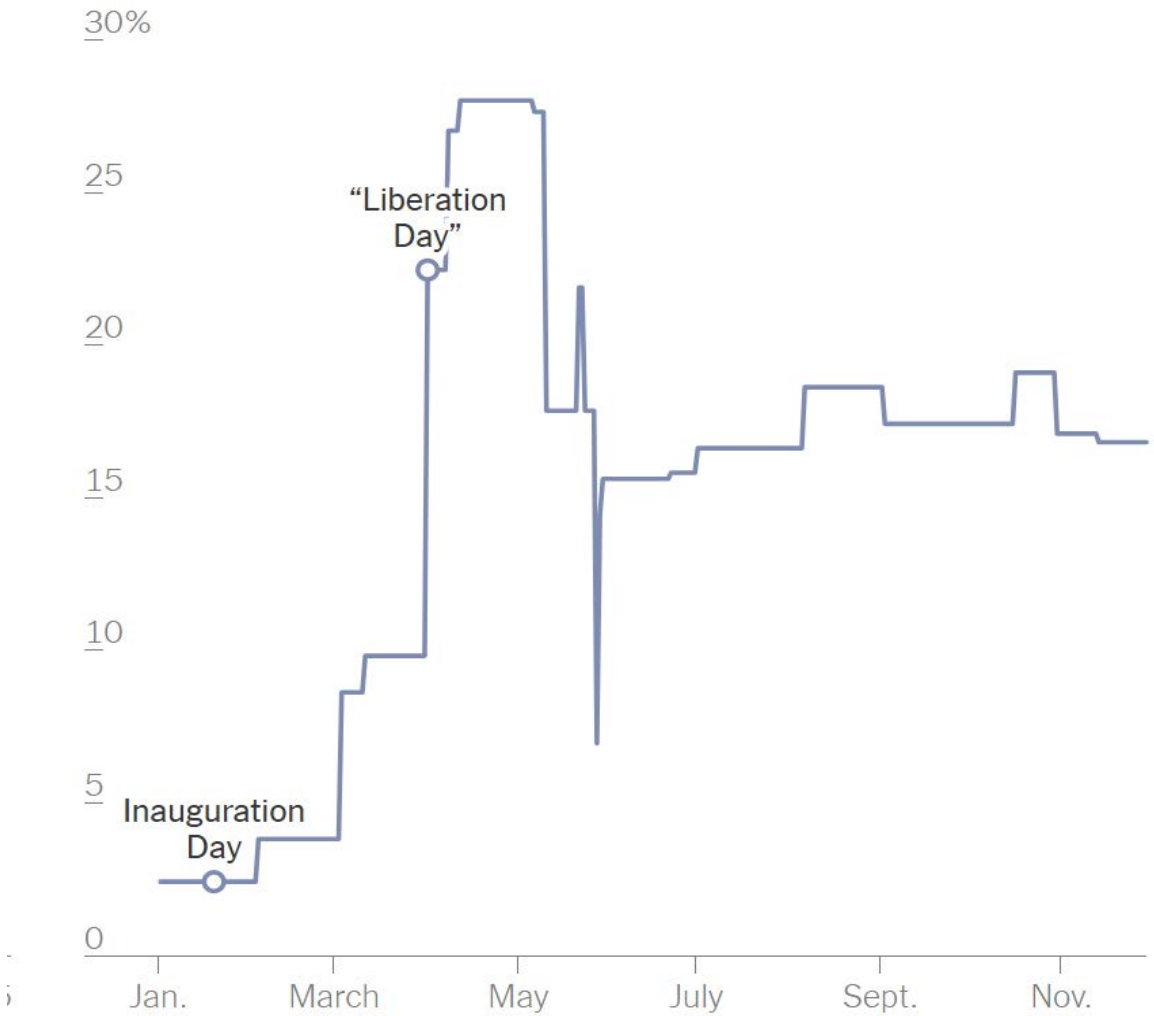
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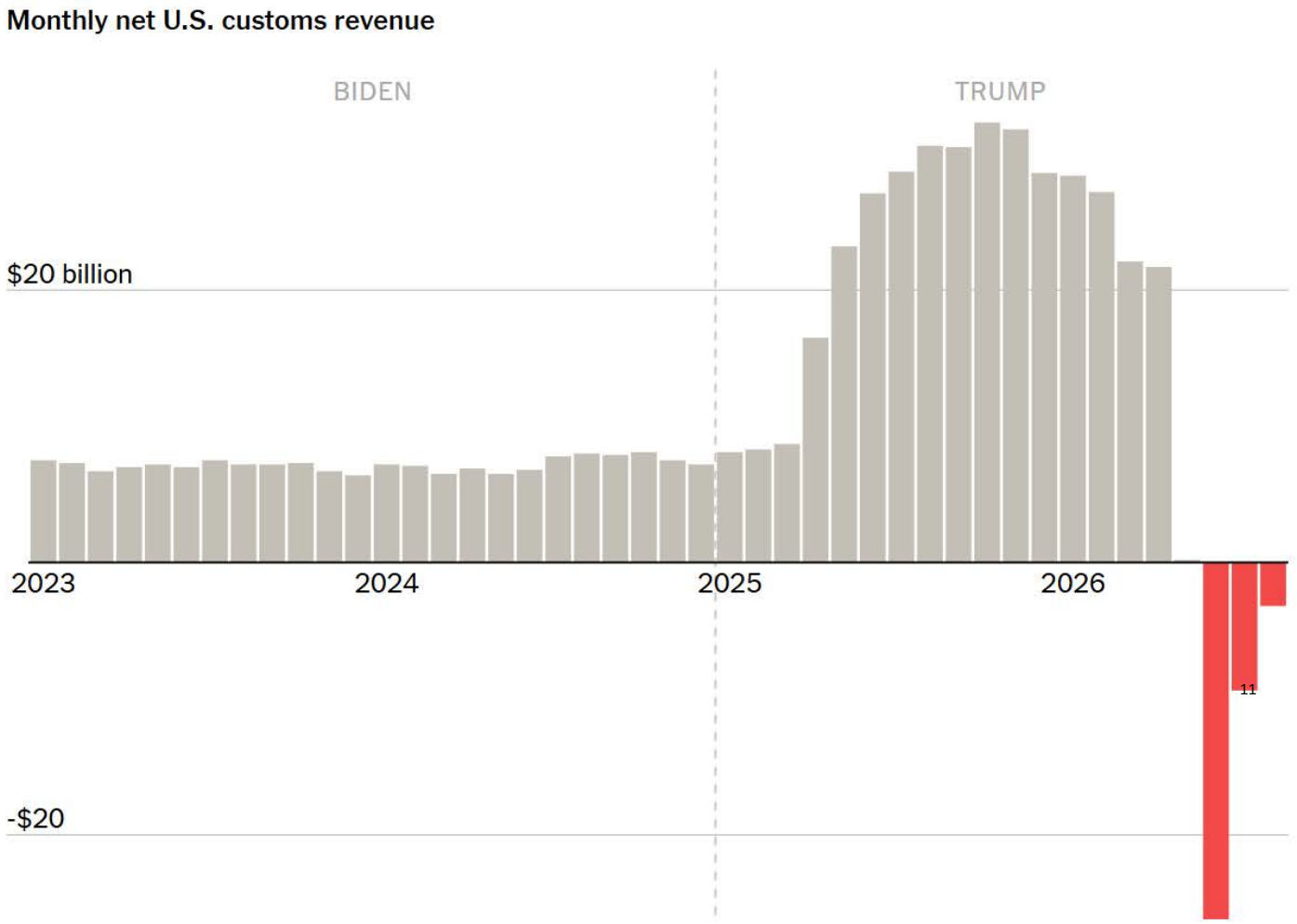
Average tariff rate on all U.S. imports



Average effective tariff rate 2025



Tariff refunds are in full swing



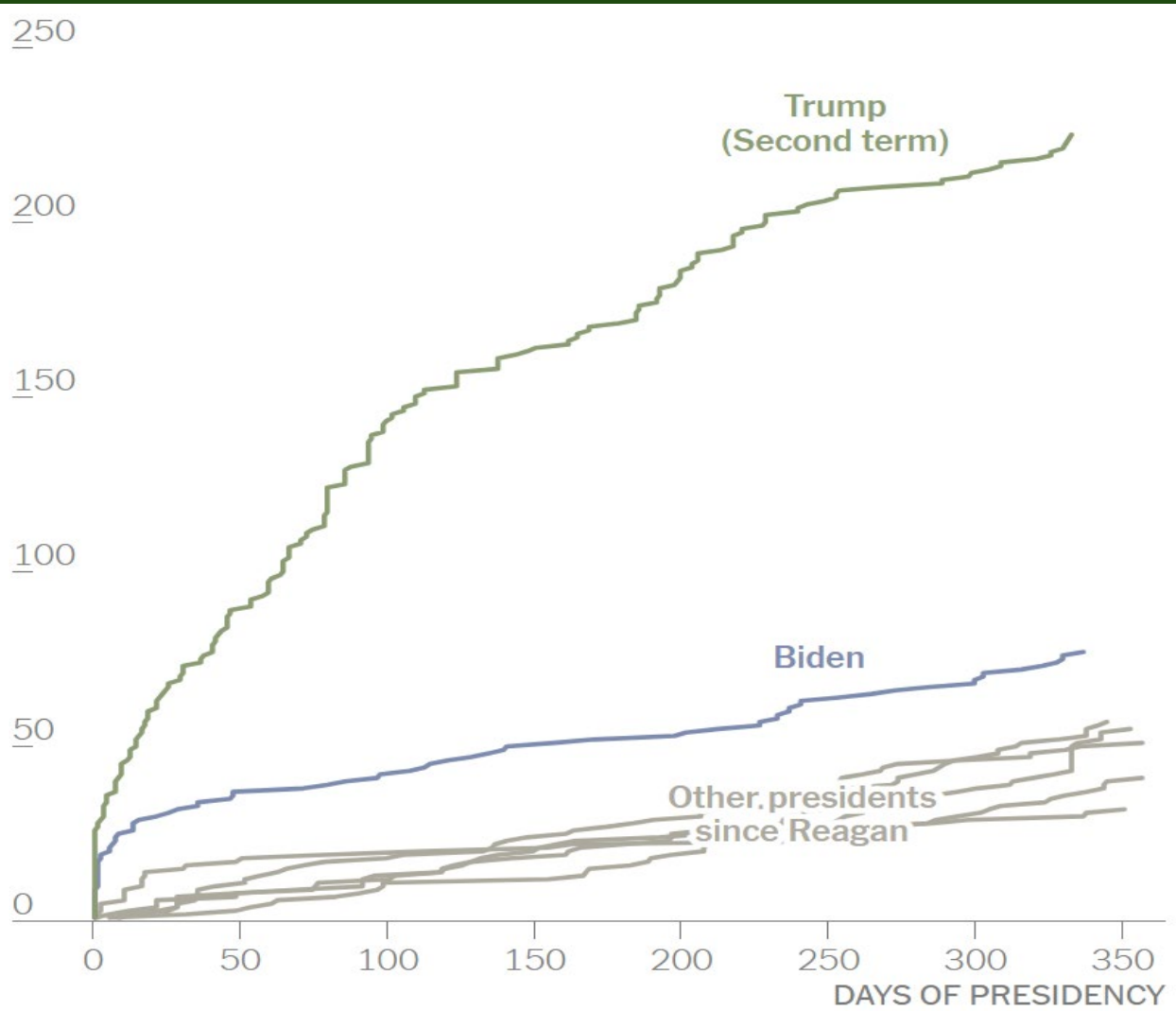
Note: Data as of Aug. 13, 2026. Source: U.S. Treasury.

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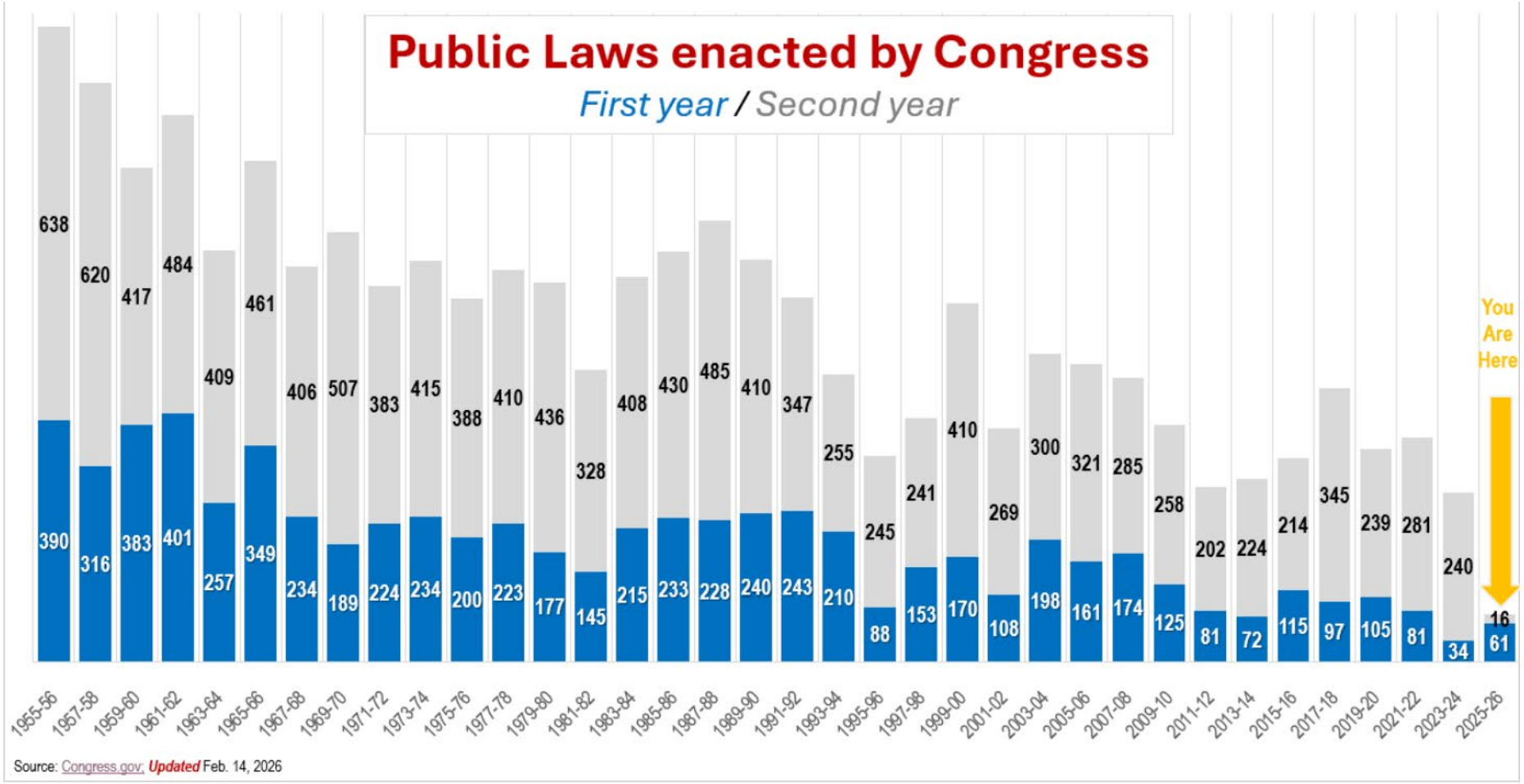


Trump II/Congress scorecard

Executive orders



2025: second fewest laws passed in 100 years



SAVE America Act

Passed 218–213	Stalled	Strongly Endorsed	21M+ Voters
House Vote	**Senate Status**	**Presidential Support**	**Projected Impact**
February 11, 2026	Needs 60 votes (filibuster) — lacks ~7 D votes	Called for passage in Feb 24 State of the Union	Estimated voters lacking required documentation

What it does: The SAVE America Act (Safeguard American Voter Eligibility Act) requires (1) documentary proof of U.S. citizenship (passport, birth certificate) when registering to vote in federal elections, and (2) a government-issued photo ID at the polling place. It also mandates voter roll purges and exposes election officials to criminal penalties for non-compliance.

PROPONENTS ARGUE

- Prevents noncitizen voting in federal elections (already illegal but attestation-only currently)
- 8 in 10 Americans support proof-of-citizenship and voter ID in polling (Trump cites)
- States like AZ have had citizenship requirements since 2004
- Bill takes effect immediately, applying to all new registrations

CRITICS / OPPONENTS ARGUE

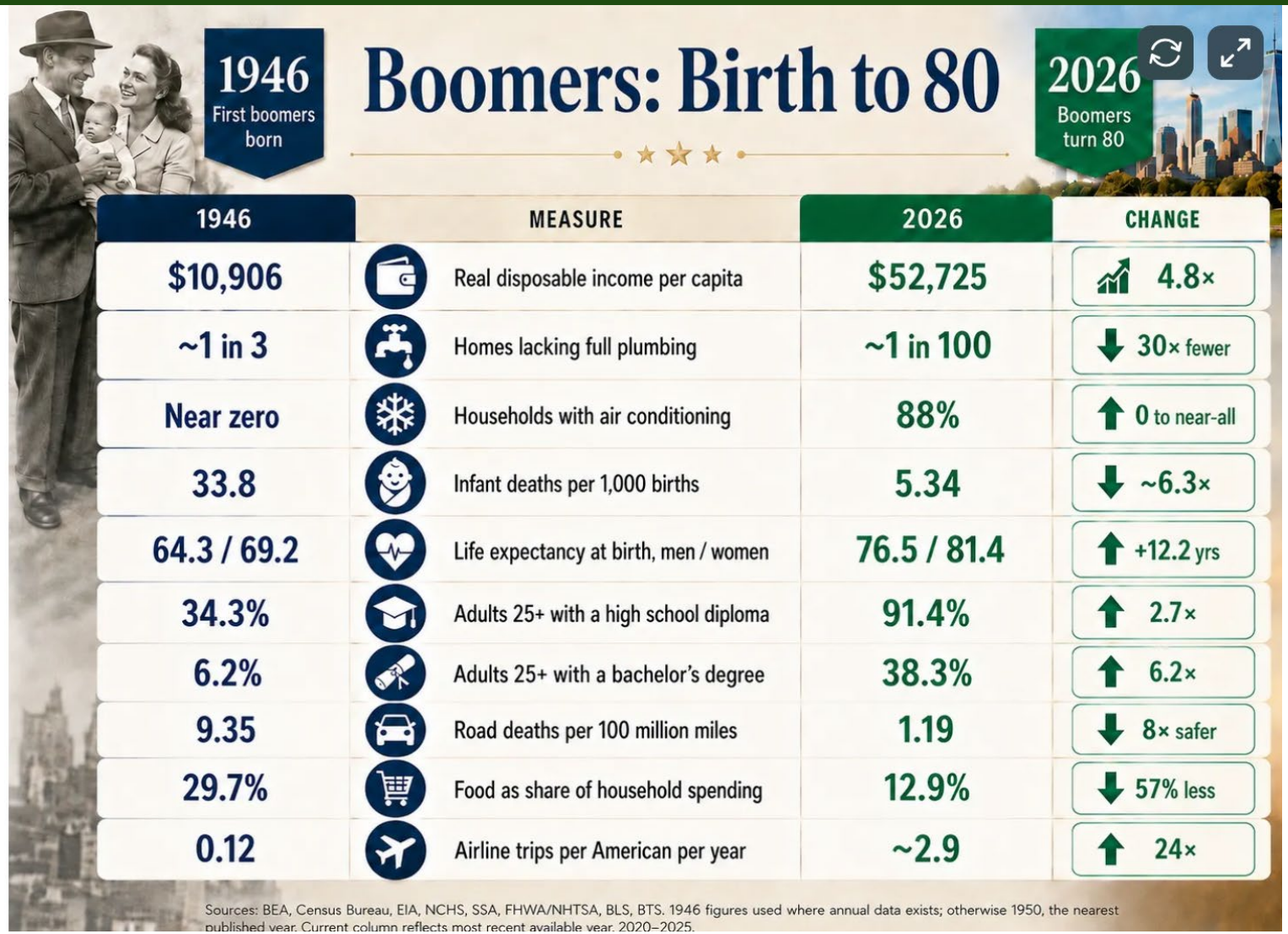
- 21M+ citizens lack required documents; disproportionately affects women (name changes), elderly, minorities, young voters
- Effectively kills mail and online voter registration (6% currently register in person)
- Functions as a modern poll tax — passports and birth certificates cost money
- Proven instances of noncitizen voting are 'vanishingly rare'; no evidence of election-altering fraud

Source: Congress.gov H.R.22; Bipartisan Policy Center (Feb 2026); PBS NewsHour; NPR (Feb 19, 2026); Center for American Progress; NAACP LDF; Snopes (Mar 2026)



Social Trends

Progress and abundance



Generational values gap: 2024 poll

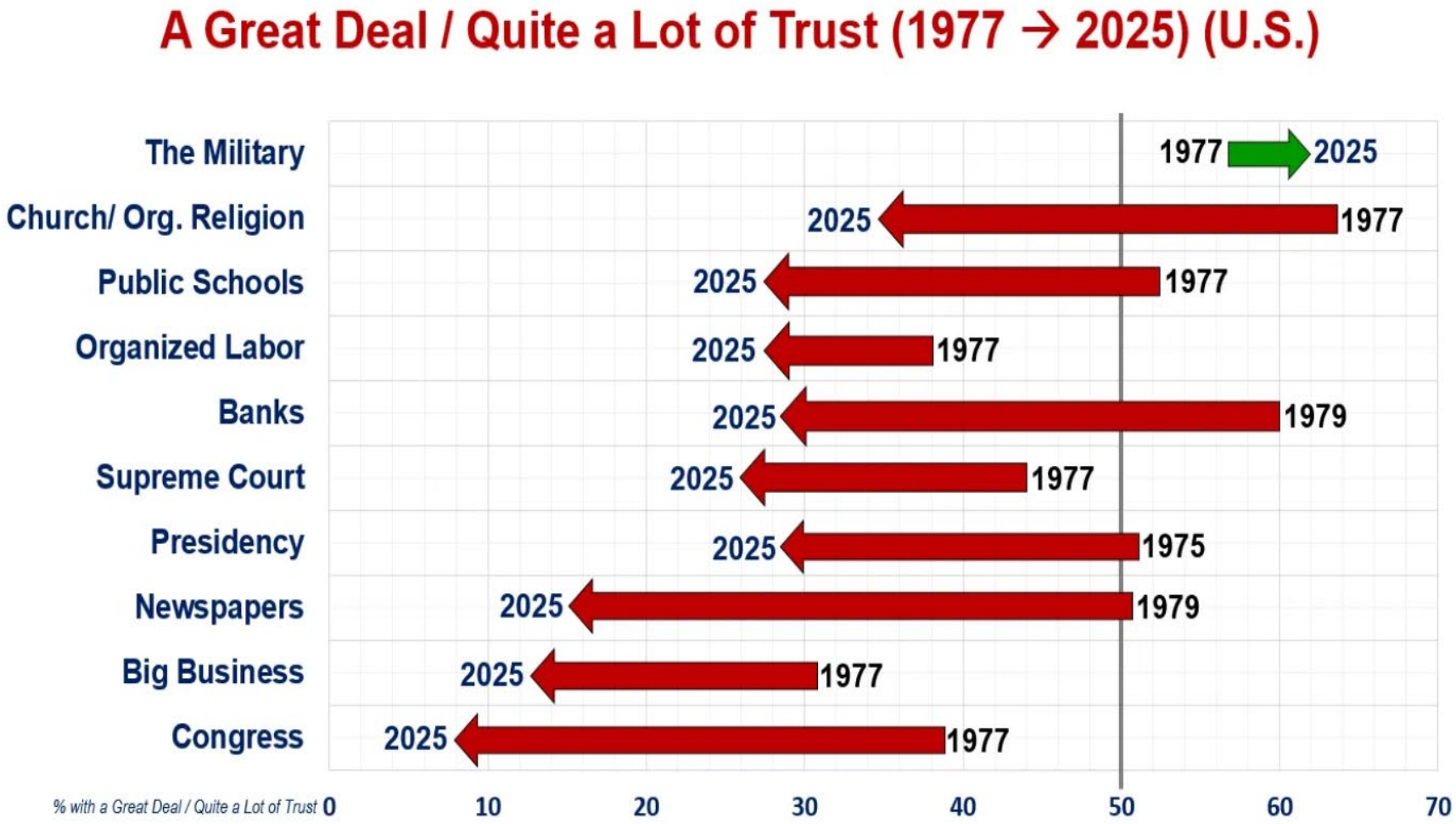
Values by Generation

NBC NEWS

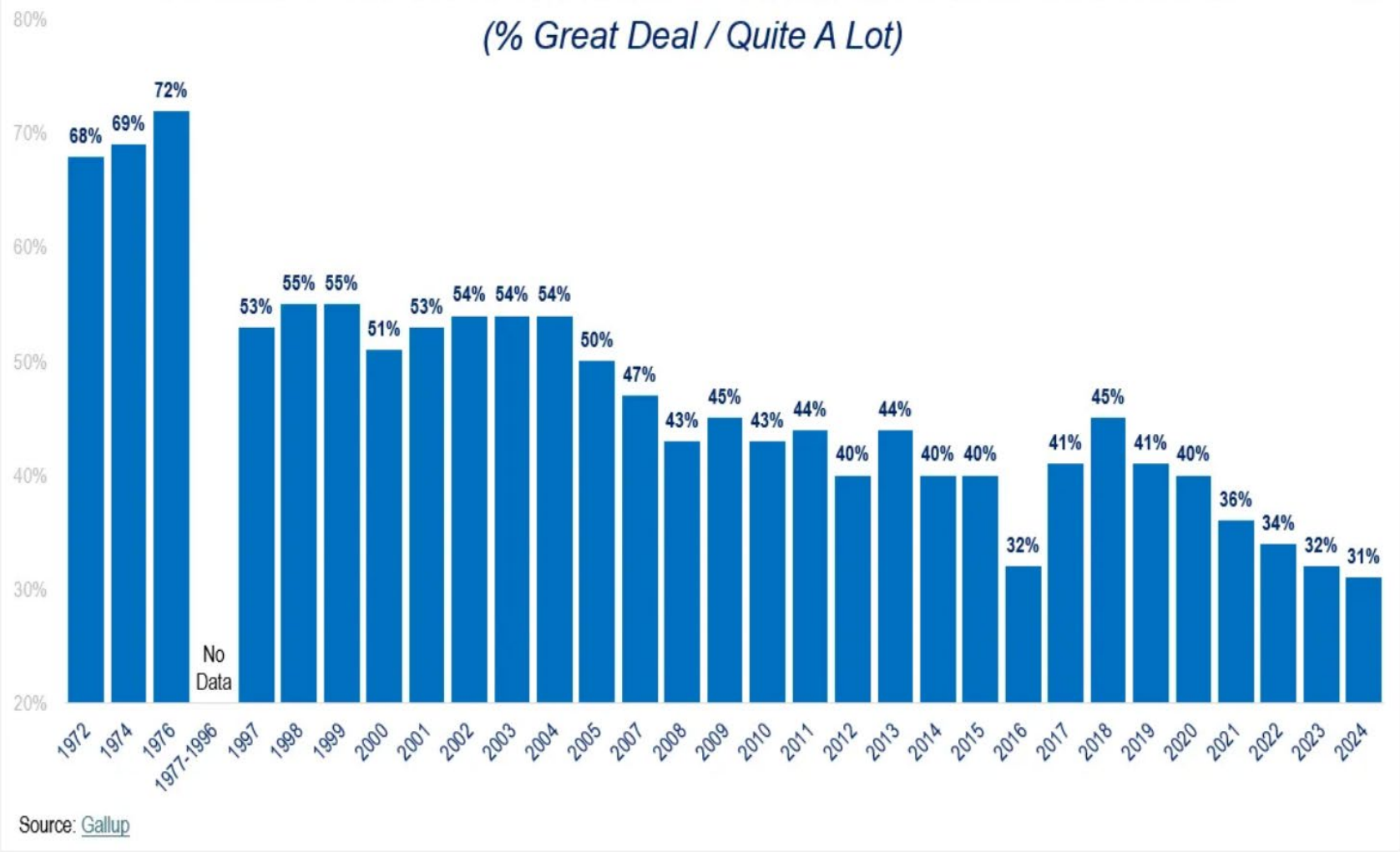
% Very Important	Generation Z *(Ages 18-26)*	Baby Boomers *(Ages 59-77)*
Patriotism	**32%**	**76%**
Belief in God/Religion	**26%**	**65%**
Having Children	**23%**	**52%**
% Agree		
America best place to live	**33%**	**66%**

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Gallup: public increasingly skeptical of institutions

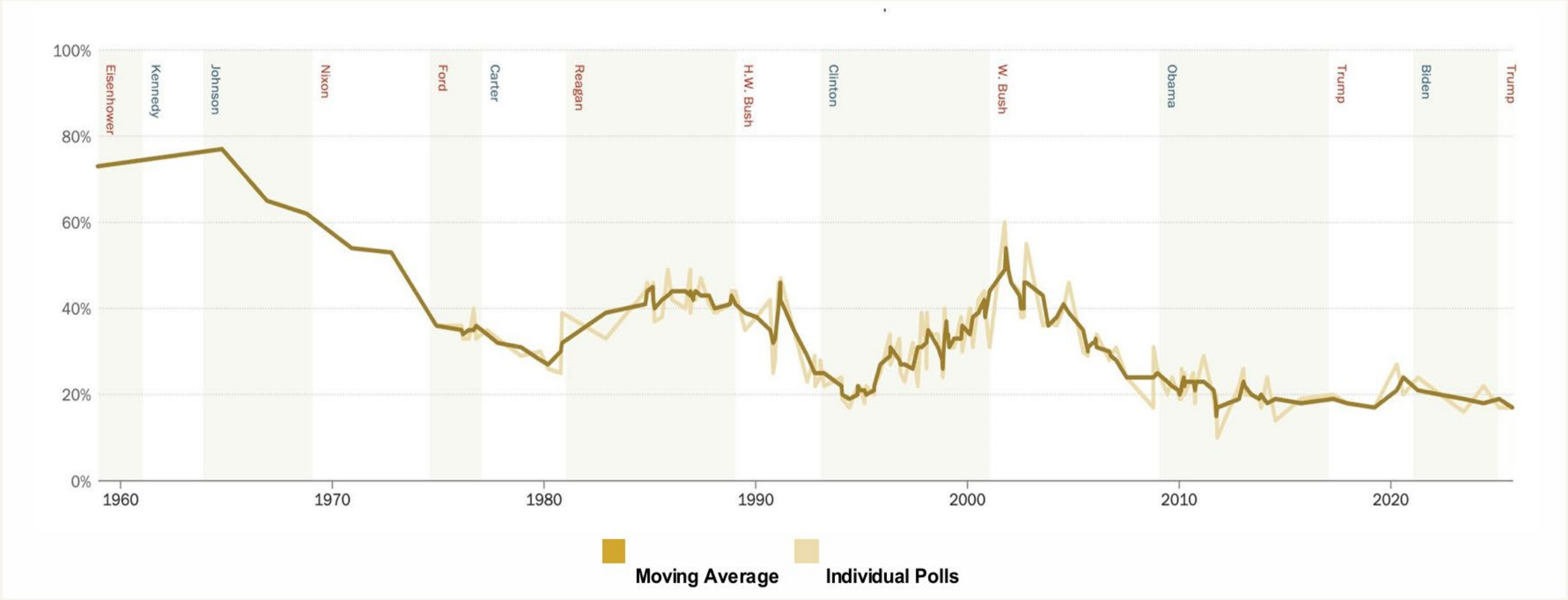


Trust in mainstream mass media

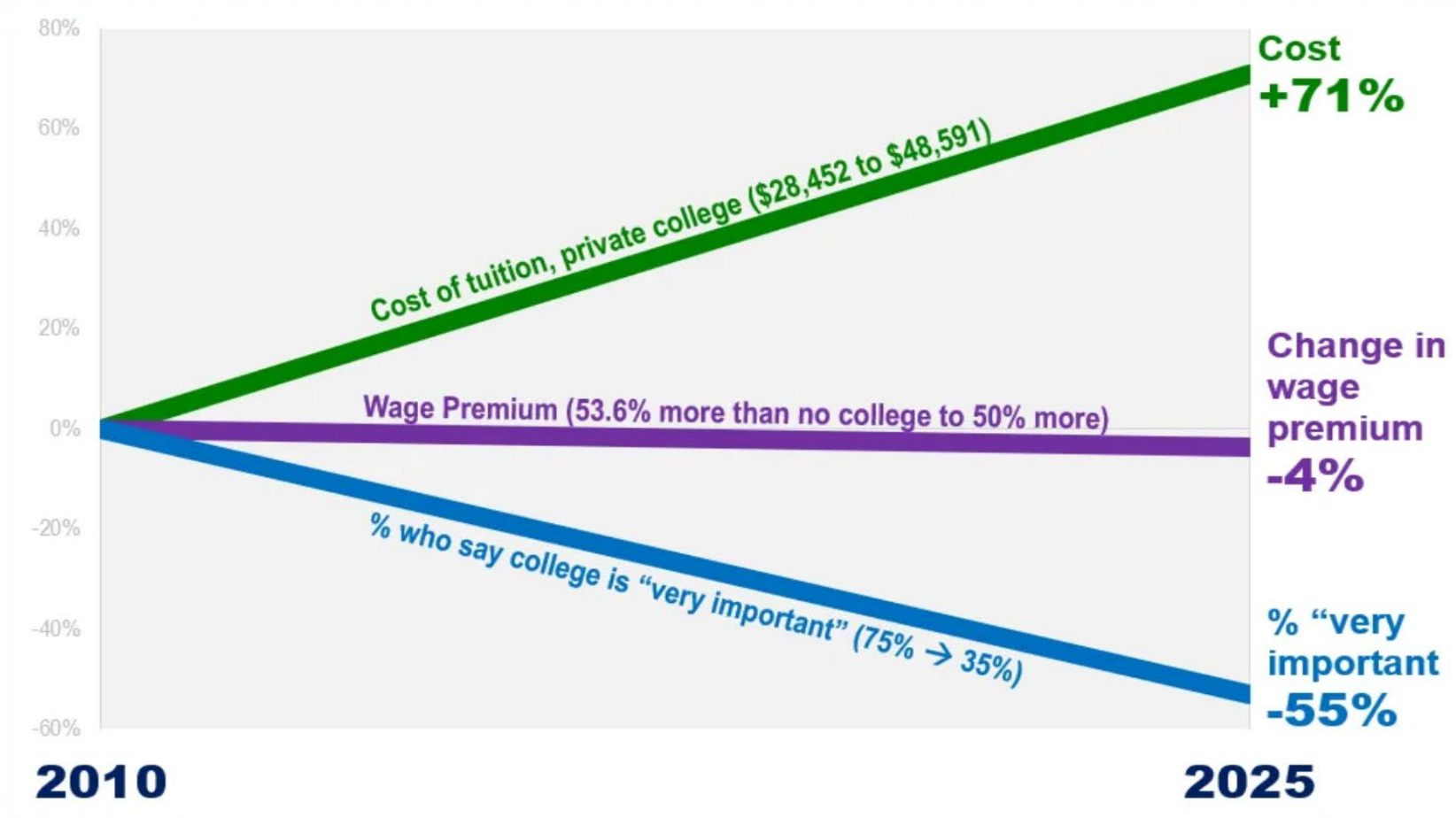


Trust in government is near a historic low

%who say they trust the government to do what is right just about always/most of the time



Change in college considerations 2010-2025



Sources: Very important (Gallup); Cost (US News); Wage Premium (NY Fed)

Different news, different views, different realities

What Do You See Here?



The G.O.A.T *or* a goat 🐐 ?



Savior *or* Satan?



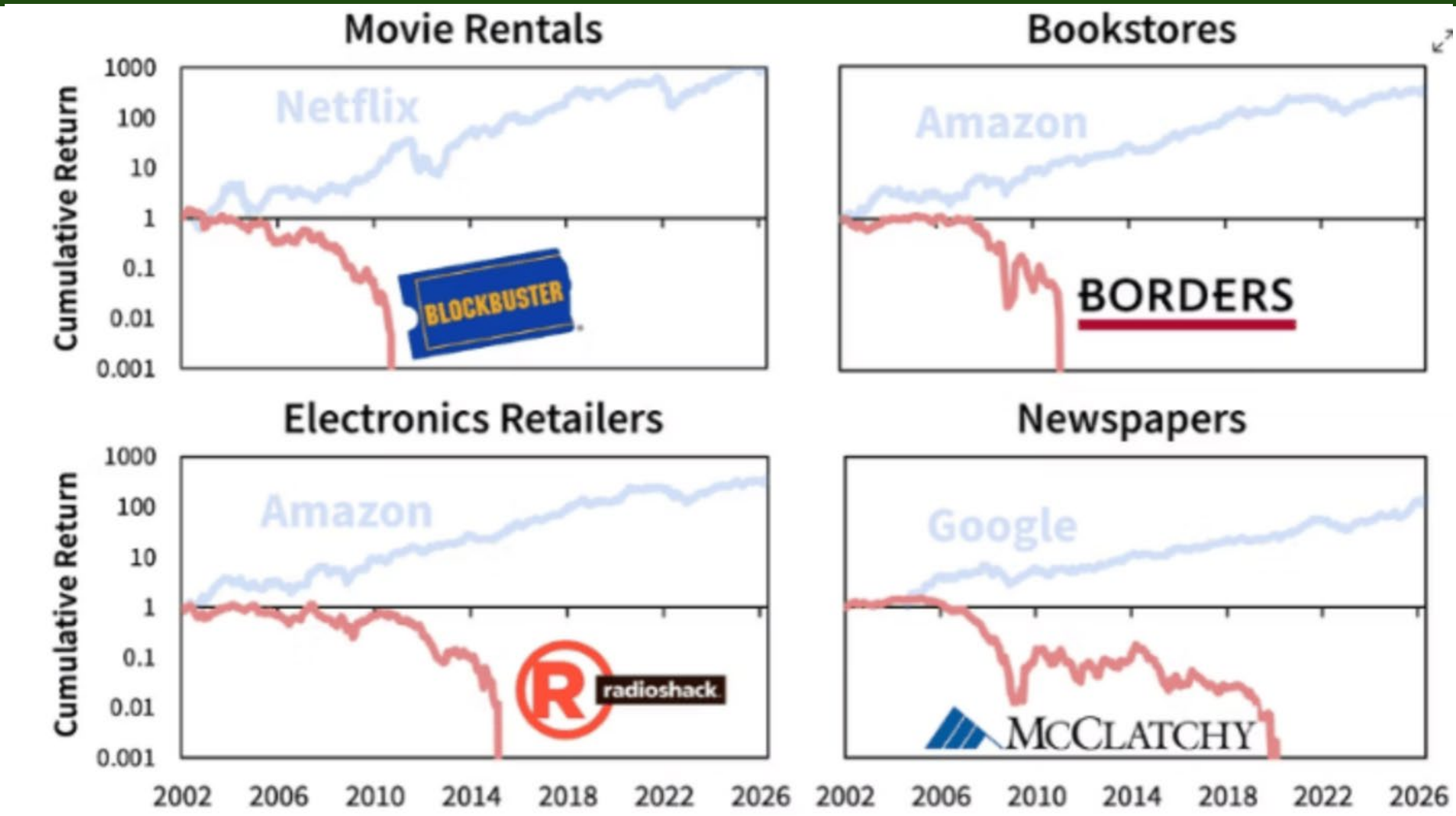
Inspiring & Aspirational *or* Performative & Sanctimonious?



Which is Fair & Balanced?

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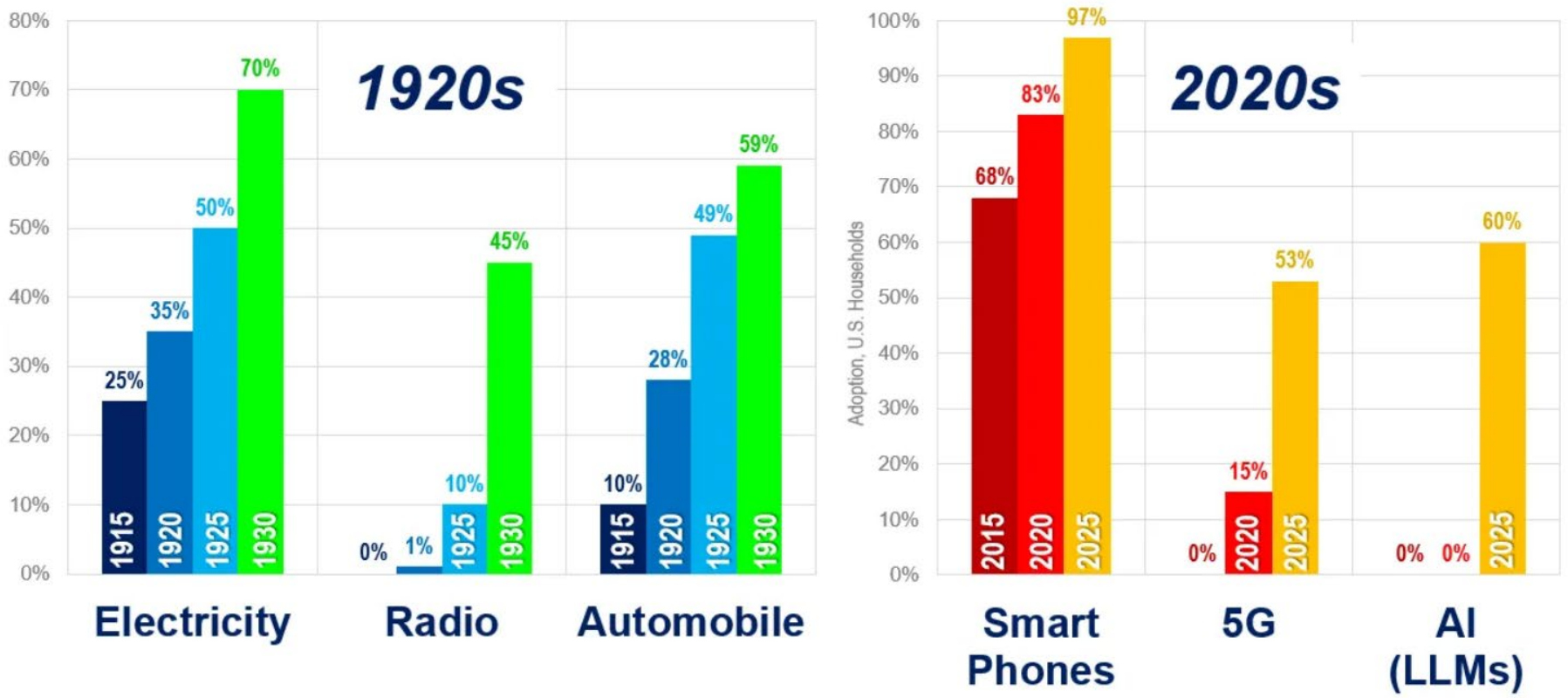
Iconic disruptions



Source: S&P, Sparkline. From 1/1/2002 to 4/30/2026.

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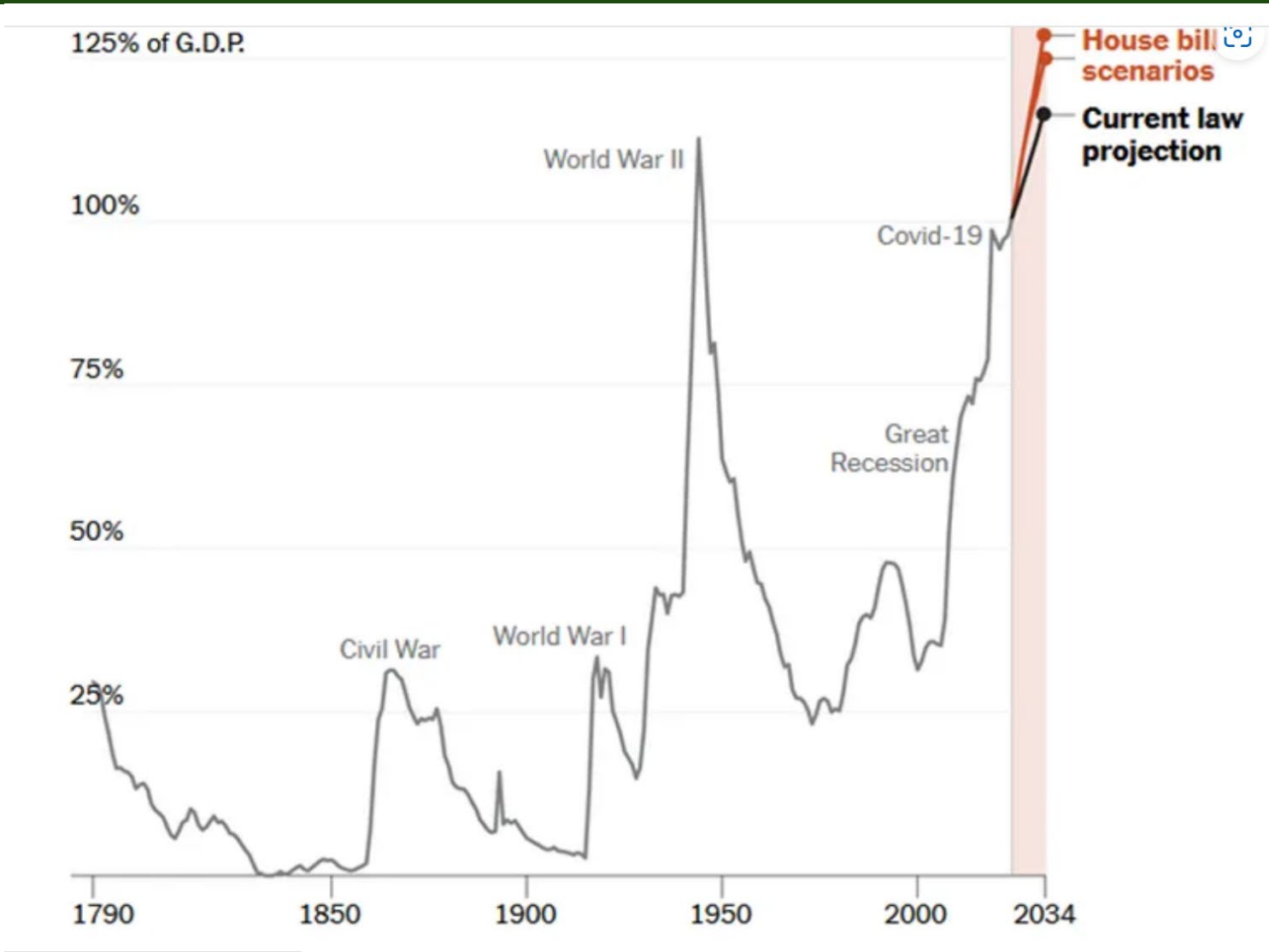
Rapid adoption of transformational technologies



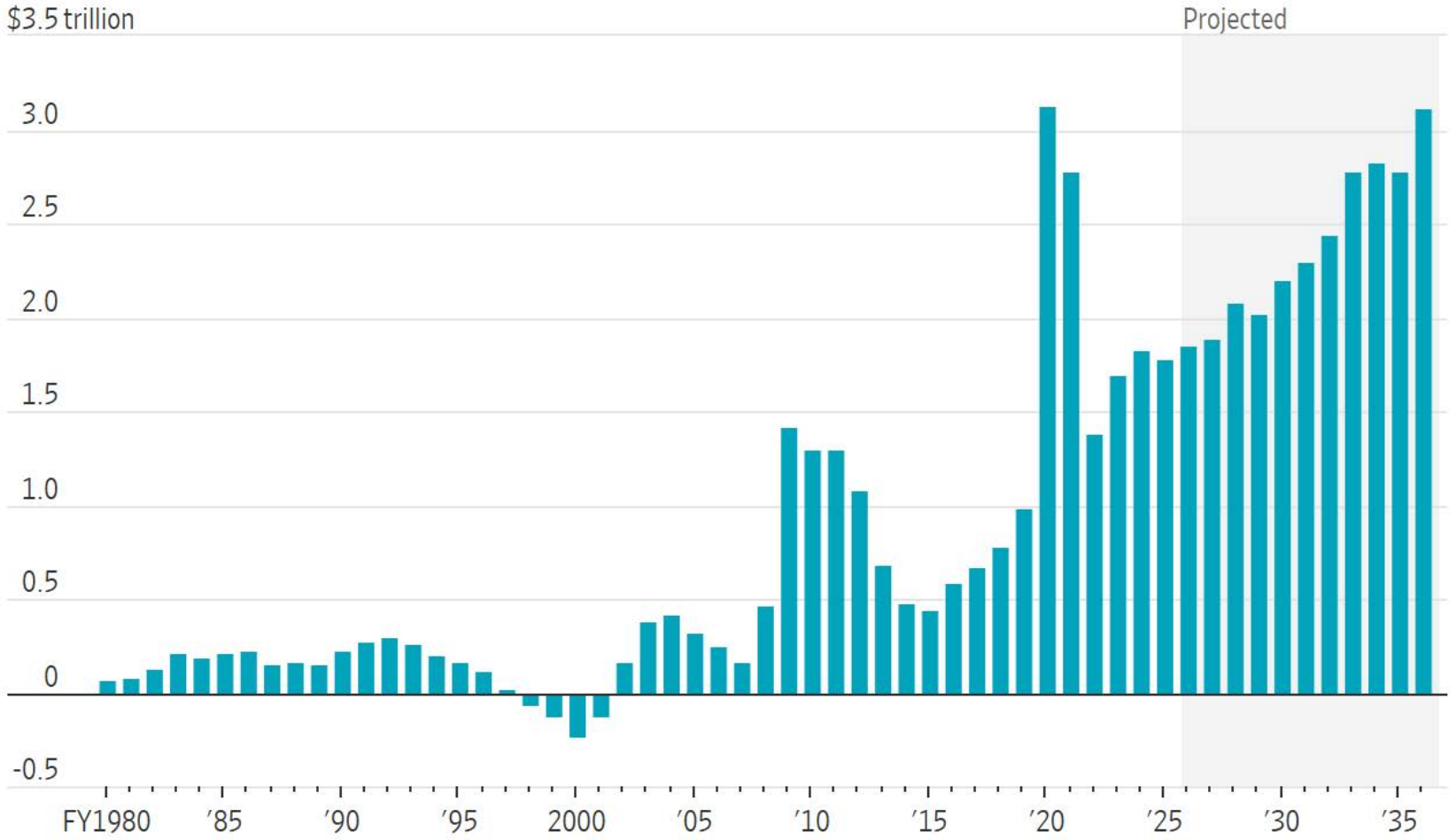


Economic Trends

Federal debt as a share of the U.S. economy

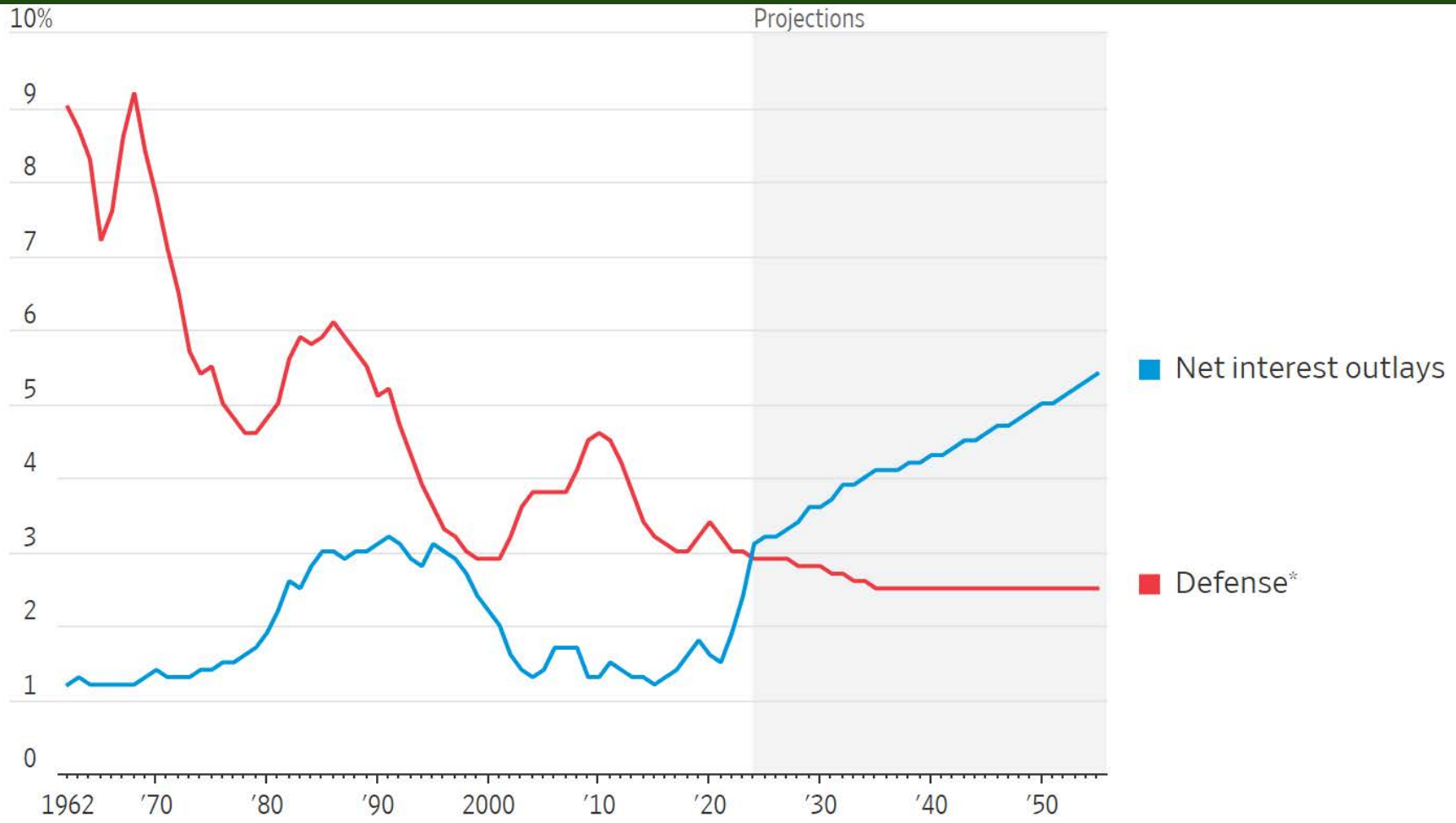


Annual federal budget deficit



Note: Deficits are shown as positive values and surpluses as negative.
Source: Congressional Budget Office

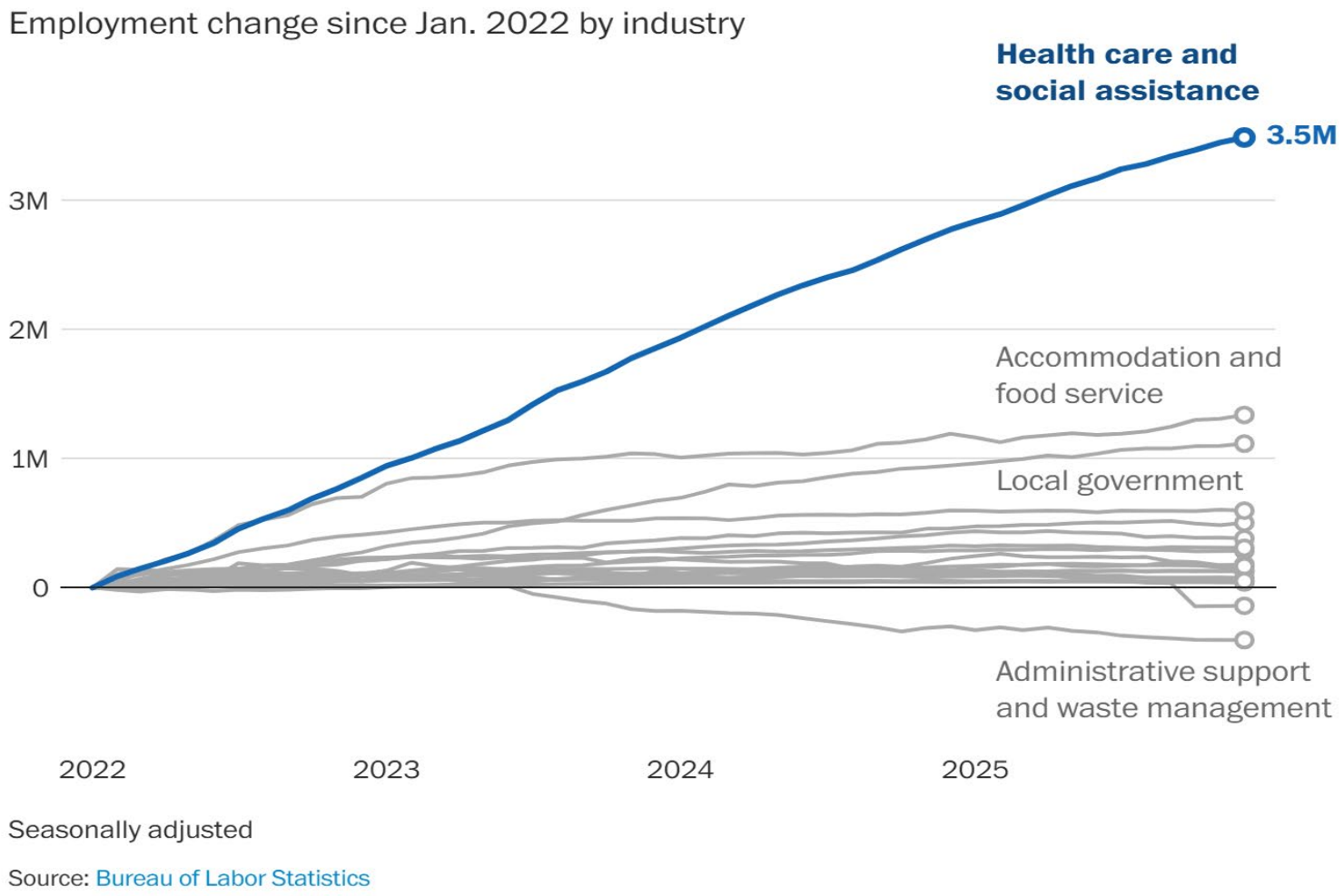
U.S. net interest payments and defense as a percentage of GDP



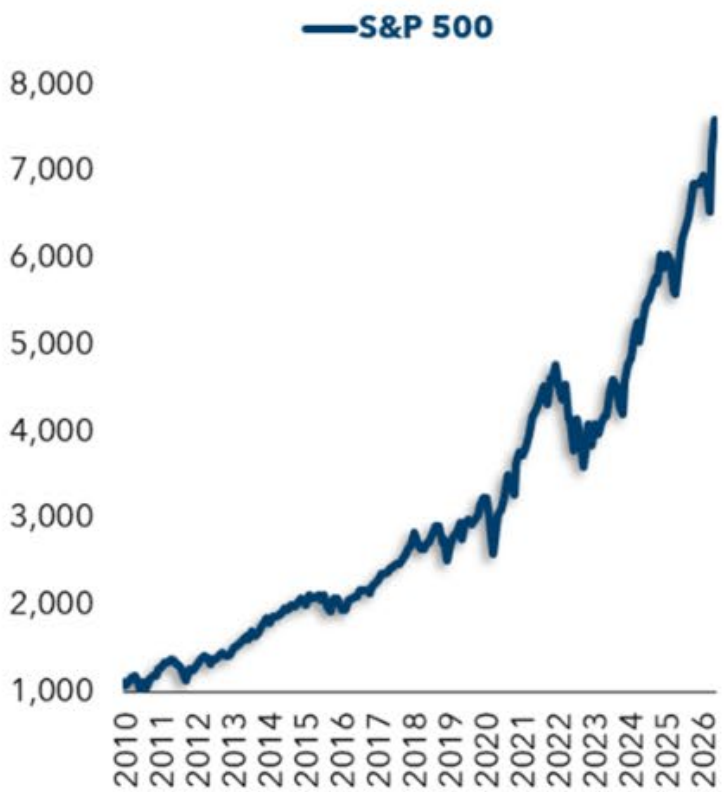
*Defense spending after 2023 extrapolated on the assumption that it remains consistently 48% of total discretionary (the average of 2014-23).

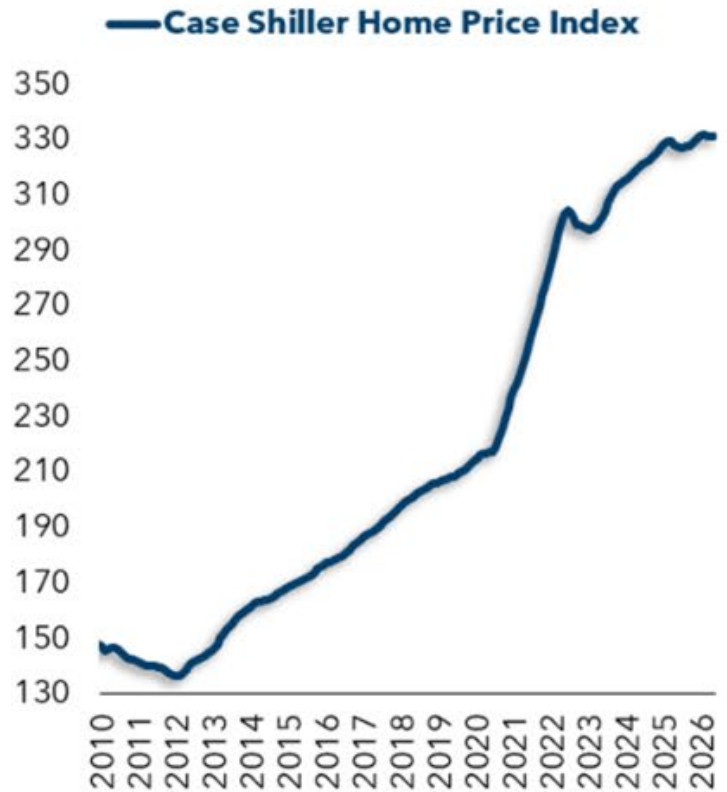
Source: Congressional Budget Office

Health care industry dominates job creation



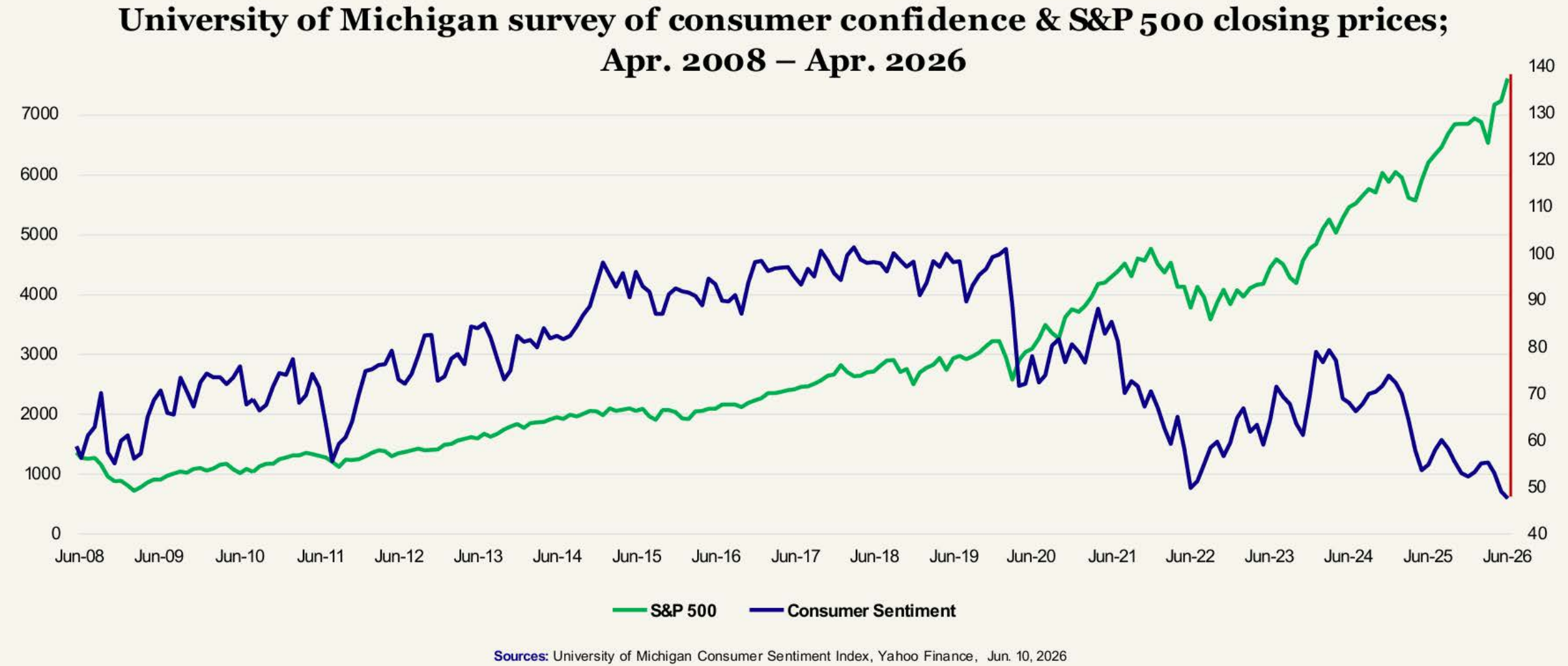
Stocks up, housing up, consumer sentiment down





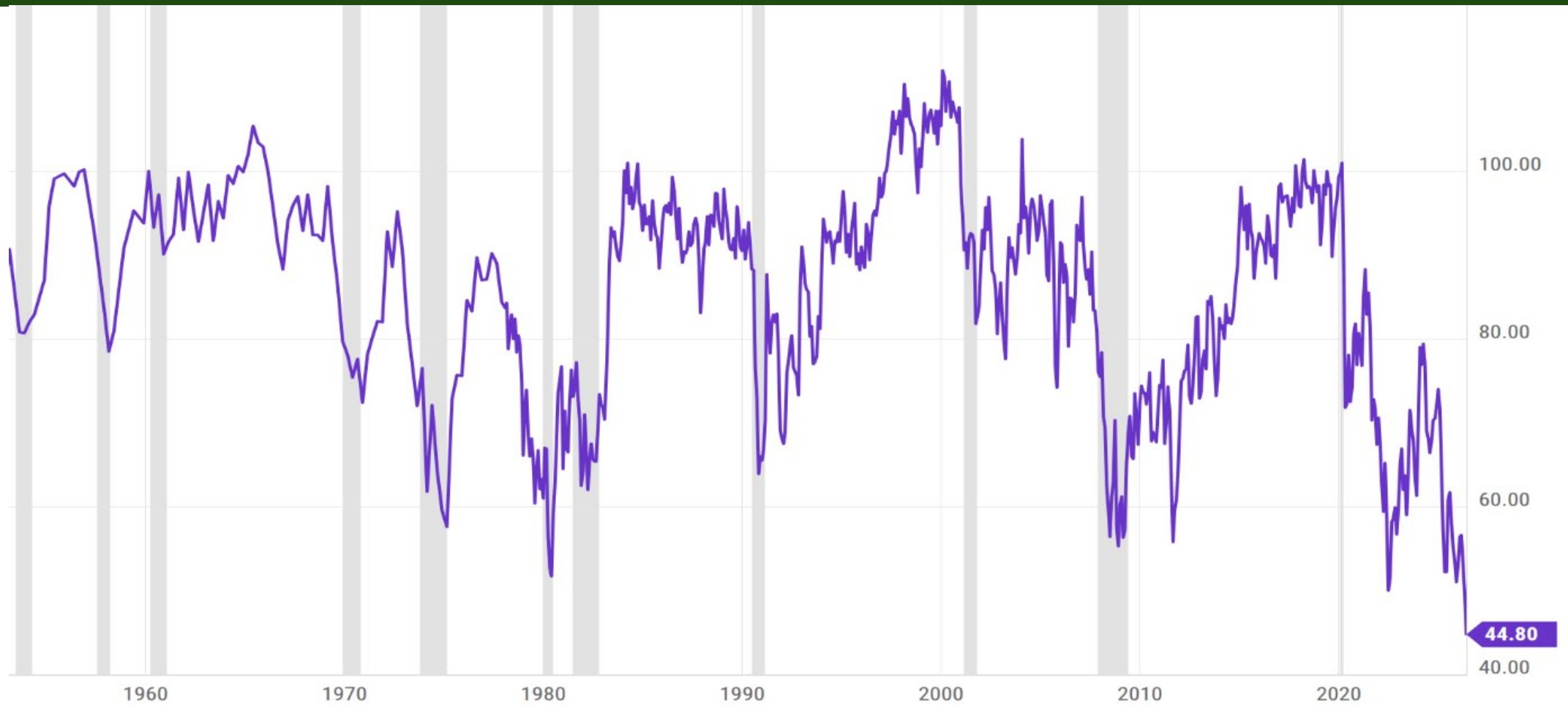


Historic gap between Wall Street and Main Street



Sources: University of Michigan Consumer Sentiment Index, Yahoo Finance, Jun. 10, 2026

U.S. index of consumer confidence 8-1-26



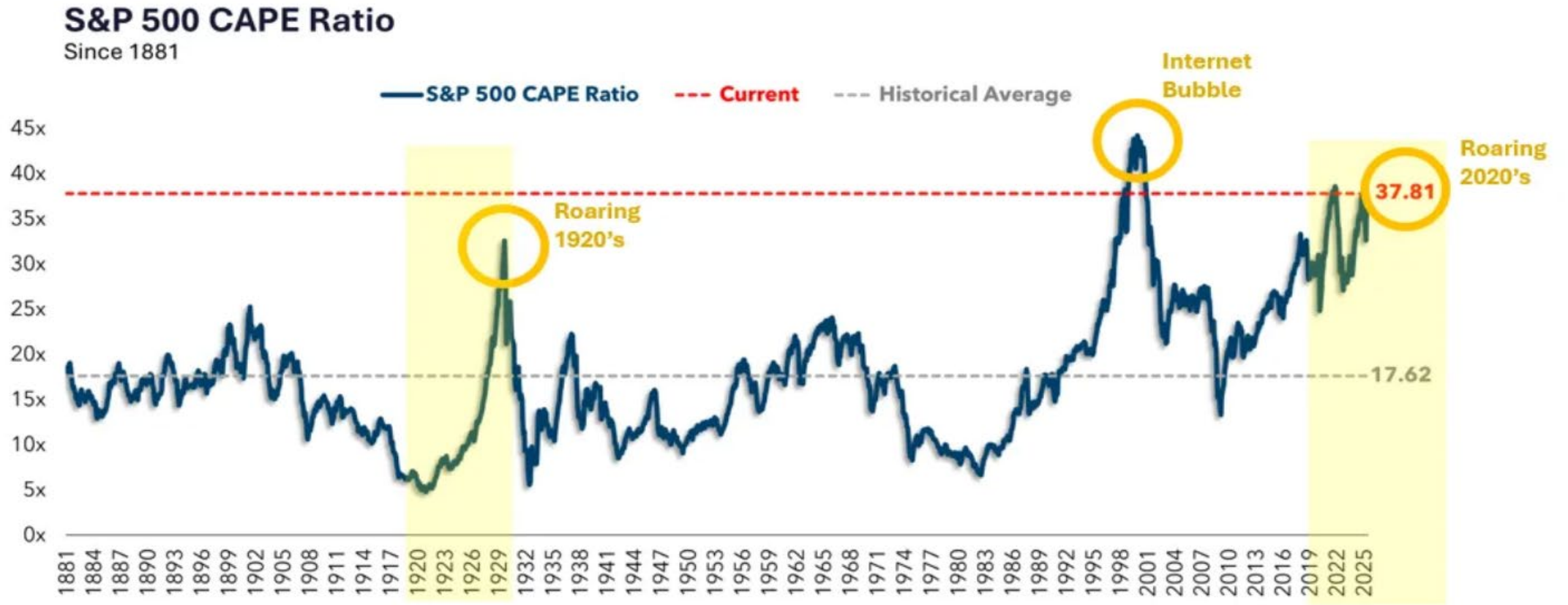
Markets are resilient (or deluded)

S&P 500 Index: Number of All-Time Highs (1929 - 2026)									
Year	# ATH	Year	# ATH	Year	# ATH	Year	# ATH	Year	# ATH
1929	45	1949	0	1969	0	1989	13	2009	0
1930	0	1950	0	1970	0	1990	6	2010	0
1931	0	1951	0	1971	0	1991	22	2011	0
1932	0	1952	0	1972	32	1992	18	2012	0
1933	0	1953	0	1973	3	1993	16	2013	45
1934	0	1954	27	1974	0	1994	5	2014	53
1935	0	1955	49	1975	0	1995	77	2015	10
1936	0	1956	14	1976	0	1996	39	2016	18
1937	0	1957	0	1977	0	1997	45	2017	62
1938	0	1958	24	1978	0	1998	47	2018	19
1939	0	1959	27	1979	0	1999	35	2019	36
1940	0	1960	0	1980	24	2000	4	2020	33
1941	0	1961	53	1981	0	2001	0	2021	70
1942	0	1962	0	1982	2	2002	0	2022	1
1943	0	1963	12	1983	30	2003	0	2023	0
1944	0	1964	65	1984	0	2004	0	2024	57
1945	0	1965	37	1985	43	2005	0	2025	39
1946	0	1966	9	1986	31	2006	0	**2026**	**24**
1947	0	1967	14	1987	47	2007	9		
1948	0	1968	34	1988	0	2008	0		

Note: Closing Prices as of 6/2/26. Data Sources: S&P Dow Jones, YCharts

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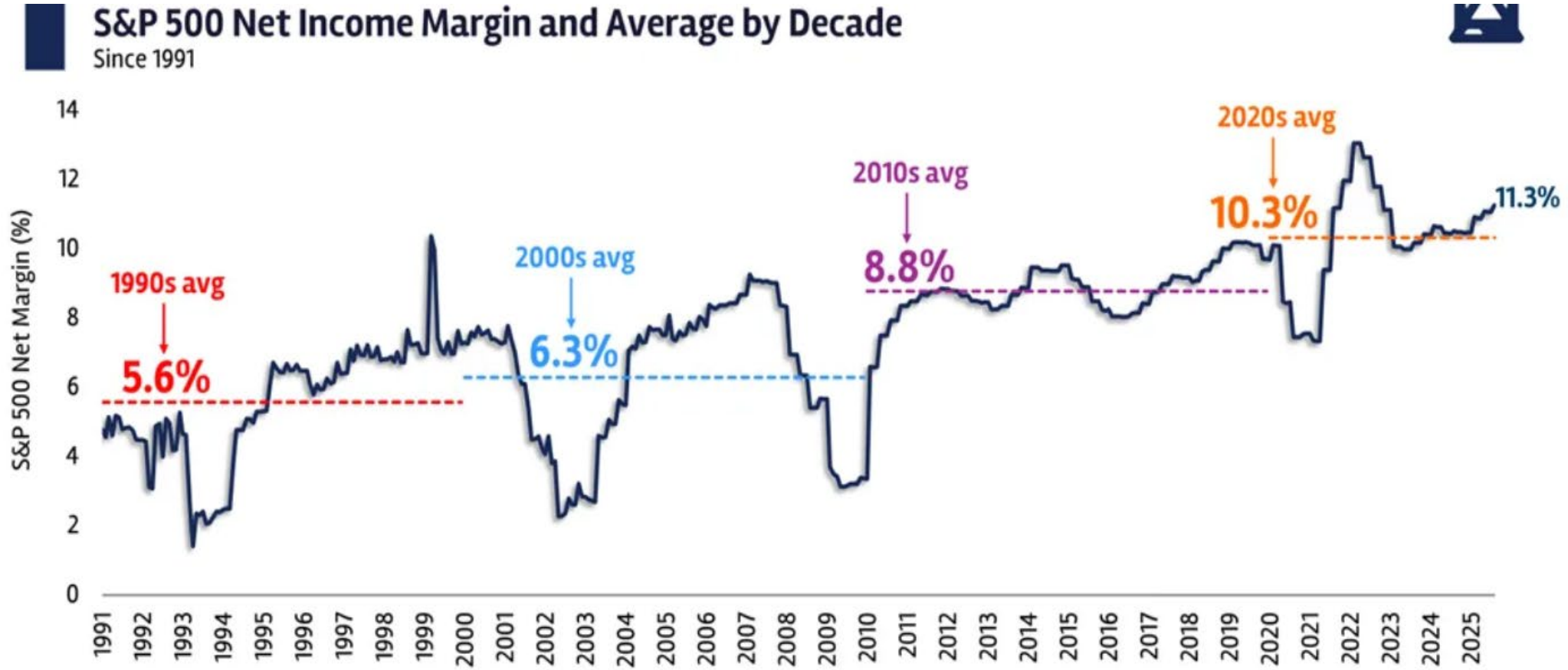
Is investor exuberance inflating stocks?



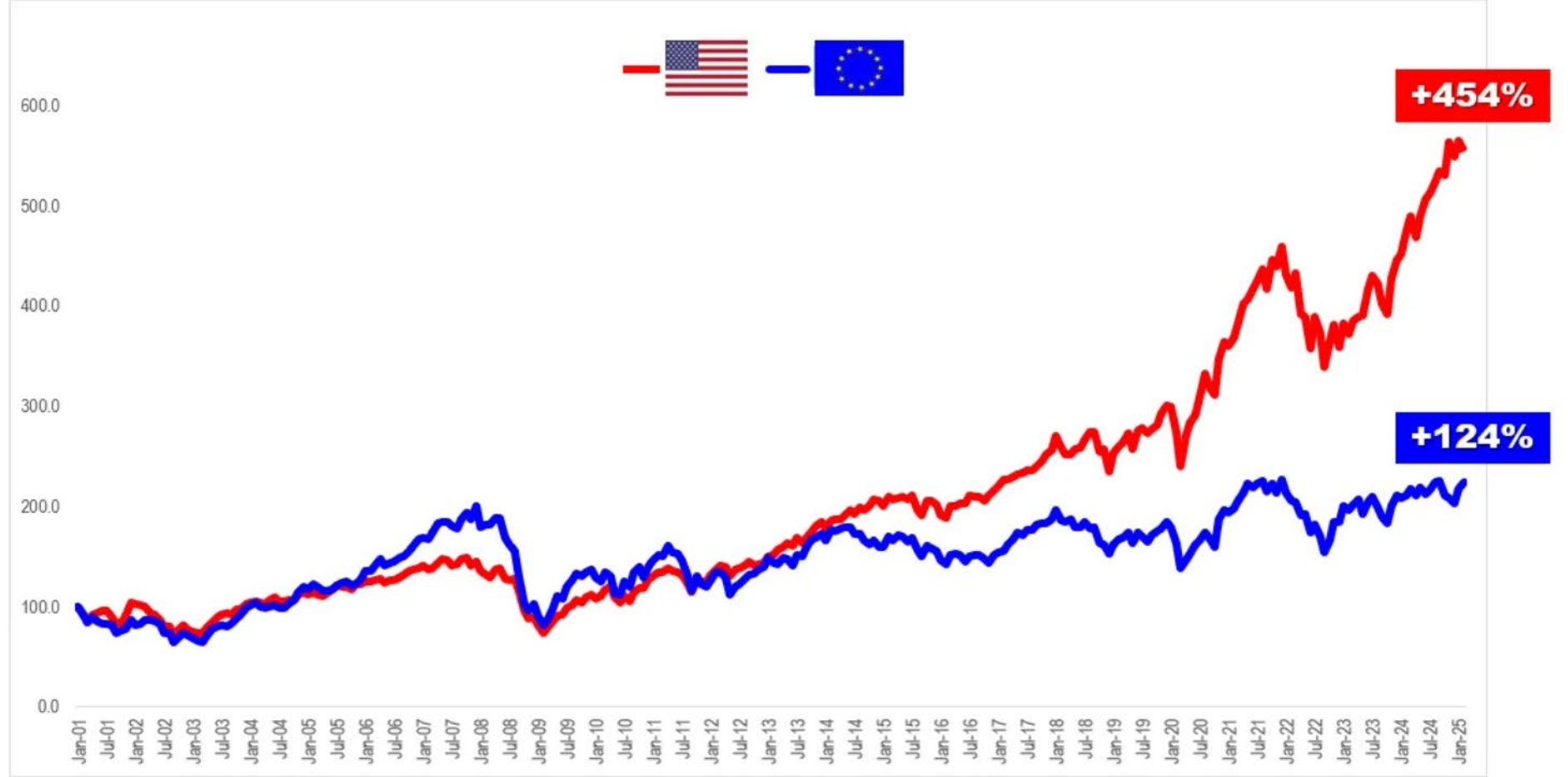
RITHOLTZ wealth management

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But margins continue to improve

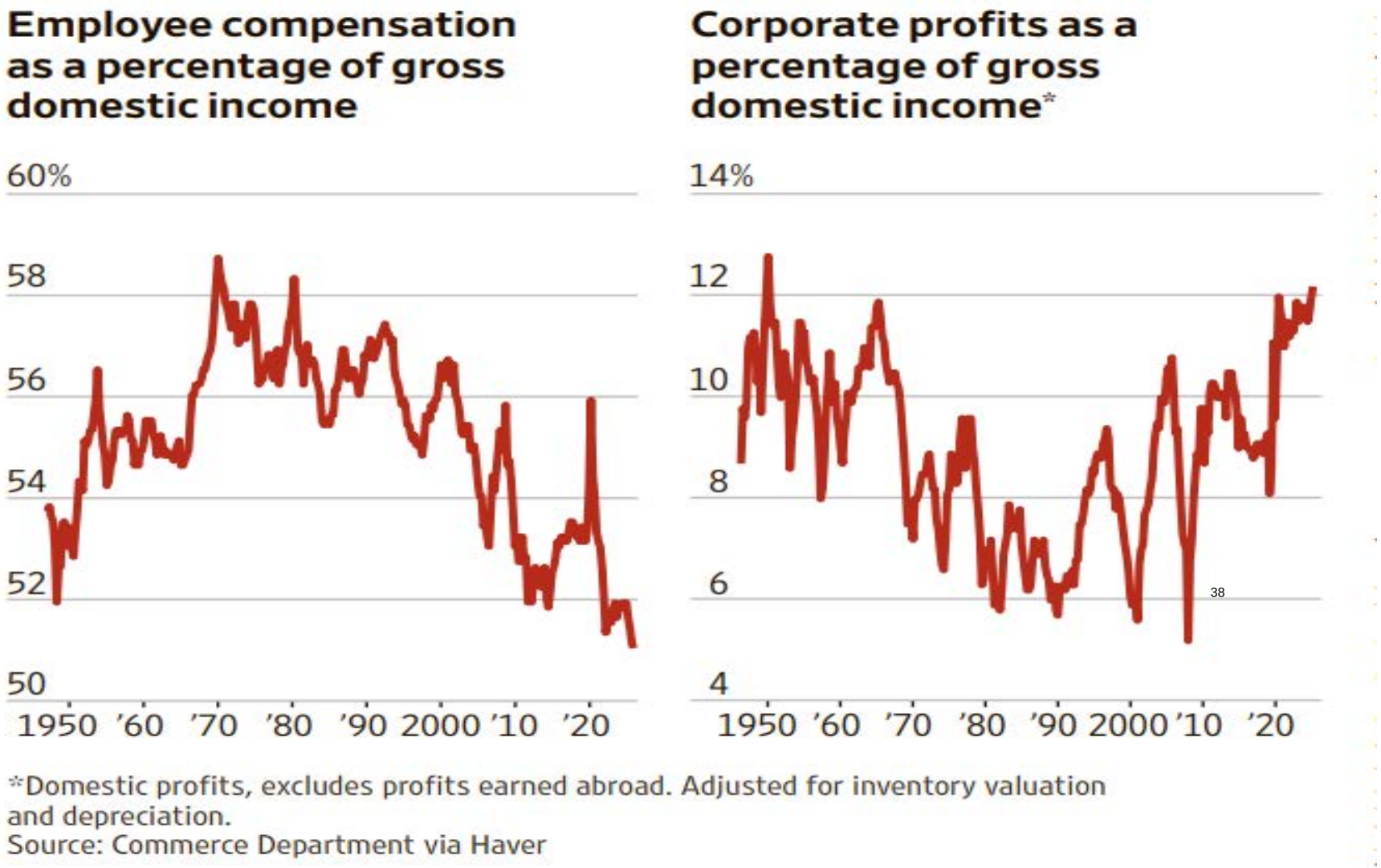


Equity markets performance in 21st century



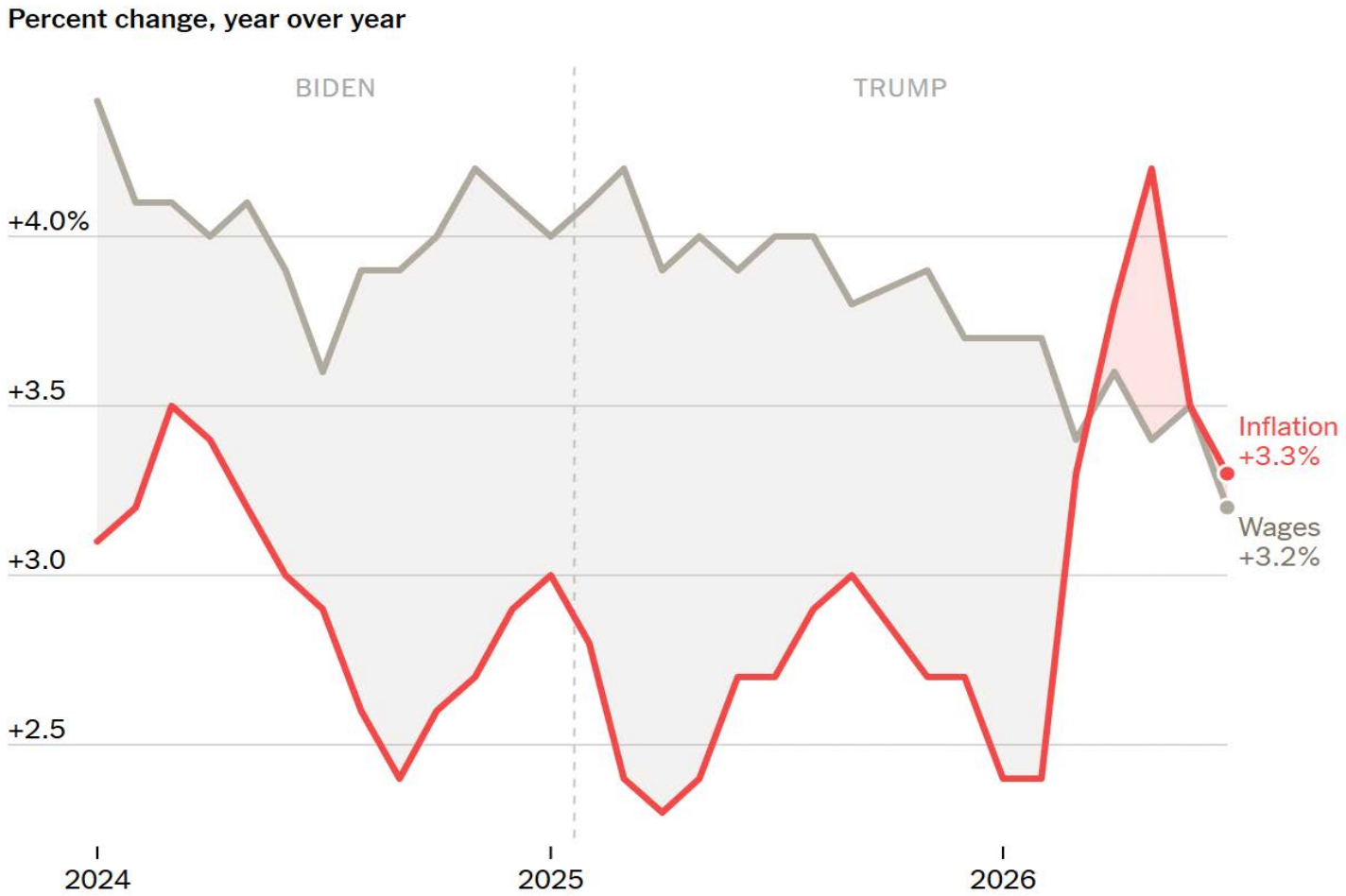
Source: MXUS & MXEU indexes market caps (MSCI) per IIF's J. Fortun

Widening gap between profits and worker pay



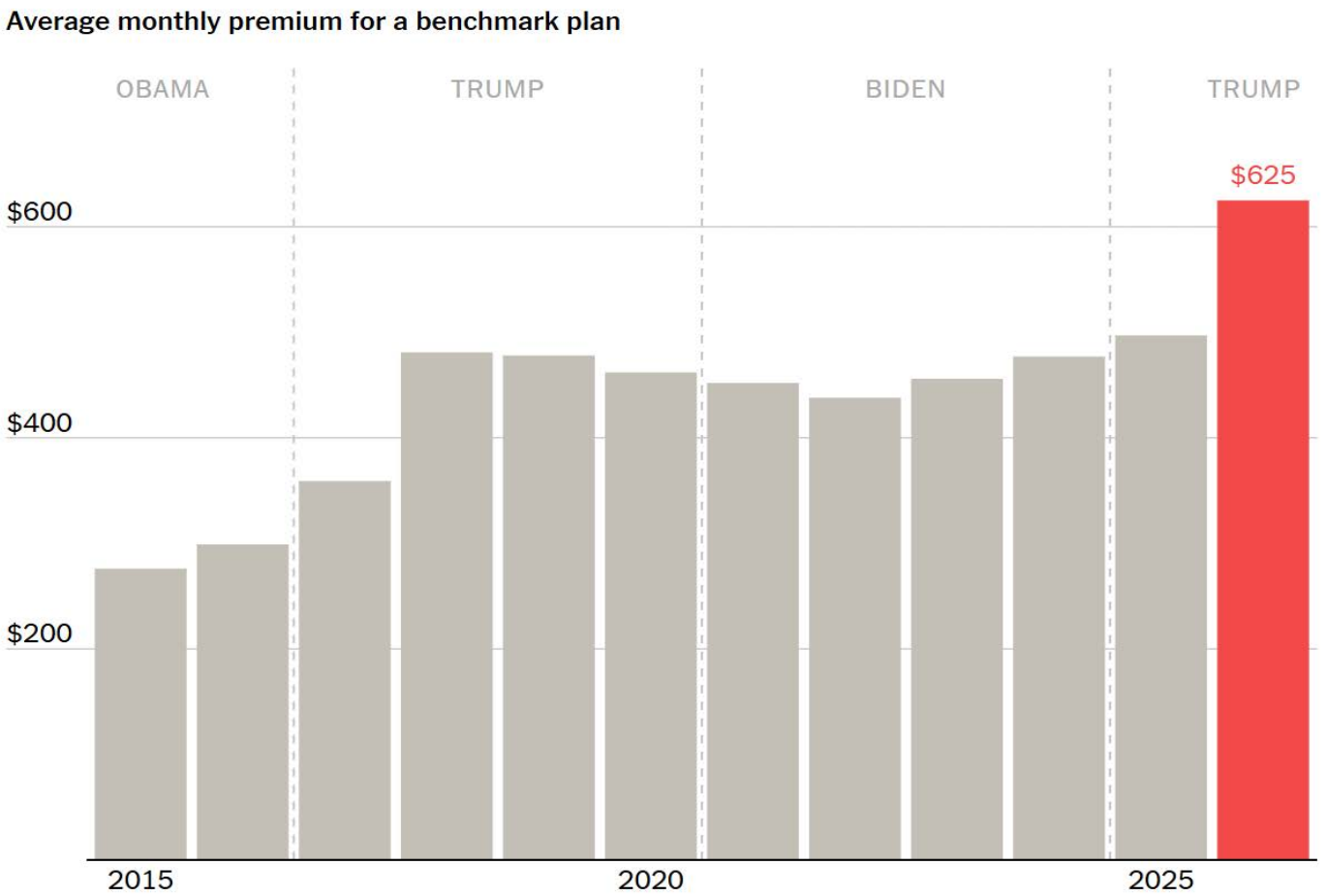
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Inflation has caught up with paychecks



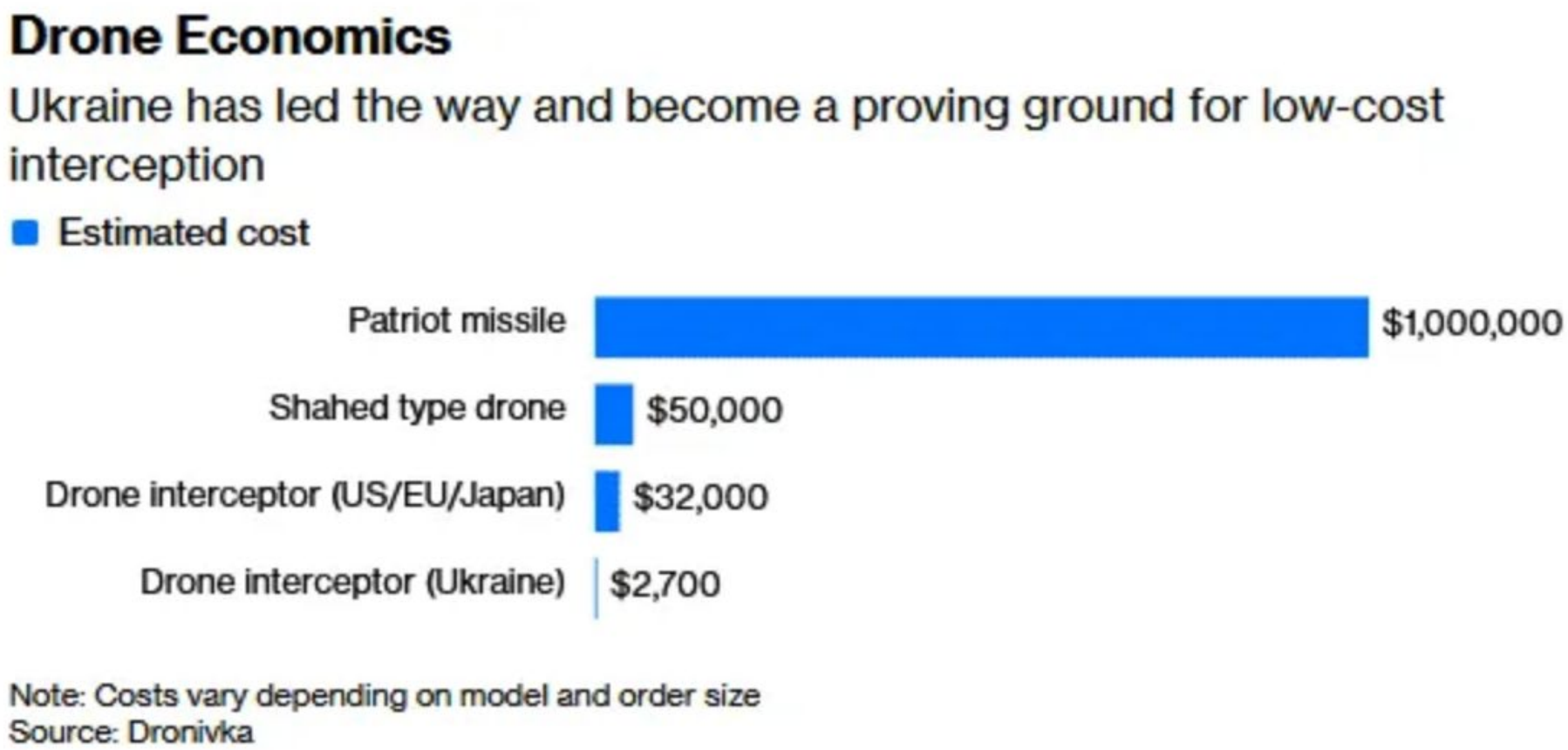
Note: Data through July 2026. Source: Bureau of Labor Statistics.

26% jump in health insurance



Note: Second-lowest-cost A.C.A. marketplace silver plan for a 40-year-old. Enhanced A.C.A. premium tax credits expired Jan. 1, 2026. Source: KFF.

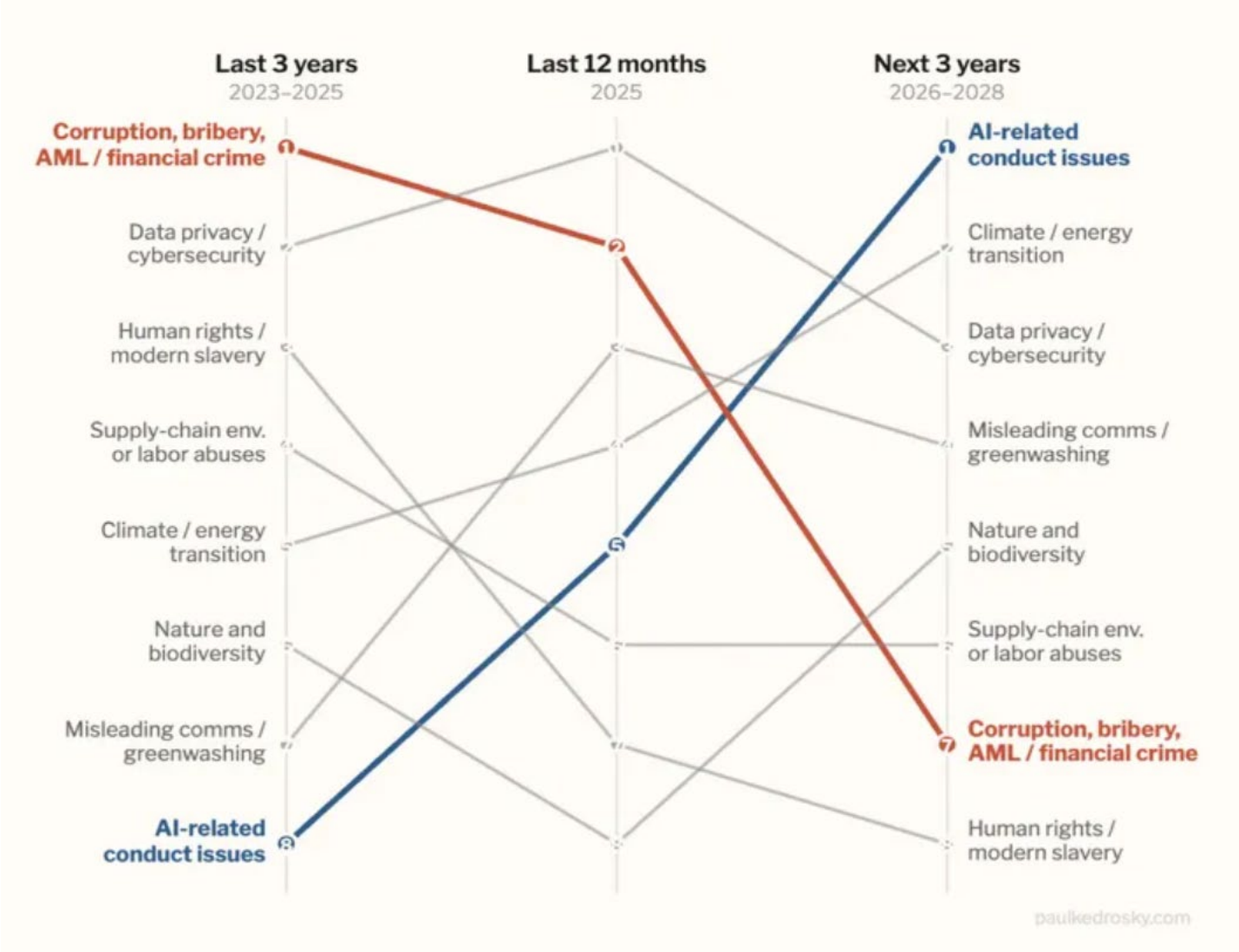
Drones have transformed warfare economics



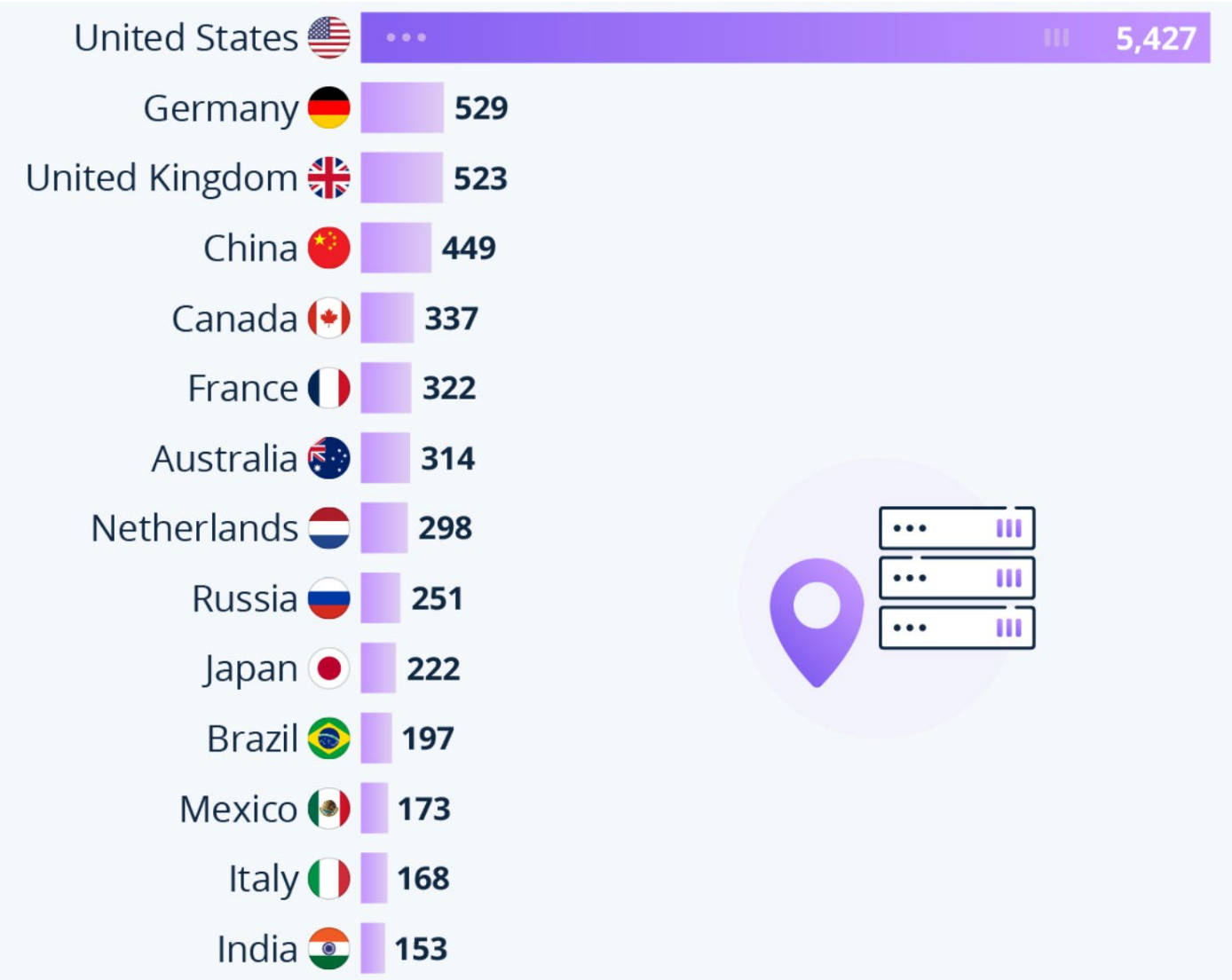


A.I./Data Centers

Top business conduct risks cited by CEOs 2023-26



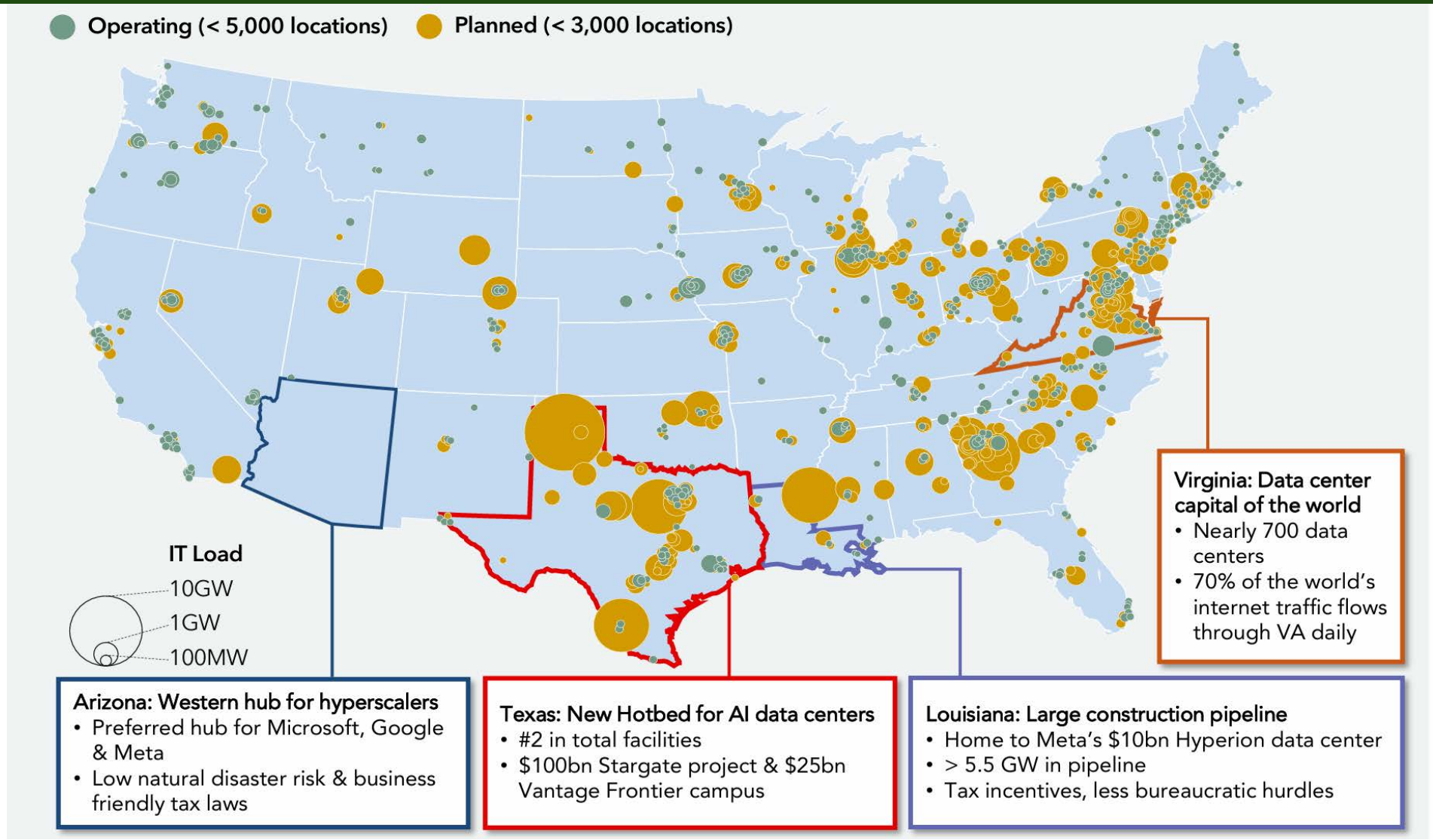
Number of data centers by country 2026



New Carlisle, Indiana data center

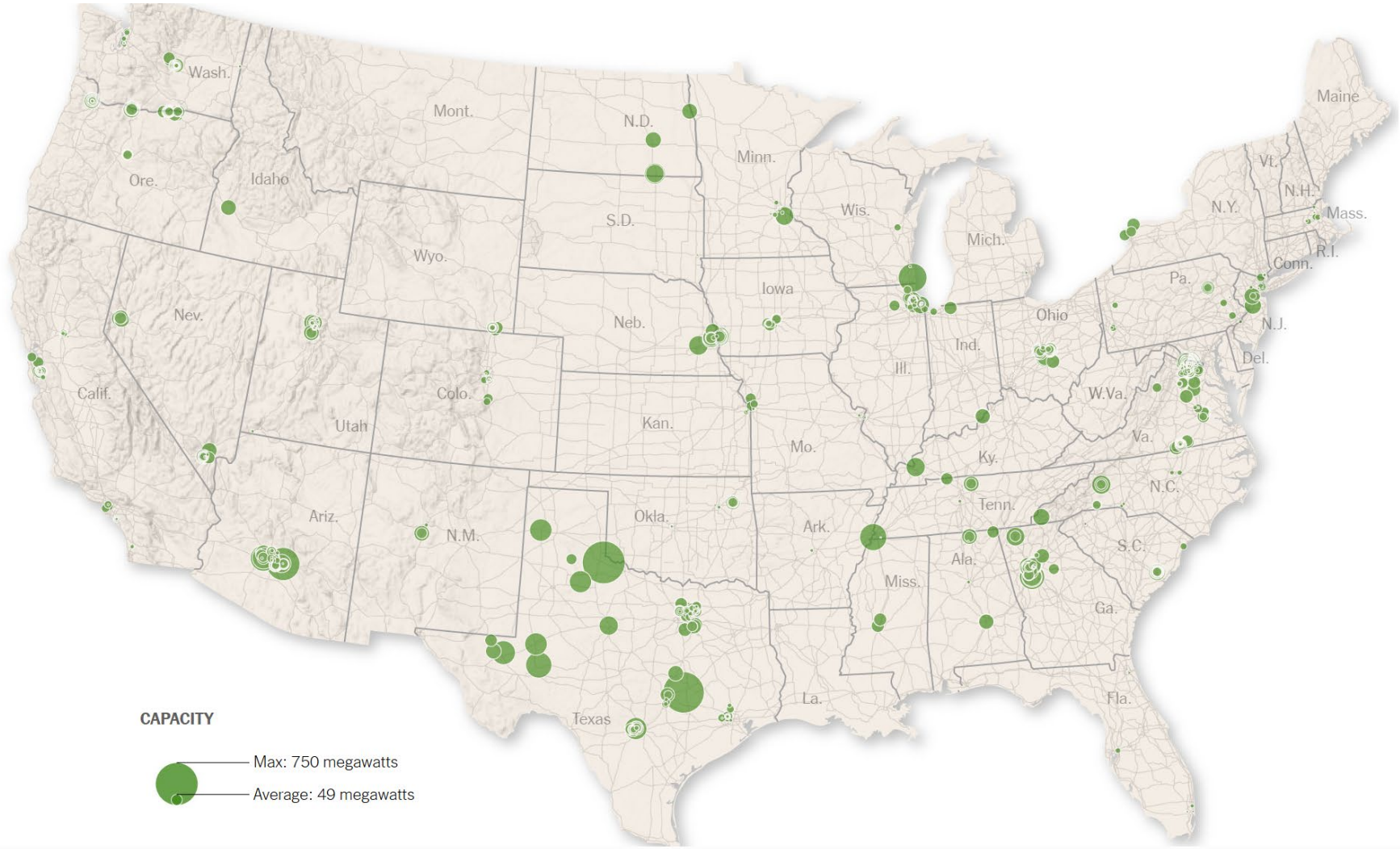


Operating and planned data centers

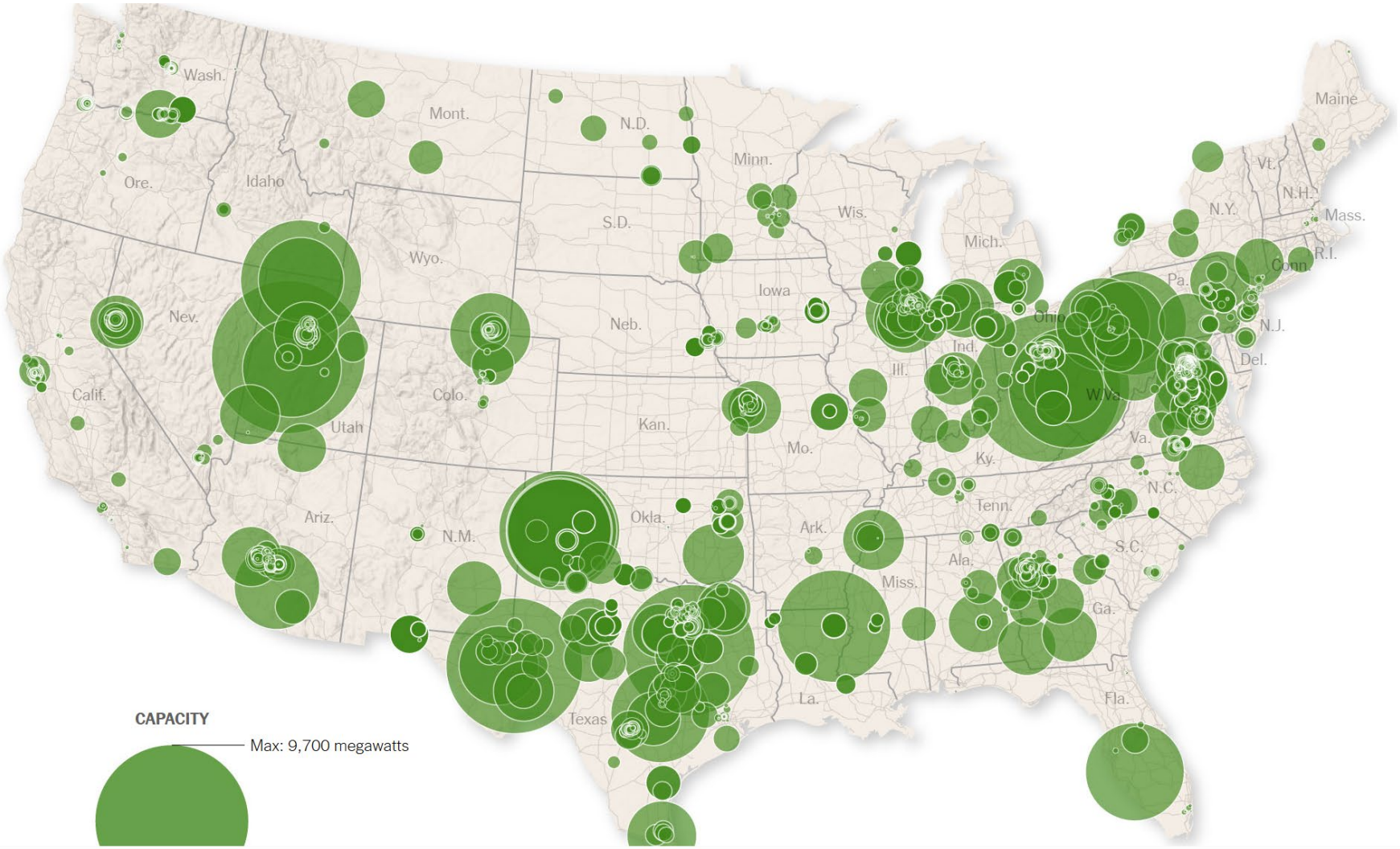


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Current data centers

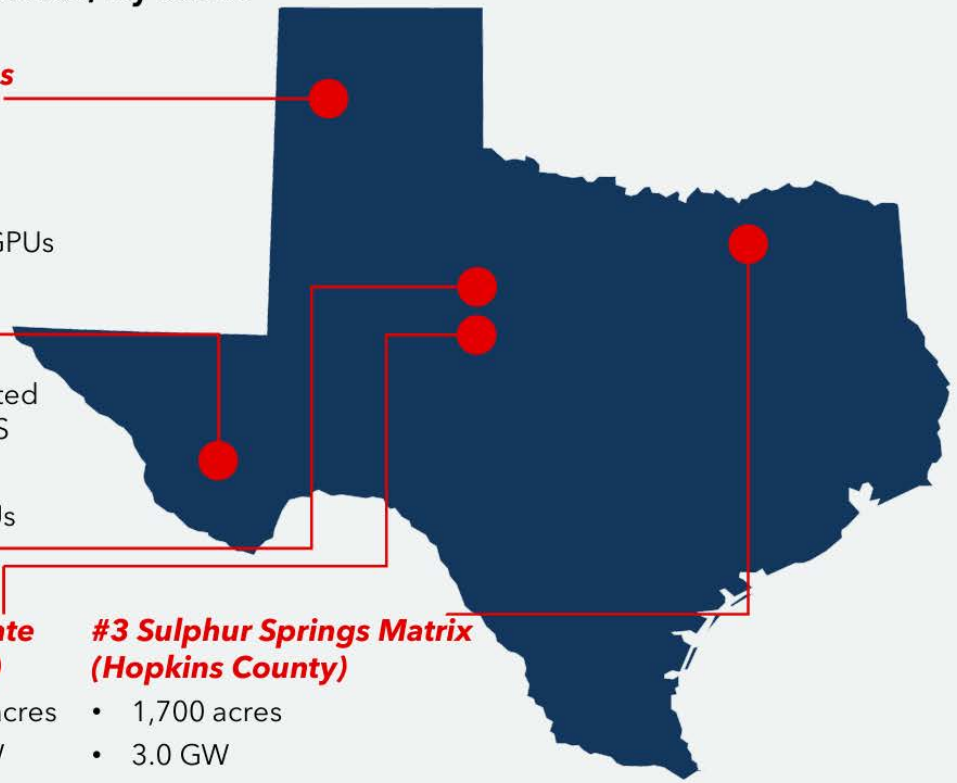


Data centers planned after 2026



Texas will overtake Virginia by 2028

Largest data centers in Texas, by acres



#2 Advanced Energy Campus (Amarillo)

- 5,800 acres
- 11 GW of capacity
- Phased for multiple cluster GPUs

#1 GW Ranch (Pecos County)

- 8,000+ acres, largest permitted data center campus in the US
- 7.65 GW
- Designed for 1 million+ GPUs

#4 Vantage Frontier (Shackelford)

- 1,200 acres
- 1.4 GW
- High density Blackwell pods

#5 Stargate (Abilene)

- 1,100 acres
- 1.2 GW
- 150k+ NVIDIA GB200s

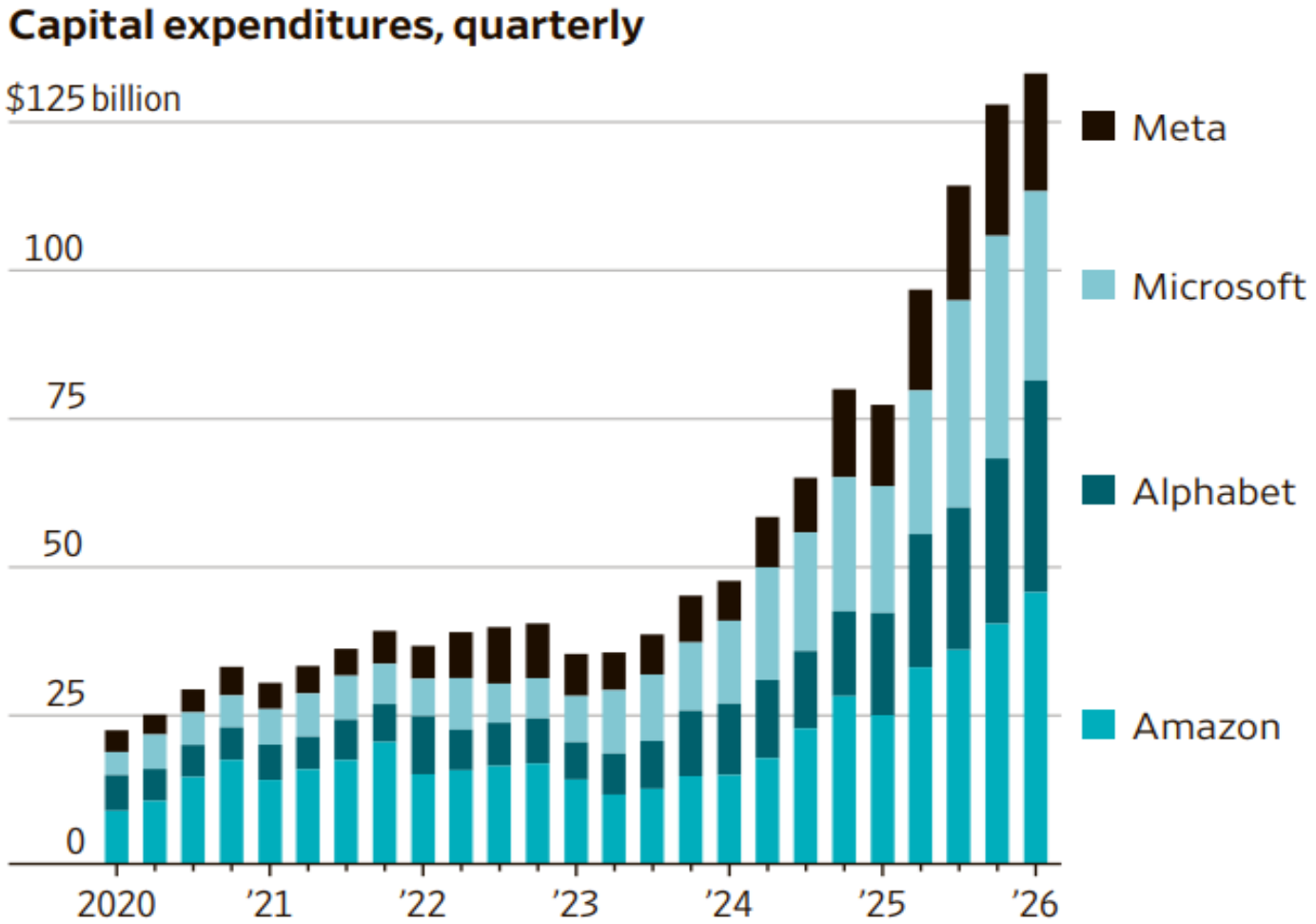
#3 Sulphur Springs Matrix (Hopkins County)

- 1,700 acres
- 3.0 GW
- ~450k GPUs

- Total number of data centers: ***> 400***
- Total number of planned data centers: ***>100***
- Active construction: ***35 facilities***
- Current power capacity: ***8.5 GW (grid)***
- Current power capacity: ***57.9 GW (off-grid)***
- Planned power capacity additional: ***~38.1 GW***
- Commercial construction spend: ***$90bn / year***

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Tech giants' spending soars/ data centers/ AI



Note: Data include finance leases and are for calendar quarters.
Source: the companies

Edison Electric Institute annual capex

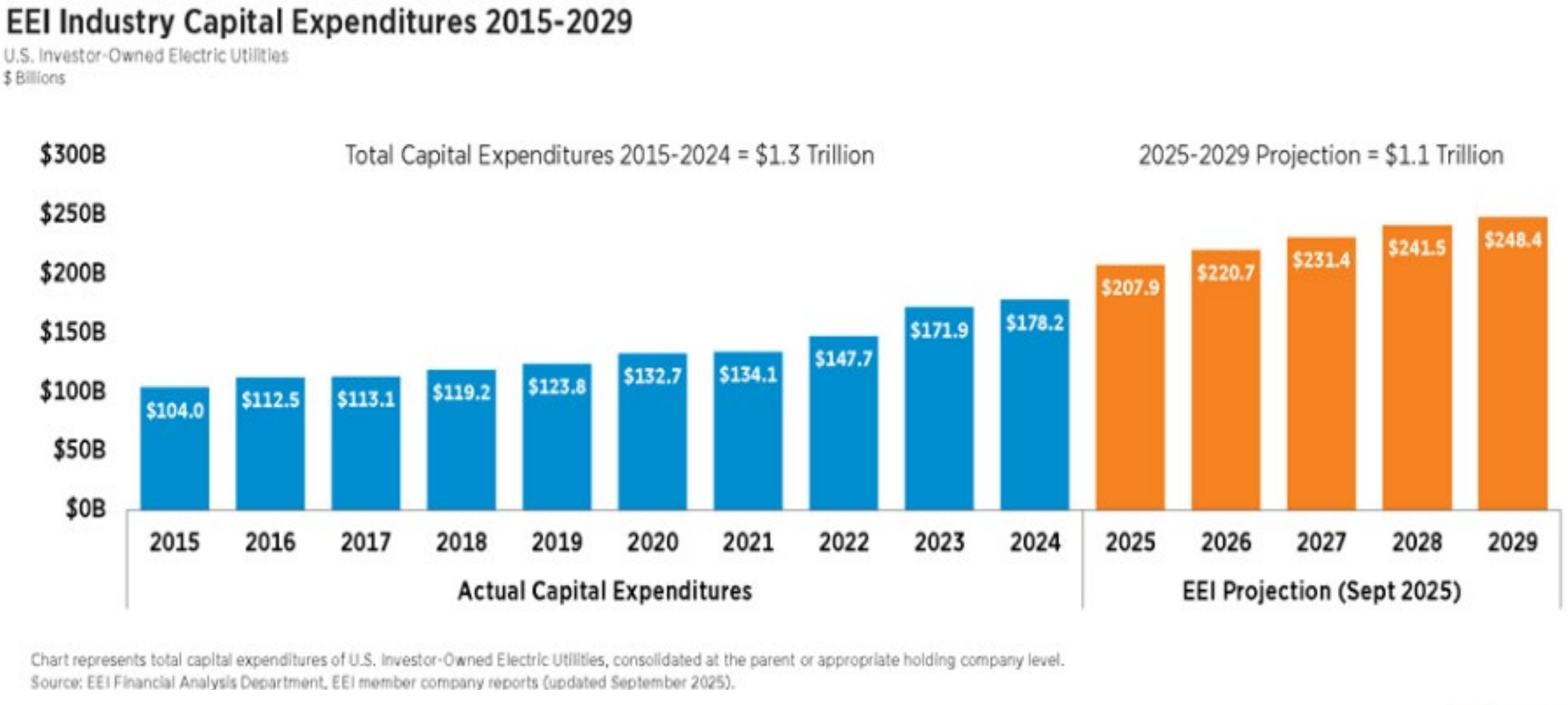
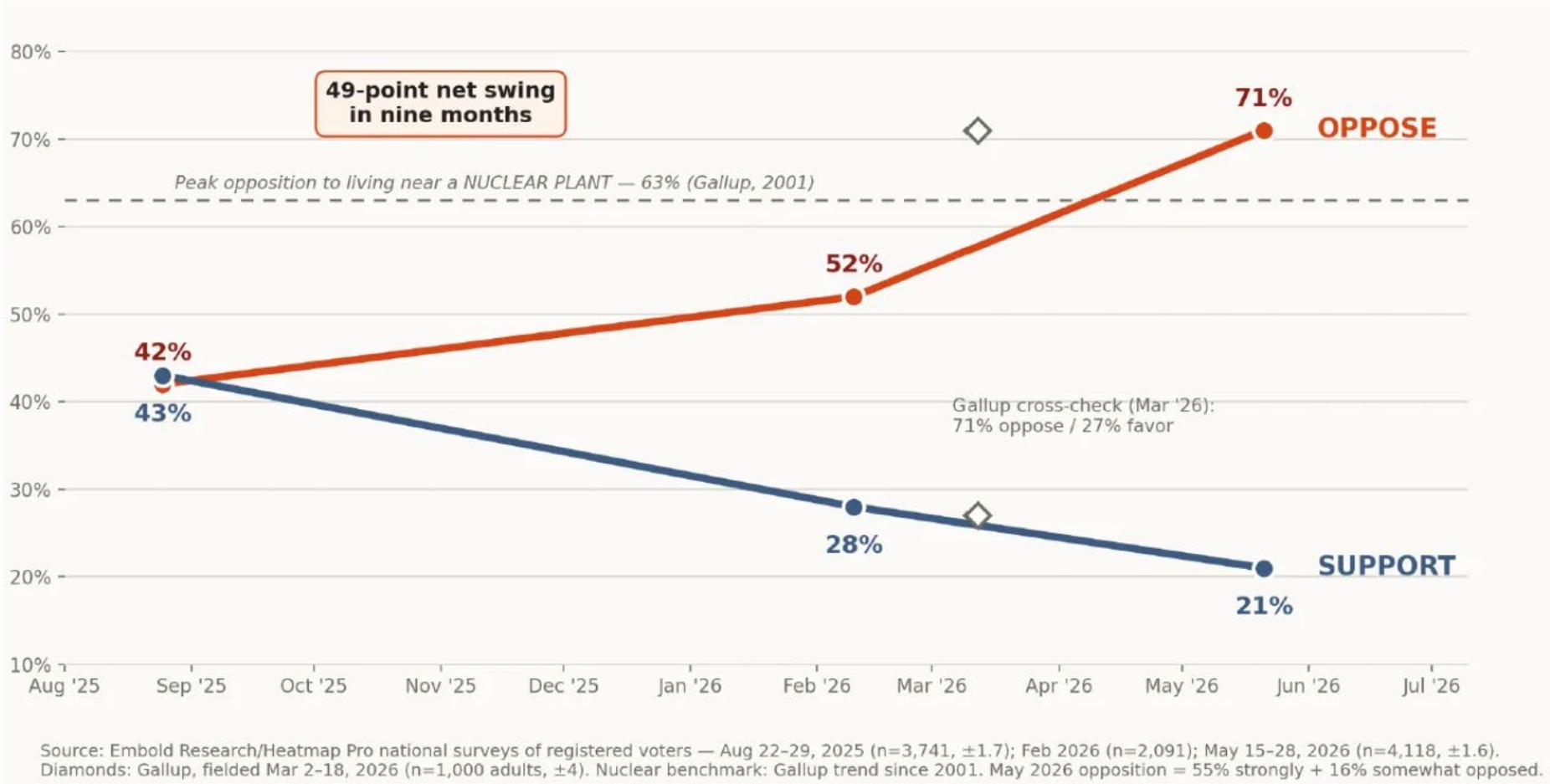
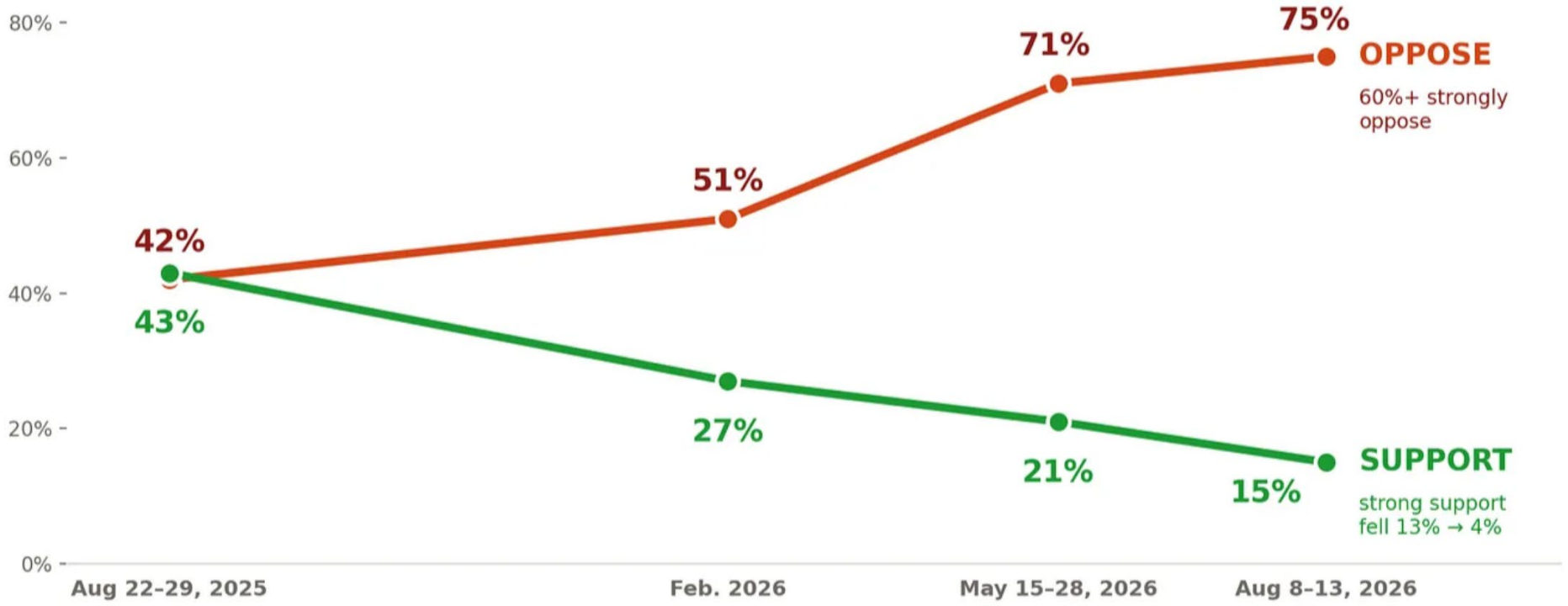


Chart represents total capital expenditures of U.S. Investor-Owned Electric Utilities, consolidated at the parent or appropriate holding company level.
Source: EEI Financial Analysis Department, EEI member company reports (updated September 2025).

Would you support or oppose a data center near you?



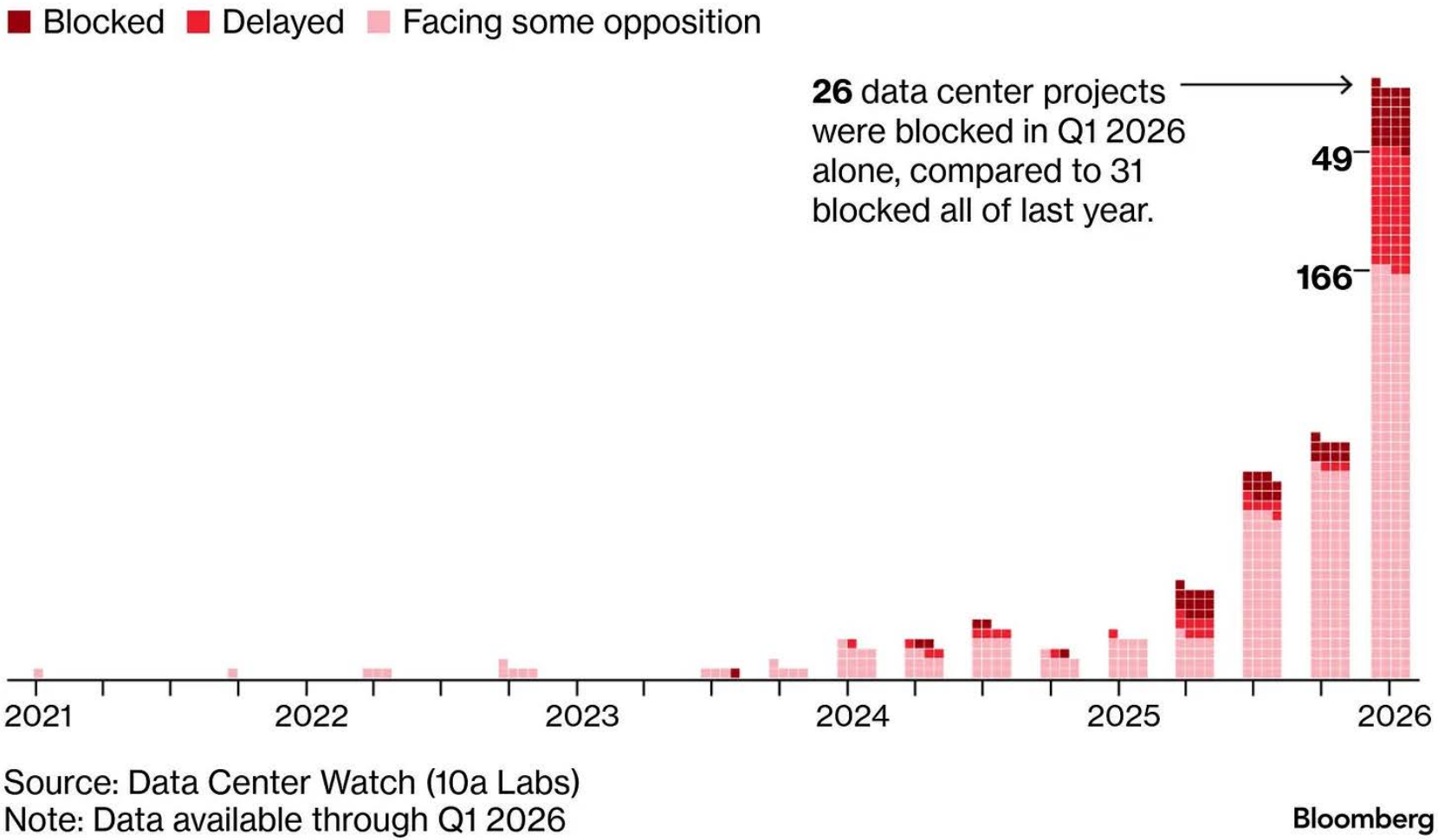
Would you support or oppose a data center near you?



Source: Embold Research for Heatmap Pro — registered voters, four waves, identical wording: Aug 22–29, 2025 (n=3,741, ±1.7); Feb. 2026 (n=2,091); May 15–28, 2026 (n=4,118, ±1.6); Aug 8–13, 2026 (n=2,045, ±2.3). Plotted at field-period midpoints. February support (27%) is Heatmap's two published components, 9% strongly + 18% somewhat; its published figures round to 99%. August support = 4% strongly + 11% somewhat. Cross-checks (different populations and wording): Gallup, Mar 2–18, 2026, adults, 71% oppose / 27% favor; Fox News, July, registered voters, 70% oppose / 30% favor.

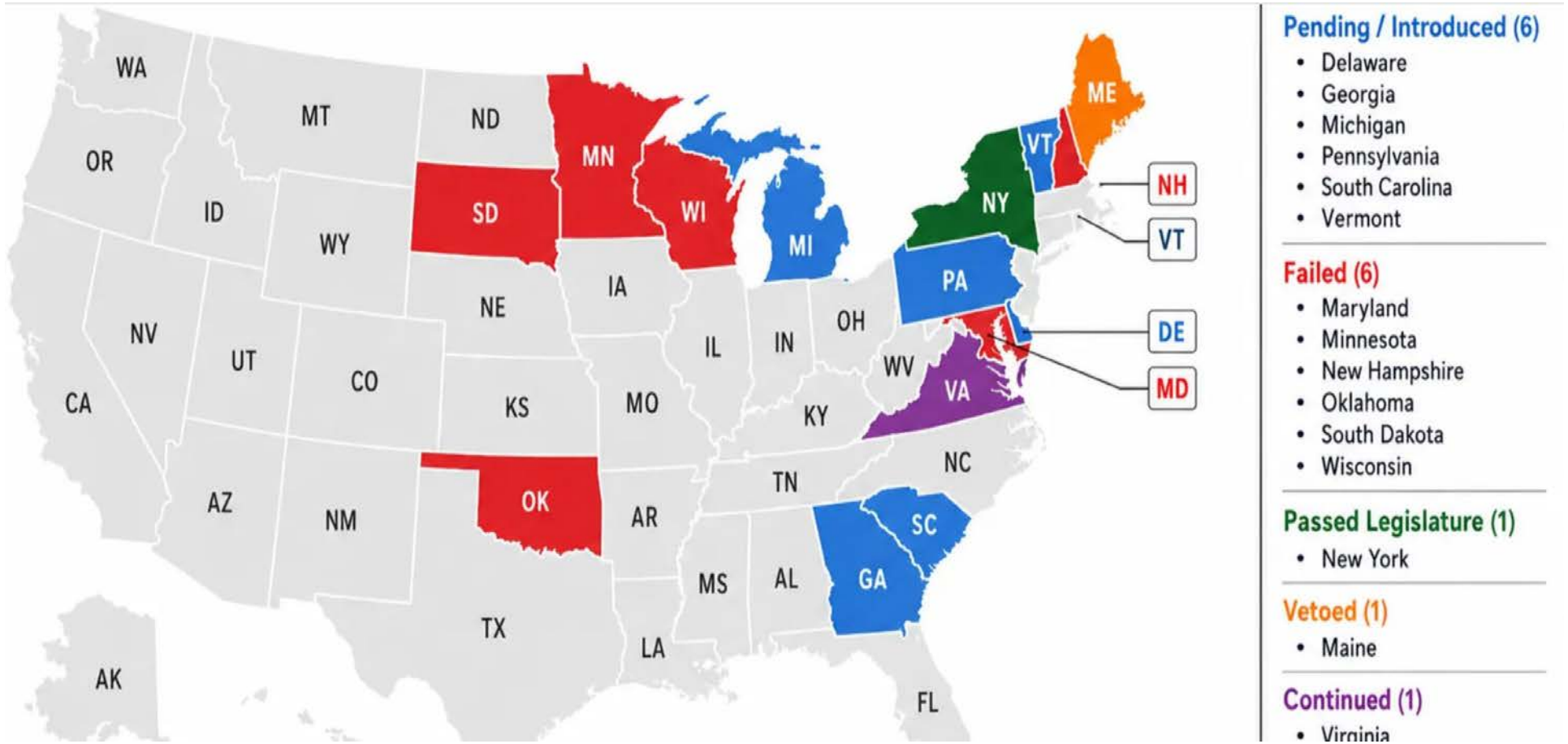
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Increasing opposition to data centers

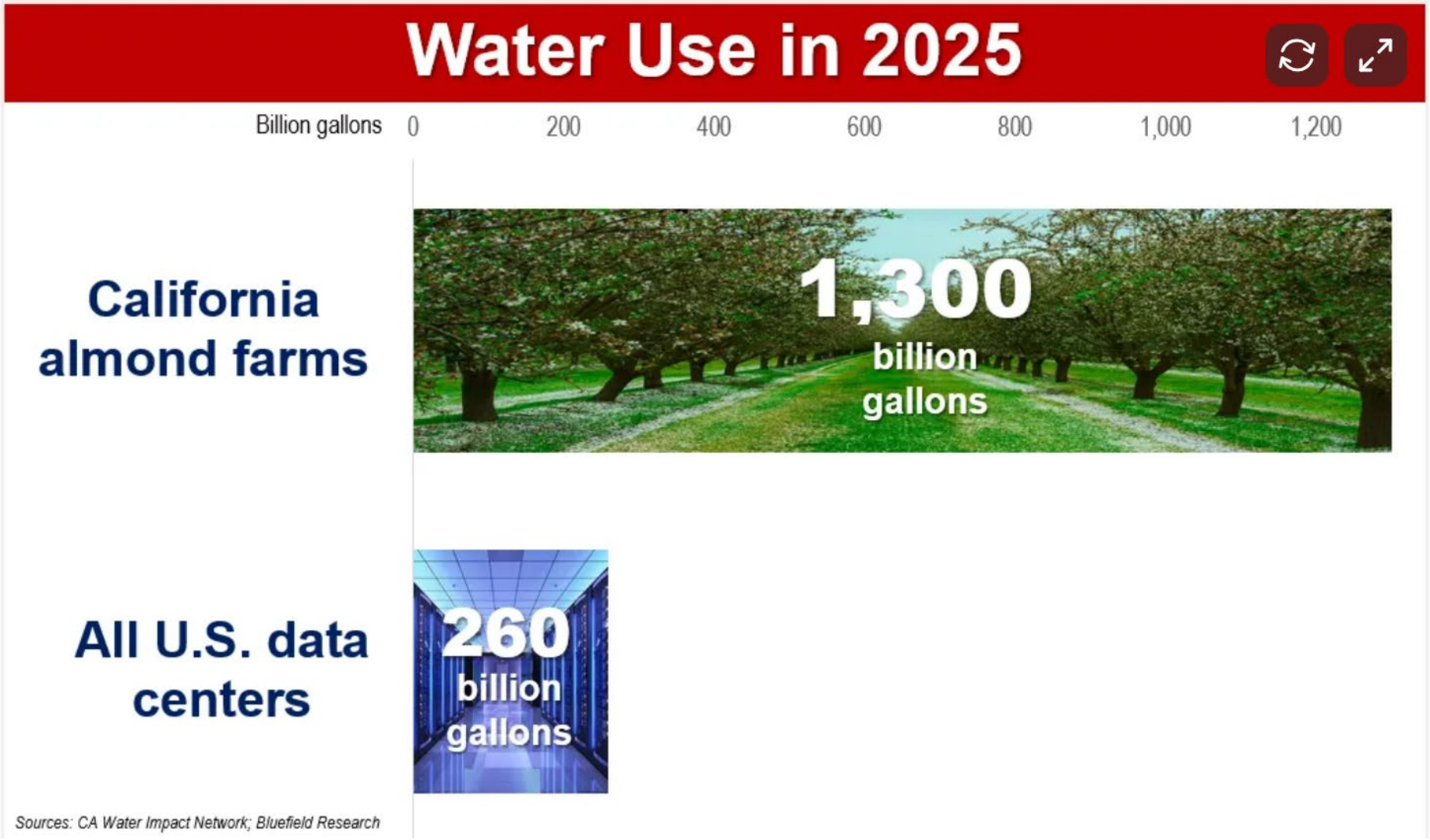


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Legislative moratoria/restrictions on data centers



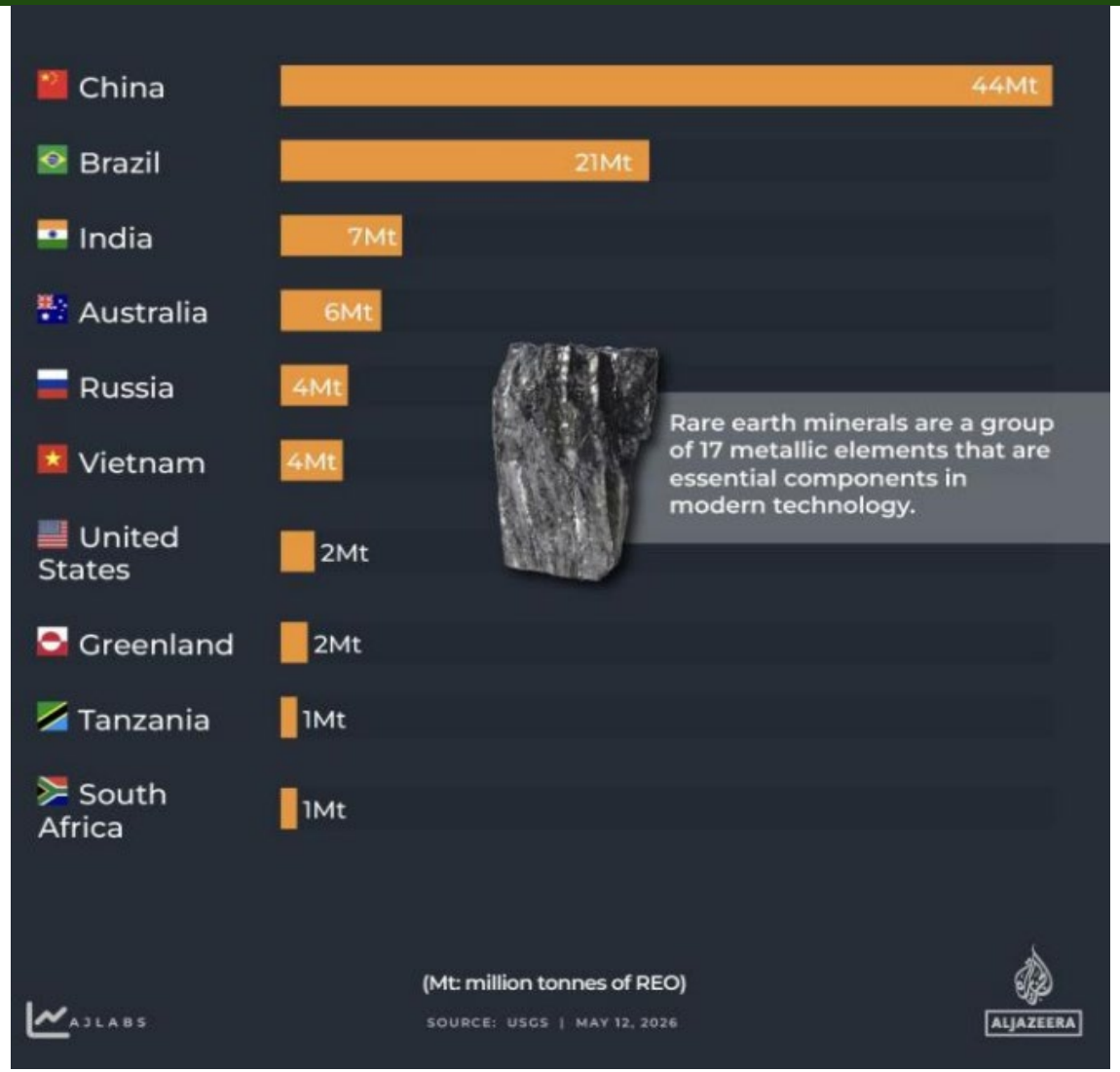
CA almond farms v. all US data centers



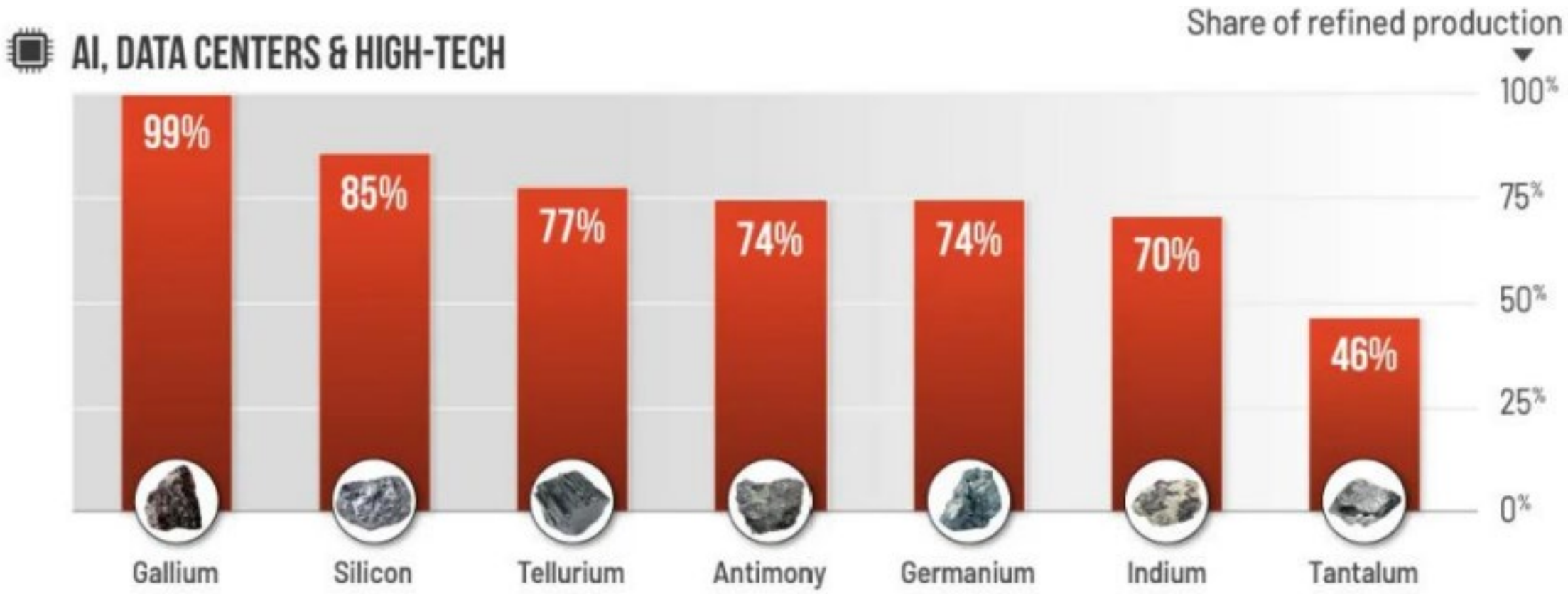


Critical/Rare Earth Minerals

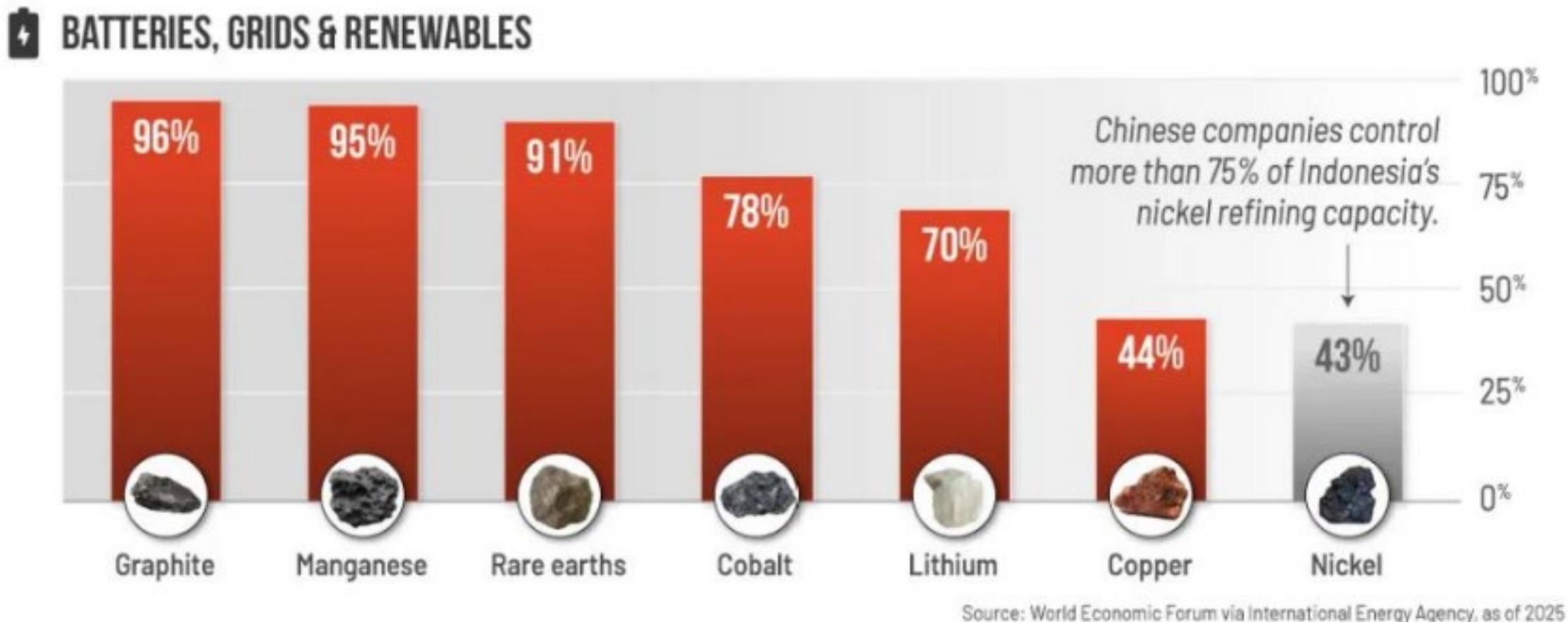
Where are the deposits of rare earth minerals?



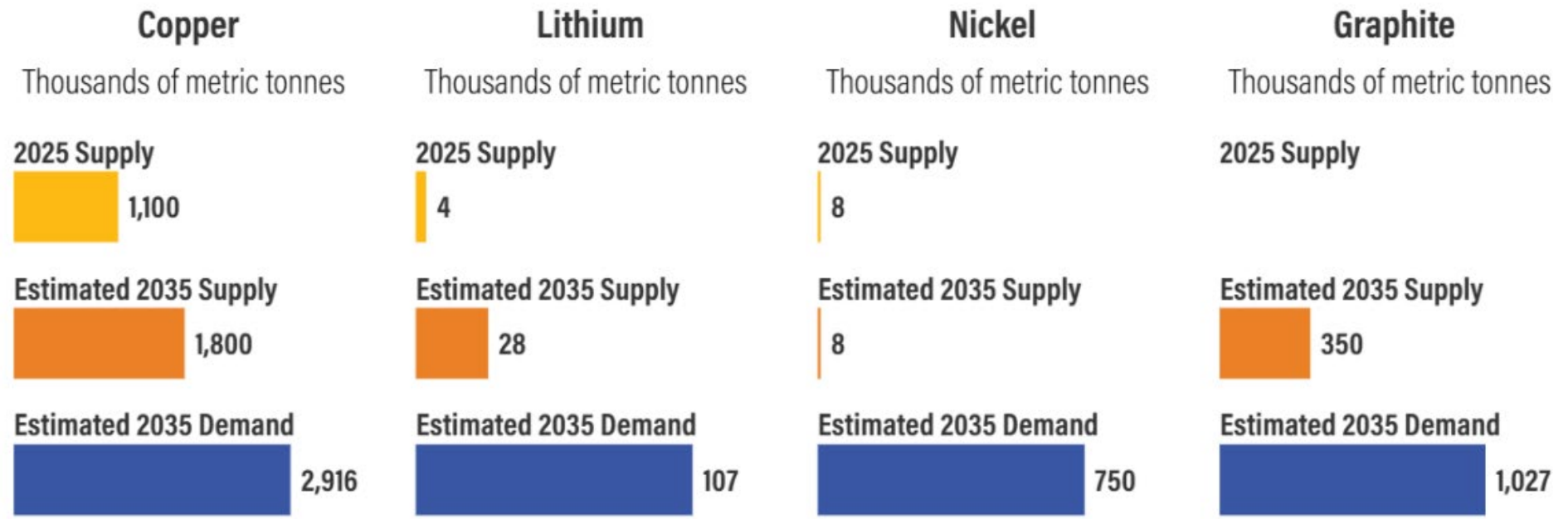
China’s dominance in refined critical minerals



China’s dominance in refined critical minerals



U.S. critical mineral demand outstrips domestic production



Source: Allan and Goldman, 2025.

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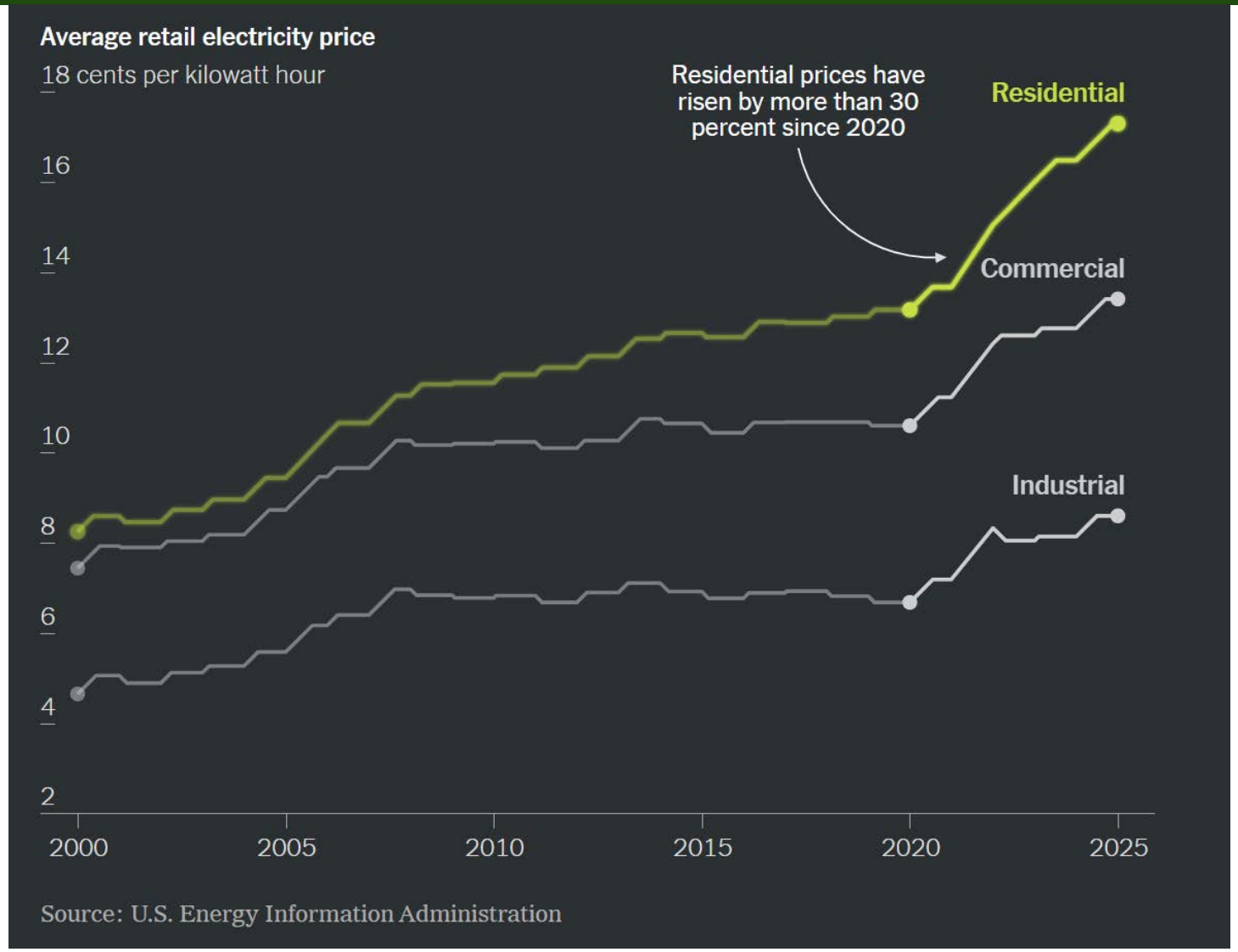


Energy Trends

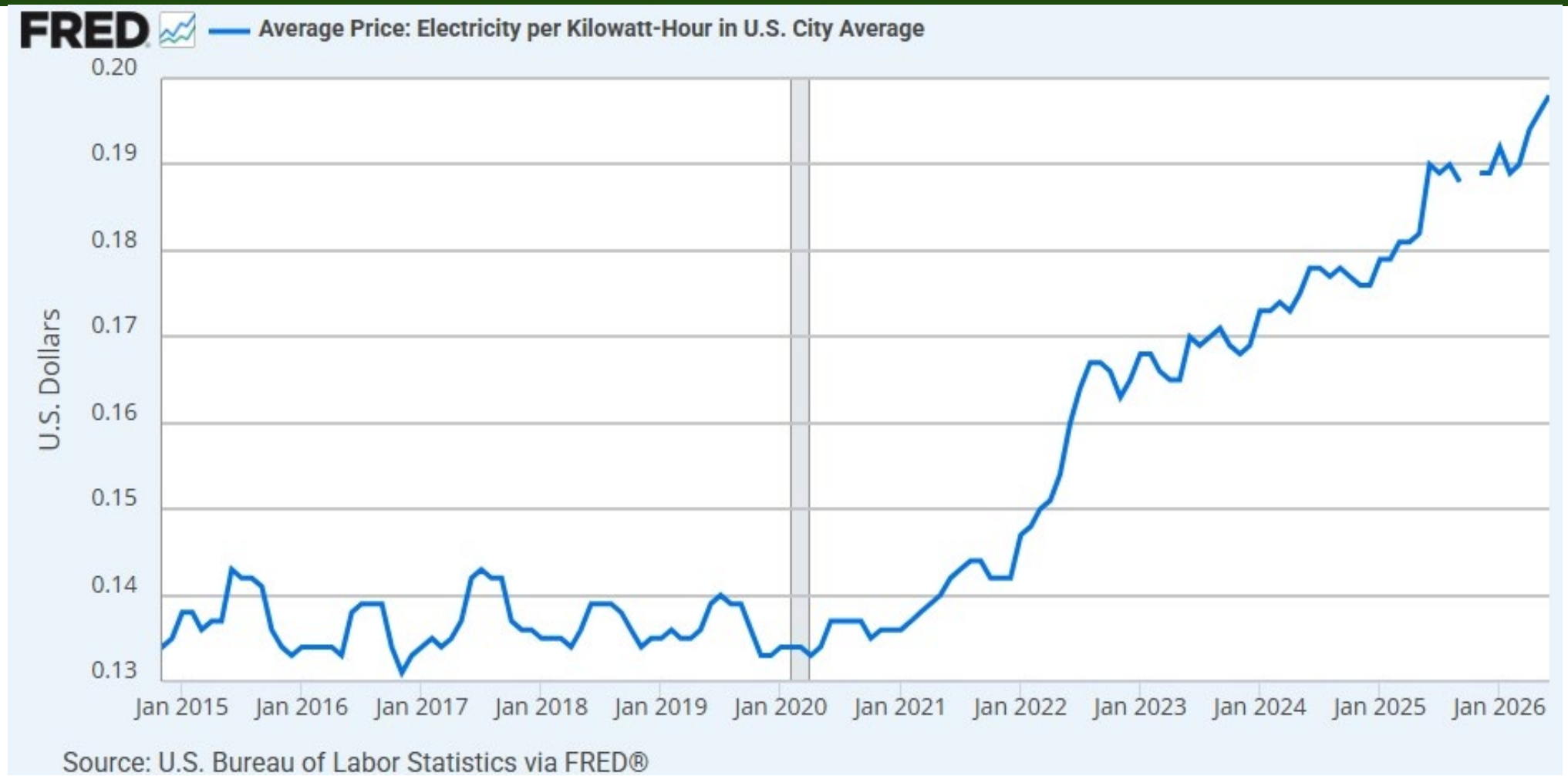
Trending issues

- Increasing load growth (data centers)
- Trump administration response:
  - Strong support for coal, natural gas, nuclear, geothermal, hydro
  - Opposition to electric vehicles and wind (especially offshore)
  - Neutral on solar and batteries (including battery energy storage systems)
- Supply chain uncertainty (tariffs, foreign entity of concern)
- Growing affordability and reliability challenges
- Wildfire risk: utilities as insurers of last resort?
- Stagnant transmission buildouts – siting/permitting issues

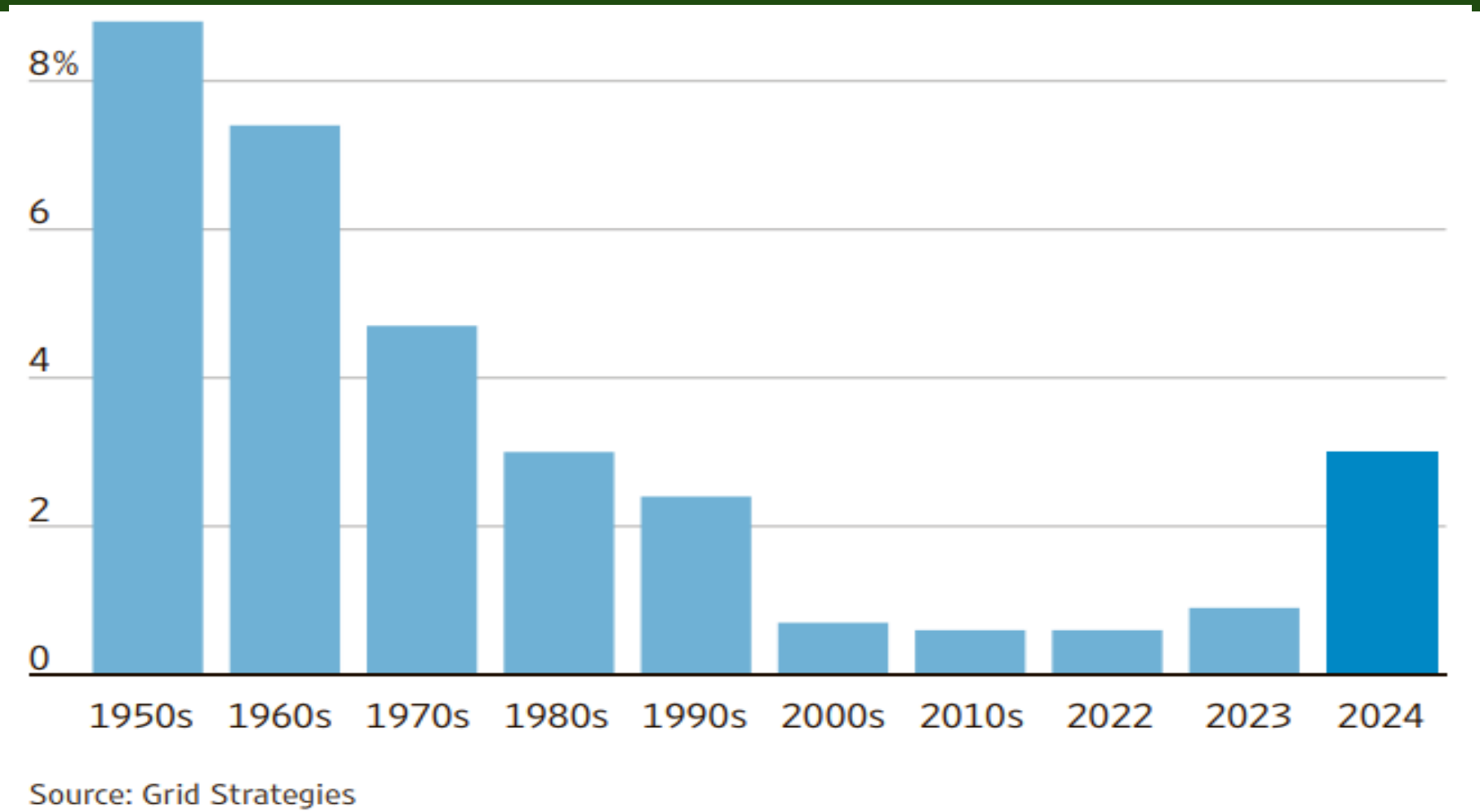
Electricity prices 2020-2025



Changes in U.S. electricity prices since 2015



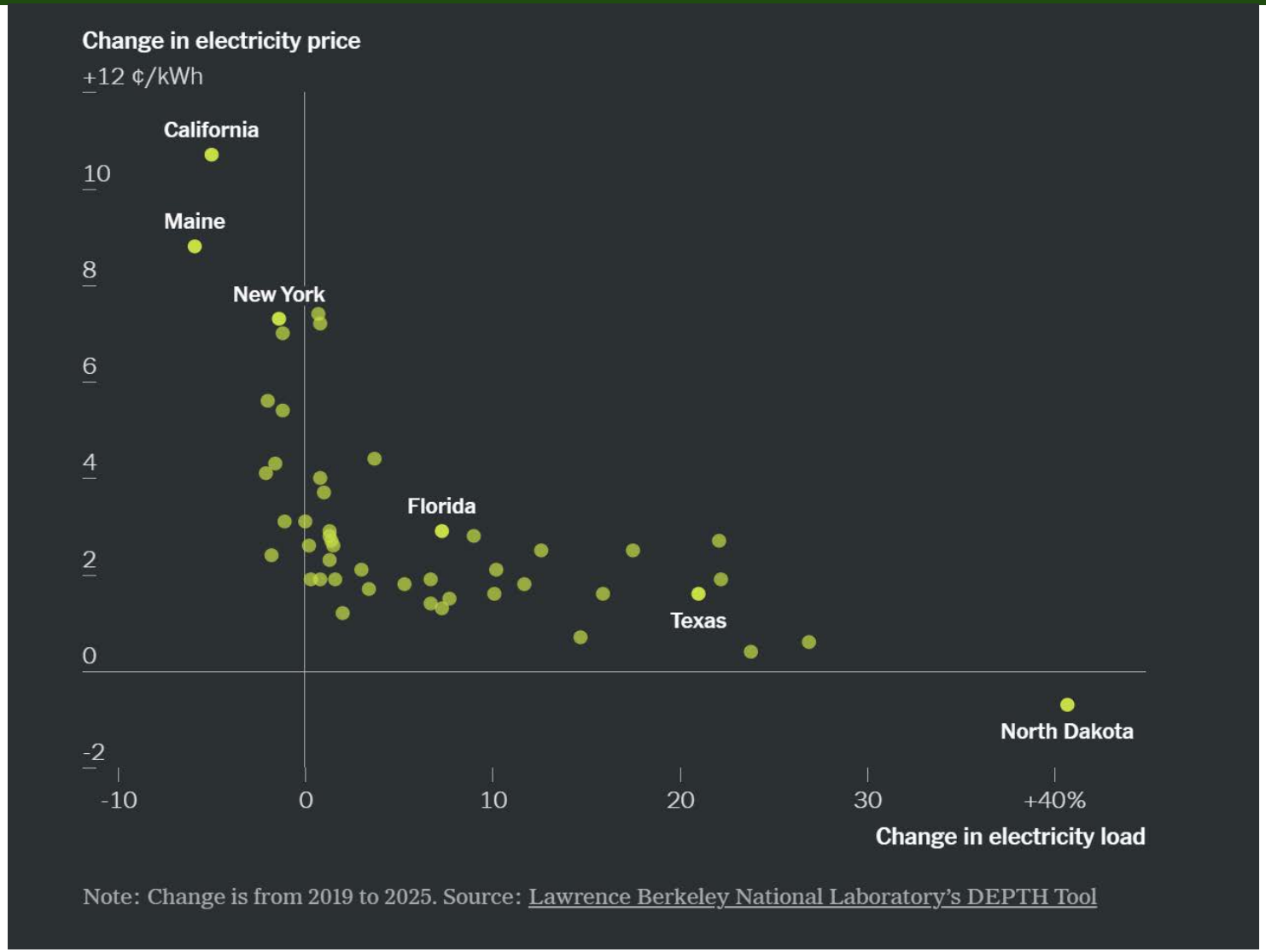
Demand is rising: average U.S. load growth



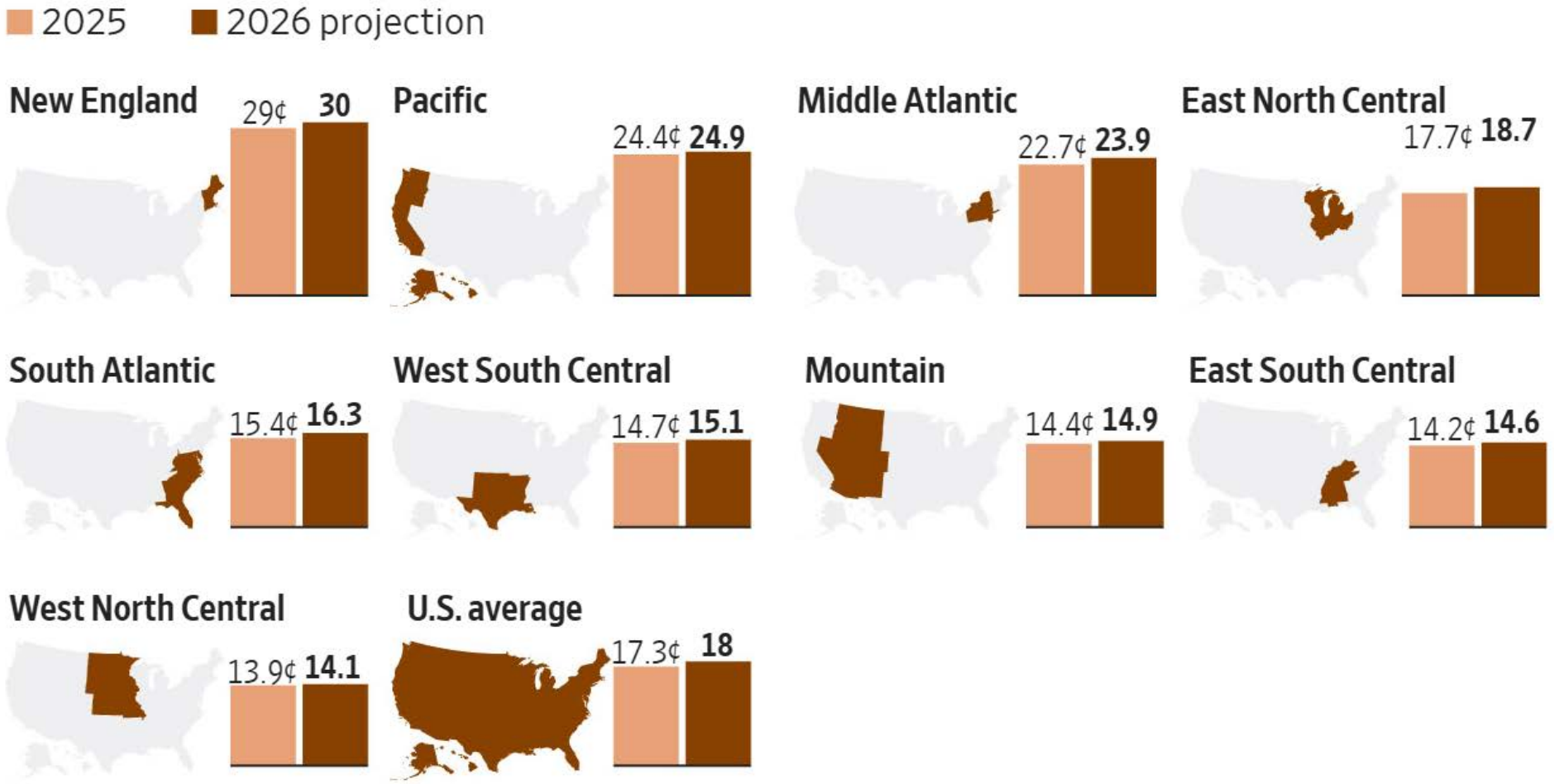
Source: Grid Strategies

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Higher demand has not led to higher prices



Residential electricity prices by region (¢/kWh)

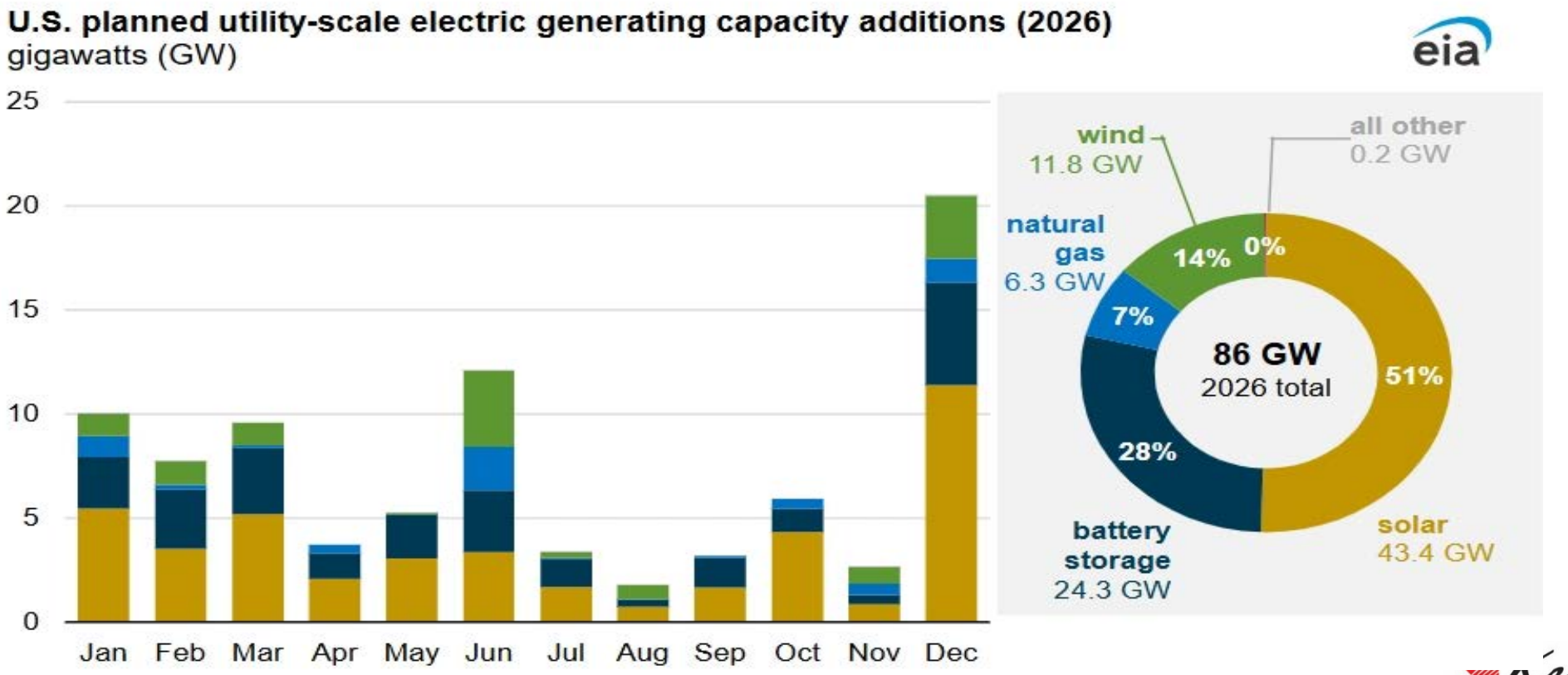


Source: Energy Information Administration

2026 projected new U.S. capacity added – 93% carbon-free

FEBRUARY 20, 2026

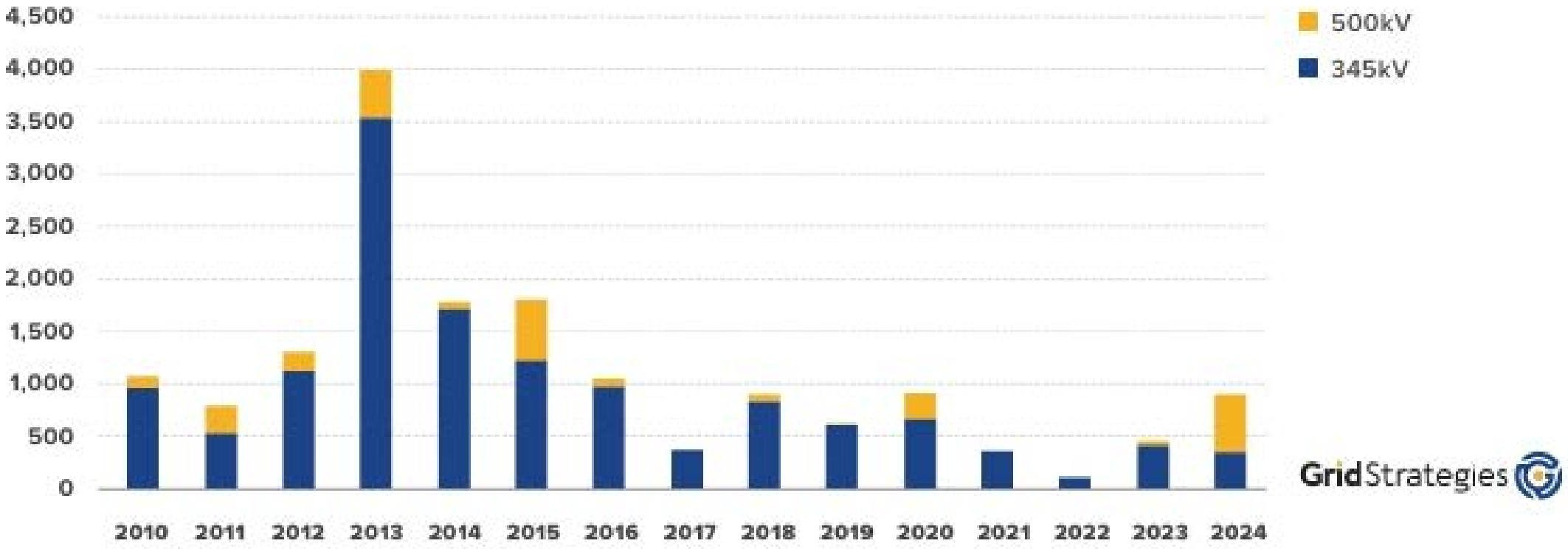
New U.S. electric generating capacity expected to reach a record high in 2026



Source: U.S. Energy Information Agency 2026

High-capacity grid buildout needs

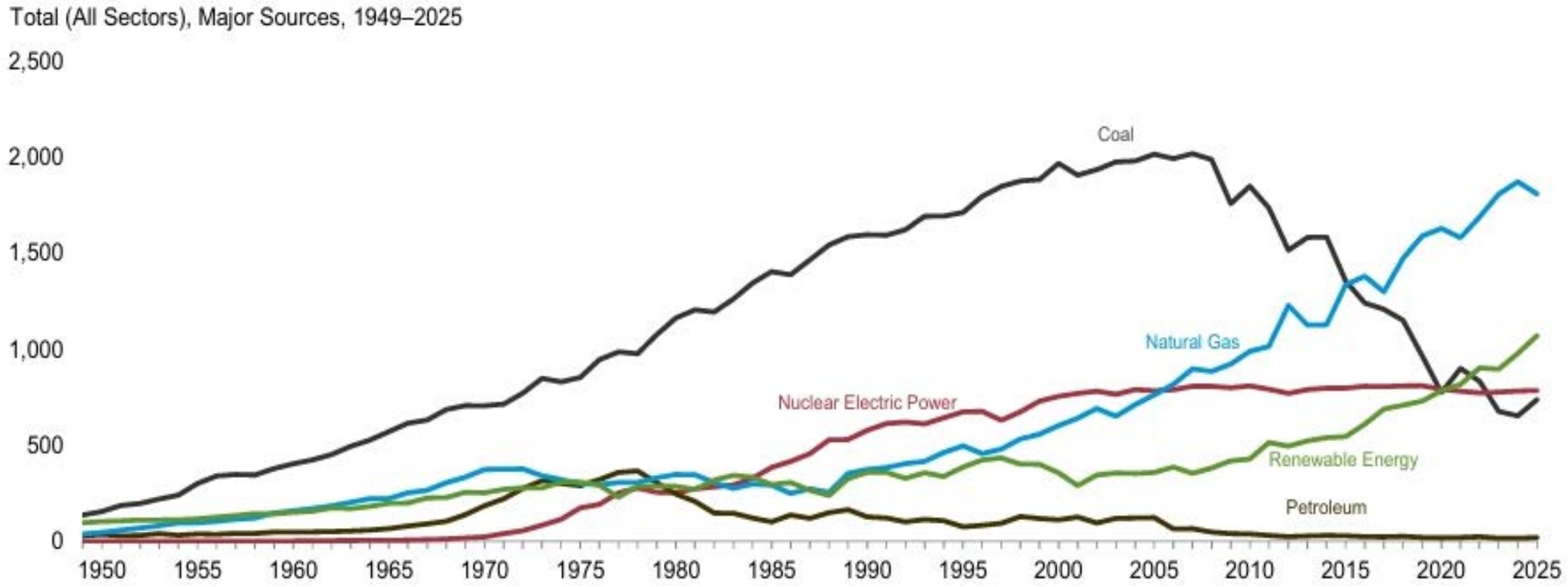
UPDATED FIGURE 1 | Miles of new 345 kV+ transmission lines built over the last 15 years (updated using July 2025 data)[31]



Source: [Americans for a Clean Energy Grid July 2025]

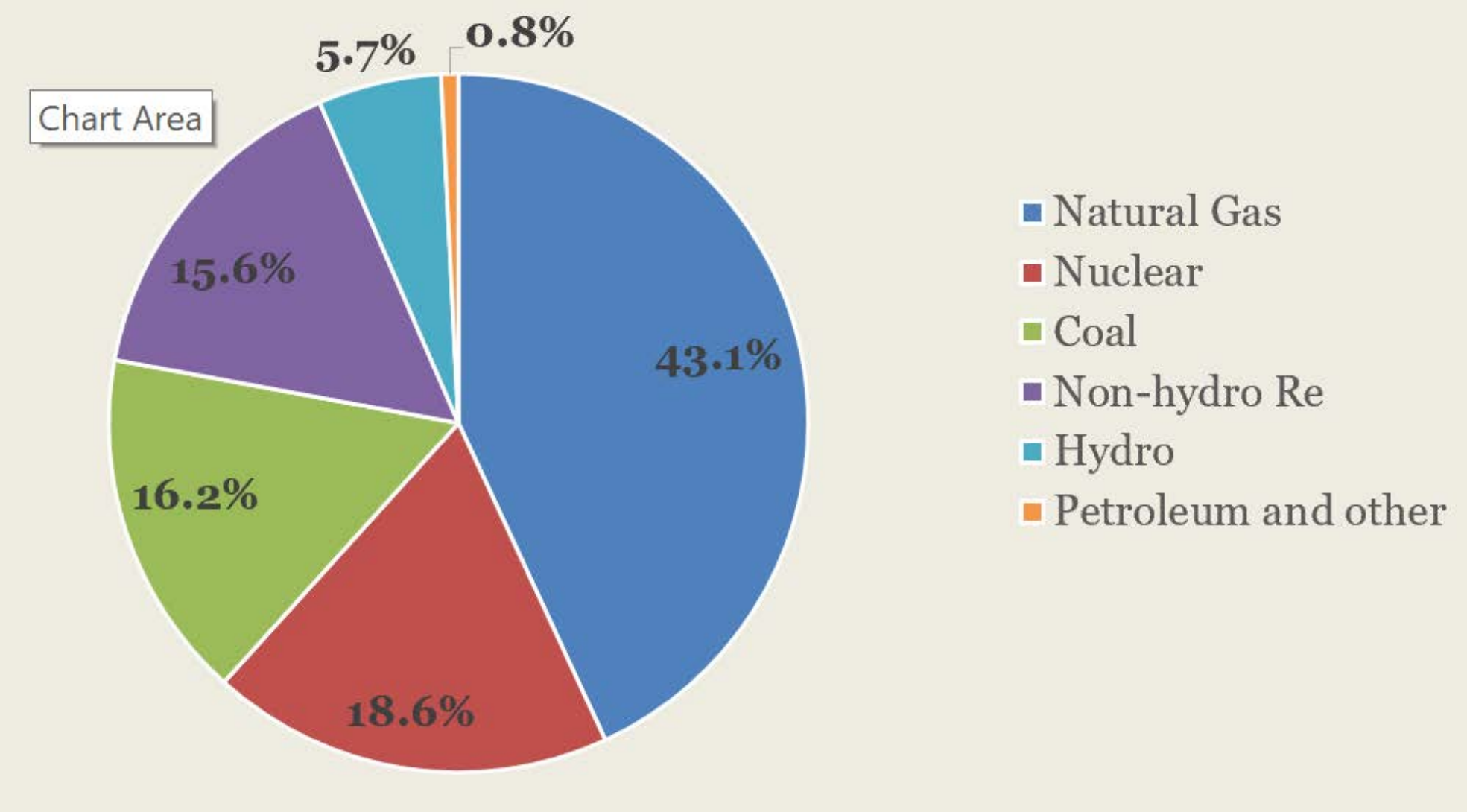
U.S. Electricity Generation 1950-2025

Figure 7.2 Electricity Net Generation
(Billion Kilowatthours)

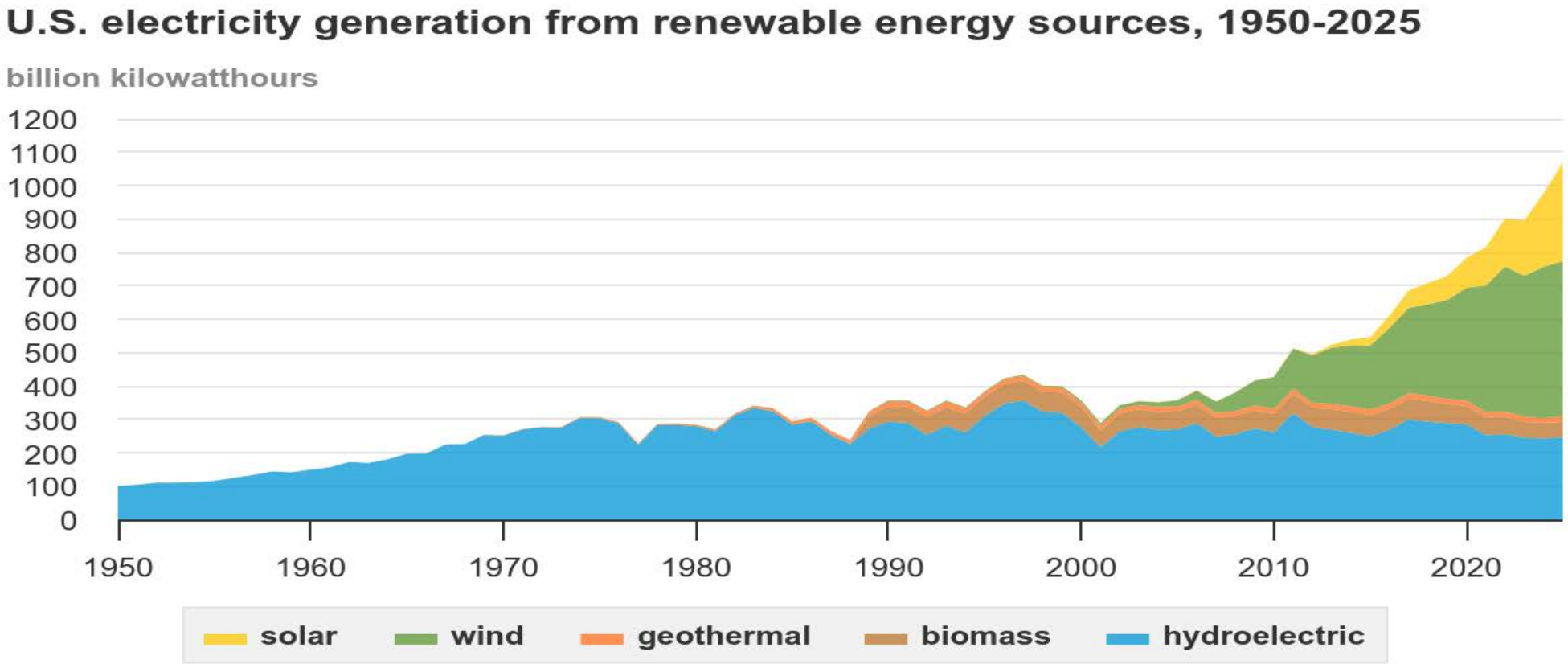


Source: EIA Monthly Energy Review (July 2026)

U.S. electricity generation by source 2025



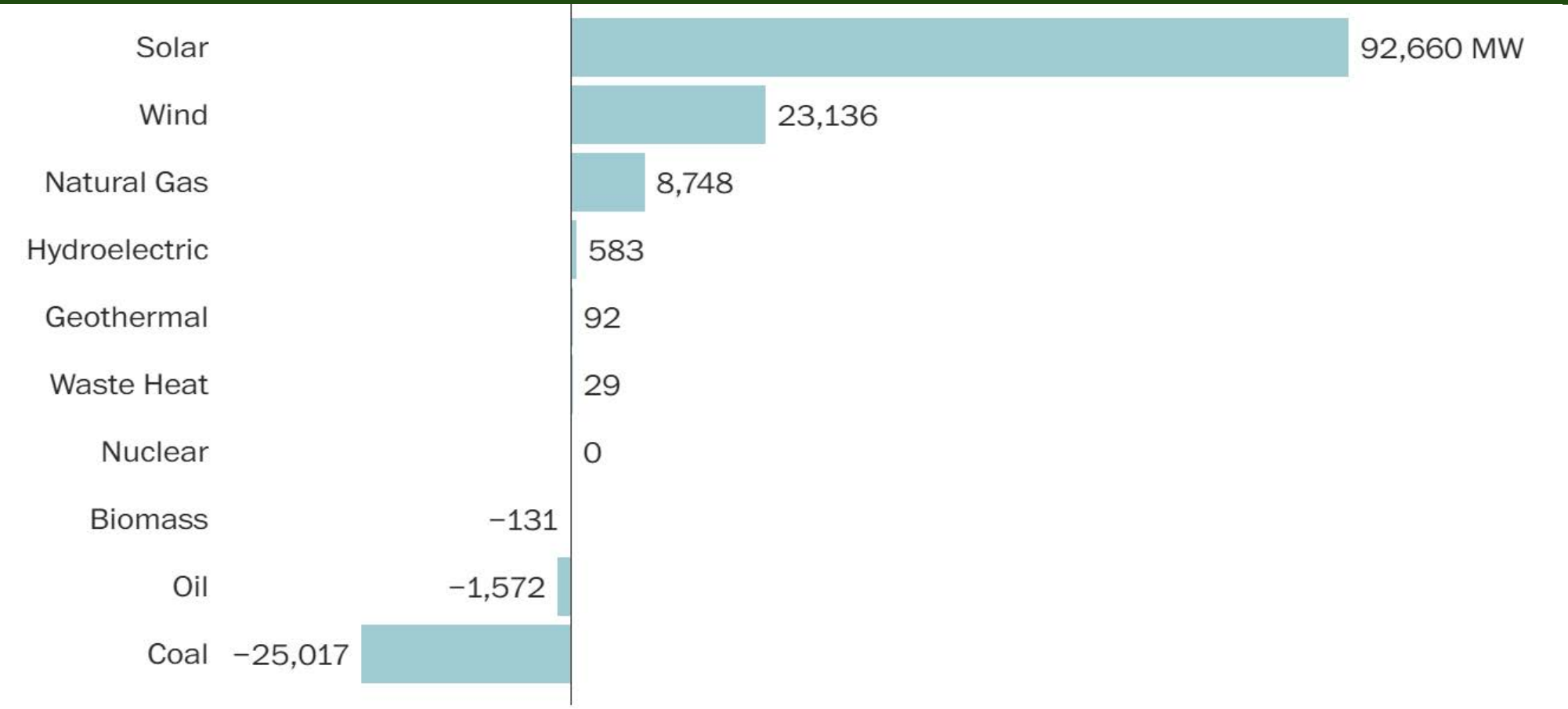
U.S. Renewable Generation 1950-2025



Source: [U.S. Energy Information Administration, Electric Power Monthly, February 2026]

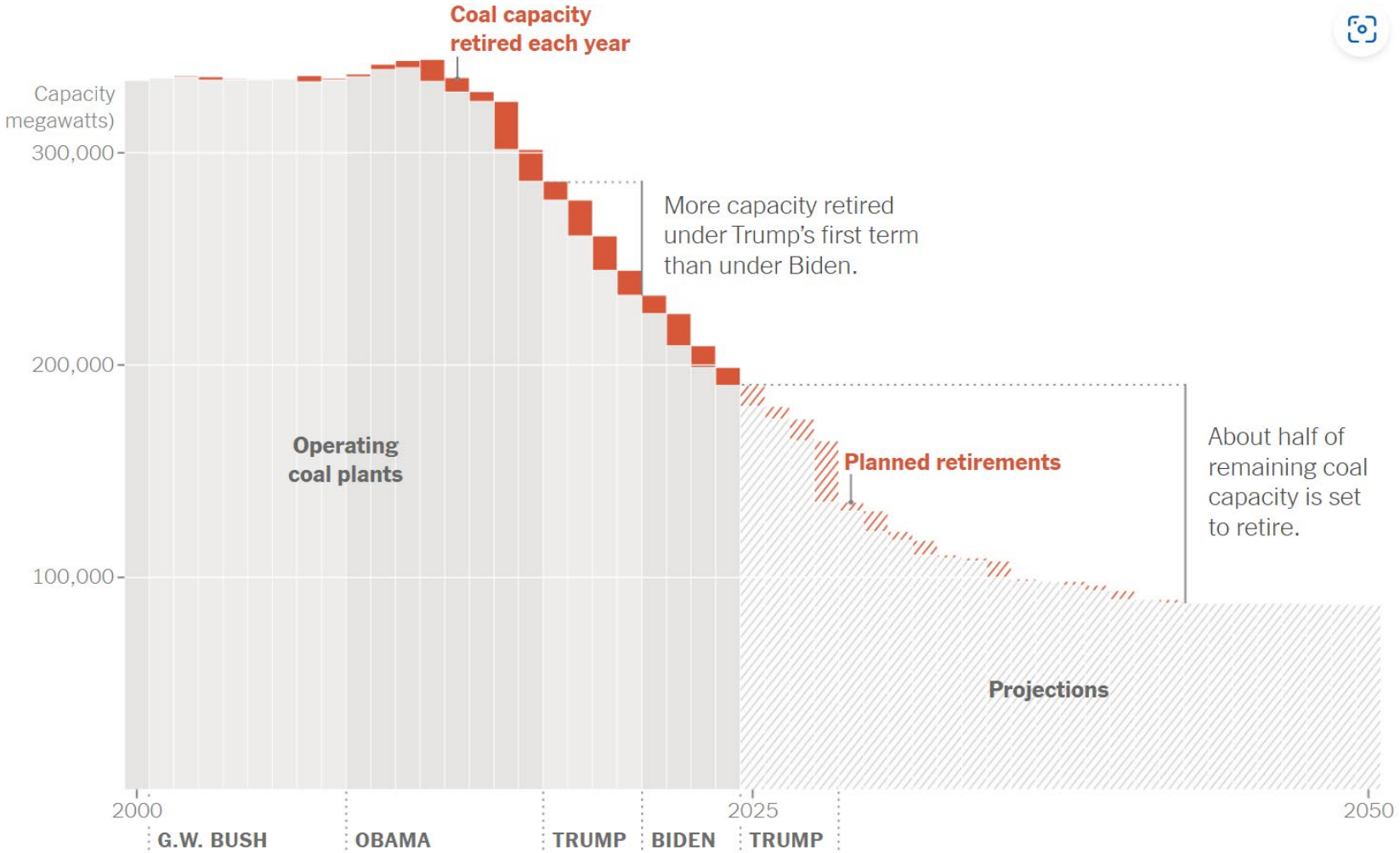
Net additional U.S. capacity 2025-2028

(factoring in high probability additions and expected retirements)



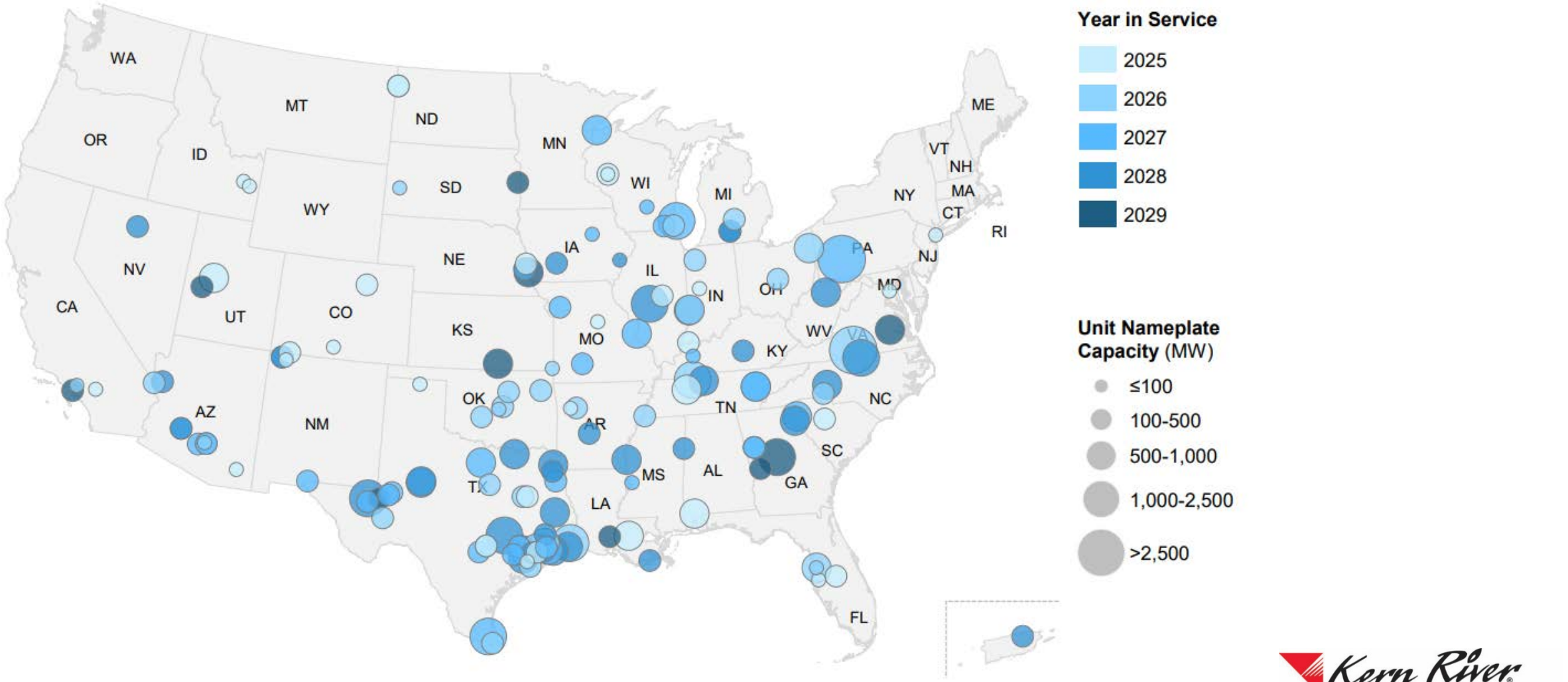
Source: Federal Energy Regulatory Commission Energy Infrastructure Update for June 2025

Coal plant retirements 2000-2025



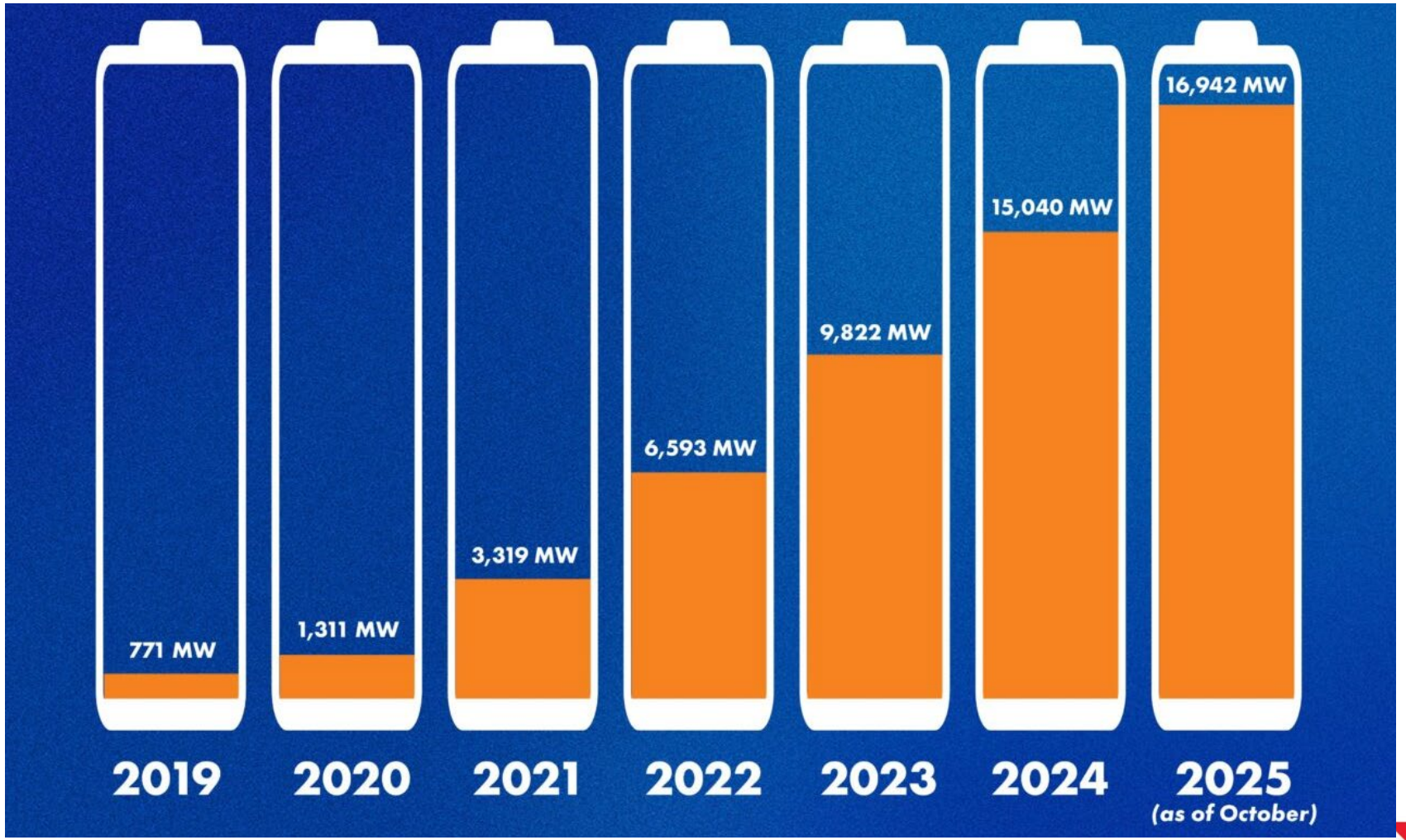
Source: Global Energy Monitor and New York Times reporting. · Note: Includes coal capacity added. · By Mira Rojanasakul/The New York times

Announced new U.S. gas power plant projects



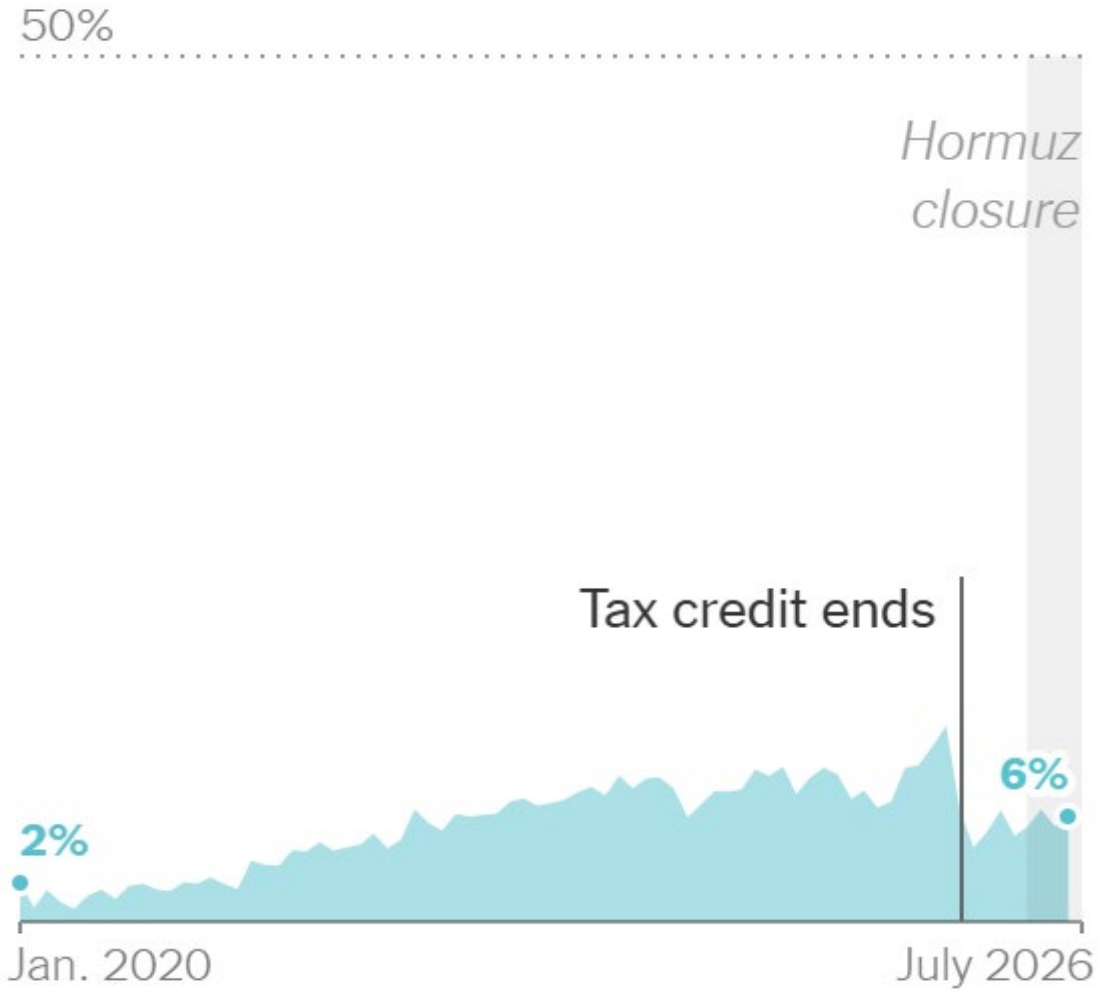
Source: Gas plants build data from S&P as of April 2025

California’s battery storage growth

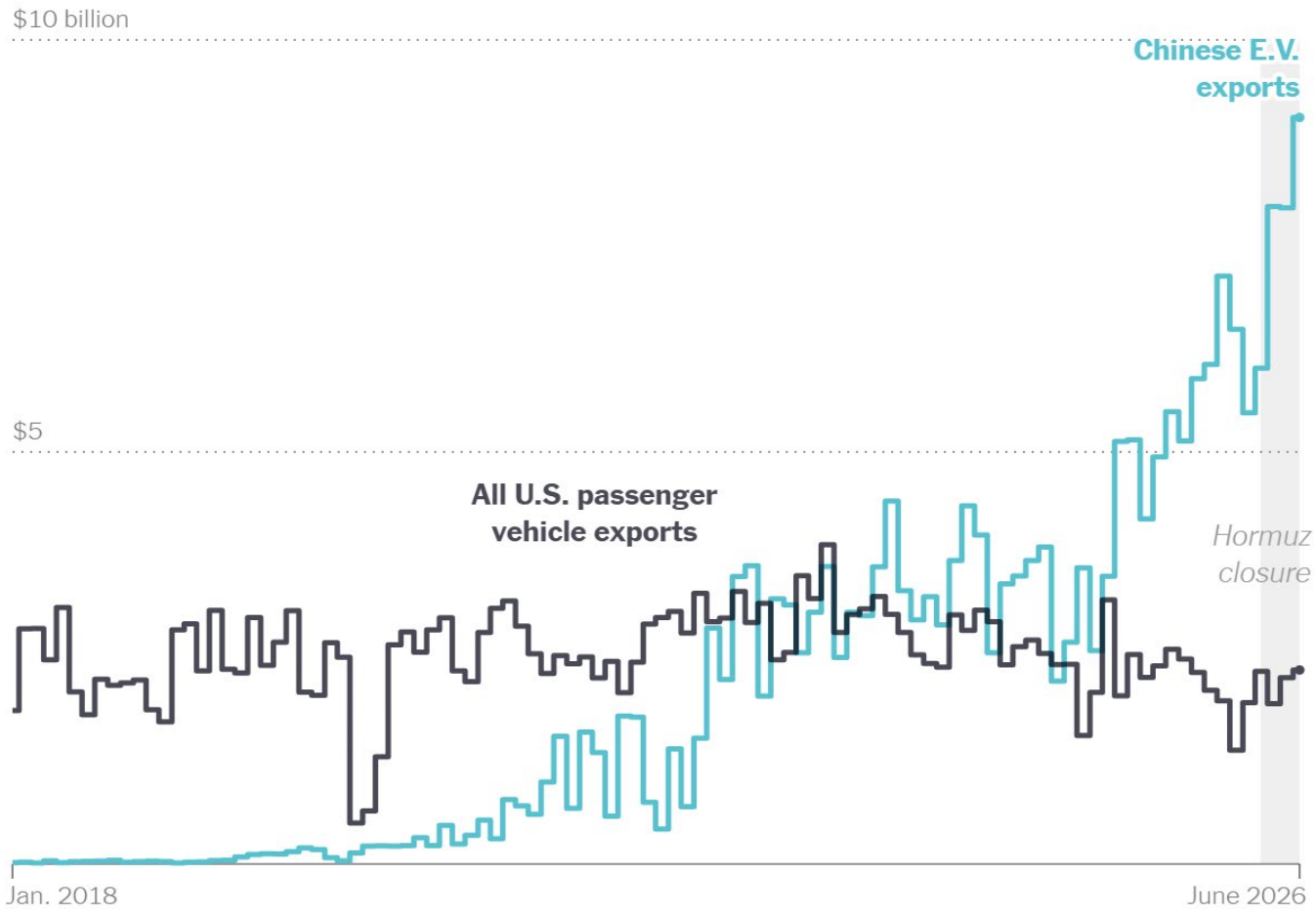


Source: [Governor Gavin Newsom Nov 13, 2025]

U.S. EV market share



China's EV exports far outstrip all U.S. car exports



Note: Chinese passenger E.V. exports include plug-in hybrid passenger cars. Source: Ember, United States International Trade Commission.

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Midterm Elections

Key points

- **House**

  - Historically views as referendum on sitting president (approval ratings)
  - Democrats must pick up net 3 seats to take controls
  - But: fewer competitive district, redistricting, leftward shift, cash crunch
  - Only 37 competitive seats

- **Senate**

  - Democrats must pick up net 4 seats to take control
  - Democrats defending 13 incumbents; GOP defending 20
  - Democrats must hold all of their at-risk seats while also flipping 4 GOP-held seats

- **Overall – good for Democrats**

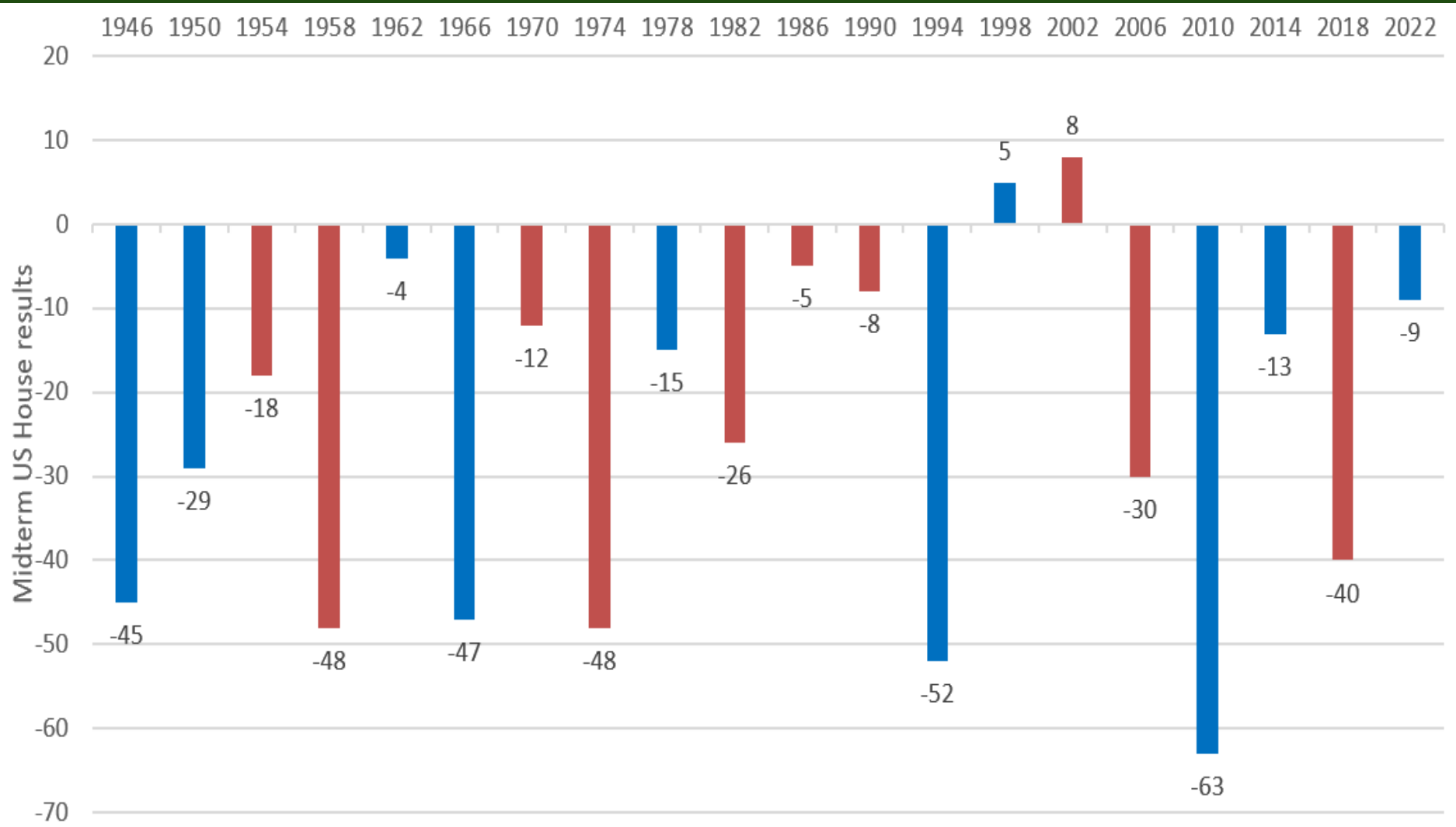
  - Party has outperformed in elections since 2024
  - Trump’s all-time low approval numbers
  - Economic dissatisfaction (cost of living, inflation)
  - Opposition to war in Iran

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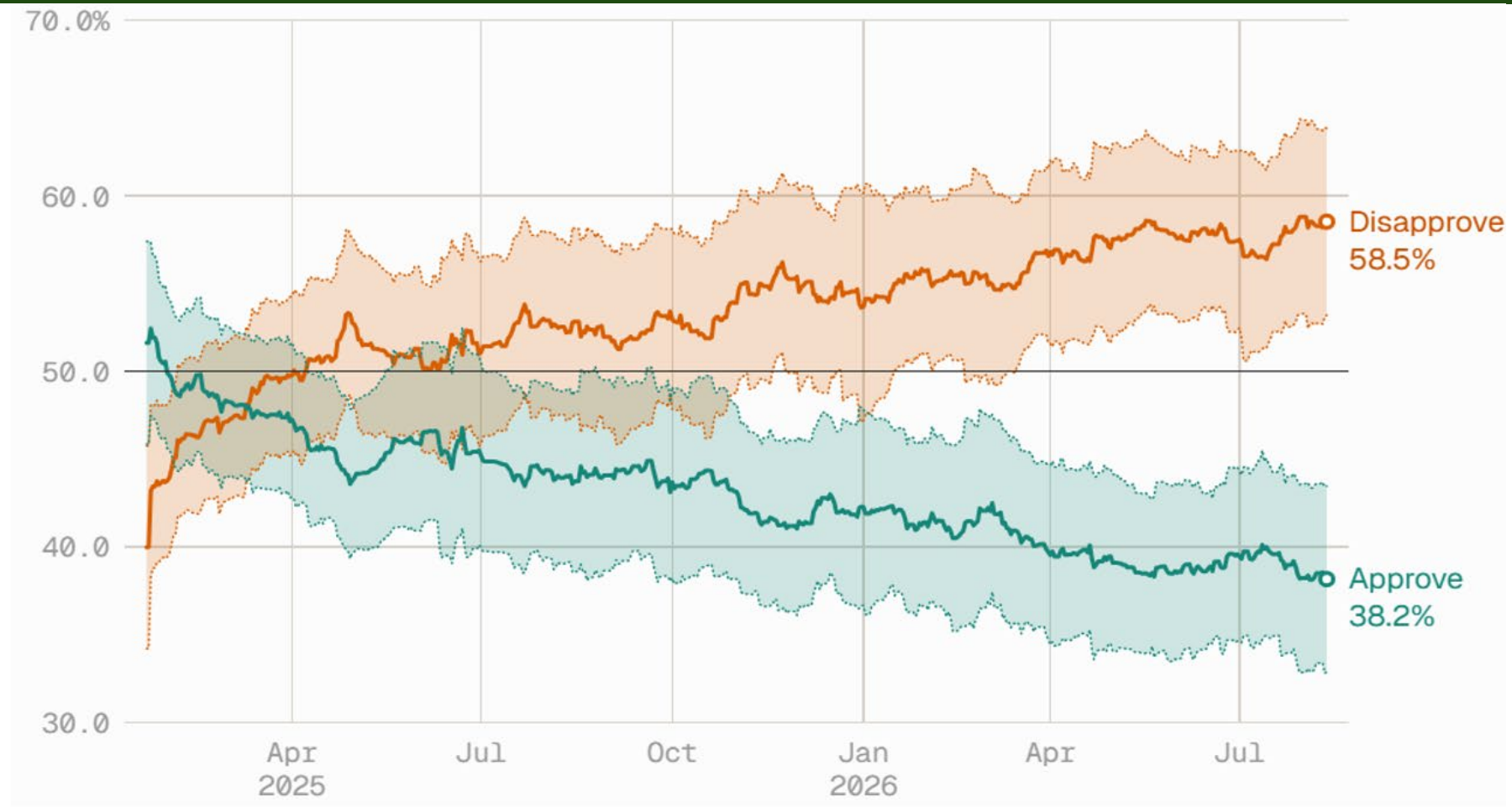
Key points – what are we seeing?

- Historic spending (mostly by Republicans)
- Trump (mostly) triumphant in primaries
- (City) progressives winning
- Democratic turnout better than GOP (Will Trump votes stay loyal, stay home, or switch?)
- Anti-incumbent trend (10 incumbents lost in primaries)
- “Affordability” is the current hot issues
- Data centers are in the crosshairs (across partisan lines)

House seats won/lost by President's party in midterms



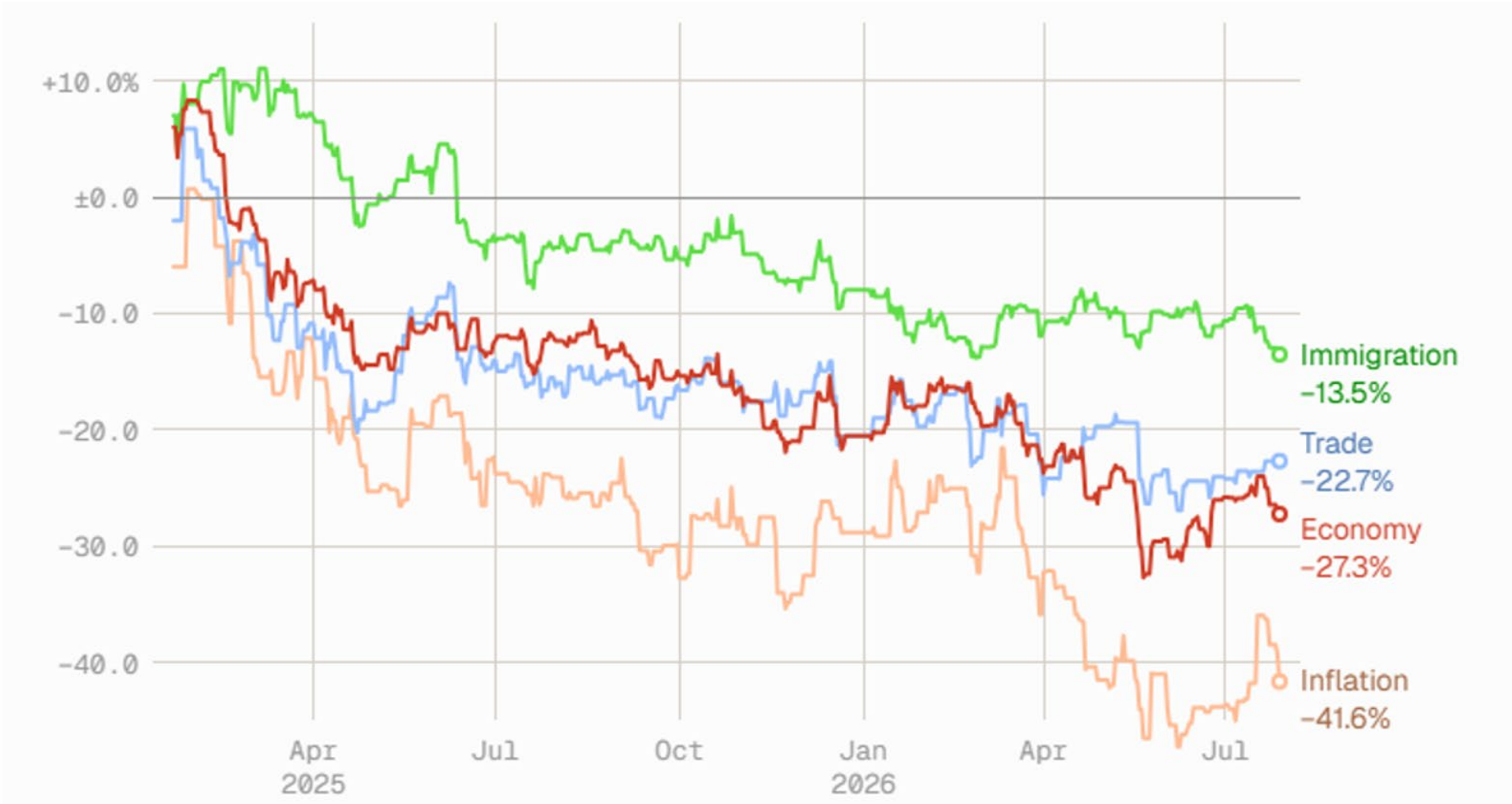
Trump approval ratings



Note: 90% of polls are projected to fall within the shaded regions.

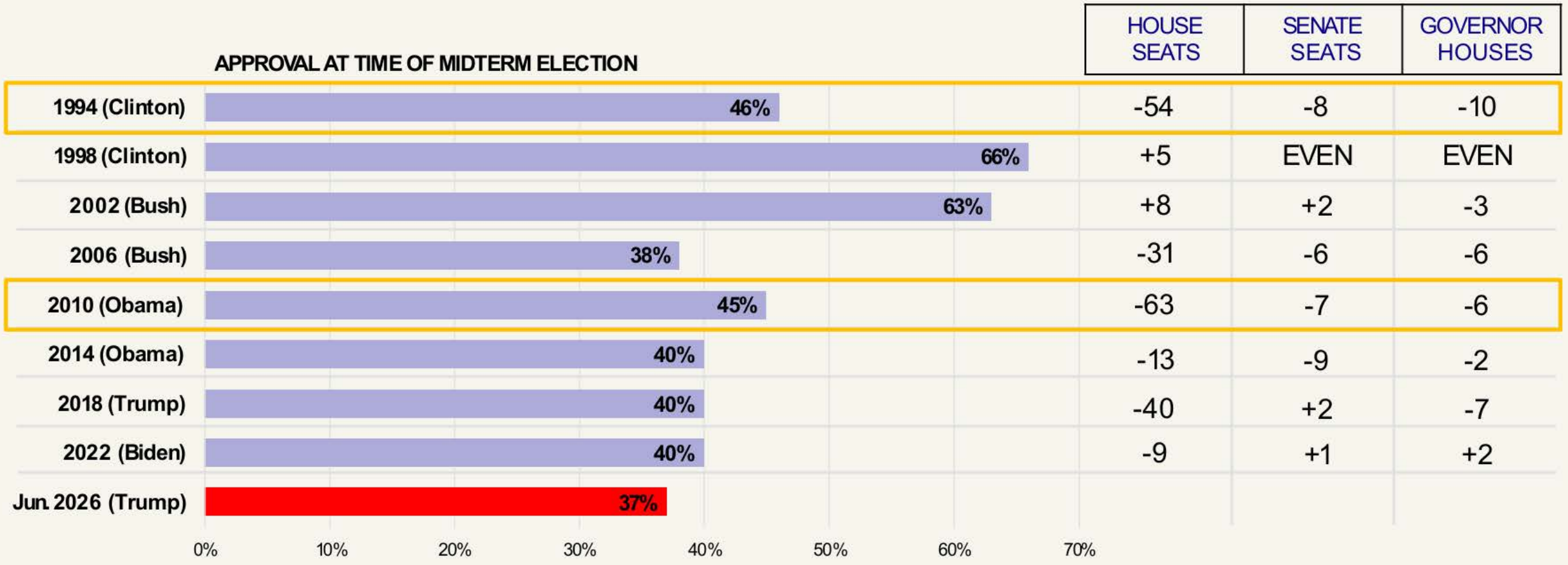
Source: Silver Bulletin

Trump approval ratings on top issues



Source: Silver Bulletin

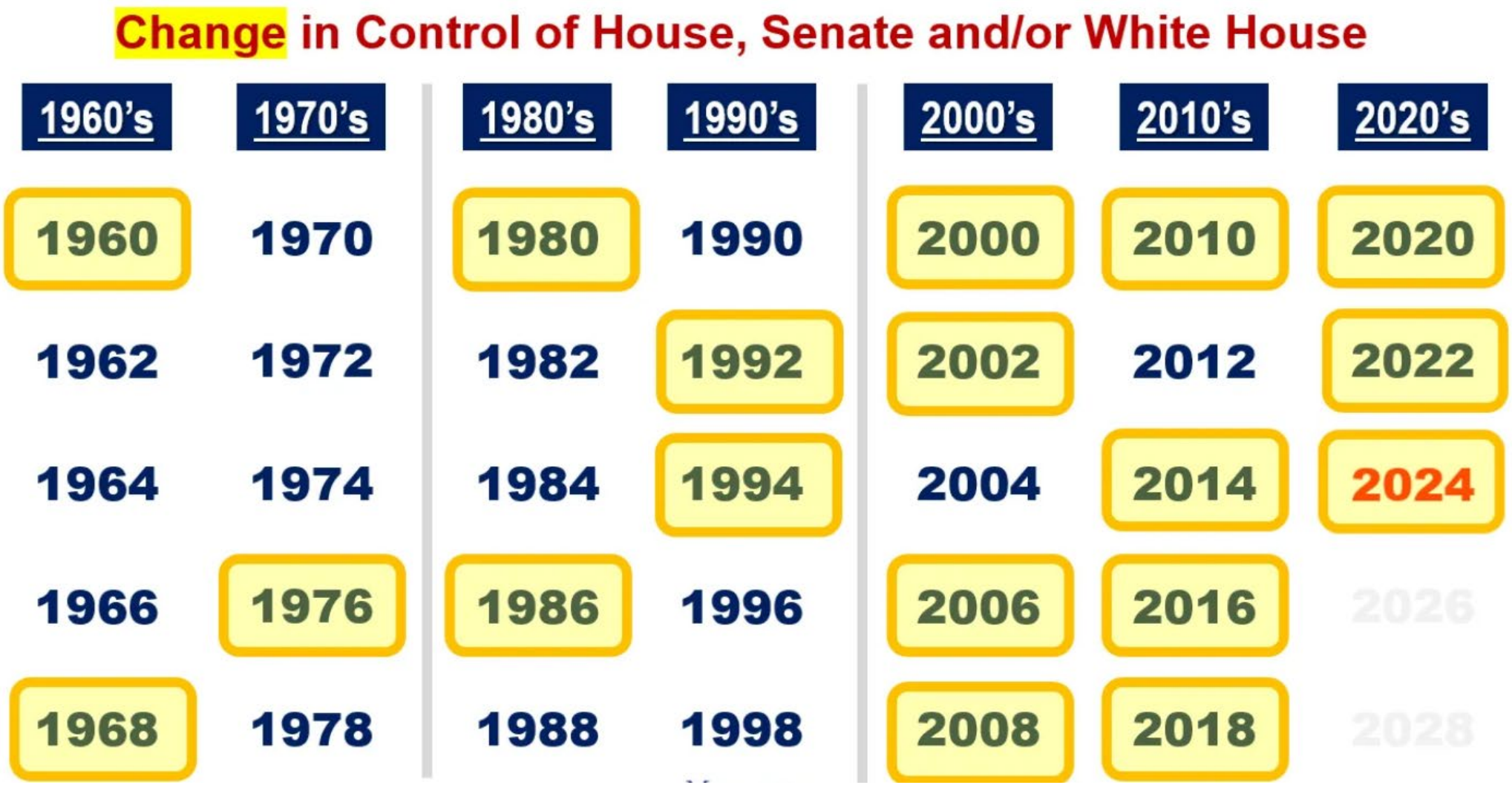
Trump approval v. other presidents



	HOUSE SEATS	SENATE SEATS	GOVERNOR HOUSES
1994 (Clinton)	-54	-8	-10
1998 (Clinton)	+5	EVEN	EVEN
2002 (Bush)	+8	+2	-3
2006 (Bush)	-31	-6	-6
2010 (Obama)	-63	-7	-6
2014 (Obama)	-13	-9	-2
2018 (Trump)	-40	+2	-7
2022 (Biden)	-9	+1	+2

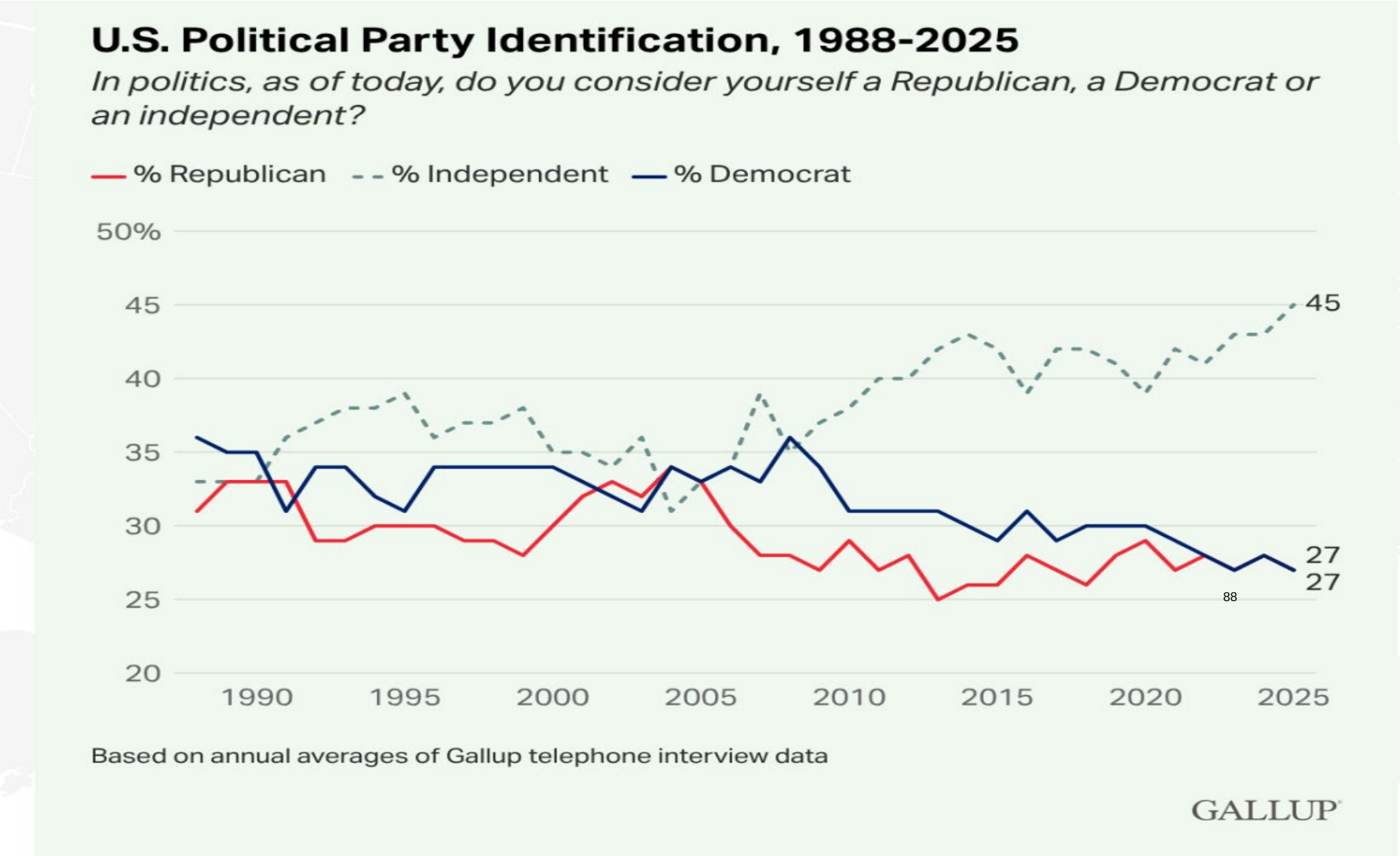
Sources: Gallup; Associated Press, NORC, Jun. 17, 2026

Voters want change

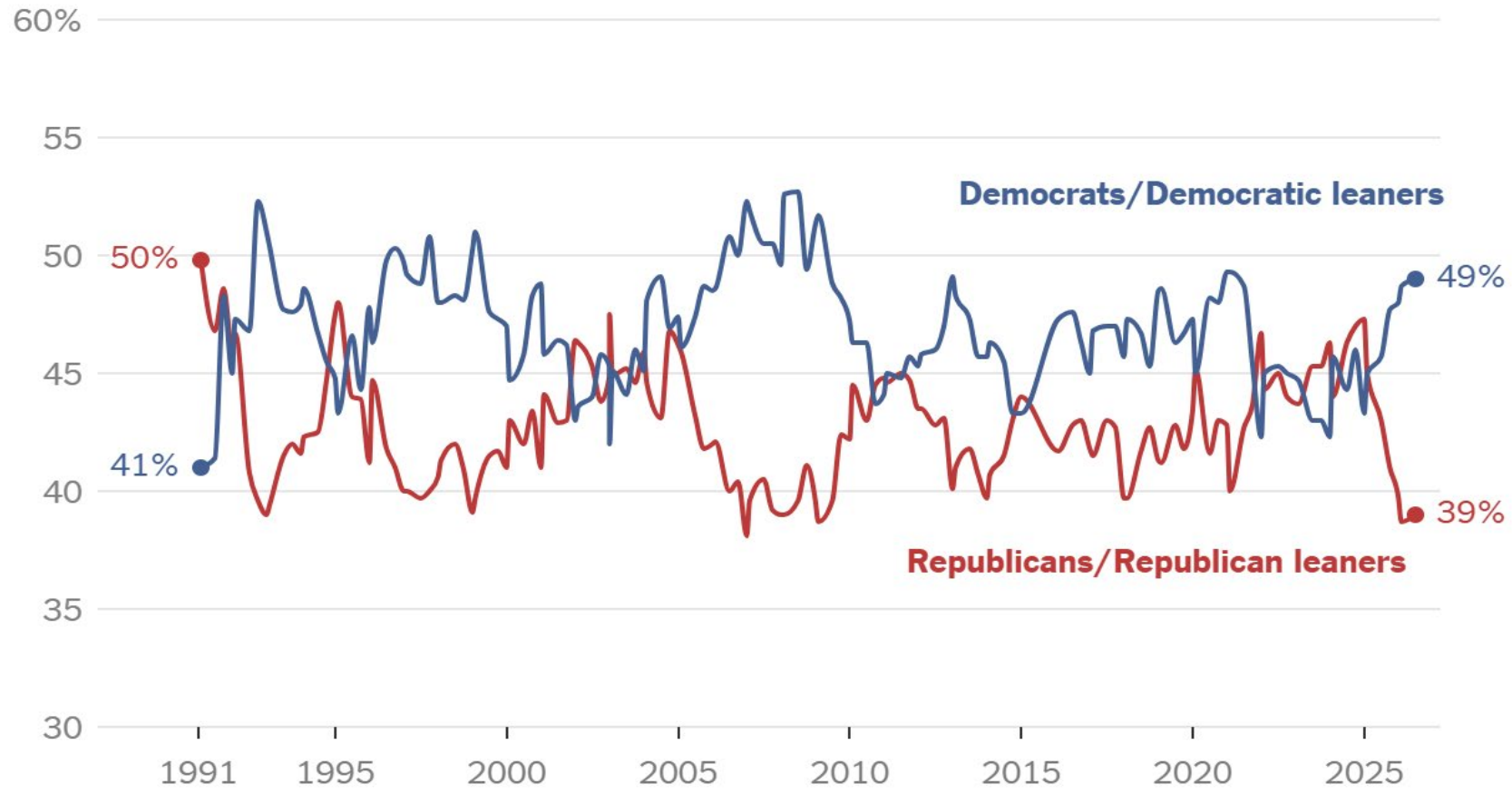


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Gallup Poll political party identification

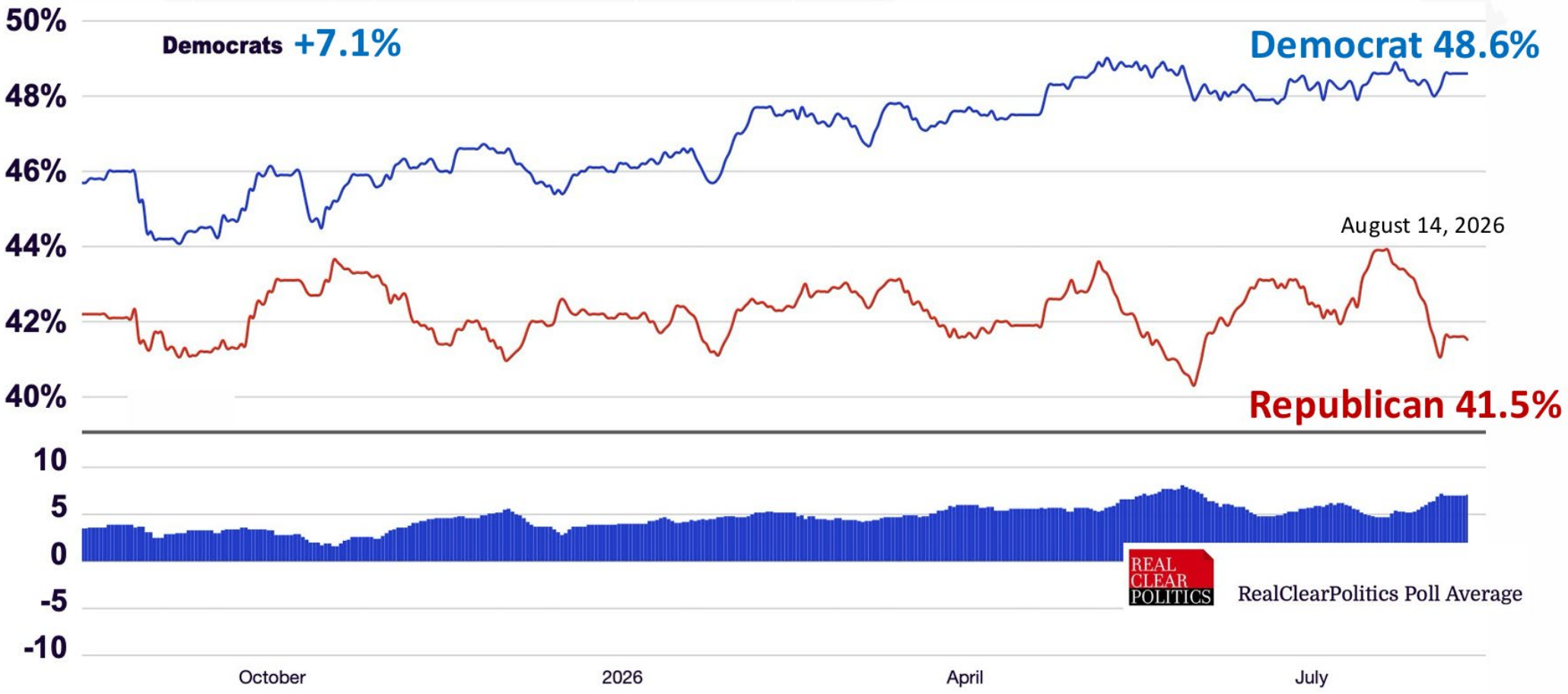


Percent of registered voters who identify with or lean to a party

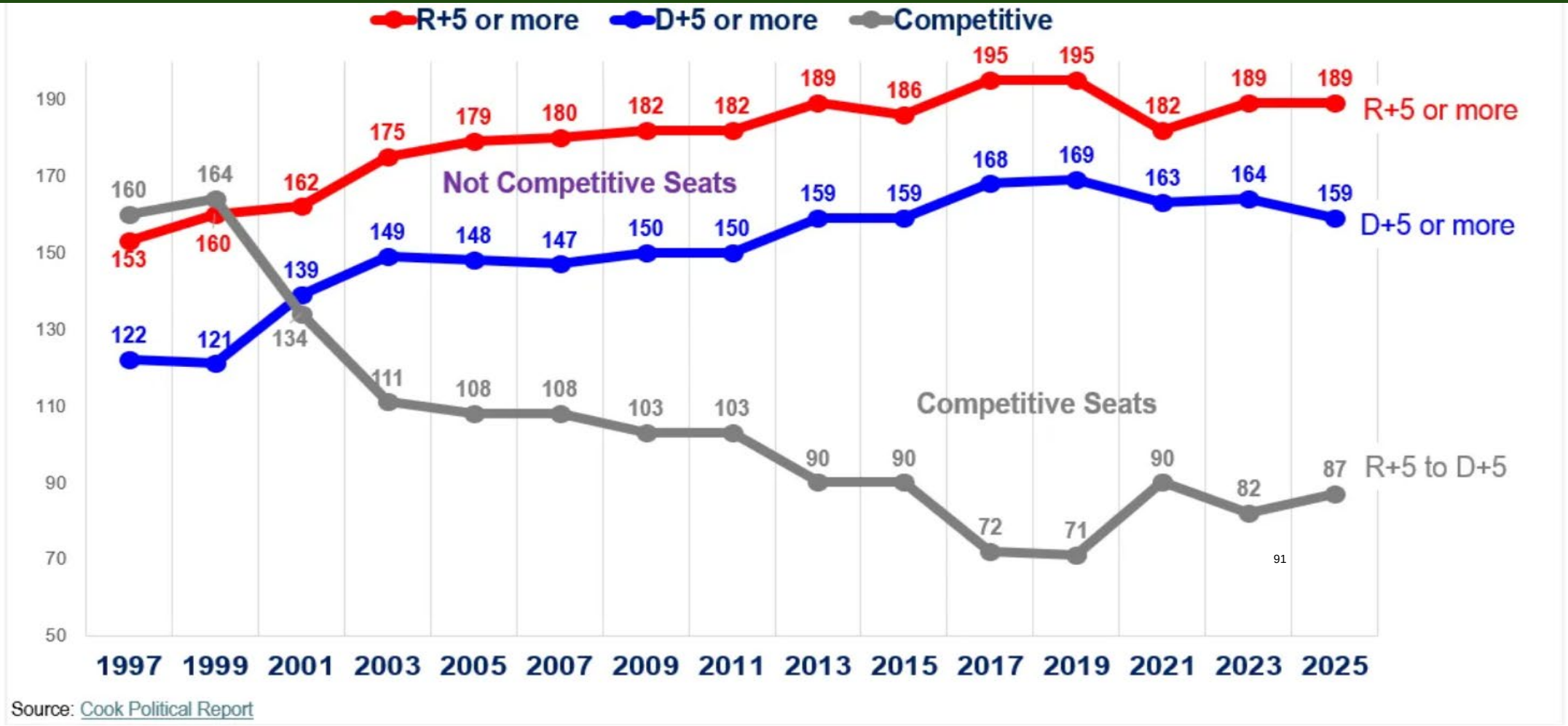


Note: Each data point represents a quarterly average for party identification, including those who identify with a party and independents who say they lean toward a party. Source: Gallup. The New York Times

Generic Congressional ballot

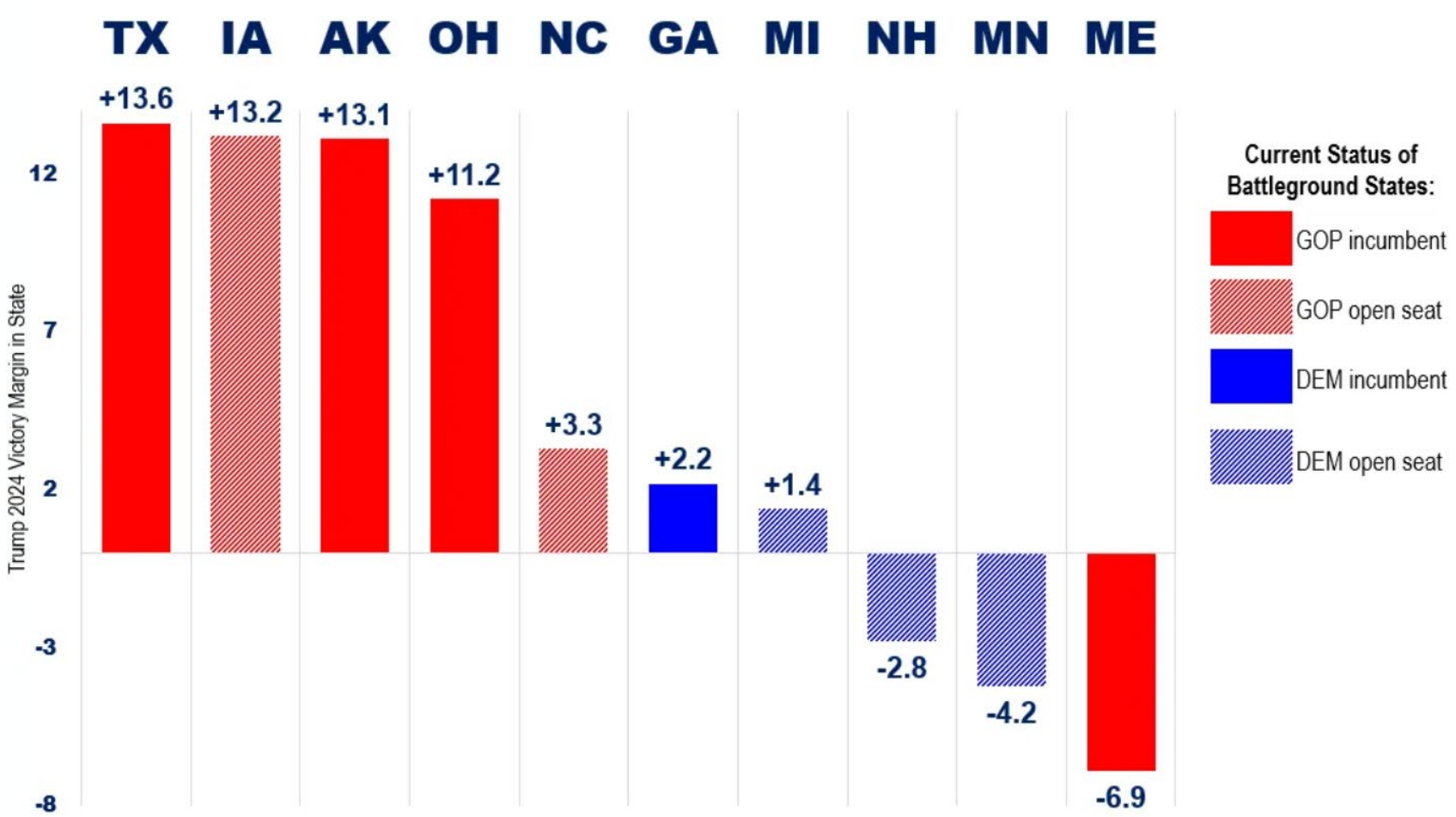


80% of House seats not competitive



Source: Cook Political Report

Trump 2024 margin in Senate 2026 battleground states



The Senate is now in play

May	June	July	August	September
NC	NC	NC	NC	NC
ME	ME	ME	ME	ME
MI	MI	MI	MI	MI
OH	OH	OH	OH	OH
		AK	AK	AK
				IA
				TX

Red = GOP-held state
Blue = Dem-held state

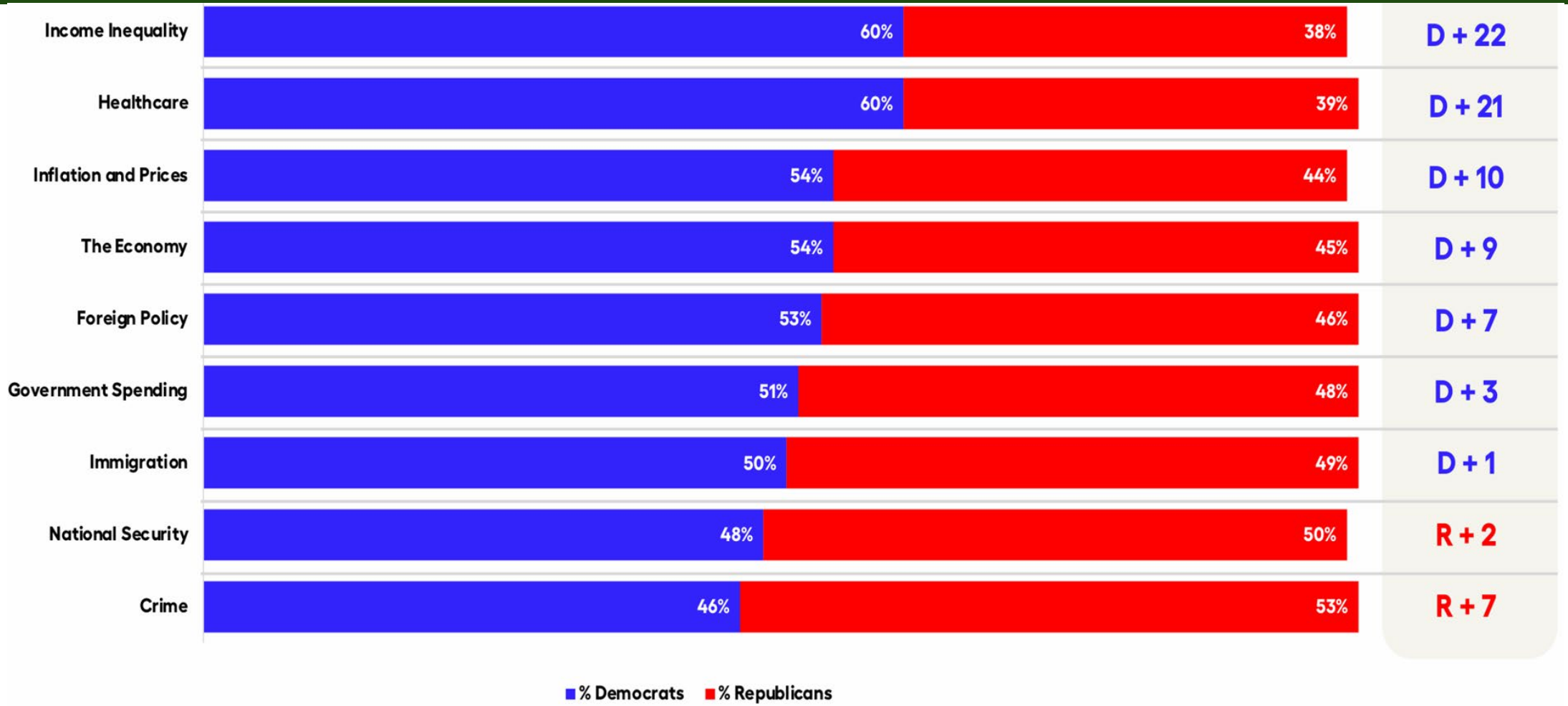
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Battleground state polling

RACE	INCUMBENT	RACE RATING (Cook Political Report, Jul. 1, 2026)	2024 PRESIDENTIAL MARGIN	CURRENT POLLING
Alaska	Sullivan	Toss-Up	Trump + 13.1%	Sullivan + 2% (New York Times, Jun. 29, 2026)
Georgia	Ossoff	Lean Dem.	Trump + 2.2%	Ossoff + 13% (Fox, Jul. 28, 2026)
Iowa	OPEN	Lean Rep.	Trump + 13.2%	Turek + 4% (Fox, Jul. 28, 2026)
Maine	Collins	Toss-Up	Harris + 6.9%	Jackson + 3% (UNH, Jul. 20, 2026)
Michigan	OPEN	Toss-Up	Trump + 1.4%	N/A (Primary elections on Aug. 4, 2026)
New Hampshire	OPEN	Lean Dem.	Harris + 2.8%	Pappas + 6% St. Anselm, Jun. 25, 2026
North Carolina	OPEN	Lean Dem.	Trump + 3.2%	Cooper + 9% (Fox, Jul. 28, 2026)
Ohio	Husted	Toss-Up	Trump + 11.2%	Brown + 8% (Fox, Jul. 28, 2026)
Texas	OPEN	Lean Rep.	Trump + 13.7%	EVEN (New York Times, Jun. 27, 2026)

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Top voter issues driving 2026 midterms – August polling



Democrats' cash disadvantage

REPUBLICANS' CASH ON HAND*

$1.06B

- NATIONAL REPUBLICAN SENATE COMMITTEE: **$55.9M**
- NATIONAL REPUBLICAN CONGRESSIONAL CAMPAIGN COMMITTEE: **$92.7M**
- REPUBLICAN NATIONAL COMMITTEE : **$128.5M**
- HOUSE CONGRESSIONAL LEADERSHIP FUND: **$141.8M**
- SENATE LEADERSHIP FUND: **$238.6M**
- MAGA INC. : **$401M**

**Figure does not include the Trump-backed Securing American Greatness 501(c)(4), which is exempt from standard FEC reporting and raised $274.8 million in 2024. It also excludes an unspecified amount from Elon Musk's 501(c)(4)-affiliated America PAC operation, which reportedly spent approximately $260 million supporting Trump in 2024.*

DEMOCRATS' CASH ON HAND

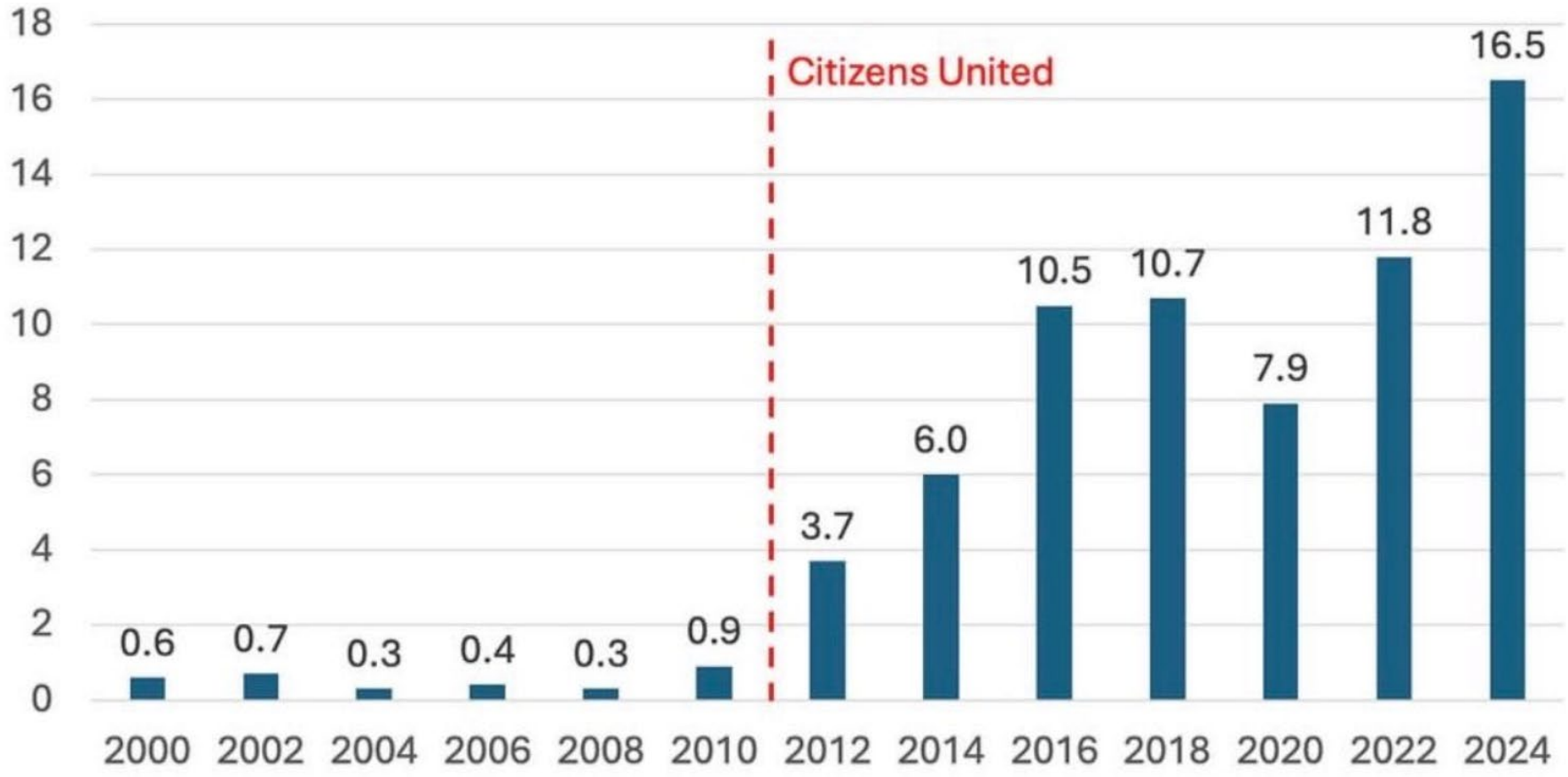
$328.8M

- DEMOCRATIC NATIONAL COMMITTEE: **$16.3M****
- DEMOCRATIC SENATE CAMPAIGN COMMITTEE: **$41M**
- HOUSE MAJORITY PAC: **$66M**
- DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE: **$79M**
- SENATE MAJORITY PAC: **$126.5M**

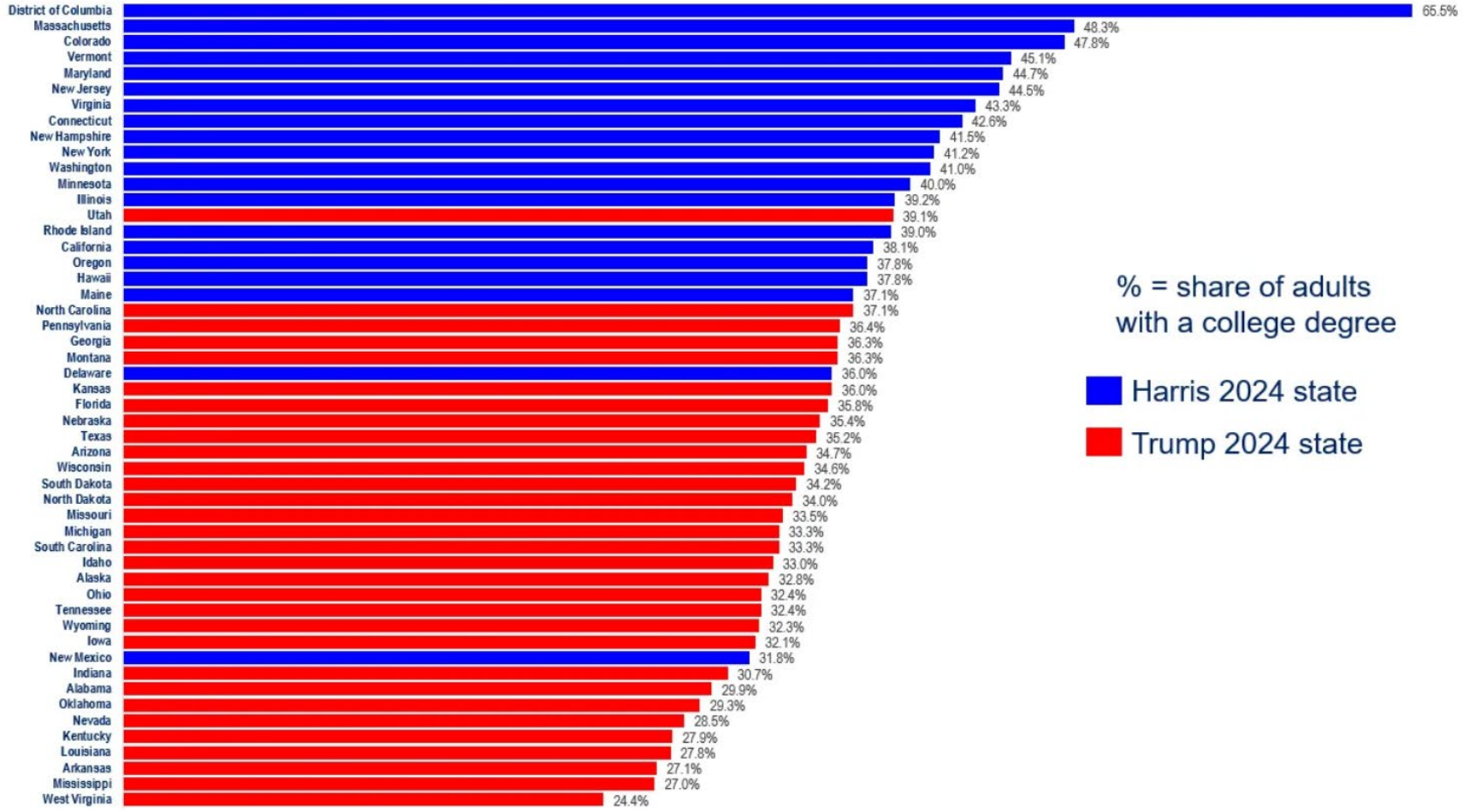
*** Figure does not include $18M in debt held by the DNC.*

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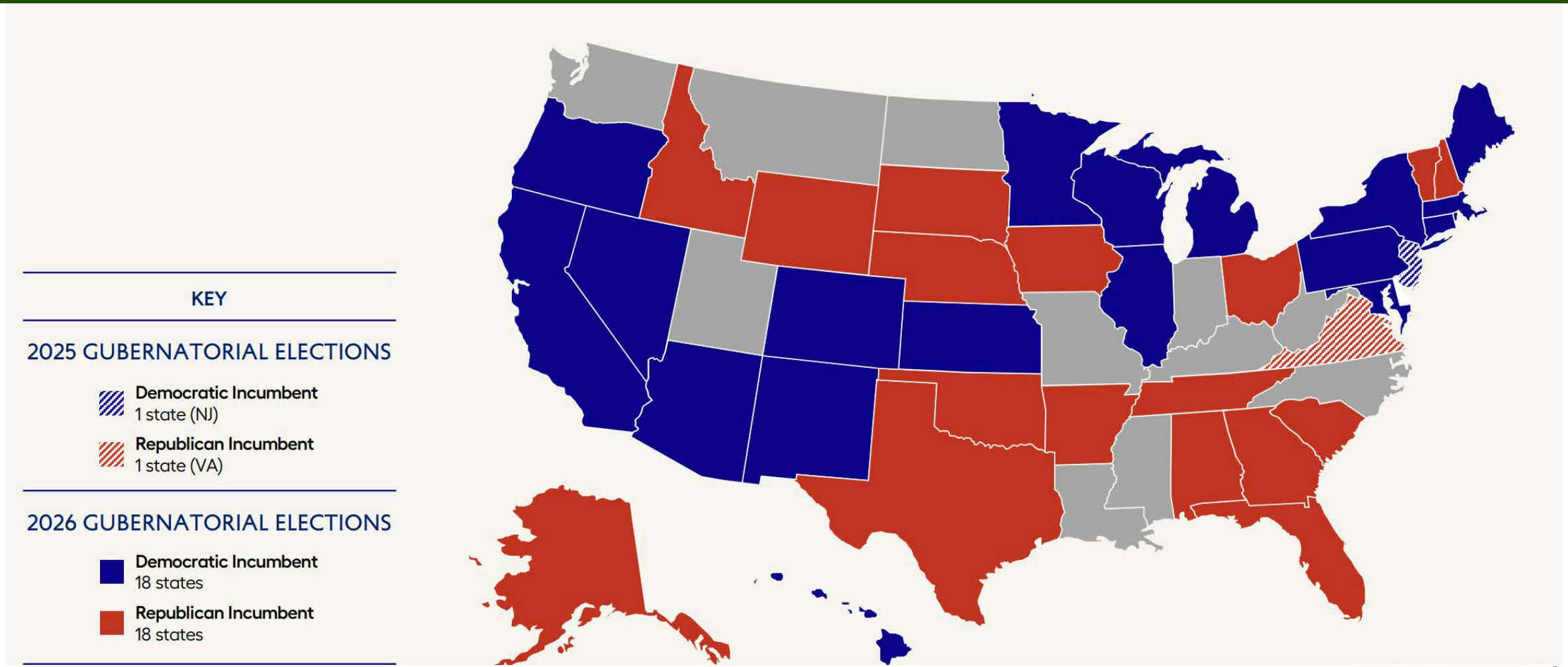
Billionaire political contributions as % of total contributions



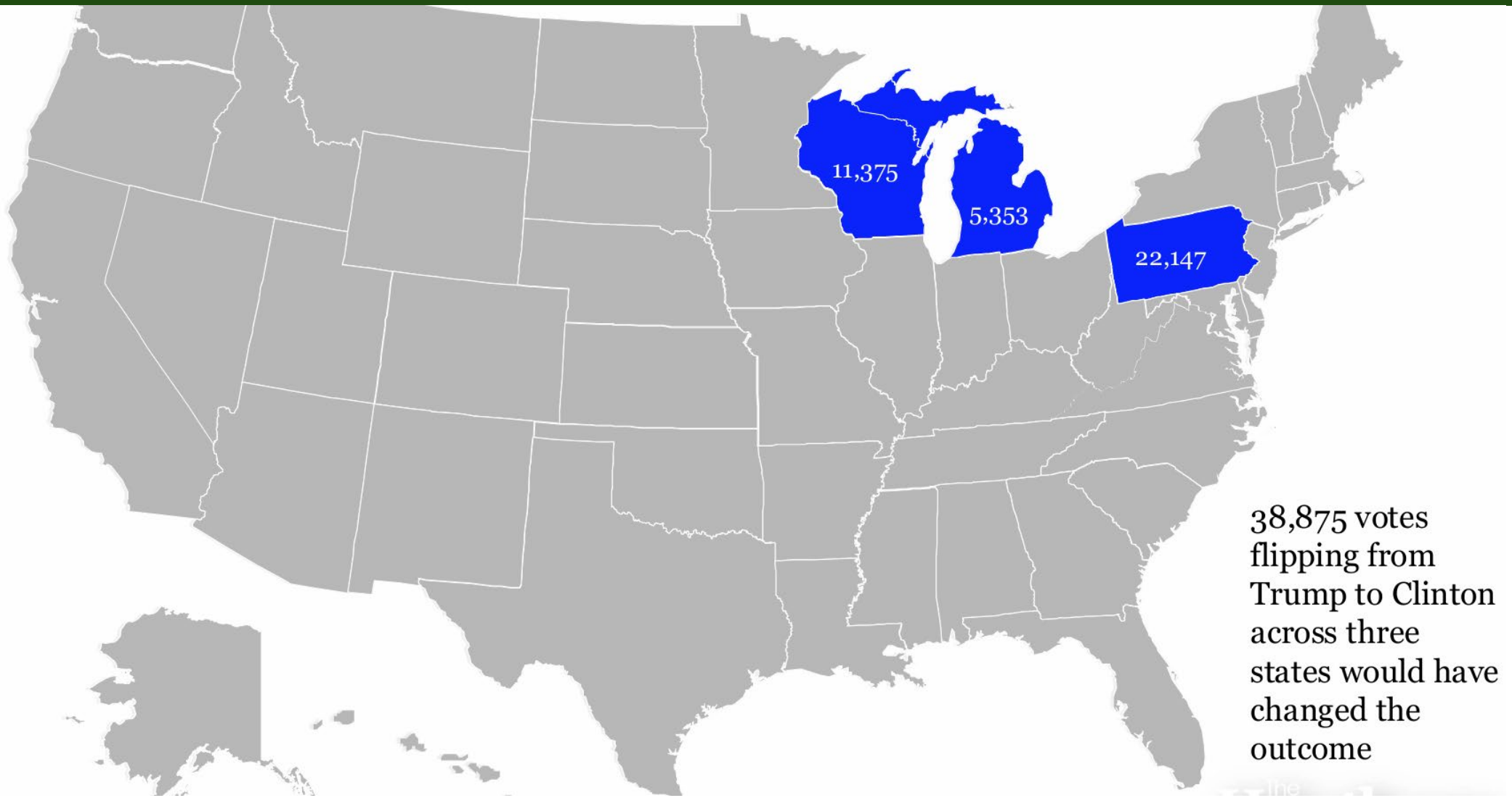
Diploma divide, 2024 election



Gubernatorial elections 2025-26 in 11 of the 12 largest states (38 races)

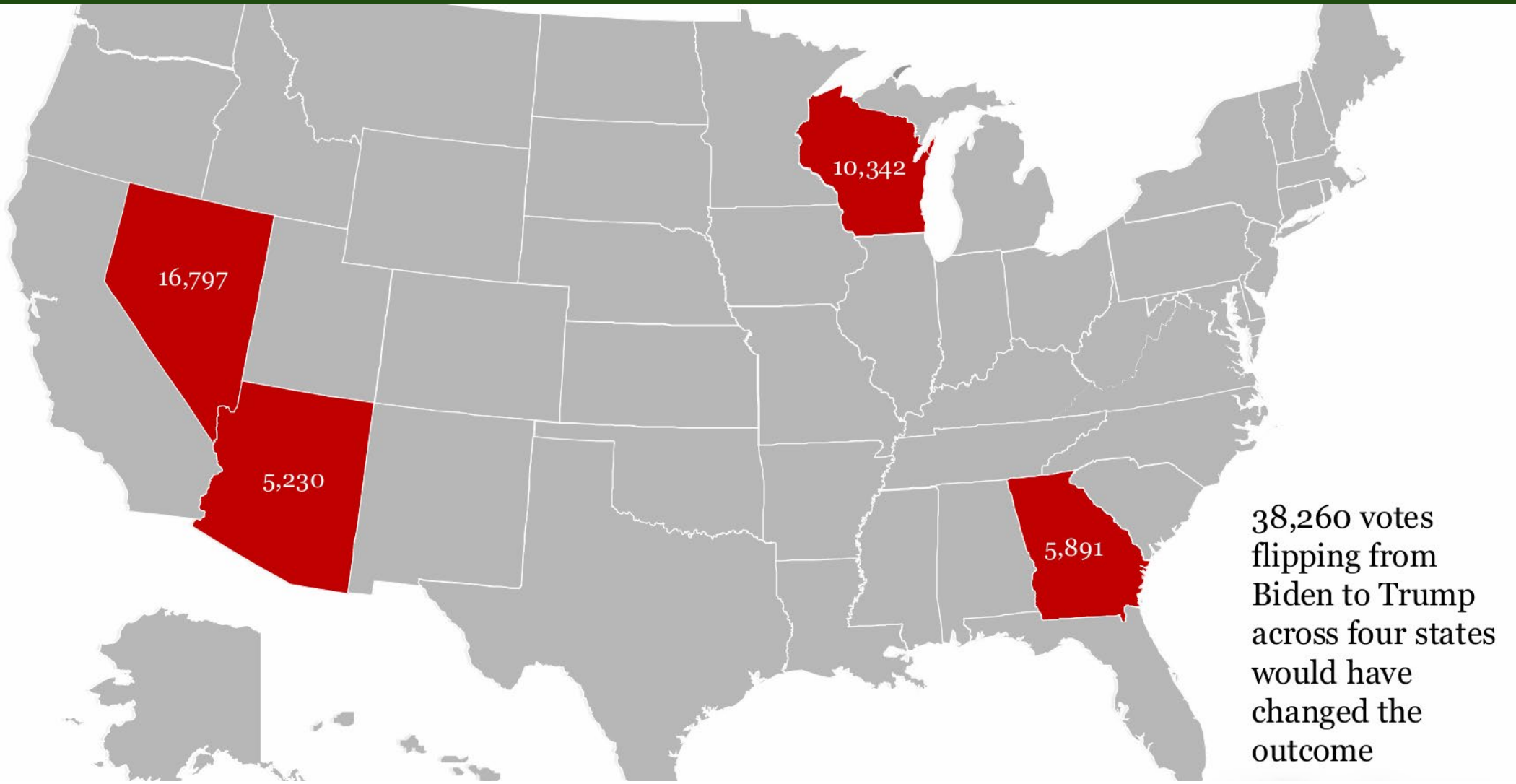


2016 Clinton win scenario



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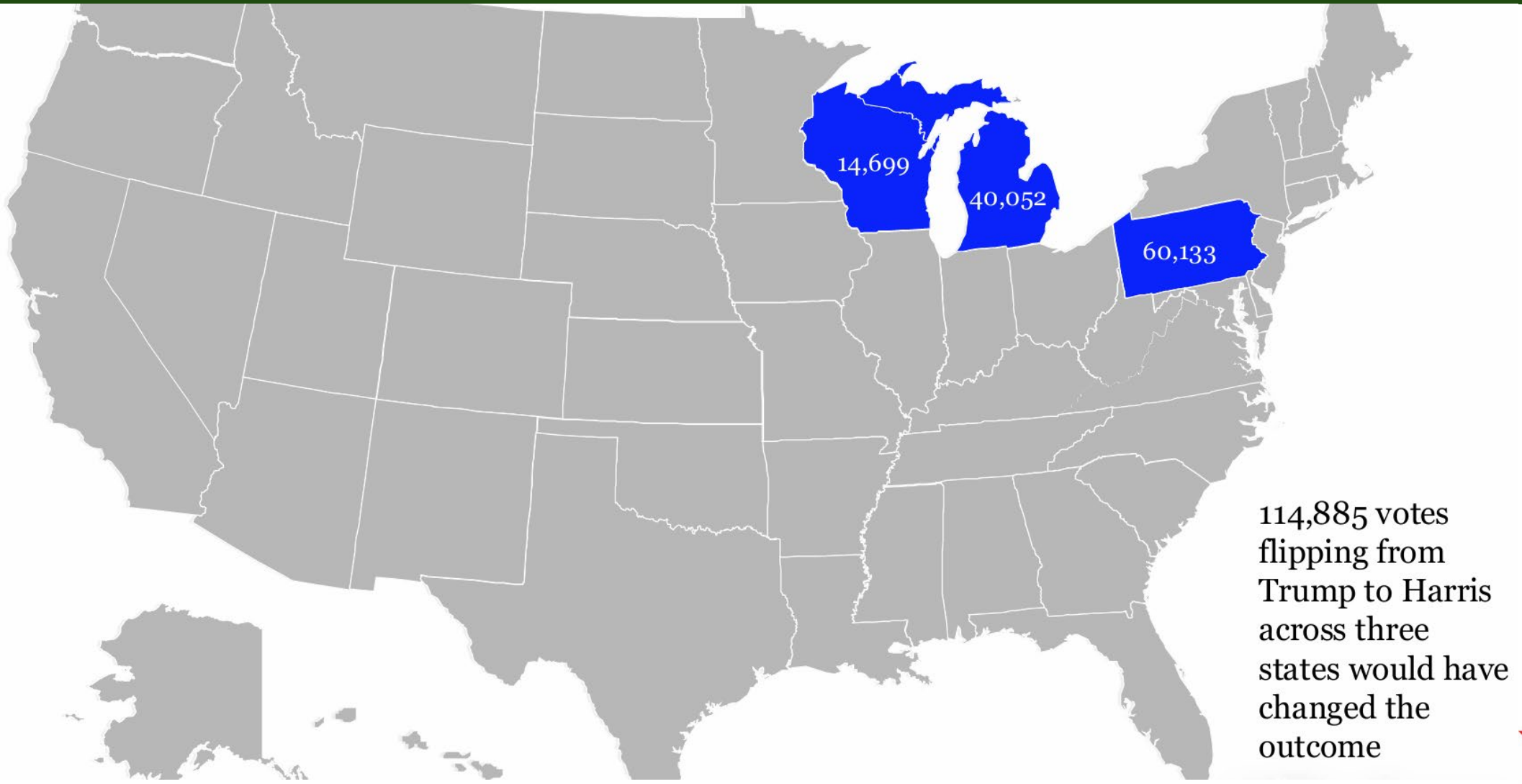
2020 Trump win scenario



38,260 votes flipping from Biden to Trump across four states would have changed the outcome

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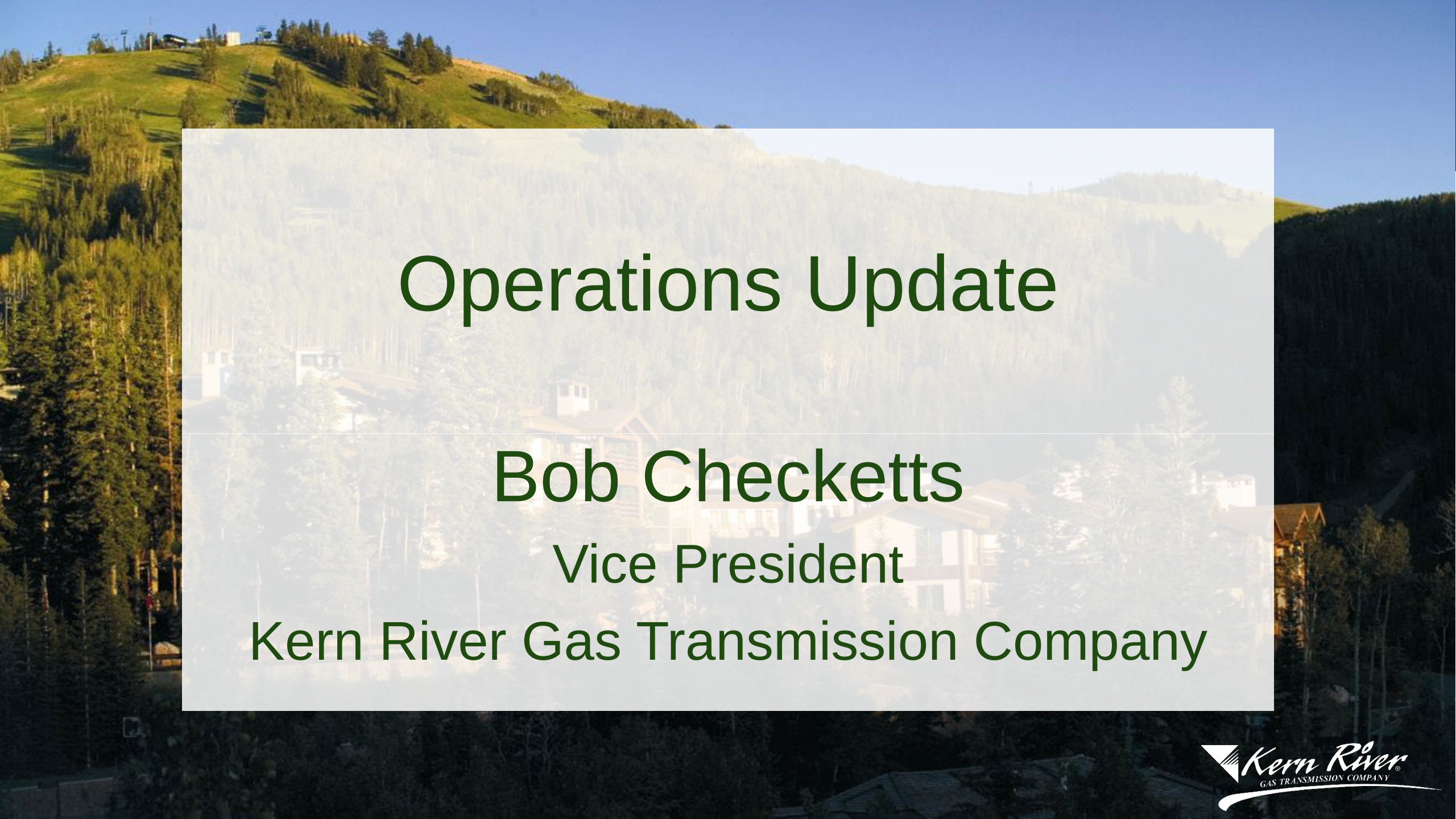
2024 Harris win scenario



114,885 votes flipping from Trump to Harris across three states would have changed the outcome

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Questions?
Kern River
GAS TRANSMISSION COMPANY



Operations Update

Bob Checketts

Vice President

Kern River Gas Transmission Company

Operational Excellence Philosophy

- Operate in an efficient, cost-effective manner that reduces risk for the long-term benefit of our customers
- Maintain a high level of system availability and reliability
- Protect the organization’s assets from terrorists and criminal attacks
- Maintain compliance with regulatory requirements

Operations Goals

- Customer Service
  - Shippers and applicable stakeholders
- Safety
  - Zero employee and contractor injuries or vehicle accidents
- Environmental
  - Zero species takes
  - Reduce methane emissions
  - Responsible land stewardship
- Regulatory
  - Zero non-compliance notices and violations
- Operational Excellence
  - No unplanned interruptions to primary firm customers
  - High system and compressor unit reliability
  - No loss of critical system functionality due to physical/cyber vulnerabilities
- Financial Strength
  - Maximizing value while minimizing cost

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Security Initiatives

- Physical Security
  - Intrusion systems are at all types of assets throughout the pipeline system
  - U.S. Department of Homeland Security/Transportation Security Administration pipeline security directives (also has a cybersecurity component)
- Cybersecurity
  - Ongoing cyber asset surveillance and protection
  - Cybersecurity metrics
  - Employee awareness programs
  - Internal and external audits
  - Software and hardware vulnerability mitigation

Kern River GAS TRANSMISSION COMPANY

Integrity and Engineering Activities

- 2026-2027 integrity inspections
  - In-line inspections
    - Pipeline strain analysis
  - Cathodic protection surveys
    - Direct and high-voltage alternating current
  - Pipeline depth-of-cover surveys
- Pipeline replacements due to population growth and highway expansions
- Replacement of obsolete and end-of-life equipment
- Execution on growth projects


Questions?
Kern River
GAS TRANSMISSION COMPANY



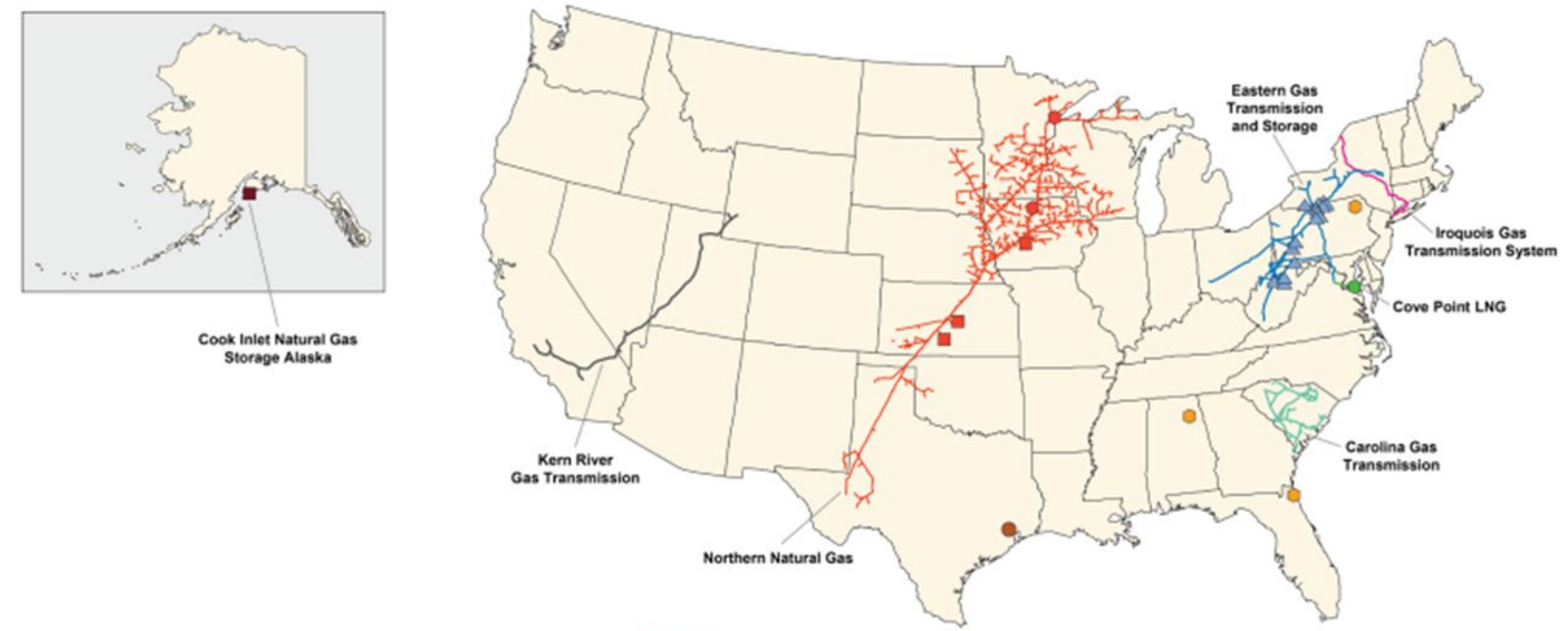
Commercial Update

Esteban Lara

Transportation Sales & Risk Management Director

Kern River Gas Transmission Company

Berkshire Hathaway Energy Exceptional Businesses and Assets



BHE PIPELINE GROUP

Kern River Gas Transmission
- Pipeline

Northern Natural Gas
- Pipeline
- LNG Facility
- Underground Storage Facility

Cook Inlet Natural Gas Storage Alaska (26.5%)
- Underground Storage Facility

Cove Point LNG (75%)
- Pipeline
- LNG Terminal

Eastern Gas Transmission and Storage
- Pipeline
- Storage Facility

- Carolina Gas Transmission
- Iroquois Gas Transmission System (50%)
- Modular LNG Holdings
- BHE Compression Services

Kern River Gas Transmission Company

Kern River Core Principles

CUSTOMER SERVICE

- 13 million customers and end-users
- Top-rated service provider within the industry
- Kern River was ranked #1 in the regional pipeline group for the 16th straight year and #1 or #2 out of all interstate pipelines for the 18th straight year

EMPLOYEE COMMITMENT

- Kern River employees have worked more than 15 years without a lost-time injury

ENVIRONMENTAL RESPECT

- BHE has 49% renewable/noncarbon generation
- Kern River's 2025 methane emissions was 0.008% - much lower than the industry average of 0.26%

REGULATORY INTEGRITY

- Kern River rates are a cost-competitive option to Southern California and southern Nevada
- BHE utility rates are below national averages

OPERATIONAL EXCELLENCE

- Exceptional cyber and physical protection
- Kern River has had no unplanned interruptions to primary firm customers since May 2012

FINANCIAL STRENGTH

- Kern River reduced rates twice since 2014

Kern River GAS TRANSMISSION COMPANY

Supply Flow Options

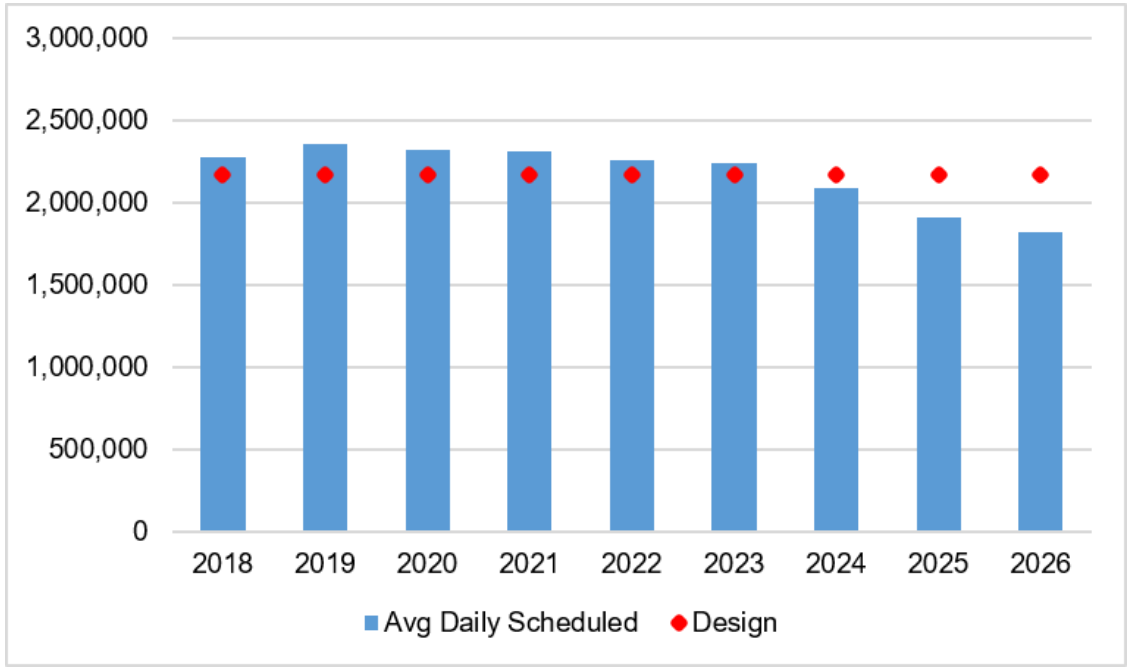


- Our customers have access to abundant and cost-competitive supplies connecting to premium markets in Utah, Nevada and California
  - Wyoming – access to Rockies, Canadian supplies
  - Goshen – access to Green River, Uinta and Piceance supplies
  - Dag Moj – access to San Juan and Permian supplies
  - Freemont Peak – access to PG&E system supply
  - Oxy 17Z – access to CA Resources' Elk Hills supply

Kern River GAS TRANSMISSION COMPANY

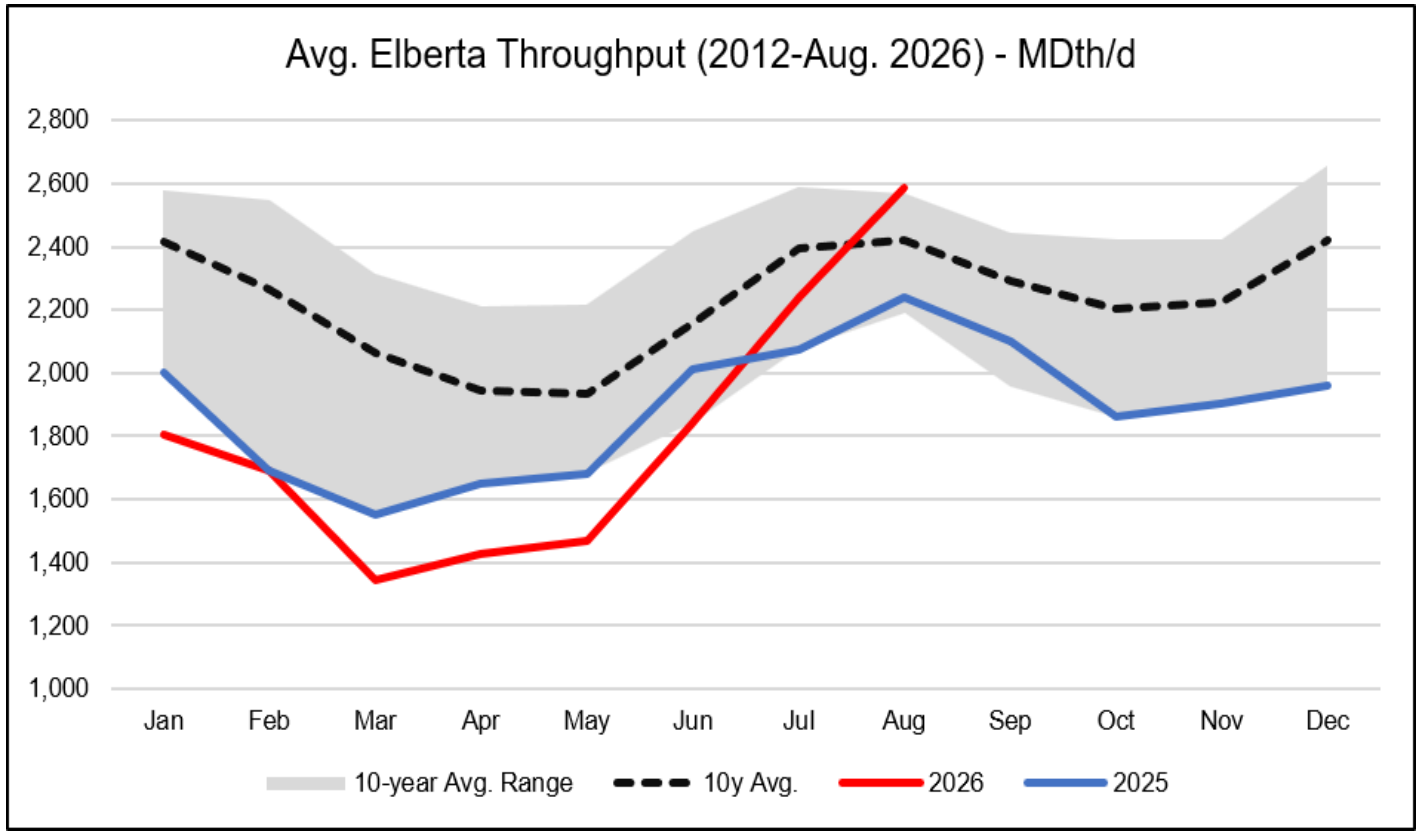
System Utilization

- Received approximately 20% of natural gas sources from Rockies production in 2025
- Delivered approximately 24%(1) of California's demand for natural gas in 2024, an average of 1.3 Bcf/d
- Delivered approximately 85%(2) of southern Nevada's natural gas in 2023, an average of 0.5 Bcf/d
- Deliveries to Utah have increased by 64% since 2018 (~0.2 Bcf/d in 2025)
- Scheduled throughput averaged 88% of design capacity in 2025, and 84% in 2026 through August 31, 2026



(1) Based on the 2025 California Gas Report.
(2) Based on Kern River's average scheduled volumes to Nevada Energy and Southwest Gas Transmission Company's system capacity served by El Paso Natural Gas and Transwestern Pipeline

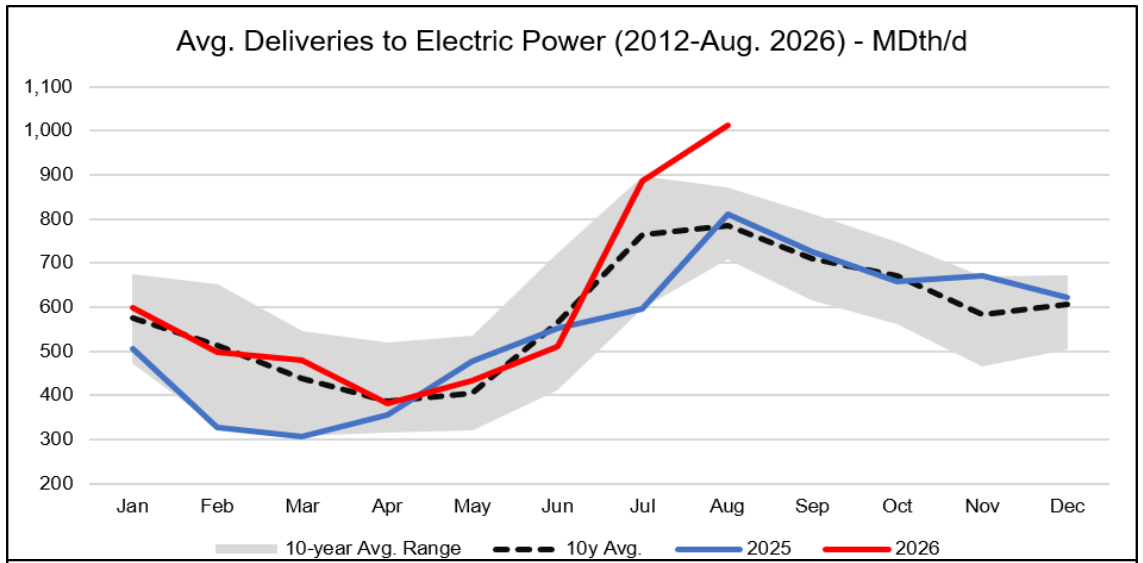
System Throughput

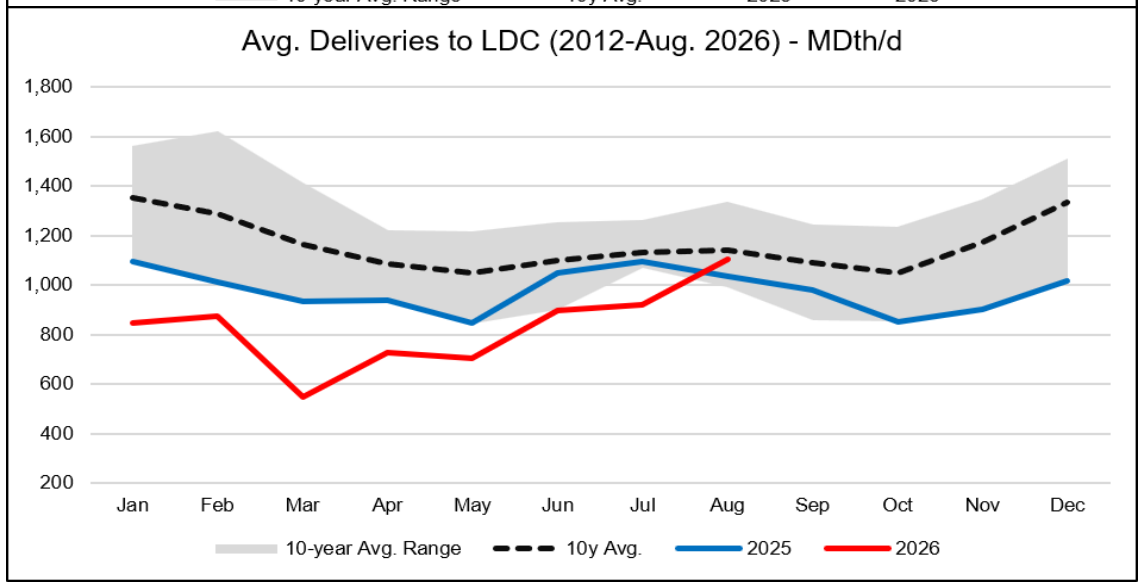


- Softer year-to-date utilization
  - 2026 YTD throughput averaged 1,800 MDth/d — down 3% from 2025 and 18% below the 10-year average
  - New historical throughput lows from February through May 2026
- Summer rebound
  - July and August throughput beat 2025 by 8% and 15% on stronger power-sector demand
  - New historical throughput high
- Summer season near historical norm
  - July–August averaged 2,412 MDth/d, confirming Kern River's value to power generators
- Throughput nearly doubled from March to August (1,343 → 2,587 MDth/d), so shippers should consider their capacity needs to match summer demand peaks

Kern River GAS TRANSMISSION COMPANY

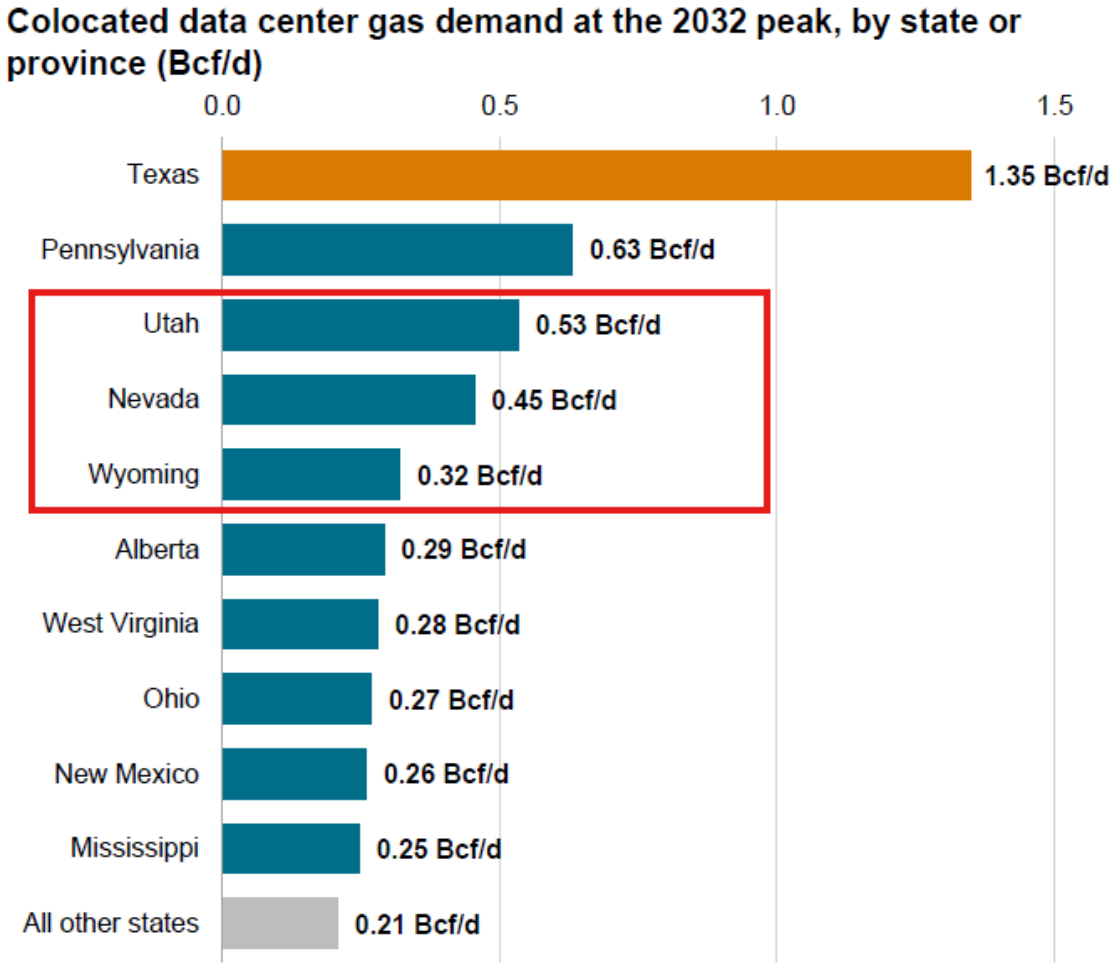
Electric Power and LDC Deliveries





- Electric Power
  - Power-plant deliveries averaged 599 MDth/d through August 2026 — up 22% year over year and 8% above the 10-year average
  - Peak summer demand showed where Kern River's capacity mattered most this year
    - July–August averaged 949 MDth/d, 35% above 2025 and 23% above the 10-year norm
  - Growing reliance from generators reinforces Kern River as the preferred path to serve summer power loads
- LDC
  - LDC deliveries averaged 828 MDth/d through August 2026, reflecting milder weather rather than any change in system reliability
  - LDC volumes tracked 17% below 2025 YTD and 29% below the 10-year average, with March the softest month at 41%
  - Recent monthly gains point to recovering demand

What's Driving Demand Growth



- Regional energy demand continues to increase
  - Hyperscale AI campuses are pairing on-site gas generation with new capacity to bridge the wait for transmission and grid upgrades
- New large loads are creating incremental transportation requirements
  - S&P Global estimates that Utah, Nevada, and Wyoming could add ~1.3 Bcf of incremental natural gas demand
- Long-term capacity planning is becoming increasingly important

Source: S&P Global Energy, North America Gas Long-Term Outlook, August 2026.

Kern River GAS TRANSMISSION COMPANY

Data Centers are Changing the Demand Outlook

- Data centers are introducing significant new load potential
  - Utah reported approximately 920 MW of operating data center load and about 2,600 MW under construction as of April 2026[(1)]
  - Data center growth is expanding the potential market for gas-fired generation, transportation service, interconnections, and delivery infrastructure along Kern River's system
- The prospective gas requirements can be substantial
  - Several Utah data center-related delivery projects are in development, with individual meter capacities measured in the hundreds of thousands of Dth/day
    - These are facility design or requested capacities, not evidence that those volumes will flow every day
- Utah is becoming a more important growth market
  - Historically, Kern River's markets have been anchored by California and southern Nevada demand. Data center development creates a path for more incremental demand within Utah, closer to the northern and central portions of the system
- Nevada remains strategically important
  - Data center development around Las Vegas creates another potential source of electric load growth in a market where Kern River already serves substantial power-generation demand
- Wyoming may become both a supply and load market
  - Data center projects are also evaluating Wyoming, which could create large electric loads closer to Rockies production
  - For Kern River, the commercial impact depends on whether the associated generation connects directly or indirectly to its system and whether the project creates transportation demand along a commercially and operationally viable path

[(1)] Source: Shon R. Hiatt, Data Center Growth: Policy Choices Facing Utah and Other States, Utah Legislature, 2026.

Kern River GAS TRANSMISSION COMPANY

Business Development Updates

Nevada Projects

- Constructing delivery facilities with design capacities totaling ~220,000 Dth/day
- Prospecting numerous data center and power generation project requests with design capacities totaling ~500,000 Dth/day

California Projects

- Constructing a new delivery meter station with a design capacity of ~14,000 Dth/day
- Prospecting delivery meter stations with design capacities totaling ~150,000 Dth/day



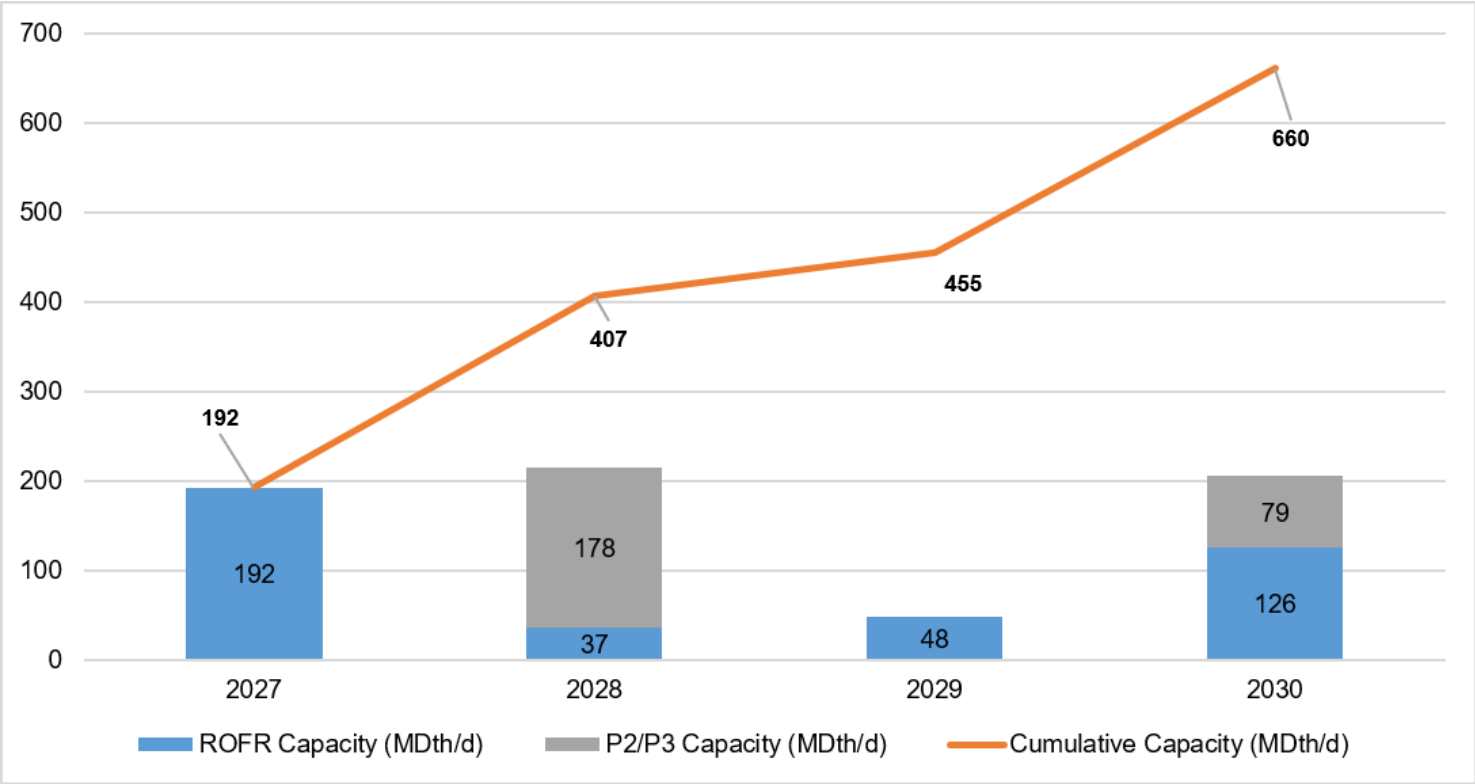
Wyoming Projects

- Prospecting one delivery meter station with design capacities totaling ~650,000 Dth/day
- Prospecting a bidirectional meter station with a total capacity of ~500,000 Dth/day

Utah Projects

- Constructing delivery meter stations with design capacities totaling ~1,250,000 Dth/day
- Prospecting numerous data center and power generation project requests with design capacities totaling ~900,000 Dth/day

Capacity Contracting Outlook (MDth/d)



- The outlook points to a steady stream of capacity opportunities opening up over time
  - Blue bars represent turned-back capacity subject to ROFR, providing opportunities for negotiated extensions or competitive bidding
  - Grey bars represent P2/P3 capacity that current shippers may elect to return to Kern River
  - The cumulative line highlights the potential growth in contracting opportunities as capacity potentially becomes available
- This creates flexibility to serve future demand through both shipper retention and new commercial arrangements
- All capacity shown is potential and remains subject to shipper decisions, contractual rights, and mutually agreeable terms

Active Open Seasons

Open Season A

Expiring capacity solicitation

30,000 Dth/day

POSTED PATH

Opal – WFS	25,396	Wheeler Ridge – SoCal Gas
Overthrust 121 – MtnWest Overthrust	4,604	

Capacity class **Original System/2002 Expansion Projects**

Service start **April 1, 2027**

Open Season B

Expiring capacity solicitation

40,000 Dth/day

POSTED PATH

Opal – WFS		Kramer Junction – SoCal Gas

Capacity class **2003/2010 Expansion Projects**

Service start **April 1, 2027**

COMMON COMMERCIAL TERMS

1. **Bid window** — Aug. 28, 2026, at 1:30 p.m. MT to Sept. 28, 2026, at 12:00 p.m. MT
2. **Bid structure** — All or a portion; consecutive full months beginning April 1, 2027
3. **Evaluation** — Highest total reservation revenue; bids may be aggregated
4. **ROFR** — Incumbent has 24 hours to match the applicable rate and term
5. **Rate framework** — Negotiated rate at maximum recourse rate; current maximum recourse rate stated as $0.5191/Dth

Kern River GAS TRANSMISSION COMPANY

Transportation Sales & Business Development Contacts

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  - Email: Esteban.Lara@KernRiverGas.com
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  - Email: Kevin.Armstrong@KernRiverGas.com
  - ICE: bludwig1
- Brian Ludwig, Sales Desk
  - Office: 801-937-6270
  - Email: Brian.Ludwig@KernRiverGas.com
  - ICE: karmstrong9
- Richard Seiger, Senior Business Development Representative
  - Office: 801-937-6137
  - Email: Richard.Seiger@KernRiverGas.com

Kern River GAS TRANSMISSION COMPANY


Questions?
Kern River
GAS TRANSMISSION COMPANY



Customer Service Update

John Joosten

Vice President, Marketing & Customer Service

Kern River Gas Transmission Company

Agenda

- Customer Satisfaction
- Modernizing the Rapids Application
- What’s Changing First?
- Preview New Menu and Applications
- Partnering Through the Journey

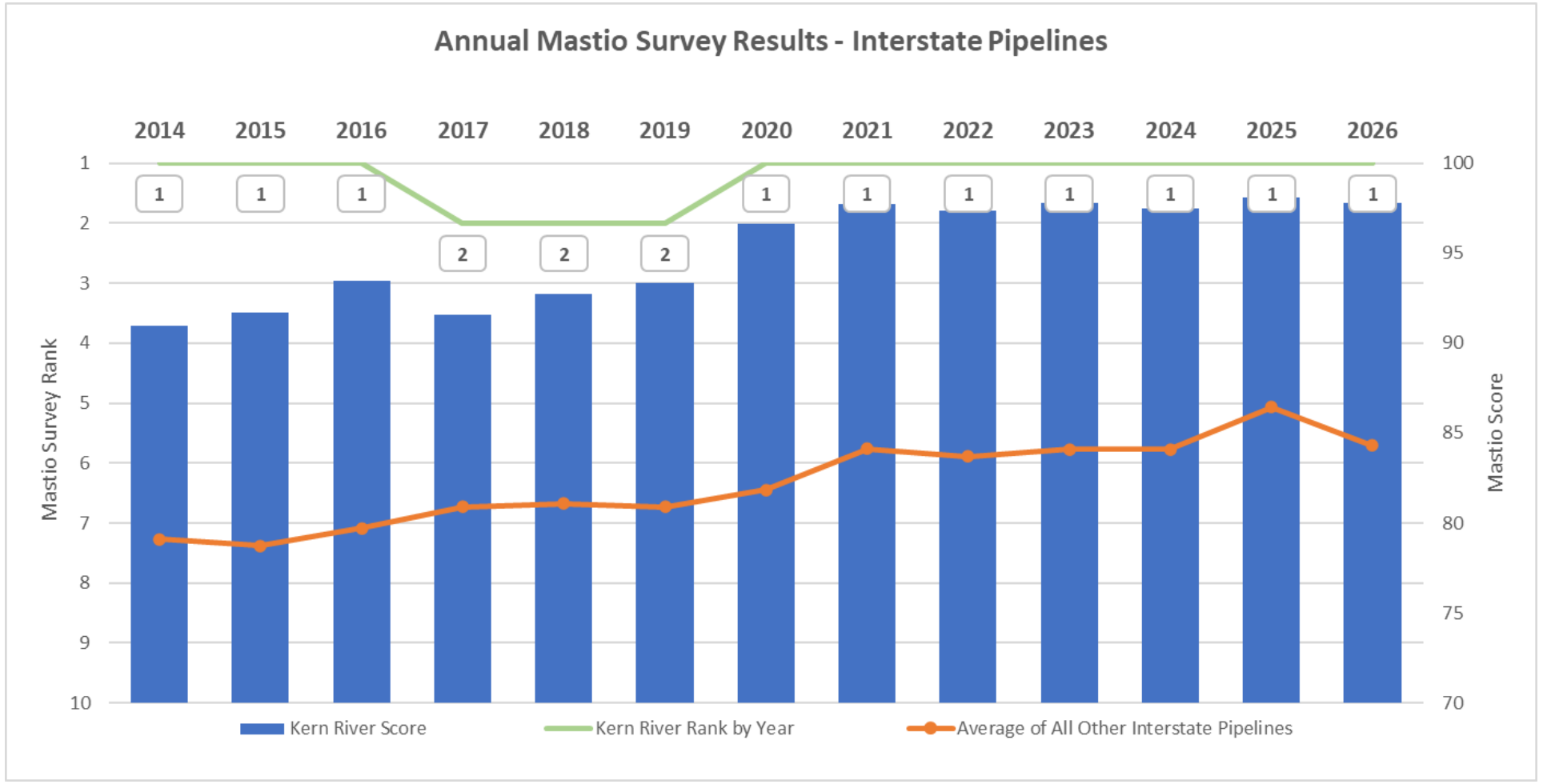
Customer Satisfaction

Mastio & Company 30th Edition Natural Gas Pipeline Study

- Ranked No. 1 out of 38 interstate pipelines group (seven consecutive years)
- Ranked No. 1 in the regional pipeline group for the past 16 years
- We are committed to continuous improvement
- Thank you for participating

Kern River GAS TRANSMISSION COMPANY

Customer Satisfaction



Customer Satisfaction
Mastio Survey

- We continually strive to be the No. 1 interstate pipeline in the industry
- Our goal is to provide exceptional service and continuously improve
- Mastio rating scores on 1-10 scale
  - “10” = 1st place
  - “9” = 5th place
  - “8” = 15th place
  - “7” = last place
- When responding, please provide enough details to help us understand the issue or desired change(s)
  - Kern River encourages survey participants to disclose their name
  - Please let us know what we can do to earn a “10” in all areas of the survey

2027 Customer Survey

- Mastio & Company 31st Edition Survey begins Mid-November 2026
- Pre-survey items
  - Kern River will call survey participants prior to the survey to review the action items developed earlier in the year to assess our performance in 2026
  - Kern River will send an email before the survey begins soliciting your participation
  - Mastio will send 30th Edition Survey scores to those that participated
- Survey follow-up
  - Kern River will call participants after the survey is completed to review results and to develop action items to address concerns/issues
- Please disclose your identity so we can properly address your comments
- <u>Our goal – rank No. 1 and have continuous year-over-year improvement while delivering safe, reliable services to our customers!!!</u>

Kern River GAS TRANSMISSION COMPANY

Pipeline System Management

Line Pack Notices[1]

Line Pack Level	2021	2022	2023	2024	2025	2026[2]
Low	2	6	7	1	3	3
High	17	8	15	17	12	4

- Kern River manages line pack through effective coordination and communication with customers and operators of facilities connected to Kern River
- Kern River has not issued a scheduling or imbalance penalty since 1996

[1] Several notices may have been posted for a single critical line pack event

[2] 2026 notices through September 3

Kern River GAS TRANSMISSION COMPANY

Modernizing the Rapids Application



Why Now?

- Modernizing 100+ Rapids applications from Citrix to a web platform to ensure ongoing reliability, reduce maintenance effort and costs, and provide long-term supportability
- Single sign-on and self-service passwords enhance security and user convenience
- More customization while preserving trusted workflows



What You Can Expect

A phased modernization effort that minimizes disruption to your business, preserves the trusted Rapids experience, and delivers improvements in application consistency and user customization

- Streamlined access—no Citrix client required
- Modern user experience
- New capabilities
- The same trusted support every step of the way

Kern River GAS TRANSMISSION COMPANY

What's Changing First?



Modernized Menu and Customer Landing Page

Benefits:

- Replaces the legacy tree menu with a full 'Customer Landing Page', providing application navigation, coupled with high-level information
- Allows customers to become familiar with the modernized look and feel
- A single 'Navigation Menu' provides access to all applications—modernized applications open in the new experience, while all others continue to operate as they do today

What Stays the Same:

- Existing applications
- Current business processes
- Core functionality



Web Browser Access (Citrix Client Optional)

Benefits:

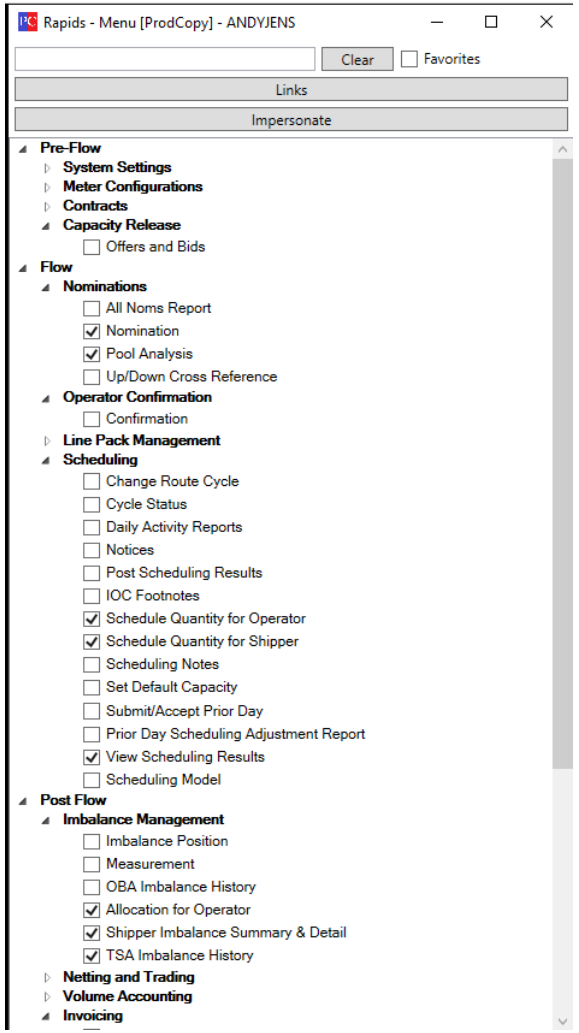
- Citrix client will no longer be required to access Rapids – customers have the option to access Rapids via a web browser

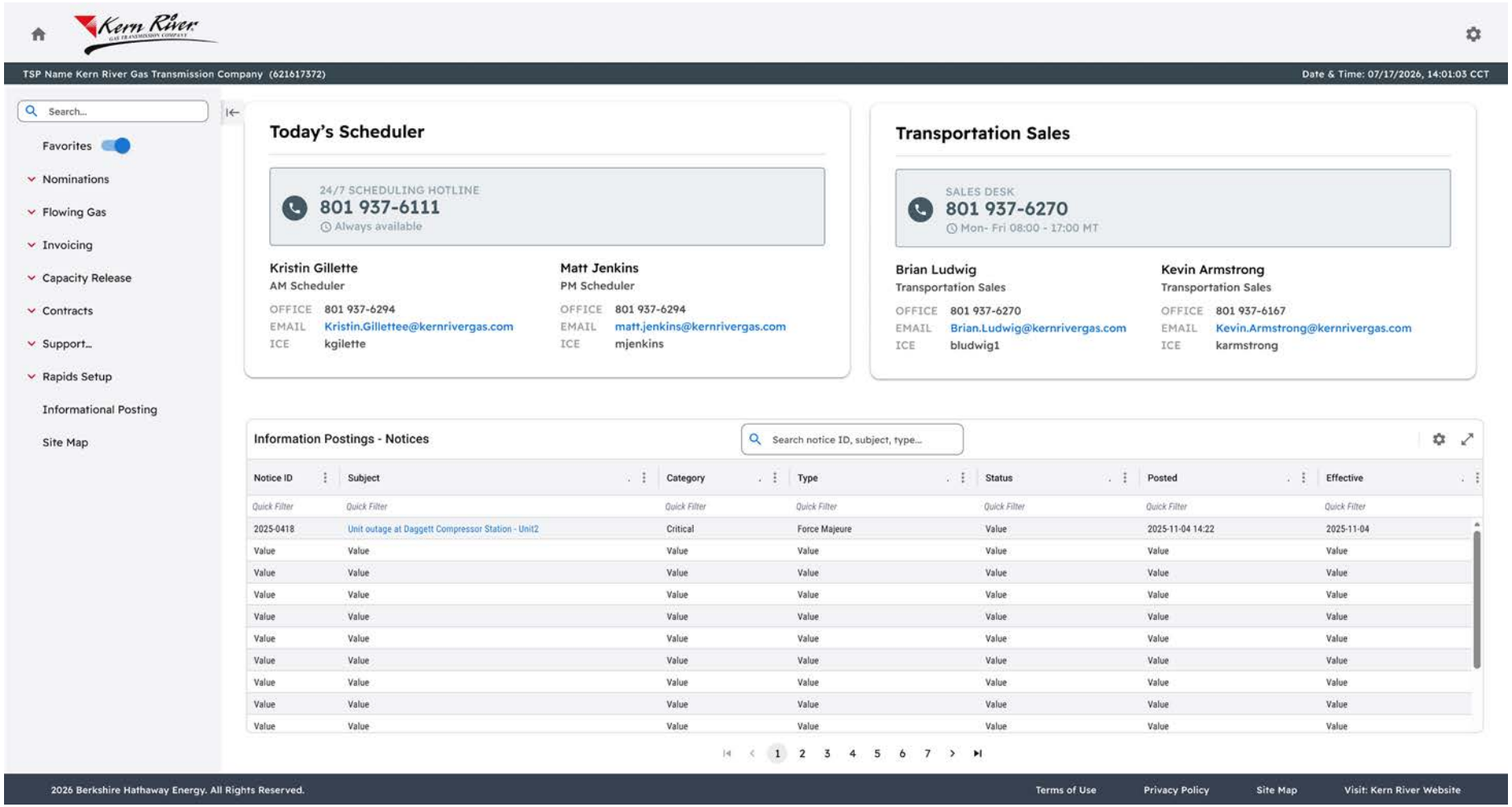
What Goes Away:

- Citrix client download and installation

Customer Landing Page

Same core functionality, updated look and feel





Single Sign-on

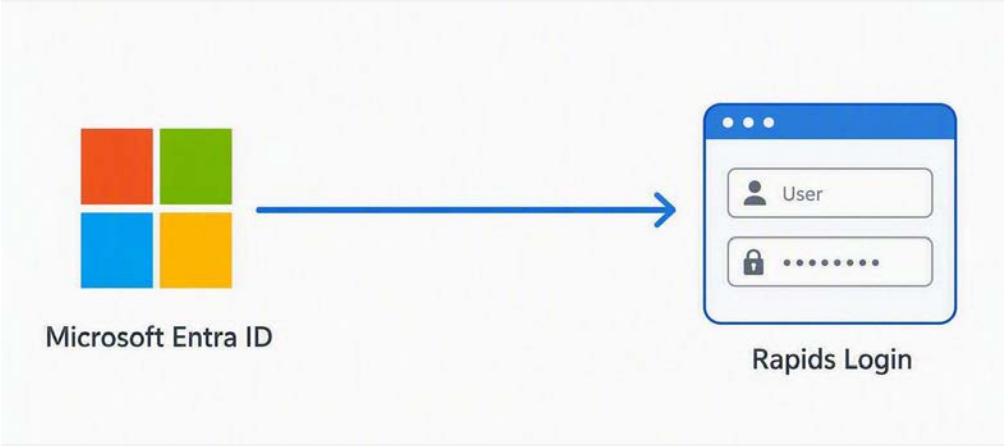
Single Sign-on and Password Self Service

Benefits:

- Modern identity management with single sign-on (SSO) and self-service password capabilities
- Enhanced security with multi-factor authentication

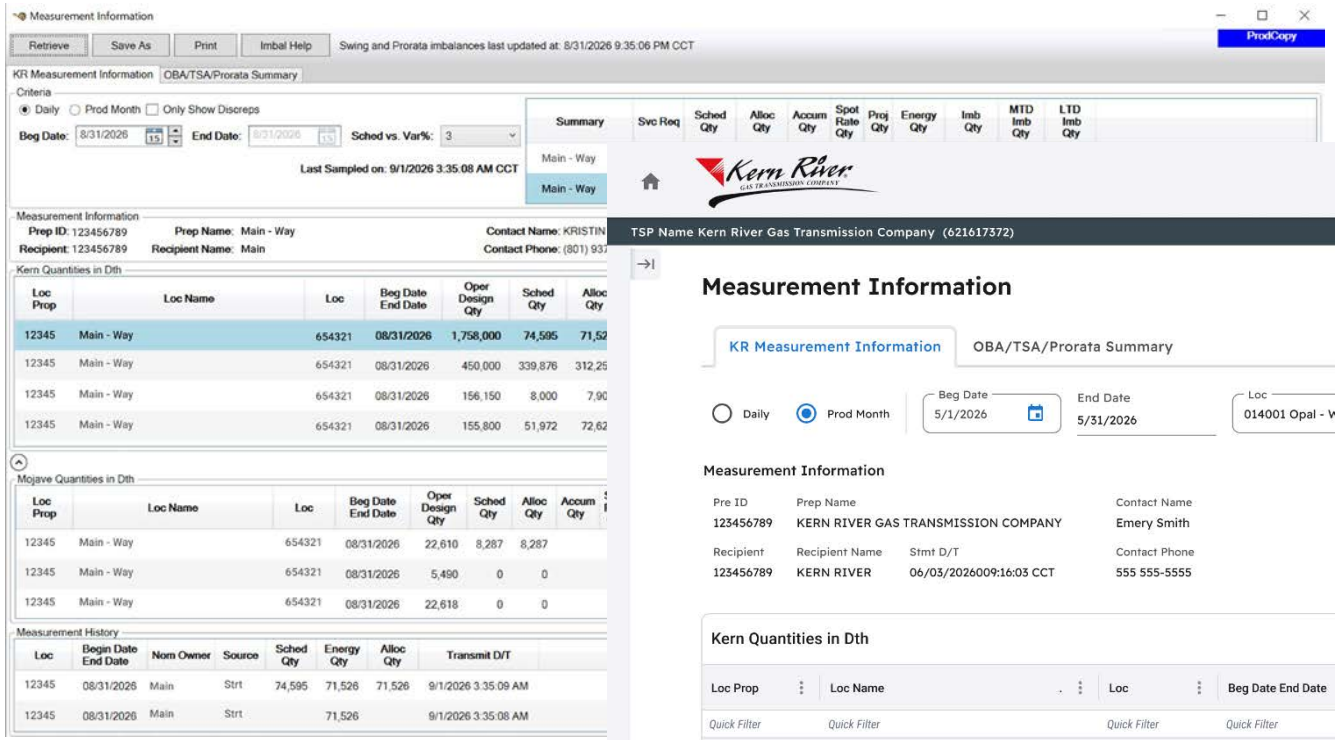
What Goes Away at Project Completion:

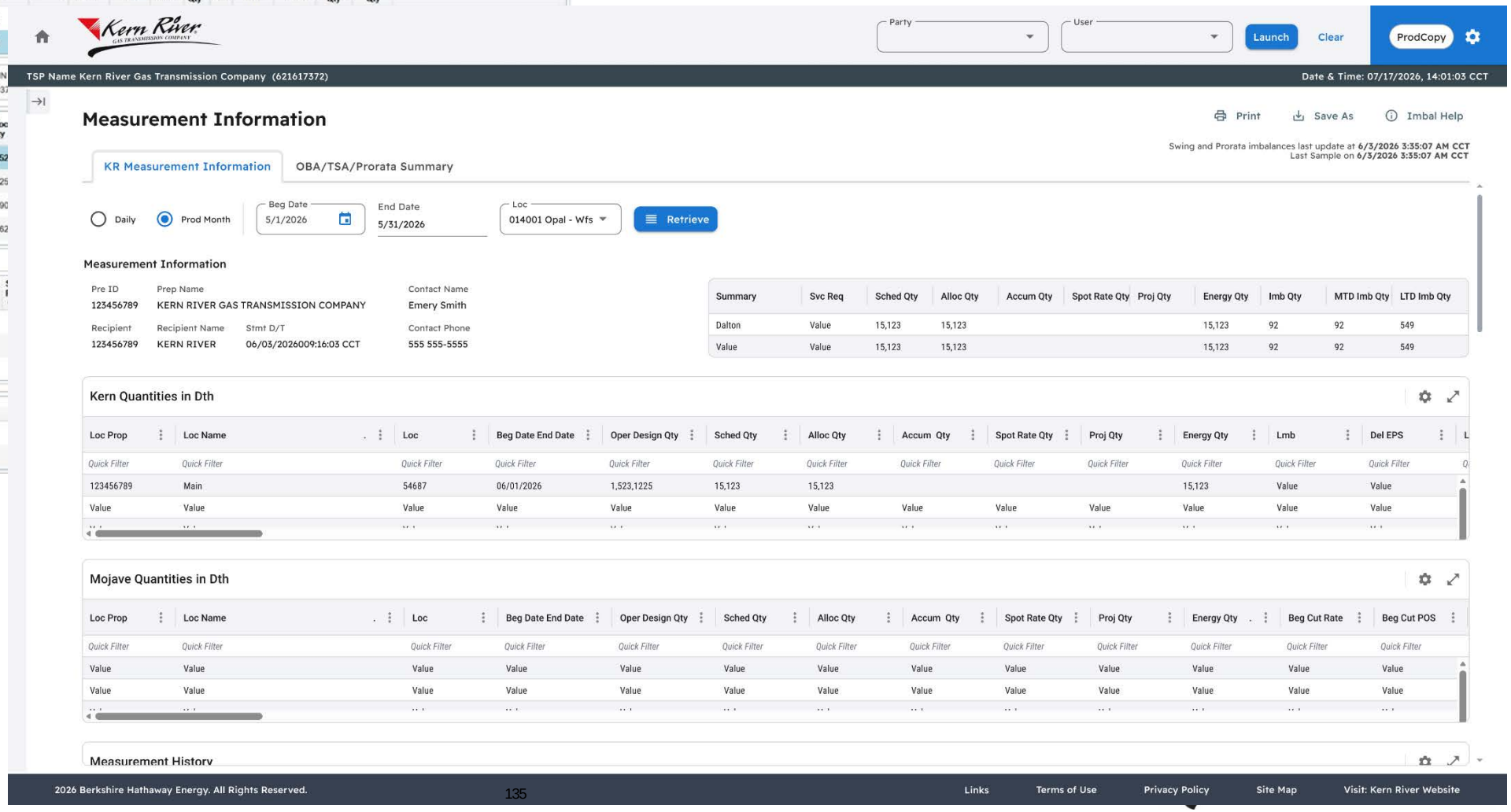
- Rapids-specific login credentials
- The 15-character password requirement
- Requiring support from Kern Marketing Team for password reset



Measurement Information

Same core functionality, updated look and feel

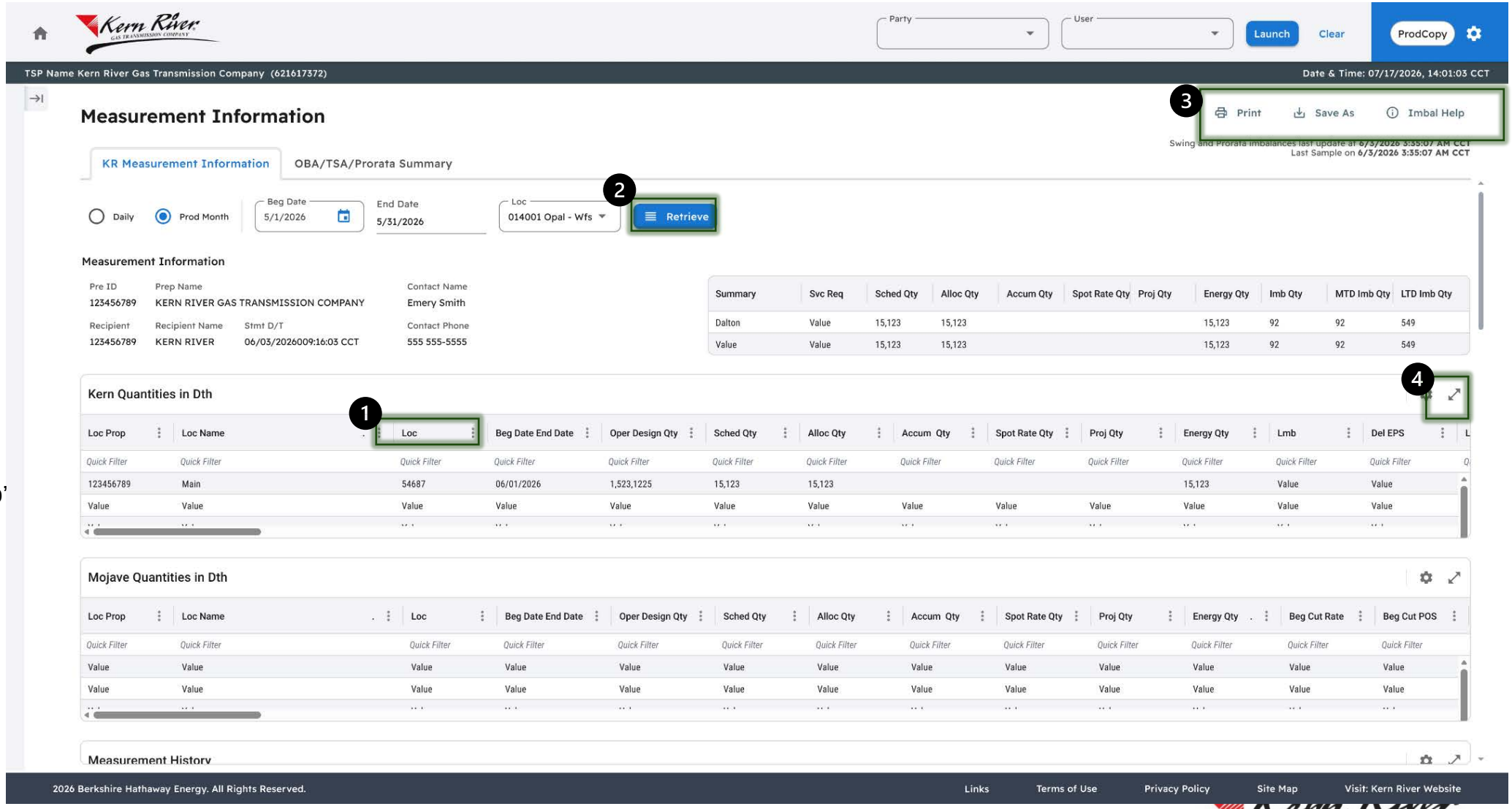




Measurement Information

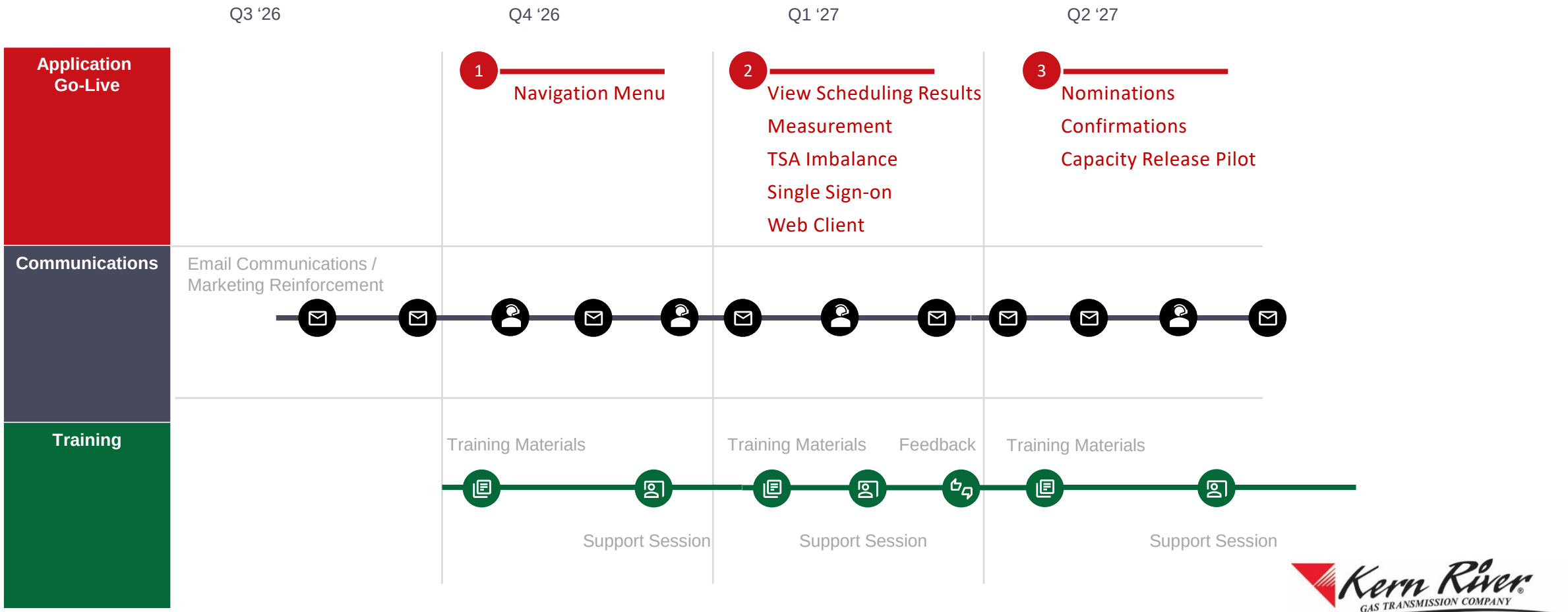
Same core functionality, updated look and feel

1. Allows customers to sort, filter and rearrange data columns
2. ‘Retrieve’ button relocated directly next to the search criteria
3. ‘Print’, ‘Save As’, and ‘Help’ buttons relocated to top right-hand side of screen
4. ‘Expand’ button allows customers to enlarge information to a more detailed view



Targeted Rapids Rollout Plan

A phased transition designed to deliver new capabilities while minimizing disruption to your daily work.



Partnering Through the Journey



Training and Support

Live training sessions

Recorded video walk throughs

Job aids & FAQs

Ongoing communications



Customer Advisory Board (CAB)

Preview upcoming changes

Provide direct feedback

Help shape future priorities


Questions?
Kern River
GAS TRANSMISSION COMPANY



Break

Kern River
GAS TRANSMISSION COMPANY

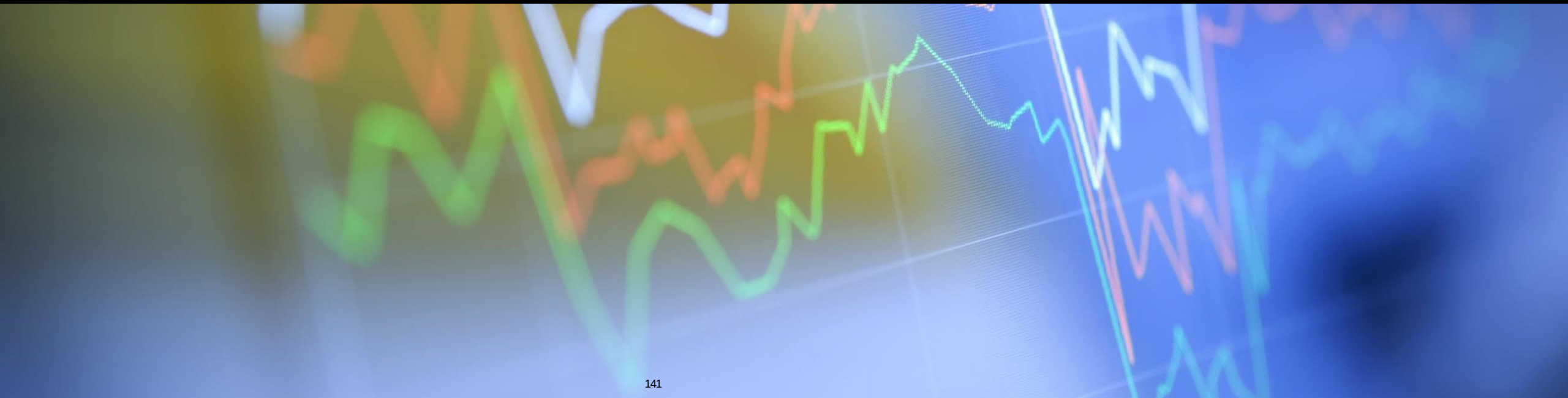
S&P Global
Energy

US Natural Gas Outlook

Kern River Customer Meeting

Caroline Auzenbergs, Analyst,
Americas Gas Research

September 2026



Agenda

- US gas market fundamentals right now
- US outlook through 2031 for supply, demand, and prices
- Western markets



S&P Global
Energy

State of the US gas market: Summer 2026

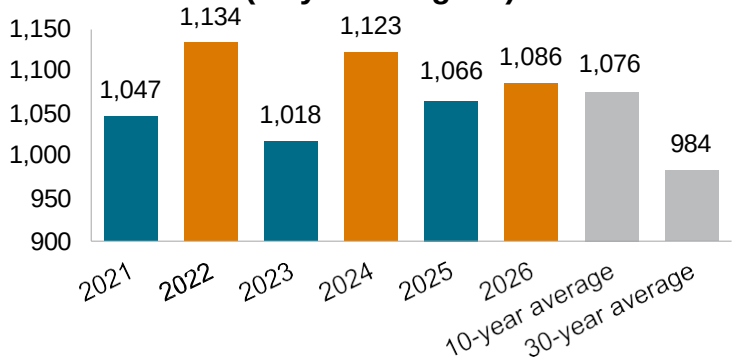


S&P Global
Energy

How is the weather in your neighborhood?

Summer-to-date PWCDDs are barely above the 10-year normal and 10% above the 30-year normal

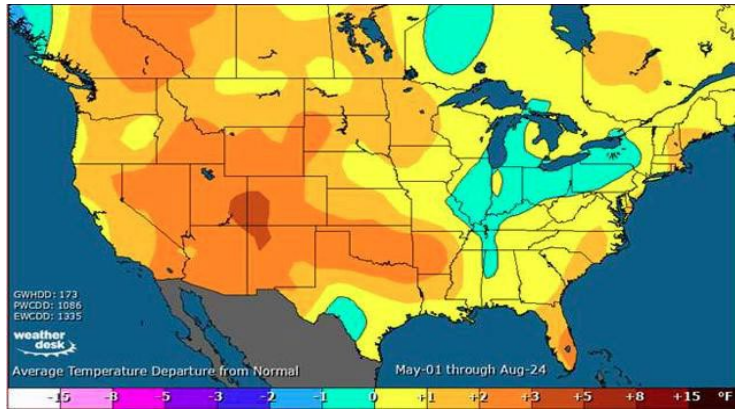
PWCDD tracker (May 1 to Aug. 24)



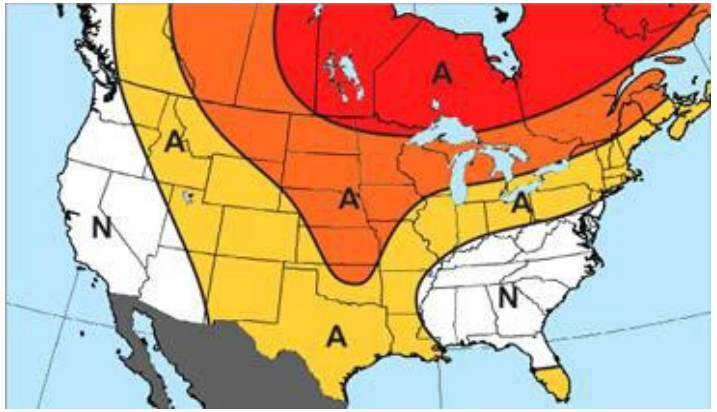
- The **current forecast for September projects PWCDDs** to be 7% below the 10-year normal but 7% above the 30-year normal. If this forecast is realized, it will rank among the top five warmest Septembers since 1950. Above-normal temperatures are expected across the Rockies, Midwest and Northeast.

- The **current forecast for October projects GWHDDs** to be 2% above the 10-year normal and 12% below the 30-year normal, making it the coolest October since 2022. Above-normal temperatures are expected across the West and the Northern Tier.

PWCDD tracker (May 1 to Aug. 24)



September 2026



October 2026



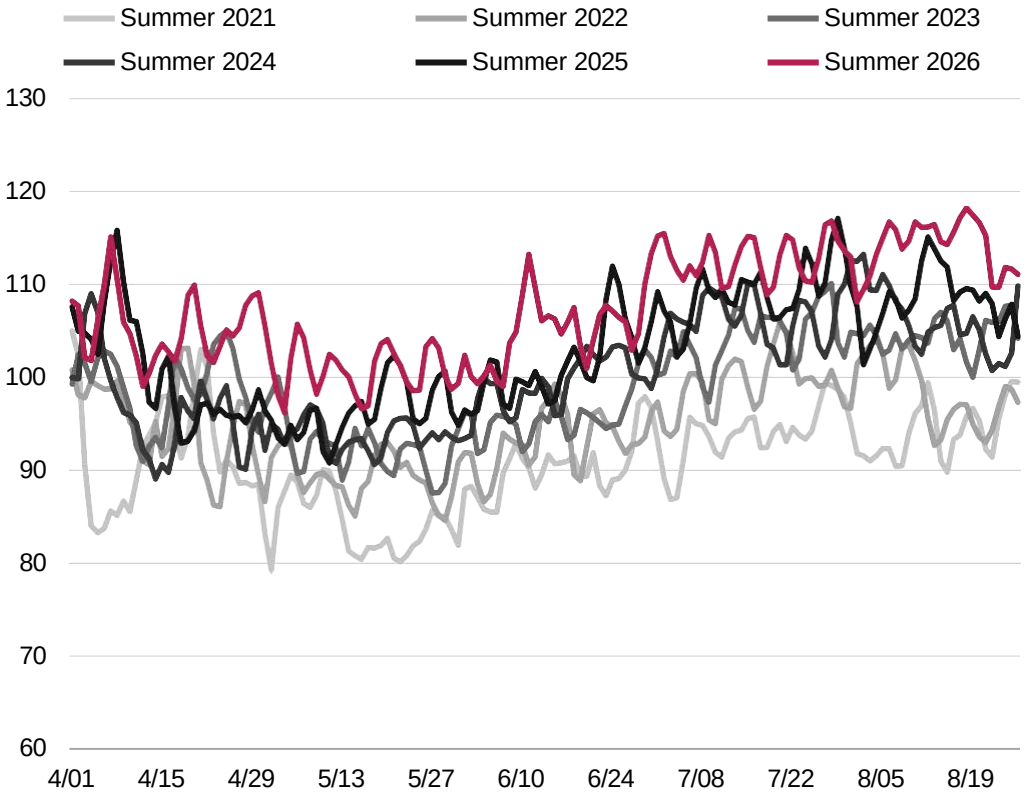
Data compiled Aug. 25, 2026.

The deviations from the normal indicated on the images are compared with the 30-year normal. In the PWCDD tracker chart, orange bars represent warmer than 10-year normal and blue bars represent colder than 10-year normal. The October 2026 forecast represents gas-weighted heating degree-days.

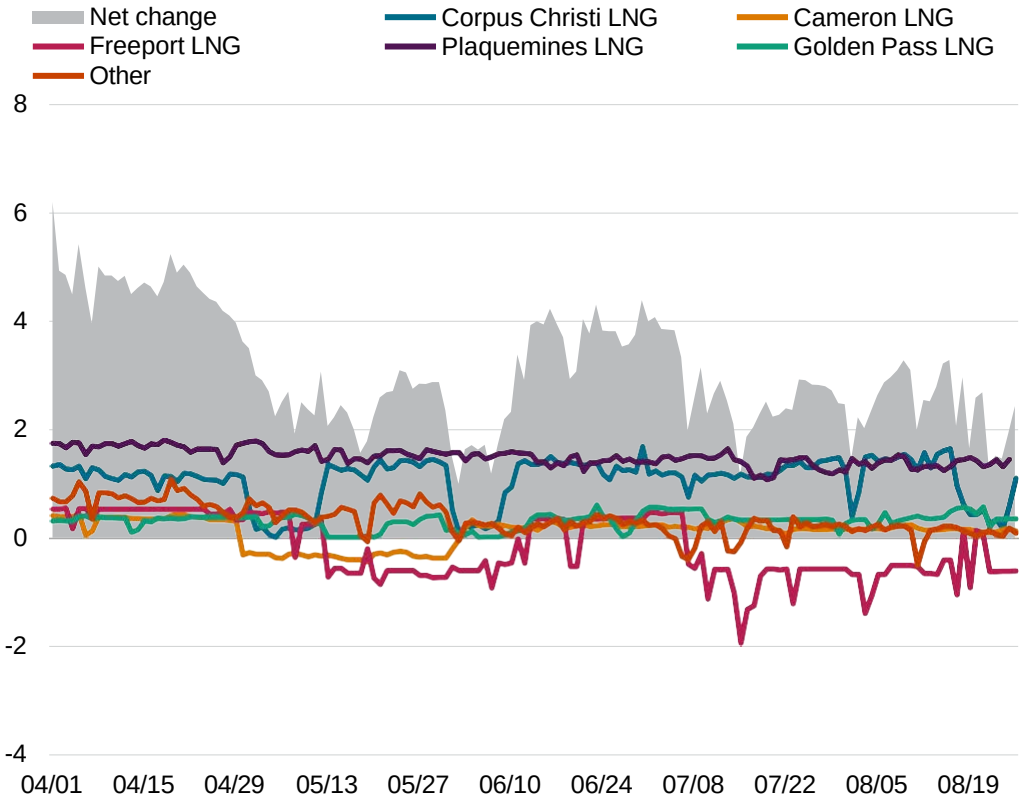
Sources: S&P Global Energy; Vaisala Xweather.

US Lower 48 power sector gas burns average 5.9 Bcf/d above 2025 levels for Aug. 1-26

US Lower 48 total daily demand in summer 2026 compared with the previous 5 summers (Bcf/d)



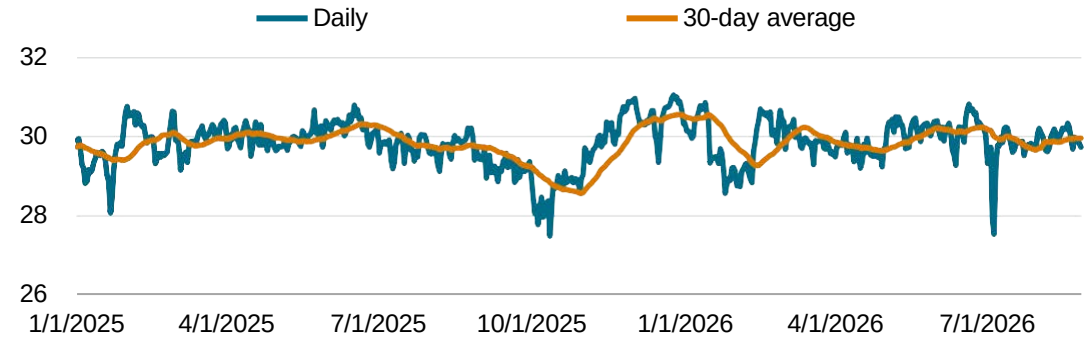
US Lower 48 LNG daily feedgas by facility: Change vs. season-to-date average 2025 levels (Bcf/d)



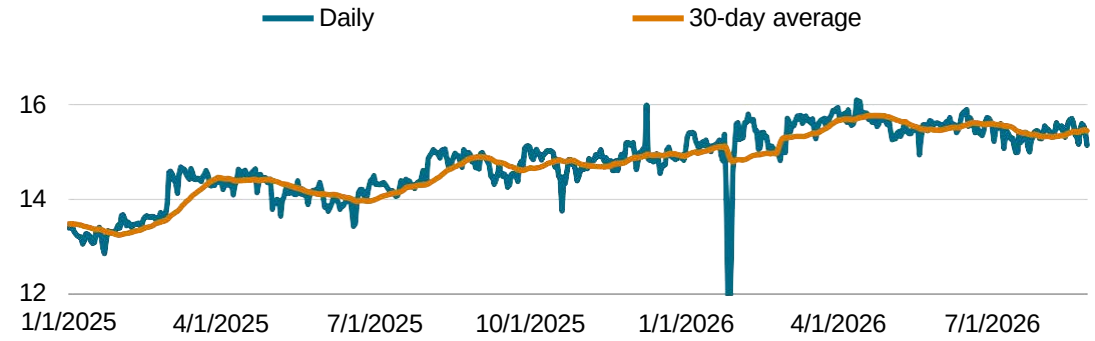
Data compiled Aug. 26, 2026.
Other = All other US LNG export facilities.
Sources: S&P Global Energy; US EIA Hourly Electric Grid Monitor.

US production continues to follow an upward trajectory

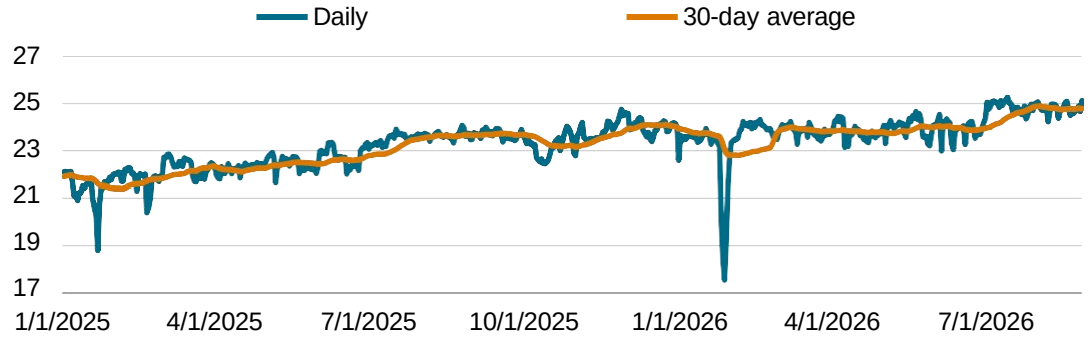
Marcellus (Bcf/d)



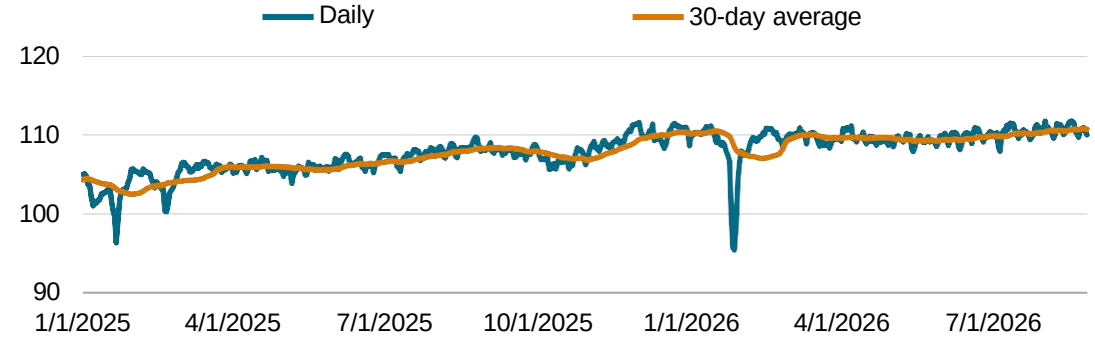
Haynesville (Bcf/d)



Permian (Bcf/d)



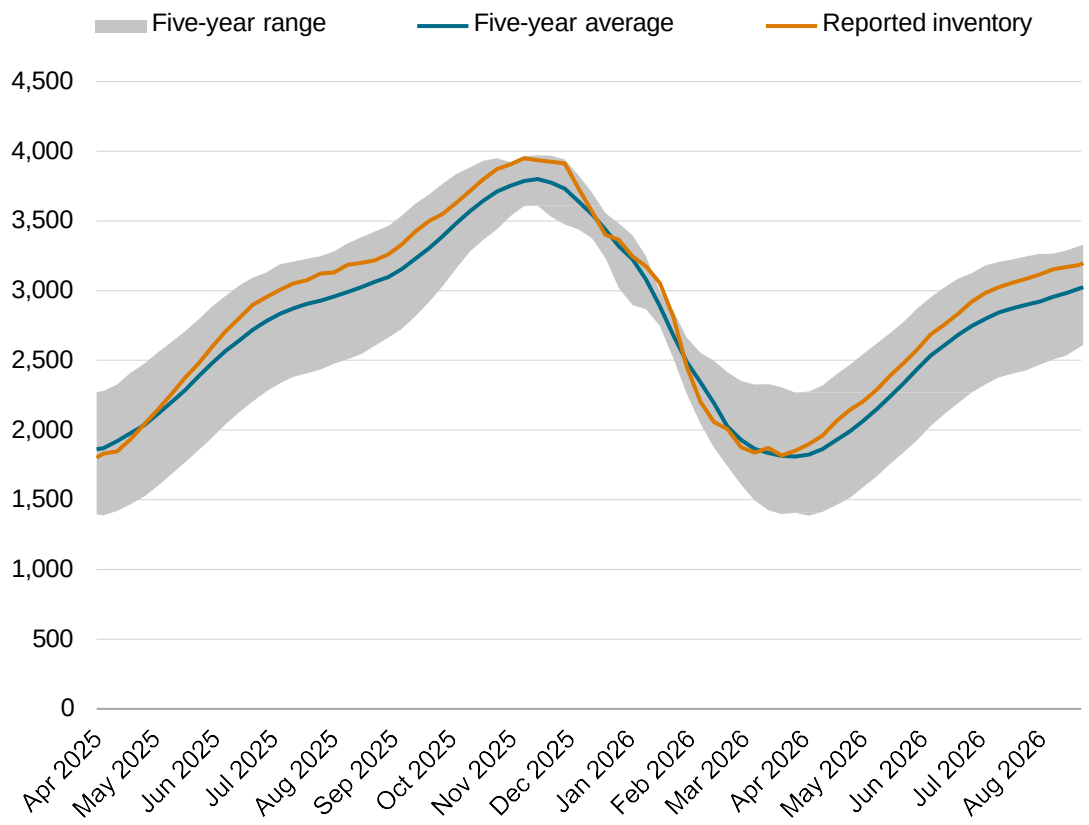
US Lower-48 gas production (Bcf/d)



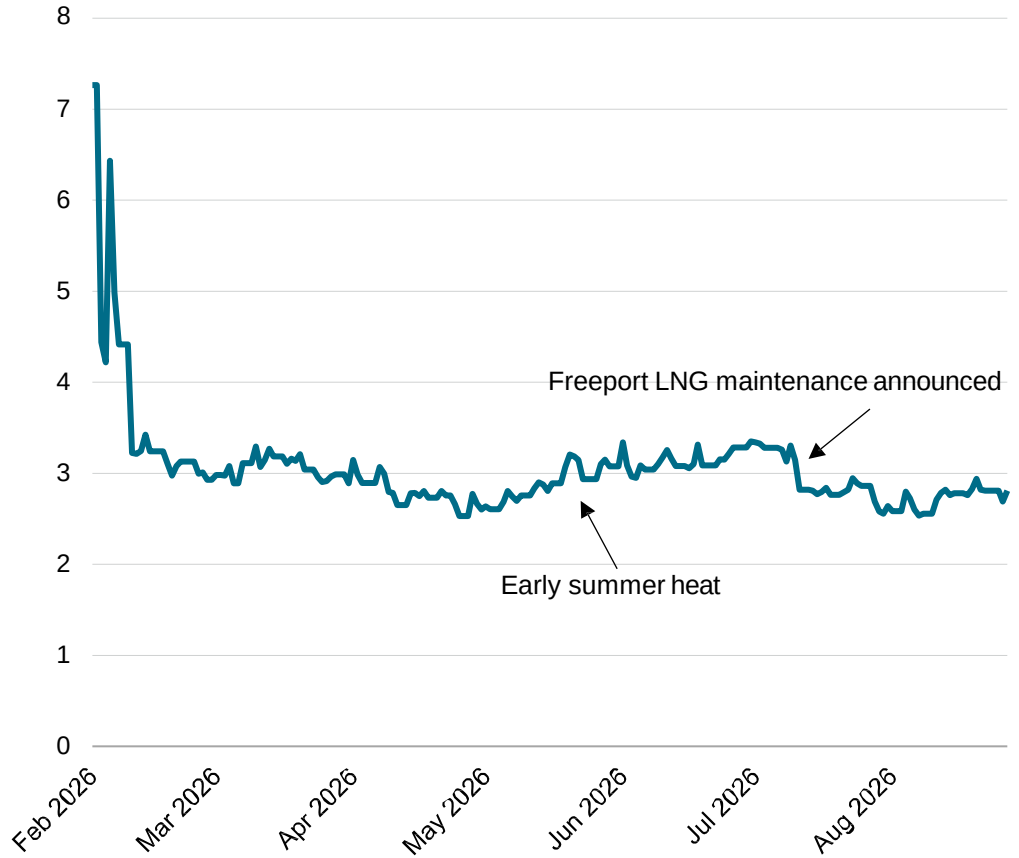
Data compiled Aug. 25, 2026.
Sources: S&P Global Energy; US EIA.

Record US Lower 48 production and a sizeable storage surplus weigh on near-term pricing

US Lower 48 storage inventory (Bcf)



Henry Hub spot price ($/MMBtu)

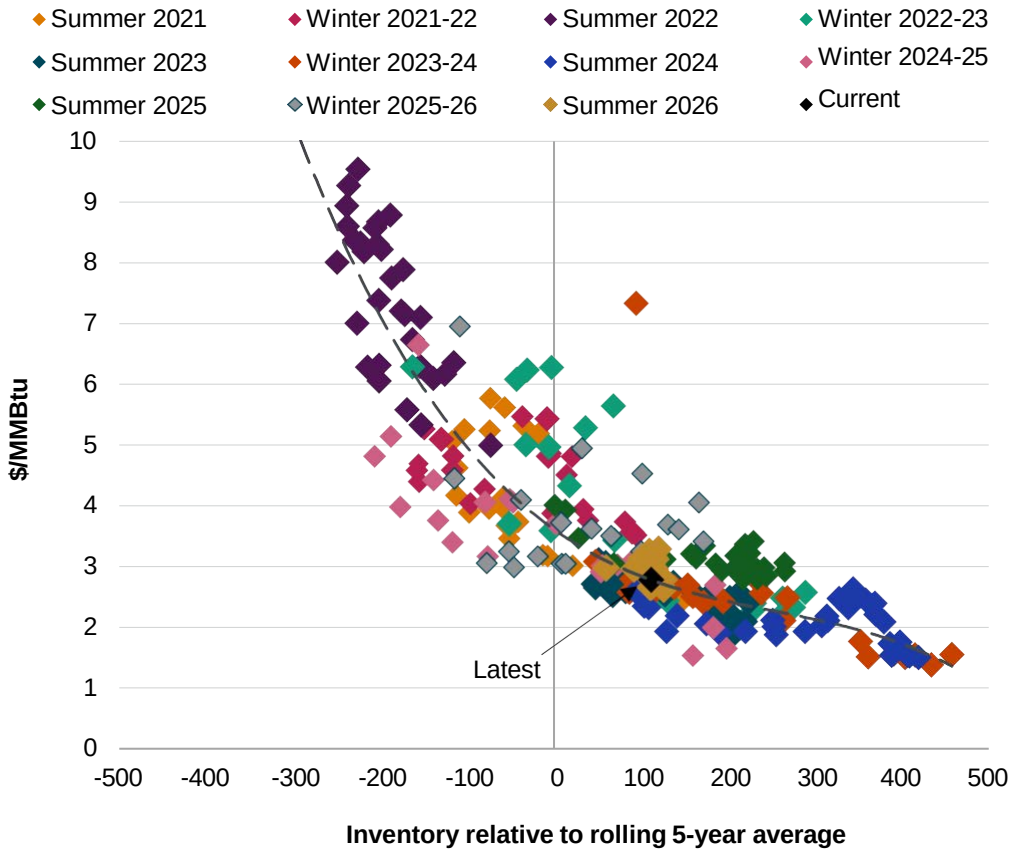


Data compiled Aug. 27, 2026.
Note: The series on the right chart reflects flow dates and preliminary assessments. Historical pricing data from Platts, a part of S&P Global Energy.
Sources: S&P Global Energy; US Energy Information Administration.

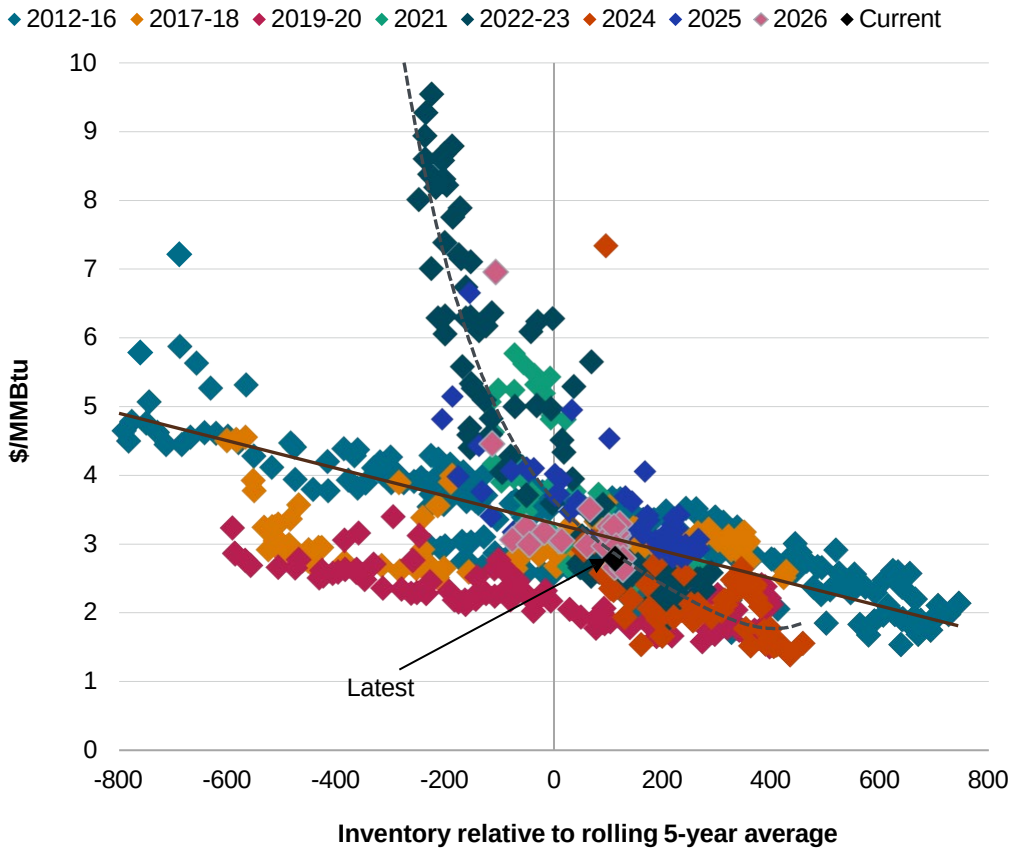
Henry Hub below $3/MMBtu during peak summer on persistent storage surplus

Aug. 21 stocks were at a 112-Bcf surplus to the rolling 5-year average, with Henry Hub at $2.79/MMBtu

Henry Hub and natural gas storage yield curve (2021-present)



Henry Hub and natural gas storage yield curve



Data compiled Aug. 27, 2026.
Notes: Pricing data from Platts, a part of S&P Global Energy.
Sources: S&P Global Energy; US EIA.

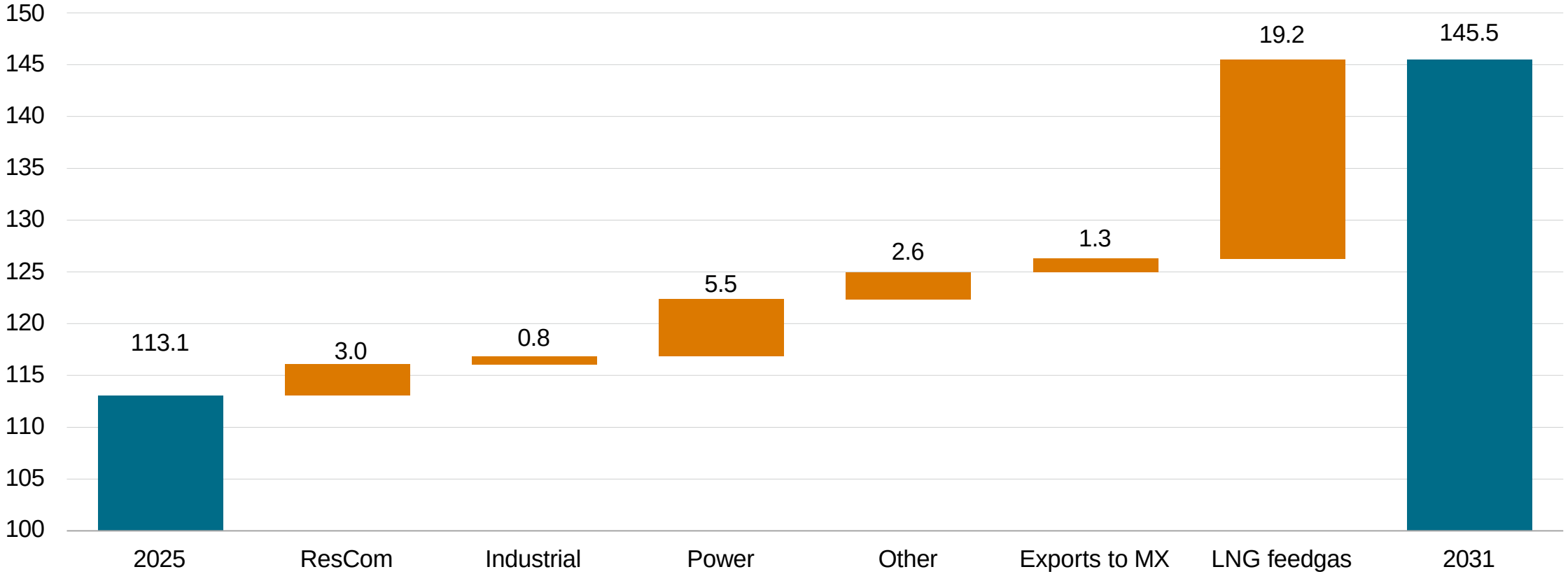
Outlook to 2031



S&P Global
Energy

LNG feedgas drives US Lower 48 demand growth through 2031; data center build-out supports growth in power and commercial sectors

US Lower 48 demand growth to 2031 (Bcf/d)



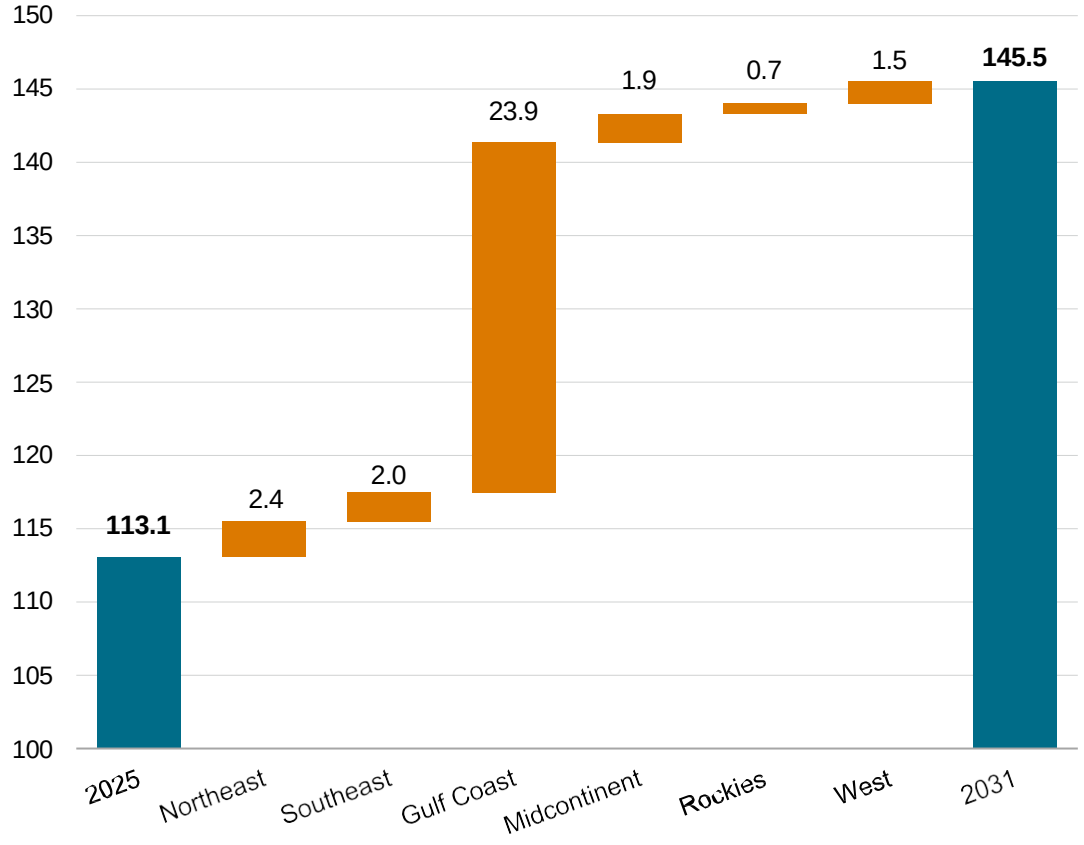
Data compiled Aug. 25, 2026.
ResCom = residential and commercial; MX = Mexico; Other = vehicle, pipe, lease and plant fuel.
Sources: S&P Global Energy; US EIA.

Rising Gulf Coast demand (domestic and export) accounts for 74% of growth across the US Lower 48 by 2031, rising nearly 24 Bcf/d from 2025 levels

Domestic and export demand change heatmap by region in 2025-31 (Bcf/d)

	West	Rocky Mountains	Mid-continent	Gulf Coast	Southeast	Northeast	Total US Lower 48
2025	**10.8**	**3.0**	**19.3**	**41.3**	**14.9**	**23.9**	**113.1**
Residential / commercial	0.4	0.8	-0.3	1.4	0.3	0.4	3.0
Power	0.2	0.0	1.9	0.2	1.7	1.6	5.5
Other domestic sectors	0.4	-0.1	0.4	2.3	0.0	0.5	3.4
LNG feedgas	-	-	-	19.3	0.0	-0.1	19.2
Exports to Mexico	0.5	-	-	0.8	-	-	1.3
2031	**12.3**	**3.7**	**21.2**	**65.2**	**16.9**	**26.3**	**145.5**

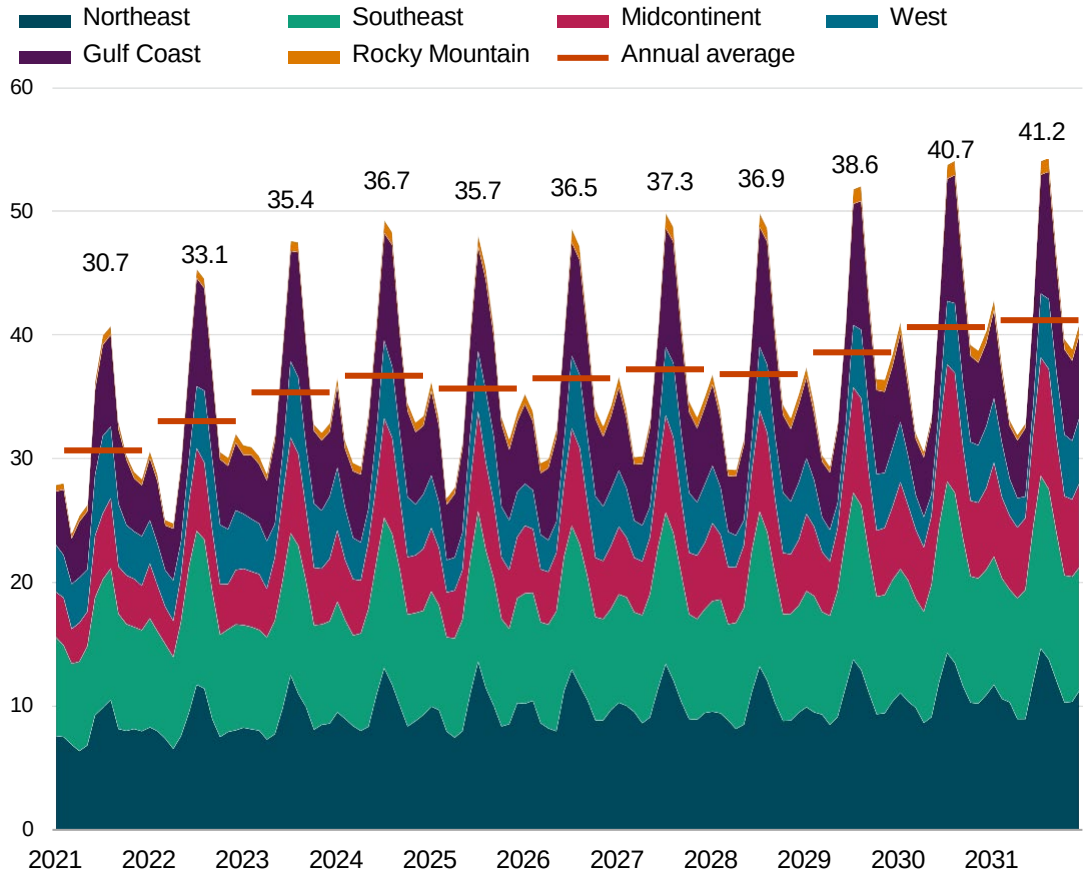
US Lower 48 demand growth to 2031: Regional contributions



Data compiled Aug. 25, 2026.
Other domestic sectors include industrial, vehicle, pipe, lease and plant fuel.
Sources: S&P Global Energy; US EIA.

Power burns remain depressed in 2026-28 on delayed coal retirements, higher prices; data center loads lead to record power sector gas demand in 2029-31

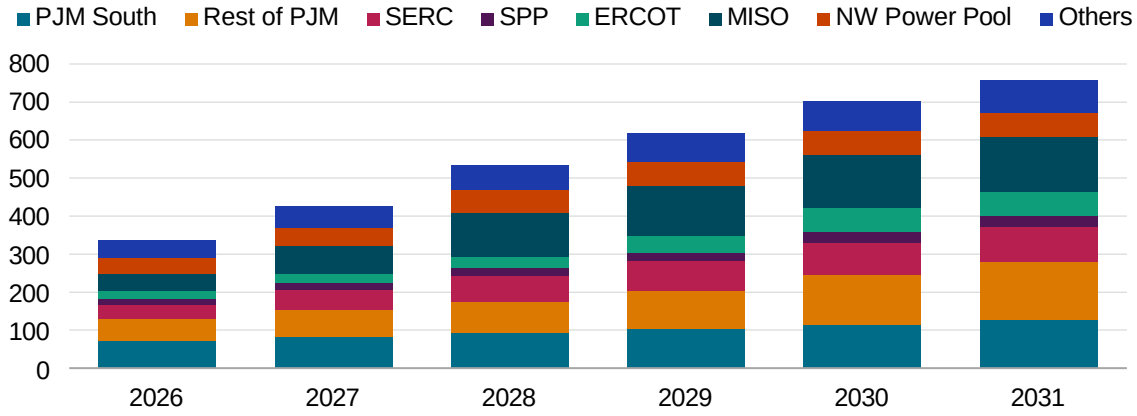
US Lower 48 power sector gas demand by region (Bcf/d)



US Lower 48 power sector gas demand change (Bcf/d)

	2025	2031	Change	Percent change
Northeast	9.6	11.2	+1.6	+16%
Southeast	9.3	11.0	+1.7	+18%
Midcontinent	5.3	7.1	+1.9	+35%
West	4.0	4.2	+0.2	+4%
Gulf Coast	6.7	7.0	+0.2	+3%
Rocky Mountain	0.8	0.8	0.0	+3%
Total	**35.7**	**41.2**	**5.5**	**+15%**

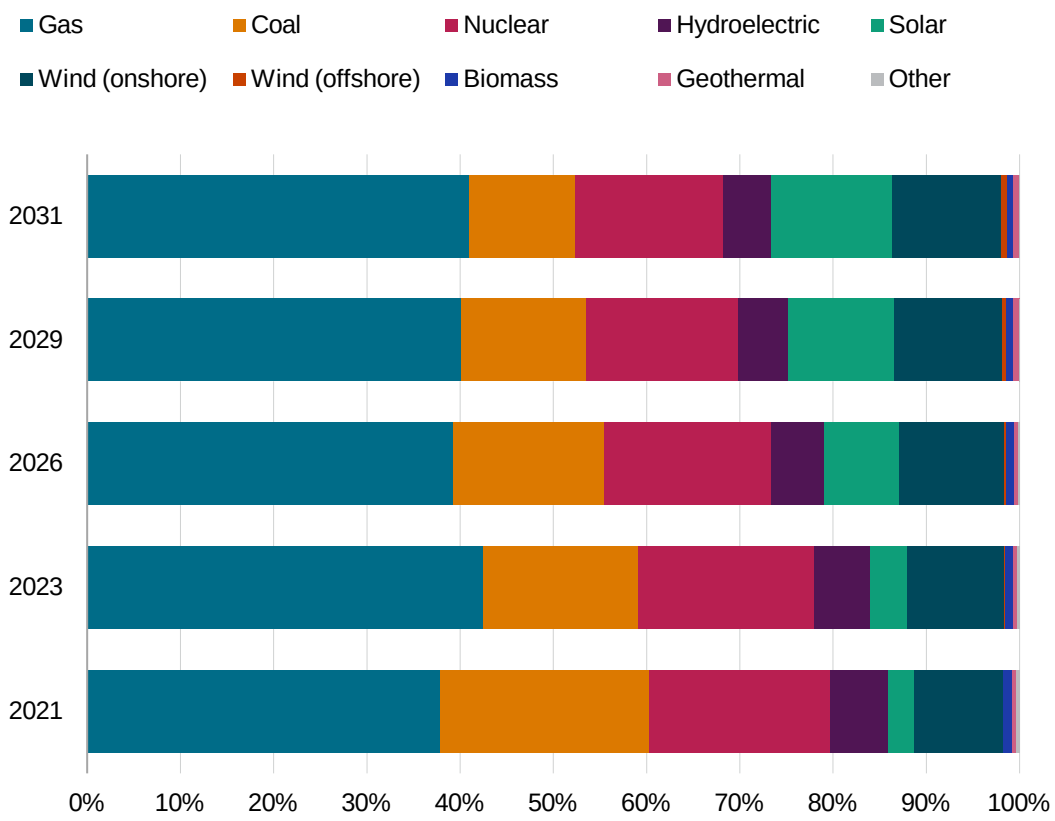
Electricity demand from data centers (TWh)



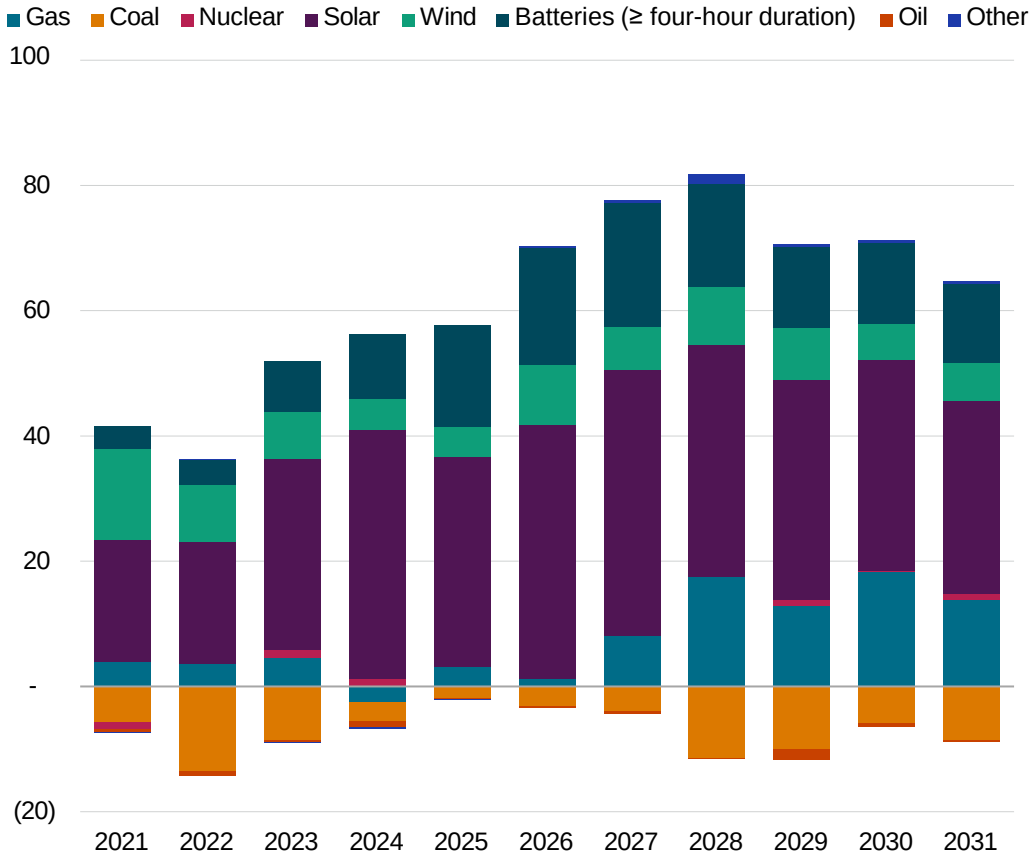
Data compiled Aug. 25, 2026.
Data shown may reflect rounding.
Sources: S&P Global Energy; US EIA.

Share of natural gas in the US power generation stack is expected to dip to 39% in 2026-27 before growing to an average of 41% for 2030-31

Percentage of total US power generation



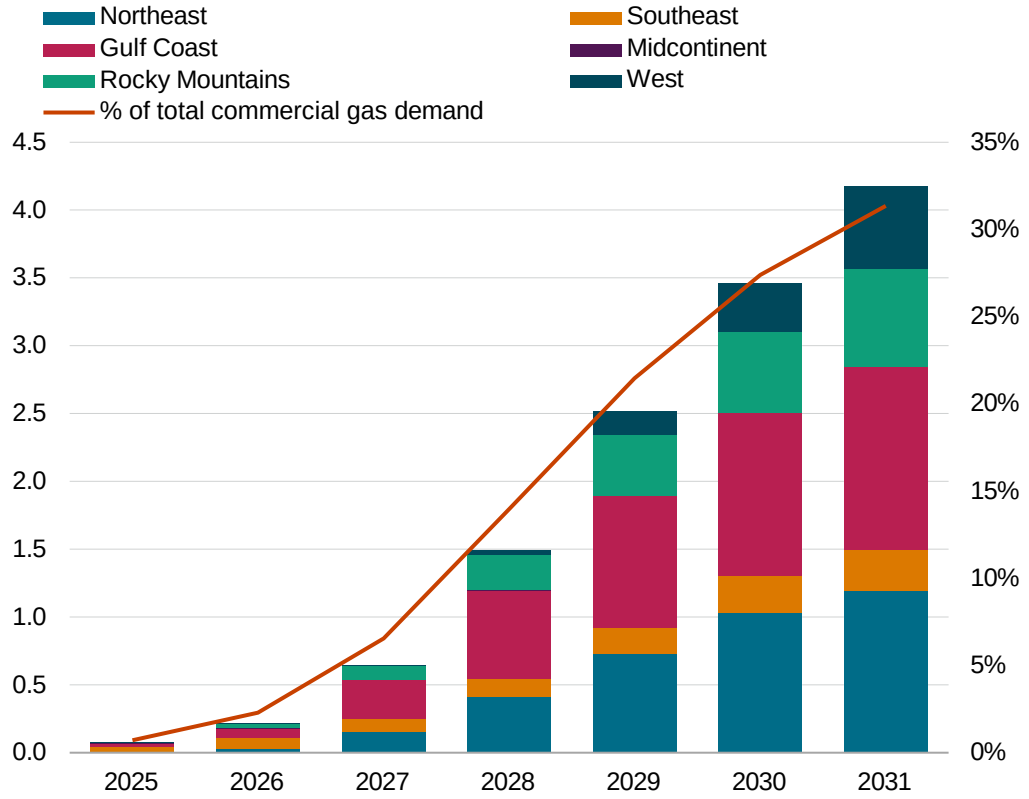
US Lower 48 power net capacity additions (GW)



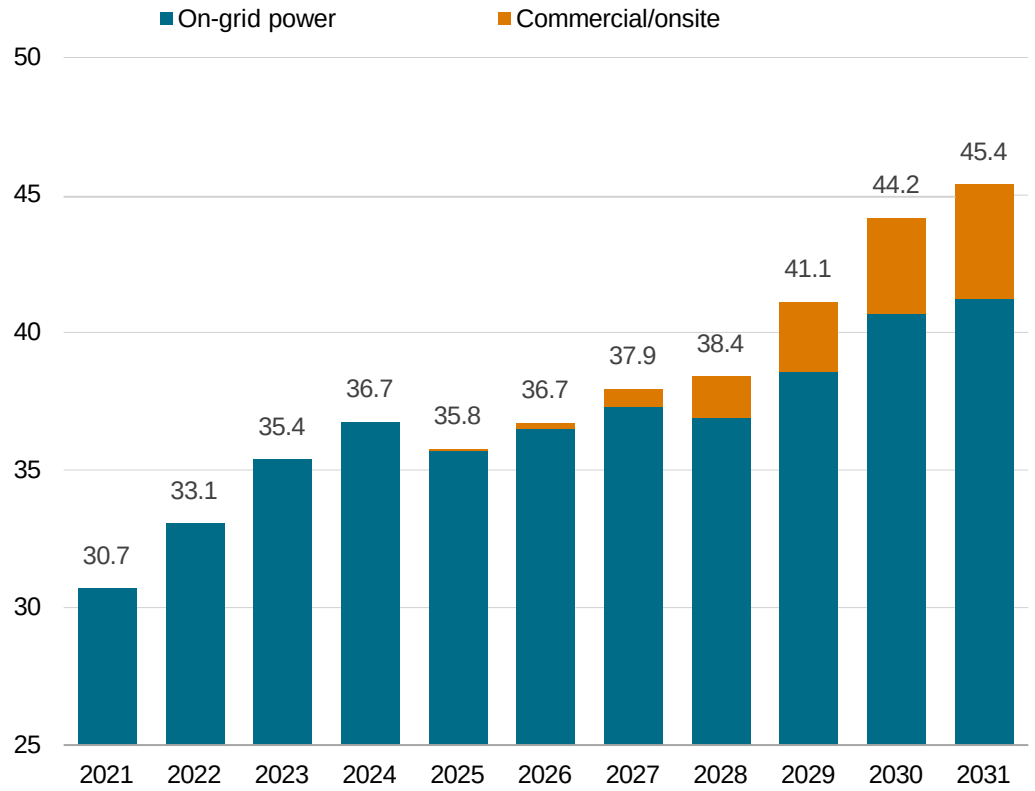
Data compiled Aug. 25, 2026.
Other = oil, concentrating solar power (CSP), pumped storage, batteries (≥ four-hour duration). Additions/retirements capacity charts exclude behind-the-meter solar capacity. Solar generation includes PV (grid-facing) and solar CSP.
Sources: S&P Global Energy; S&P Global Market Intelligence; US EIA.

On-site power generation from data centers reverses the declining trend of commercial gas demand associated with electrification and efficiency gains

Data centers' on-site gas demand in the US Lower 48 by region (Bcf/d)



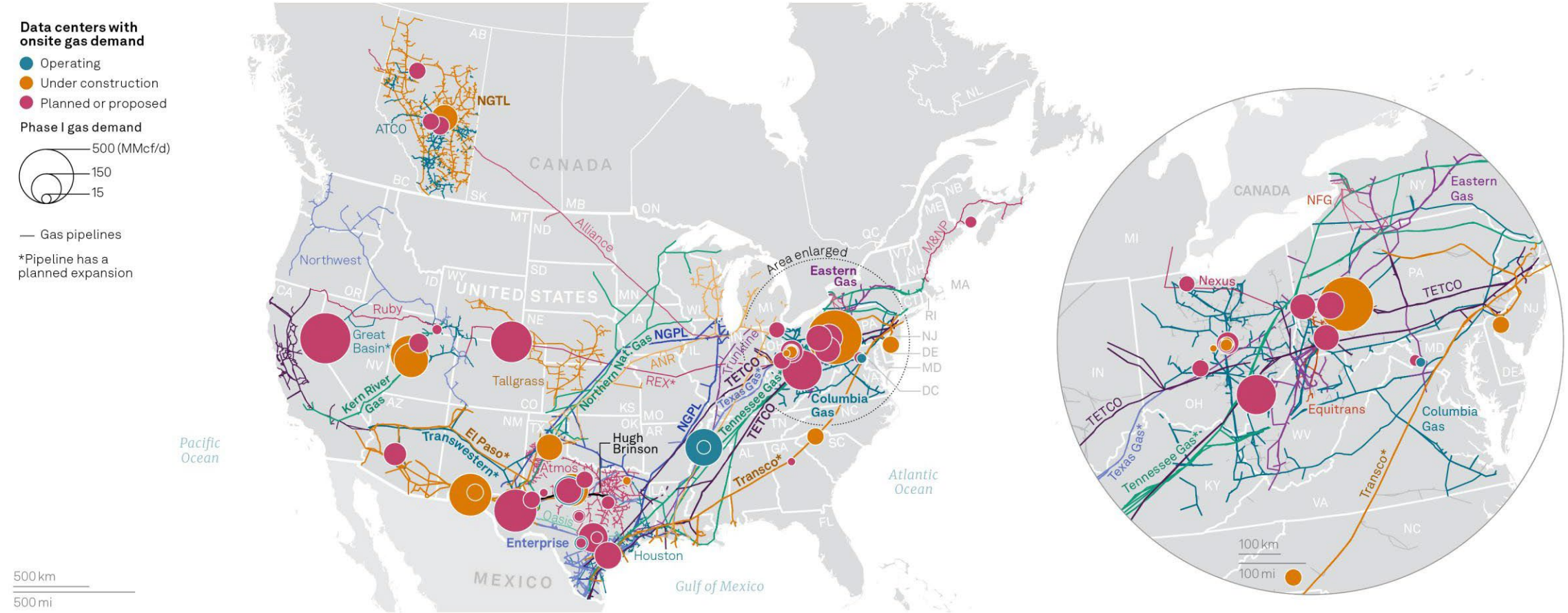
US Lower 48 gas demand for power, including off-grid generation (Bcf/d)



Data compiled Aug. 25, 2026.
For more details, please see North America On-Site Energy Resources for Data Centers project tracker within the Data Center workspace on S&P Global Energy Core.
Sources: S&P Global Energy; US EIA.

Rising data center gas needs look increasingly likely: More on-site power generation migrates toward production sources to work around challenges

U.S. Lower 48 and Canada data center project outlook with planned onsite gas generation



Capacity shown represents the modeled maximum gas-fired capacity of data center projects included in the North American Gas August Long-Term Outlook. Coordinates shown are indicative rather than exact. Where projects locations are undisclosed or uncertain, representative regional coordinates were used to illustrate geographic distribution and should not be interpreted as precise facility locations.

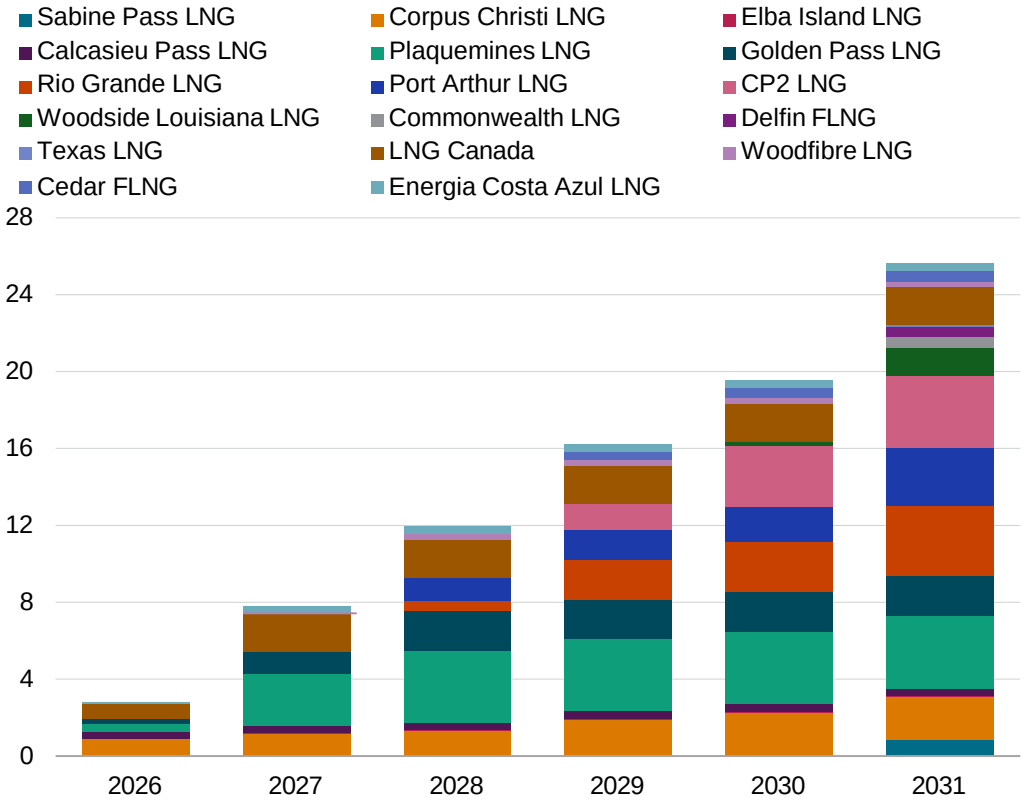
Source: S&P Global Energy. Data compiled Jul. 13, 2026

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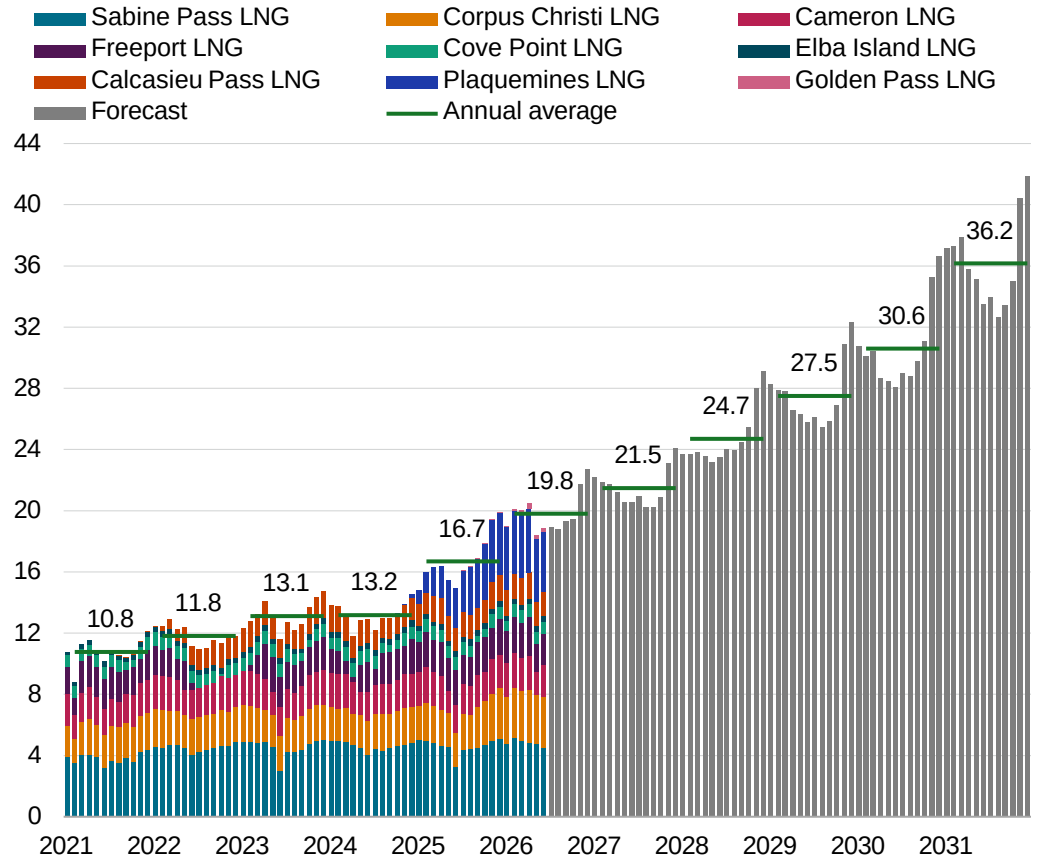
S&P Global Energy

LNG feedgas represents 25% of annual US Lower 48 demand by early 2030s

Cumulative North American LNG export capacity additions in 2026-31 (Bcf/d)



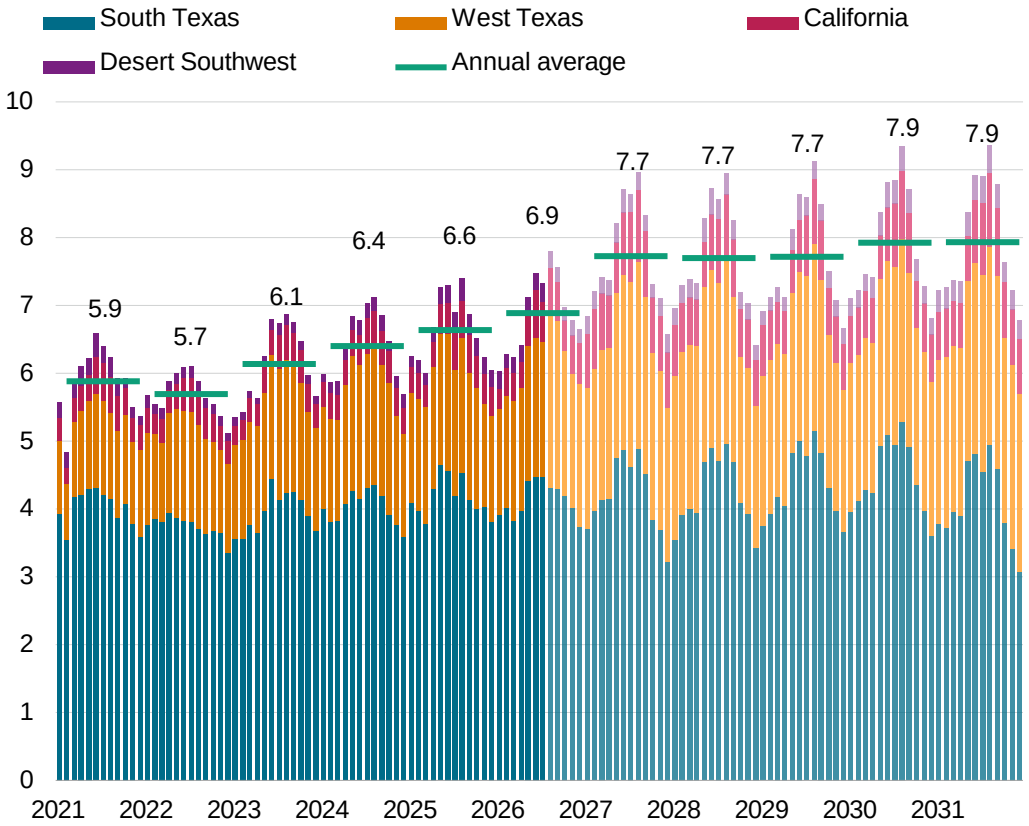
US Lower 48 LNG feedgas (Bcf/d)



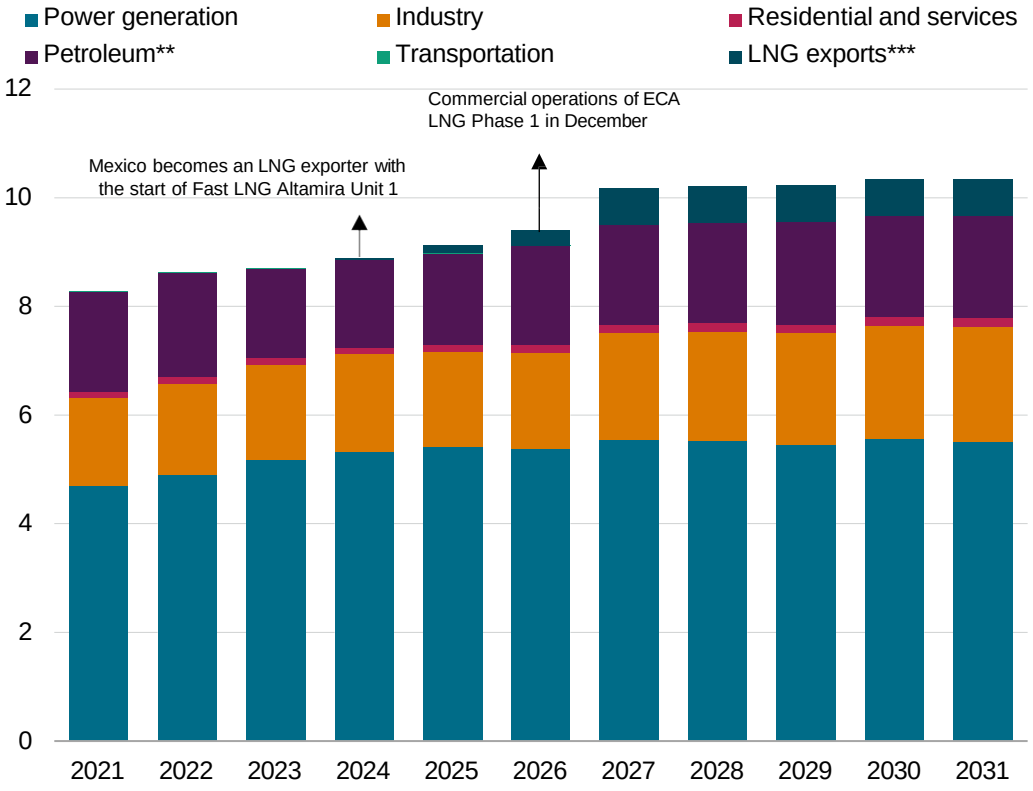
Data compiled Aug. 25, 2026.
* See Middle East LNG crisis could see looser LNG balances by decade-end.
Source: S&P Global Energy.

ECA LNG commissioning pause lowers 2026 pipeline exports to Mexico; lower Mexican gas production lifts US Lower 48 exports by 2031

Net pipeline exports to Mexico (Bcf/d)



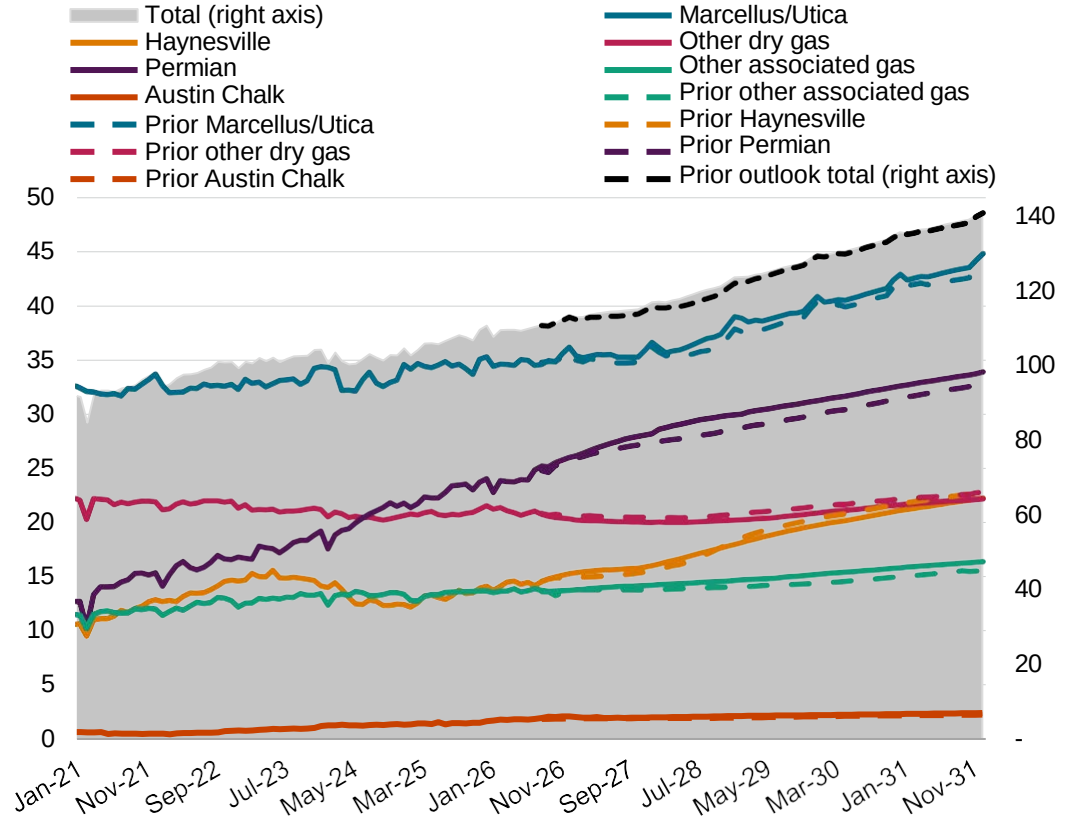
Mexican natural gas demand (Bcf/d)



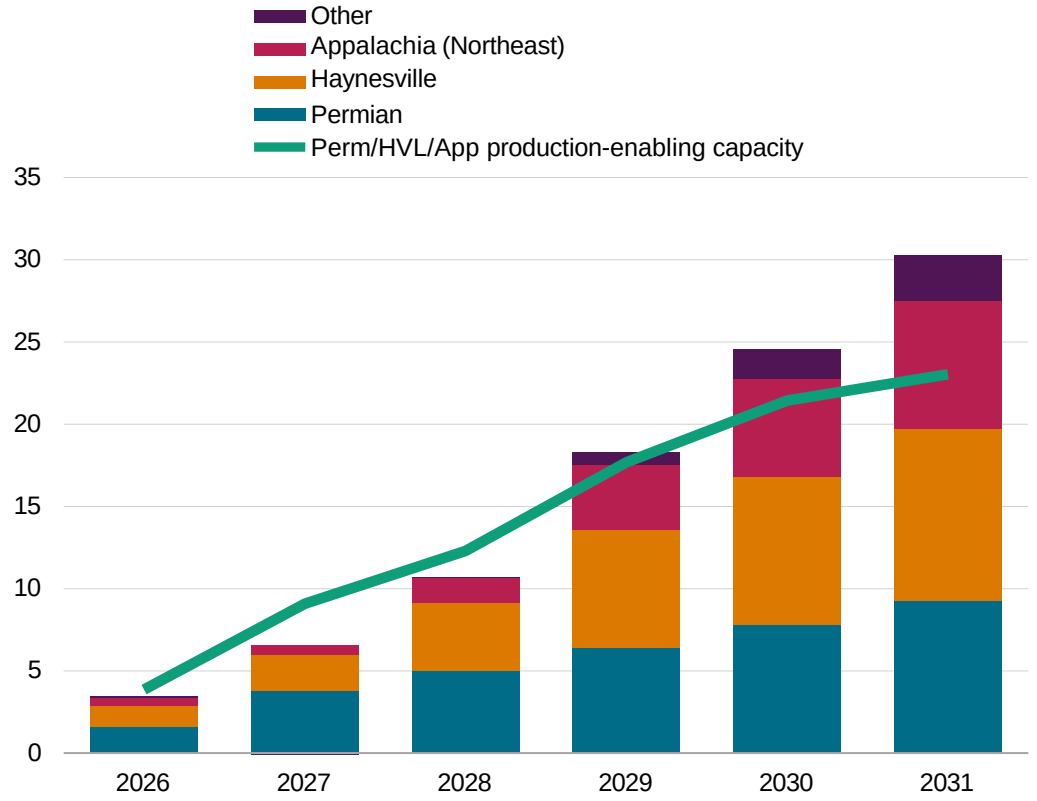
Data compiled Aug. 25, 2026.
Sources: S&P Global Energy; US EIA; Mexican Secretariat of Energy (SENER); Pemex.

Permian, Haynesville and Appalachia represent over 90% of production growth—realizable only with new pipeline capacity

US Lower 48 natural gas production by source (Bcf/d) and compared with the previous outlook



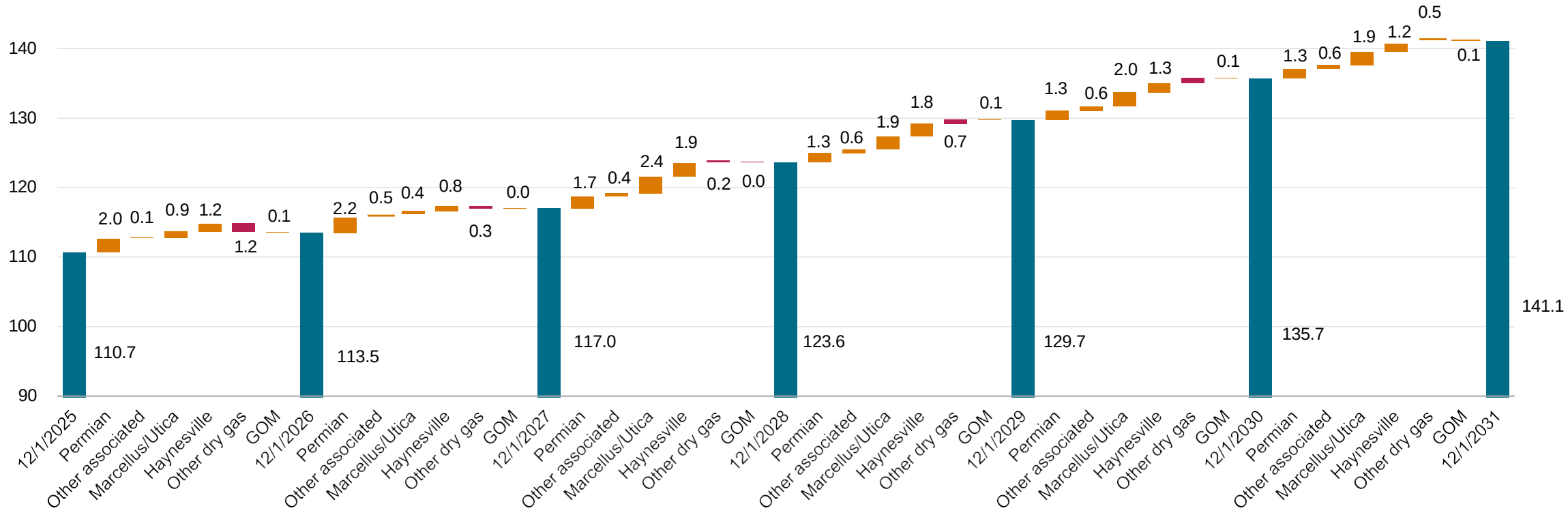
Cumulative growth in US Lower 48 production and producton-enabling pipeline capacity since 2025 (Bcf/d)



Data compiled Aug. 25, 2026.
Sources: S&P Global Energy; US EIA.

Permian leads 2026 gains and sustains strong growth through 2031; Haynesville growth slows later in the outlook due to elevated associated gas levels

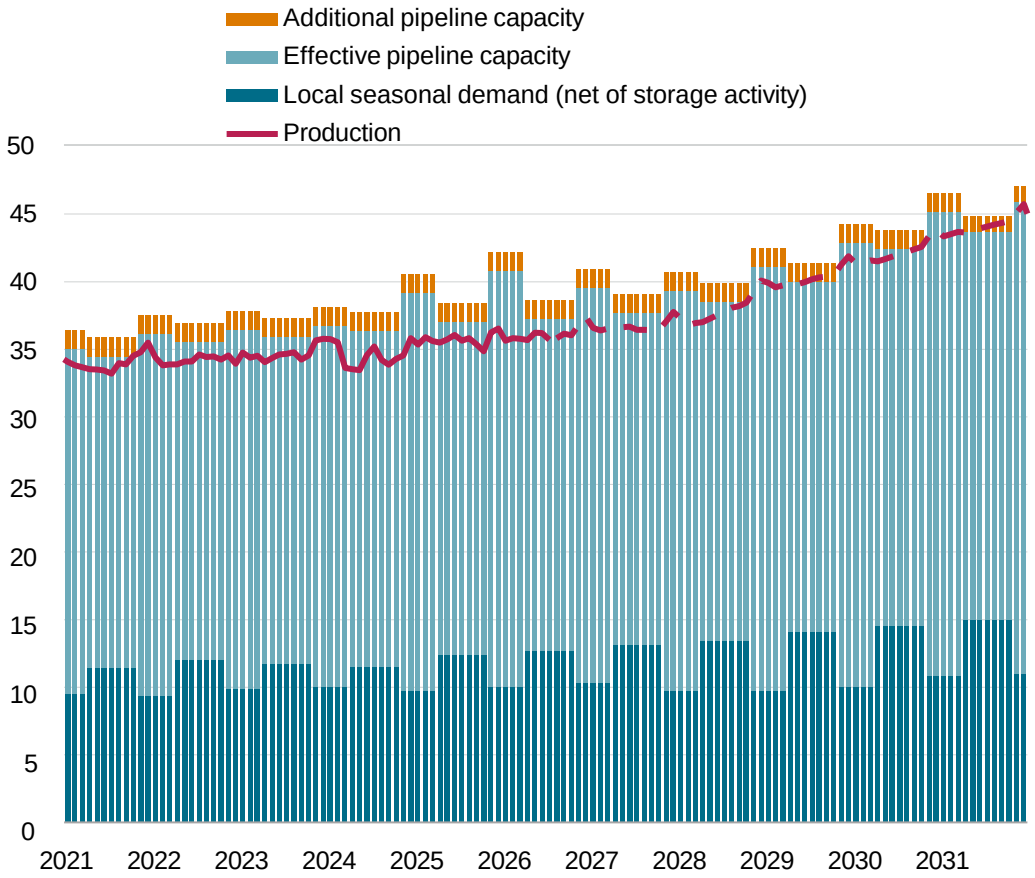
US Lower 48 natural gas production forecast by play (Bcf/d)



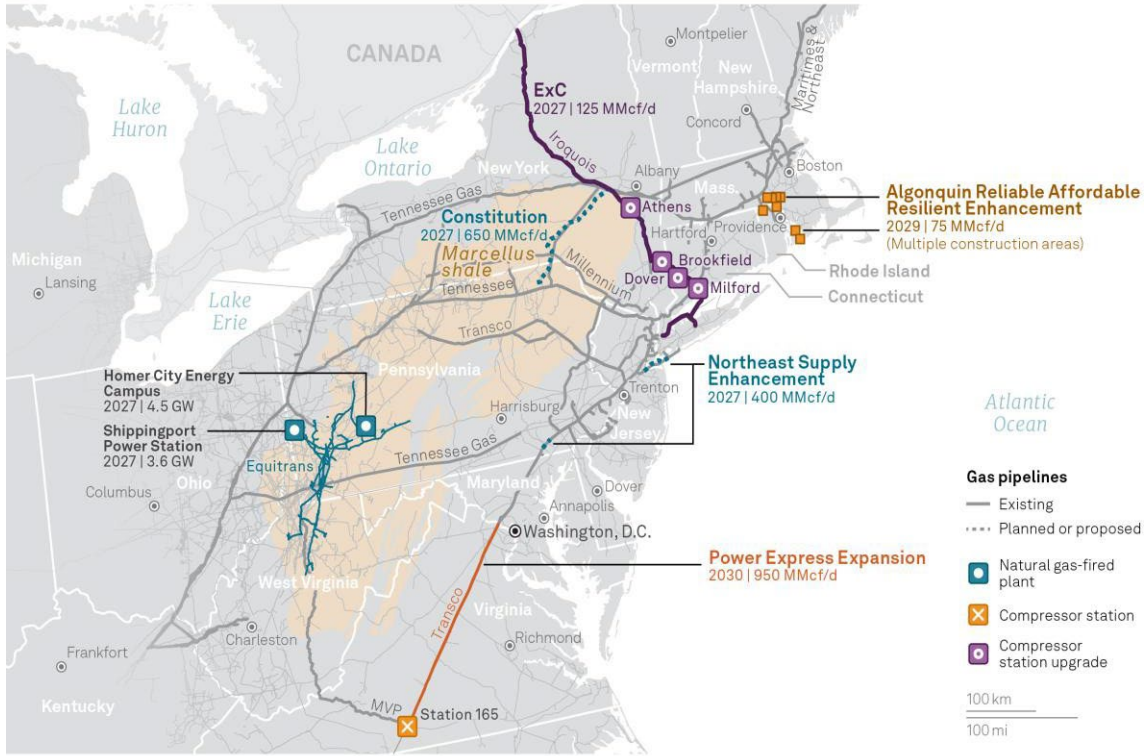
Data compiled Aug. 25, 2026.
GOM = Gulf of Mexico.
Sources: S&P Global Energy; US EIA.

Northeast production to see stronger growth through 2031 compared to the prior outlook, as an elevated demand pull tests regional outflow capacity

Northeast production, uses and ceiling (Bcf/d)



Northeast pipeline expansions and future sources of demand



Source: S&P Global Energy

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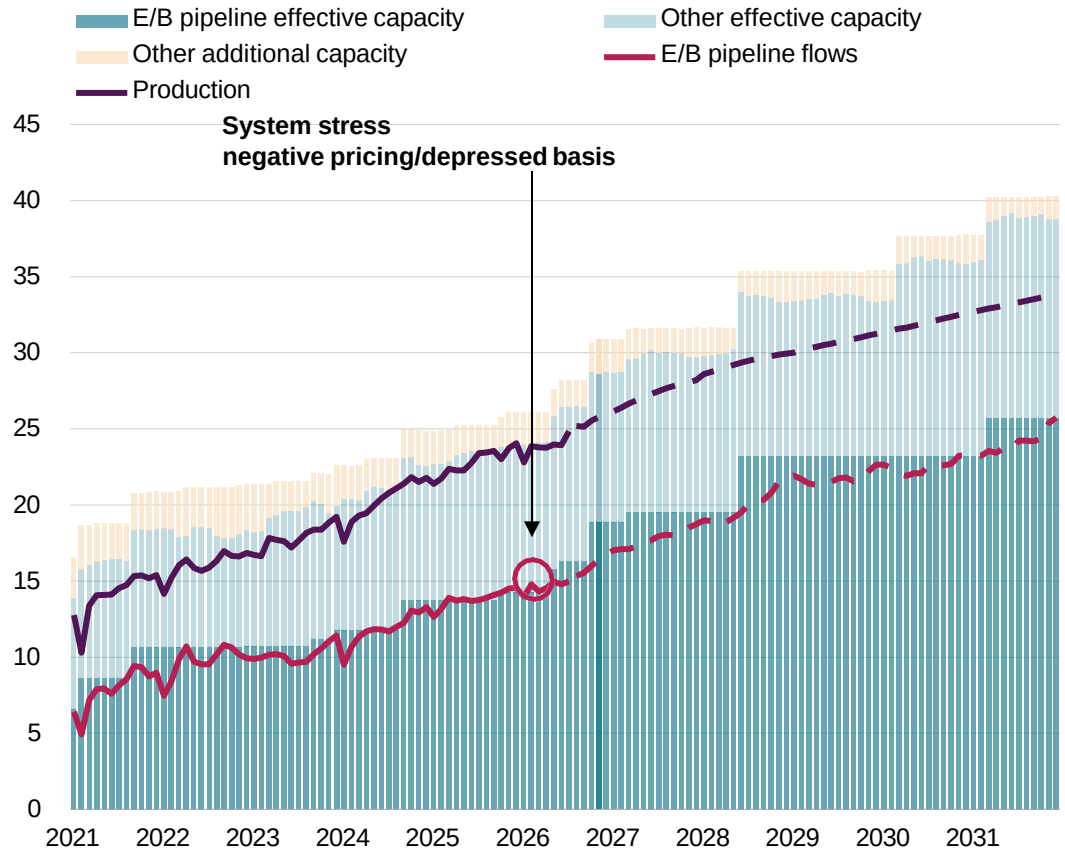
Data compiled Aug. 25, 2026.

Solid and broken lines reflect history and outlook, respectively. Effective capacity reflects our production ceiling estimate and can be lower than total capacity. Additional pipeline capacity is not in our ceiling estimate and reflects capacity limited by downstream demand and/or pipeline connectivity limitations. Effective capacity fluctuates seasonally based on the local demand profile, which is a significant production outlet.

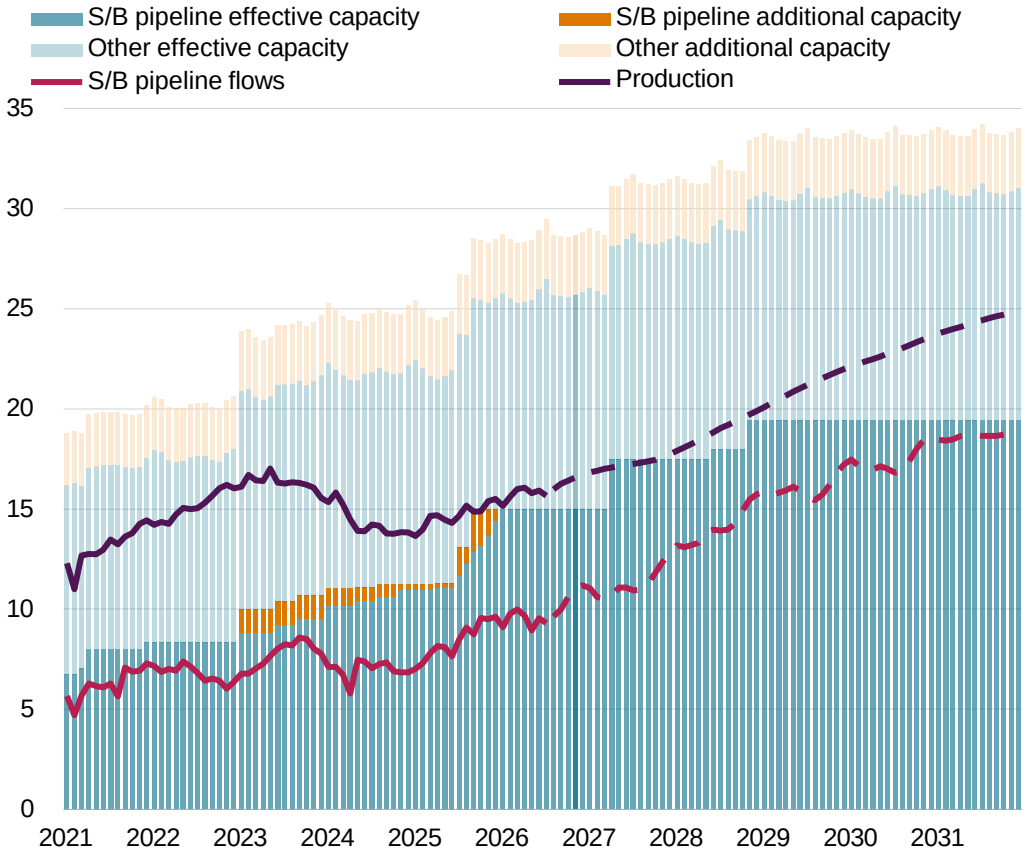
Sources: S&P Global Energy; US EIA.

Strong Gulf Coast and LNG-driven demand keeps Permian and Haynesville flows closely tied to production growth, rapidly absorbing new egress capacity

Permian production, uses and ceiling (Bcf/d)



Haynesville production, uses and ceiling (Bcf/d)



Data compiled Aug. 25, 2026.

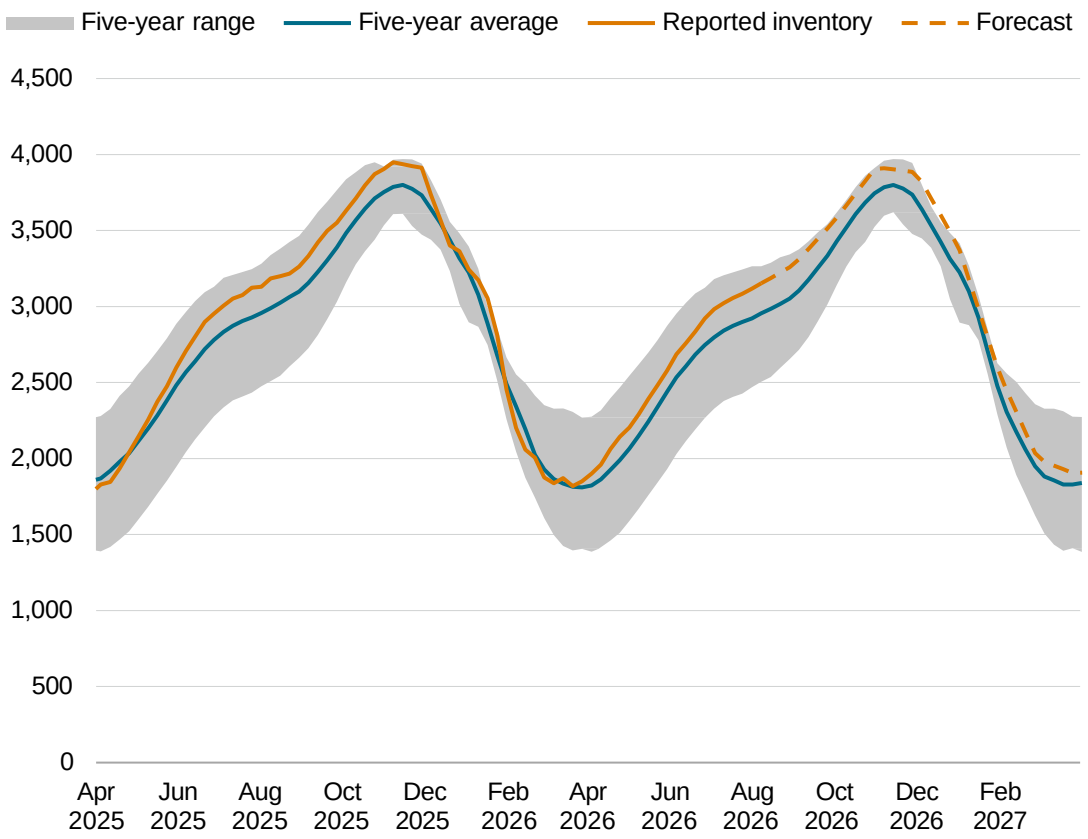
E/B = eastbound. S/B = southbound.

Solid and broken lines reflect history and outlook, respectively. The sum of effective capacity bars reflects our production ceiling estimate and can be lower than the total capacity. "Additional capacity" is not included in the ceiling estimate because of downstream demand and pipeline connectivity limitations. The E/B pipeline flow outlook considers downstream requirements, new capacity, production and demand growth.

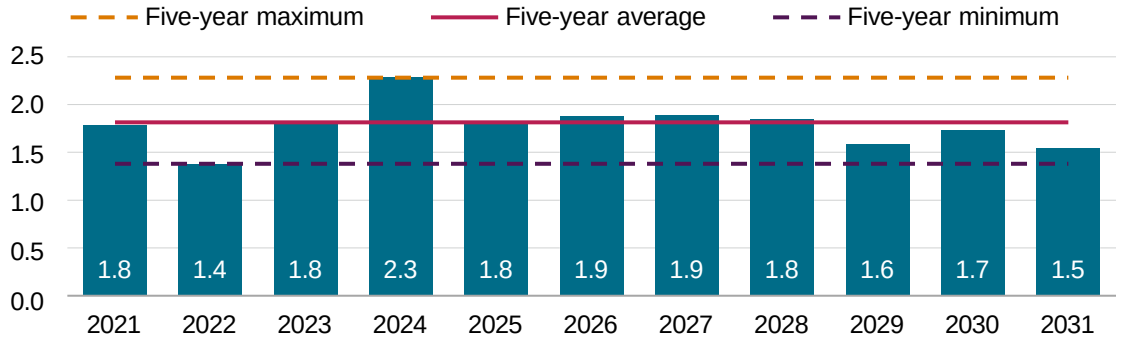
Sources: S&P Global Energy; US EIA.

US Lower 48 inventories' surplus to the five-year average approaches 200 Bcf in early August; end-October inventory projected above 3.9 Tcf

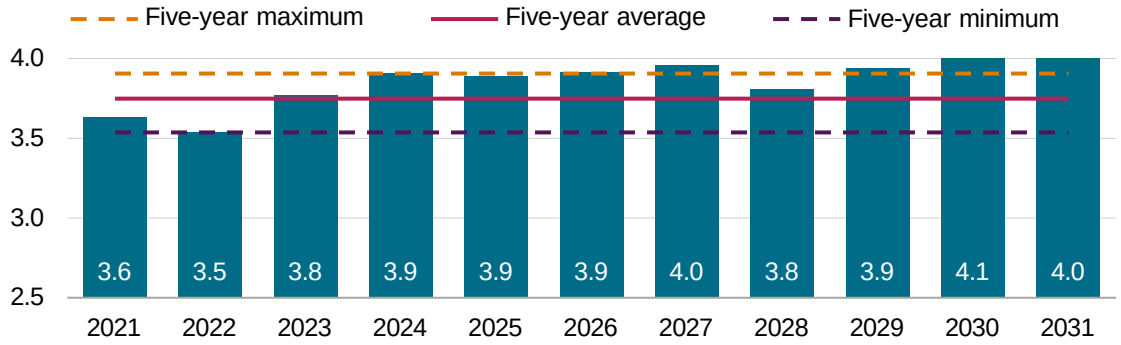
US Lower 48 storage inventory (Bcf)



US Lower 48 March inventories (Tcf)



US Lower 48 October inventories (Tcf)

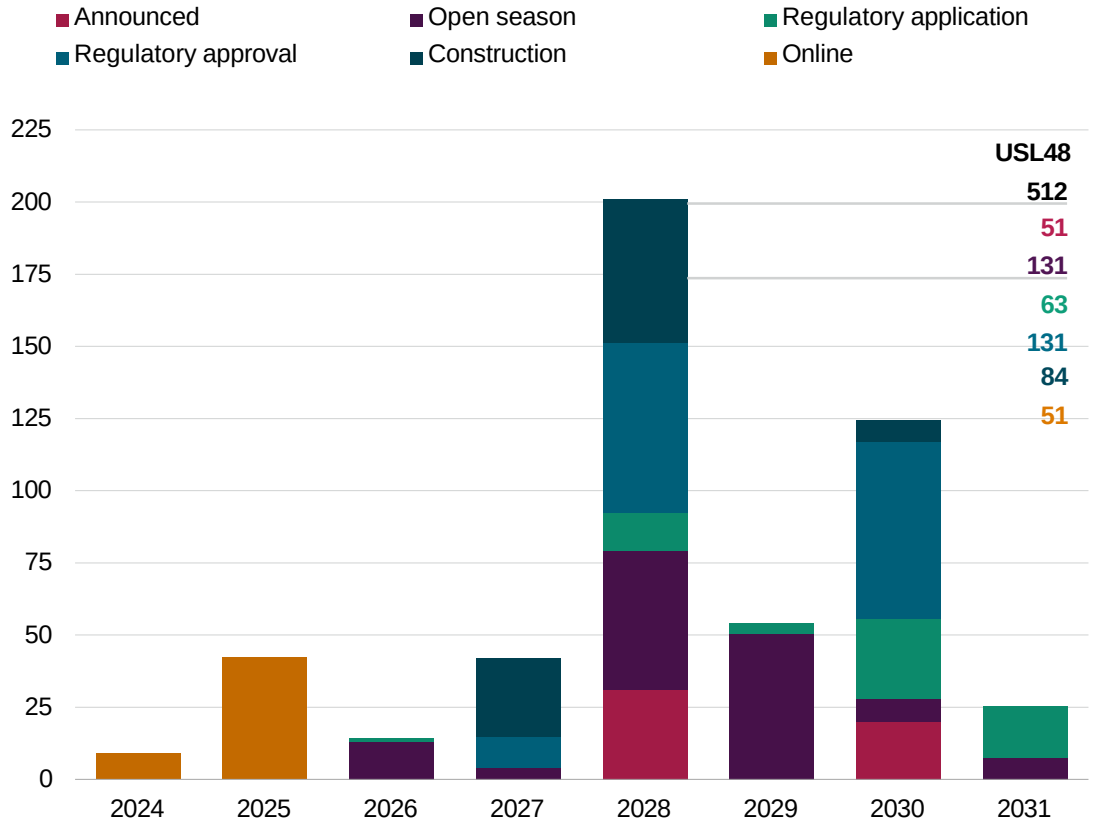


Data compiled Aug. 25, 2026
Five-year data is 2021-25.
Sources: S&P Global Energy; US EIA.

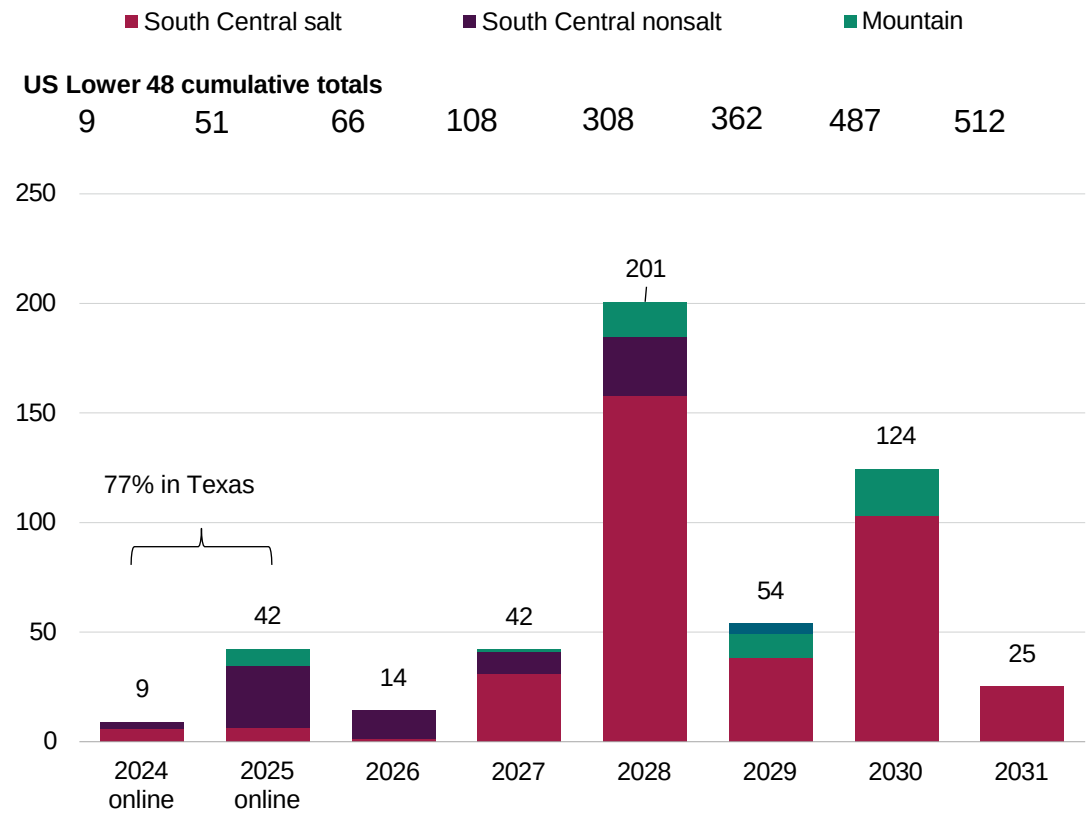
S&P Global Energy

US Lower 48 working storage capacity additions

US Lower 48 working gas storage additions by status (Bcf)



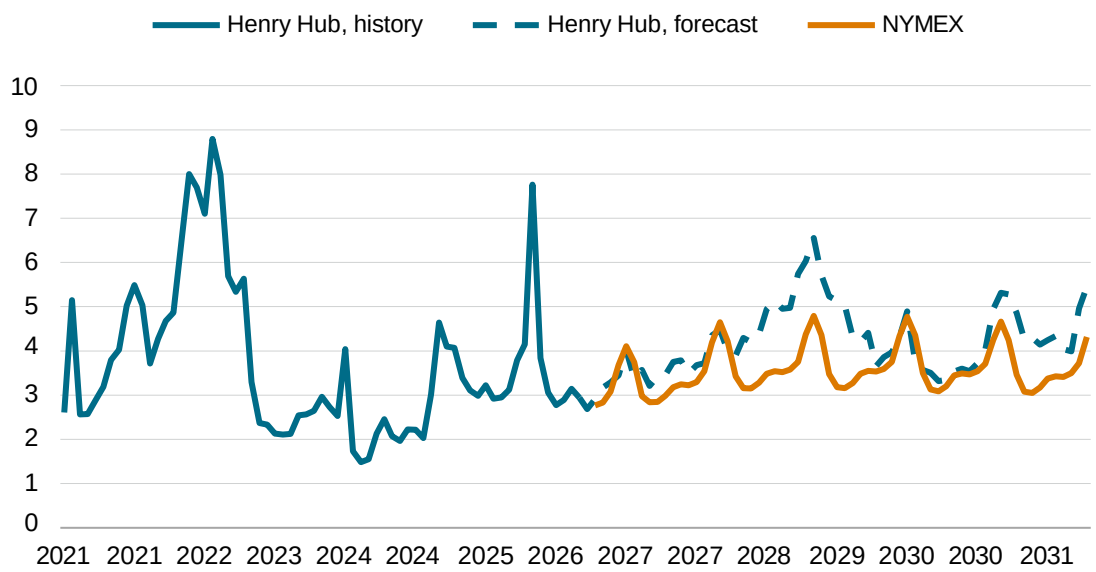
Storage expansions with cumulative totals (Bcf)



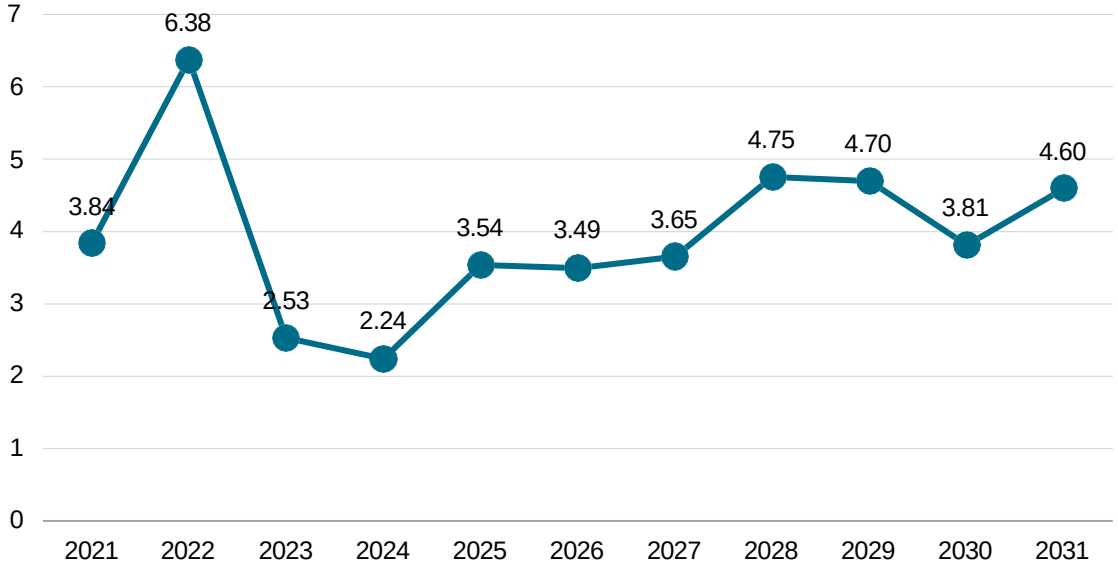
Data compiled Aug. 25, 2026.
Storage expansions online and planned based on S&P Global Energy North American Natural Gas Pipeline Expansion Database and independent of EIA data.
Sources: S&P Global Energy

Unyielding 200 Bcf inventory surplus keeping a lid on winter 2026-27 futures and pressuring cash as peak summer passes

Henry Hub prices and NYMEX futures (nominal $/MMBtu)



Henry Hub annual average (nominal $/MMBtu)



Henry Hub outlook and NYMEX comparison (nominal $/MMBtu)

	Winter 2024-25	Winter 2025-26	Winter 2026-27	Summer 2025	Summer 2026	Summer 2027	2025	2026	2027	2028	2029	2030	2031
Henry Hub	3.57	4.52	3.54	3.10	2.93	3.54	3.54	3.49	3.65	4.75	4.70	3.81	4.60
NYMEX	3.35	4.58	3.52	3.20	2.90	3.09	3.43	3.04	3.35	3.68	3.71	3.66	3.60

Data compiled Aug. 25, 2026.
NYMEX history is composed of monthly settlements and futures as of Aug. 11, 2026. Historical pricing data from Platts, a part of S&P Global Energy.
Sources: S&P Global Energy; CME Group.

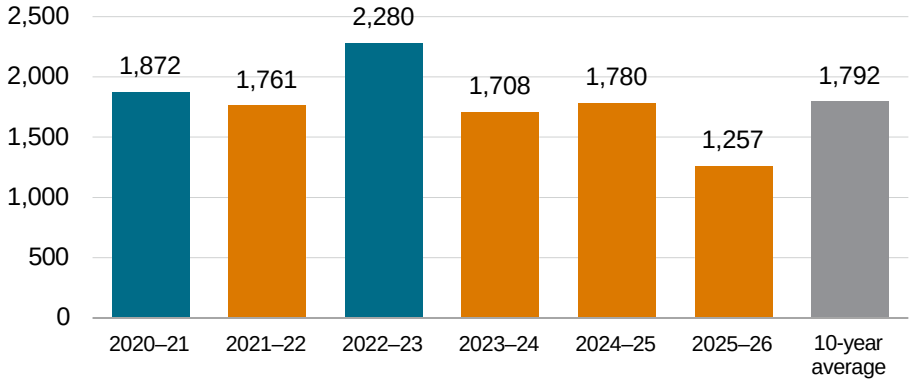
Western markets



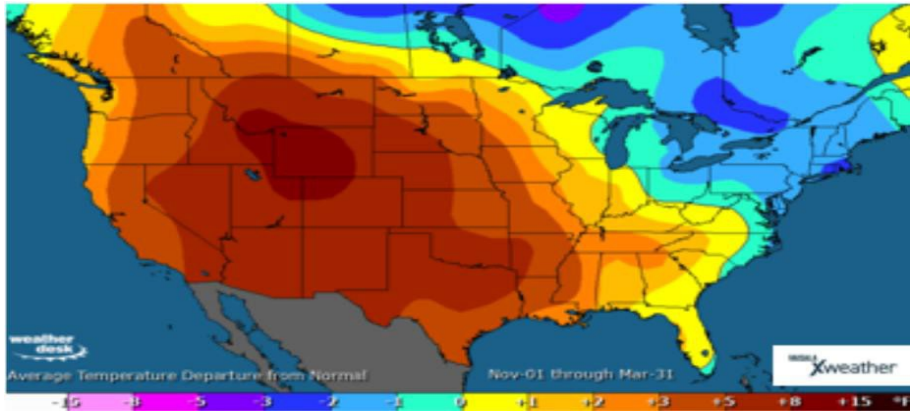
S&P Global
Energy

Warm winter weather weighed on heating loads in the West; total winter 2025-26 consumption averaged 0.9 Bcf/d lower compared to winter 202425

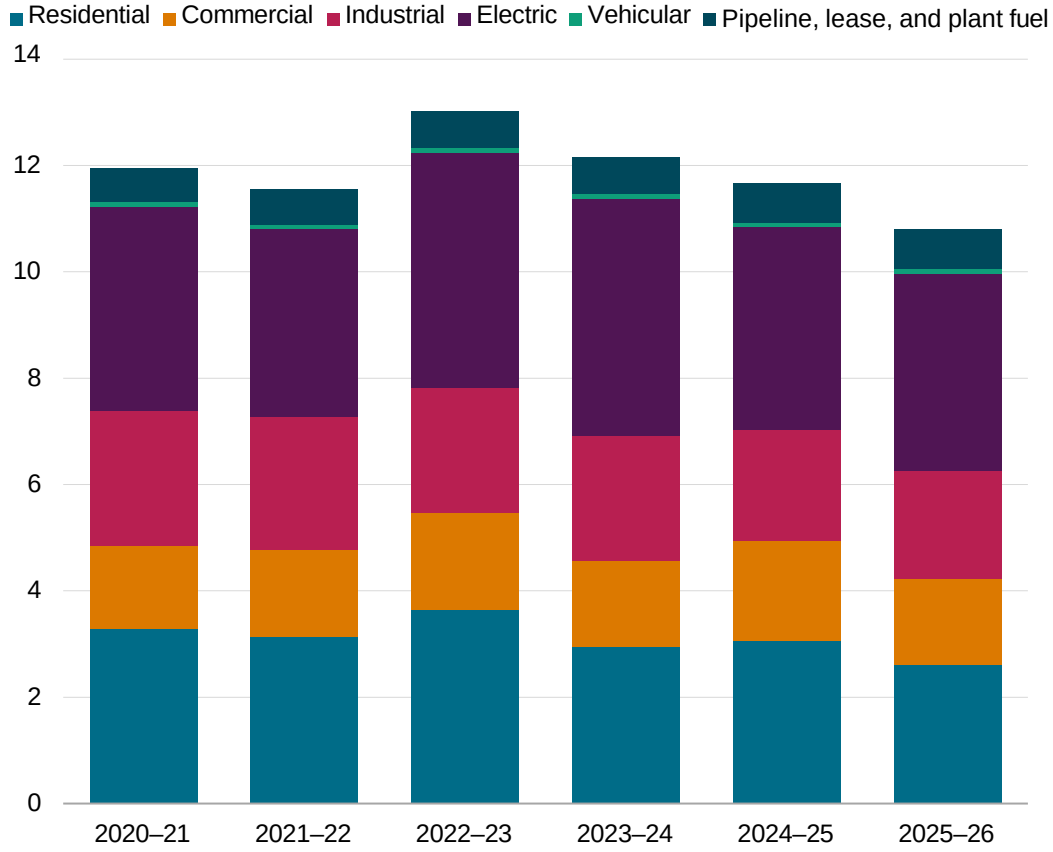
US West GWHDD tracker (Nov. 1 to March 31)



GWHDD tracker (Nov. 1 to March 31)



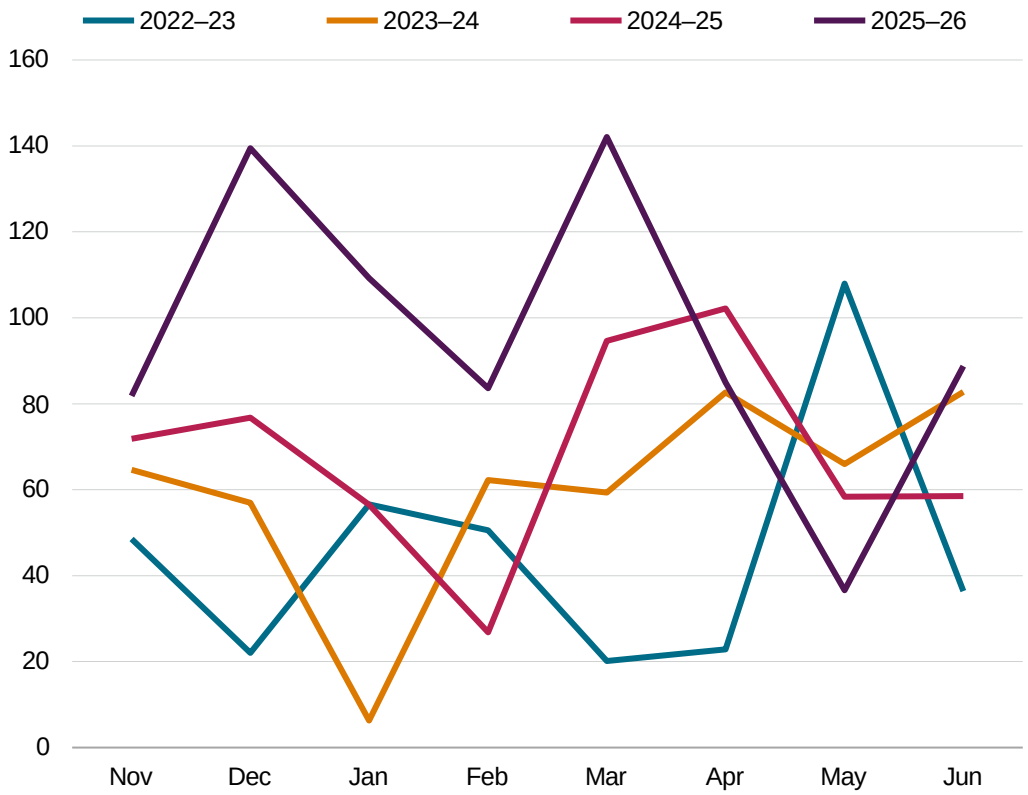
US West winter season consumption (Bcf/d)



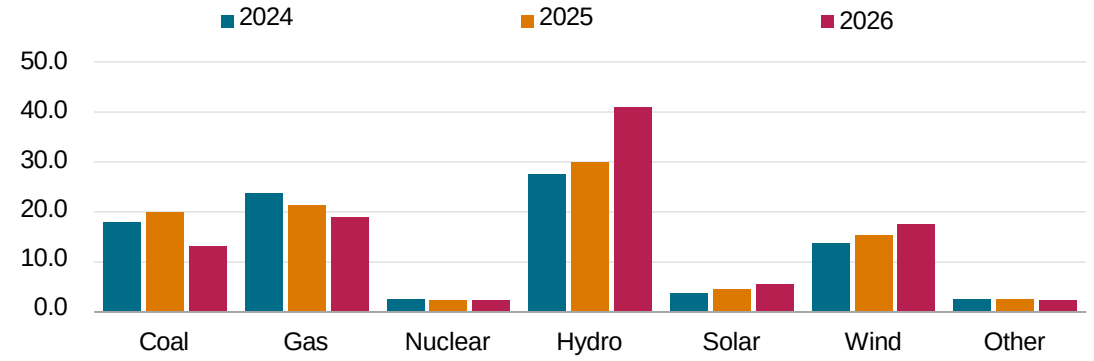
Data compiled Aug. 25, 2026.
GWHDDs = gas-weighted heating degree-days.
The deviations from the normal indicated on the images are compared with the 30-year normal.
Sources: S&P Global Energy; Vaisala Xweather, US EIA.

Above-normal hydro output during early 2026 alongside weak demand resulted in elevated power exports from the Pacific Northwest to neighboring regions

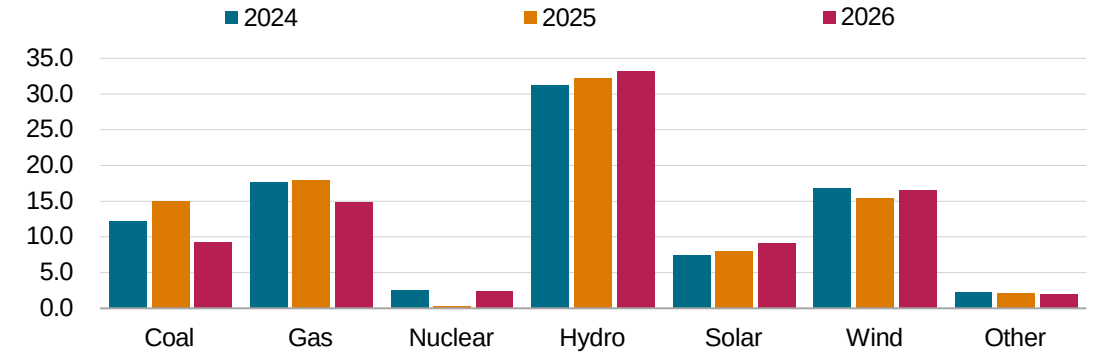
Monthly average net electricity exports from the Northwest to neighboring regions (GWh)



Northwest power generation, 01/01–03/31 (TWh)



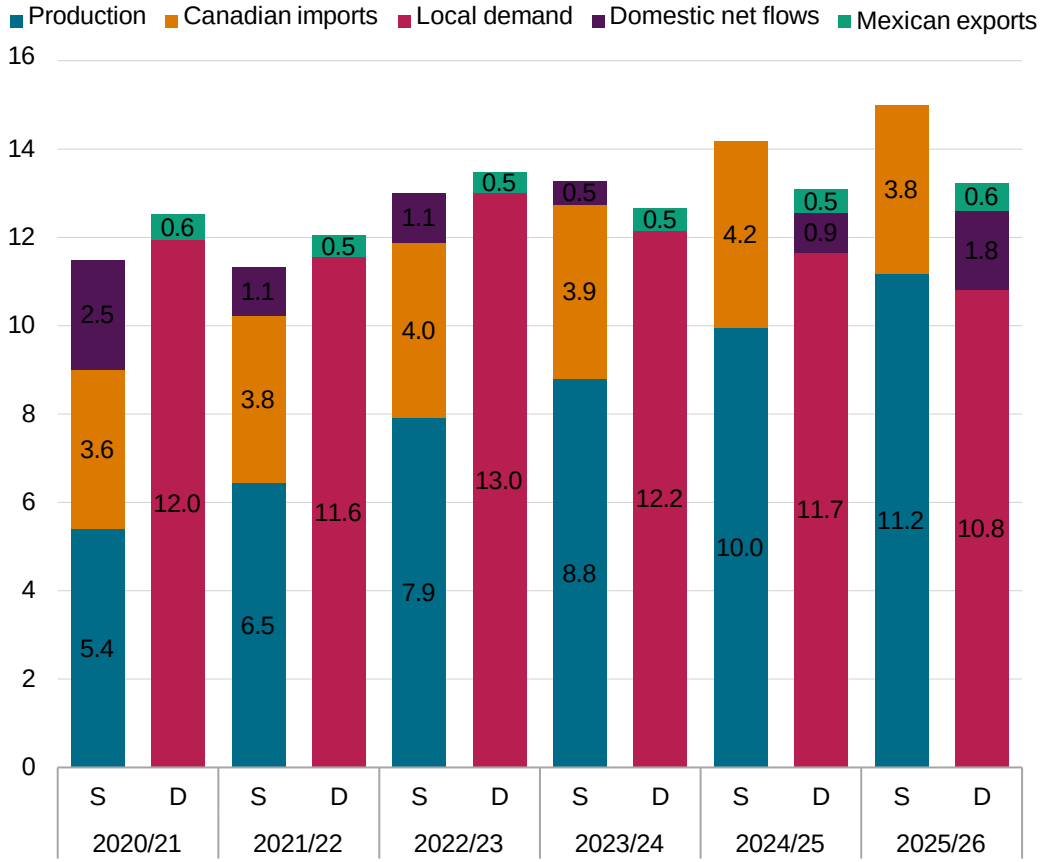
Northwest power generation, 04/01–06/30 (TWh)



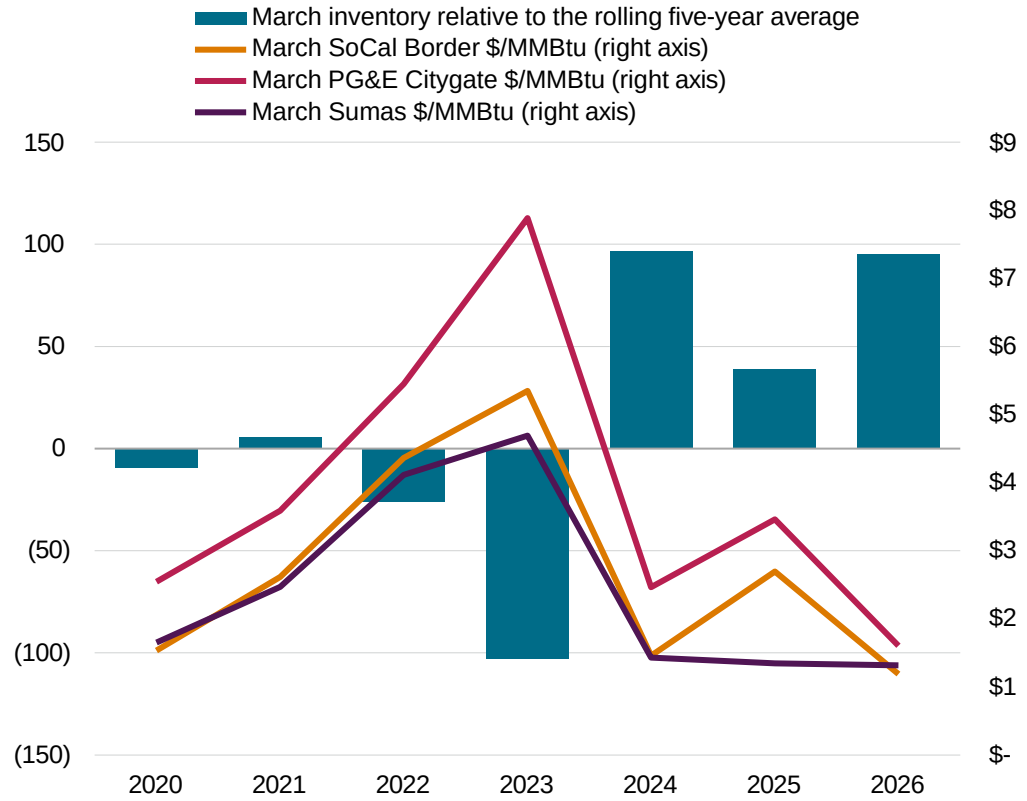
Data compiled Aug. 25, 2026.
Sources: S&P Global Energy; US EIA Hourly Grid Monitor.

A mounting inventory surplus weighed on regional basis differentials

US West winter season supply and demand (Bcf/d)



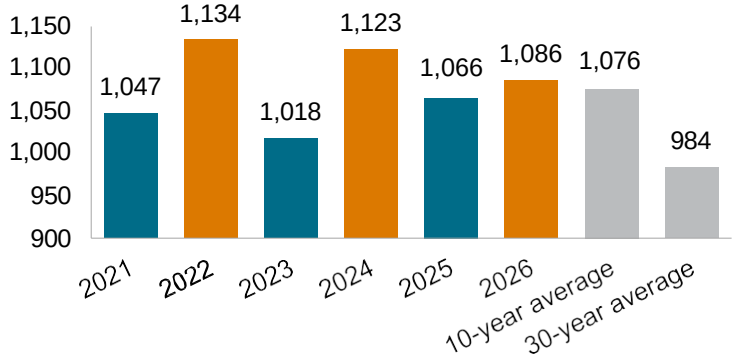
US West deficit/surplus (Bcf) and select benchmarks ($/MMBtu) in March



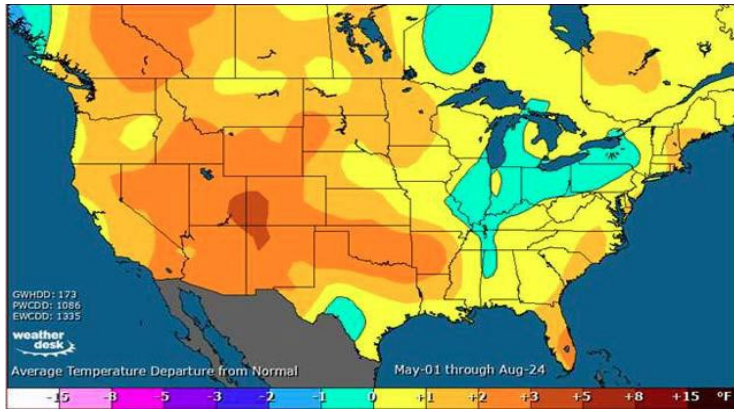
Data compiled Aug. 25, 2026.
Historic pricing data from Platts, a part of S&P Global Energy.
Sources: S&P Global Energy; US EIA.

Summer fundamentals tighten on rising cooling demand in the West and demand in downstream regions while competition for Canadian supply heats up

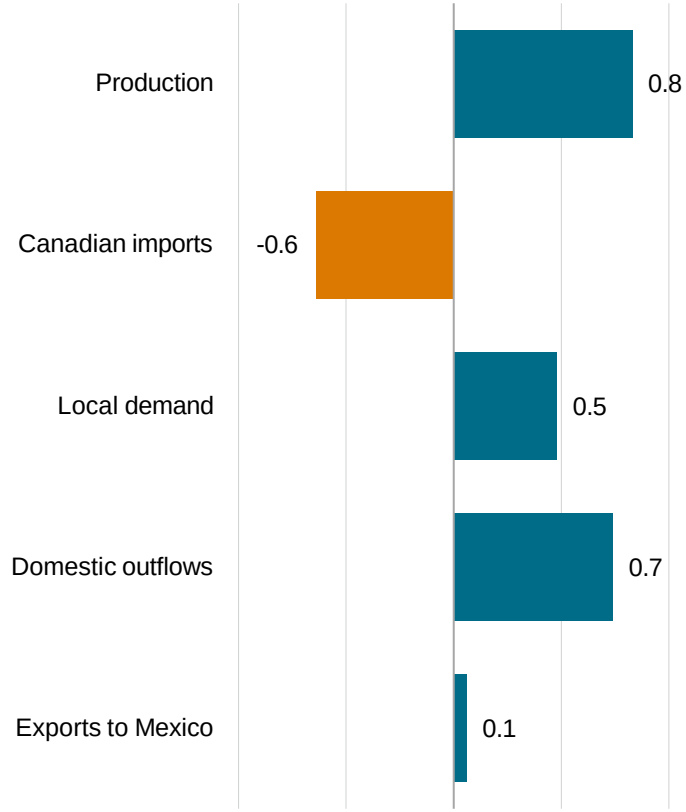
PWCDD tracker (May 1 to Aug. 24)



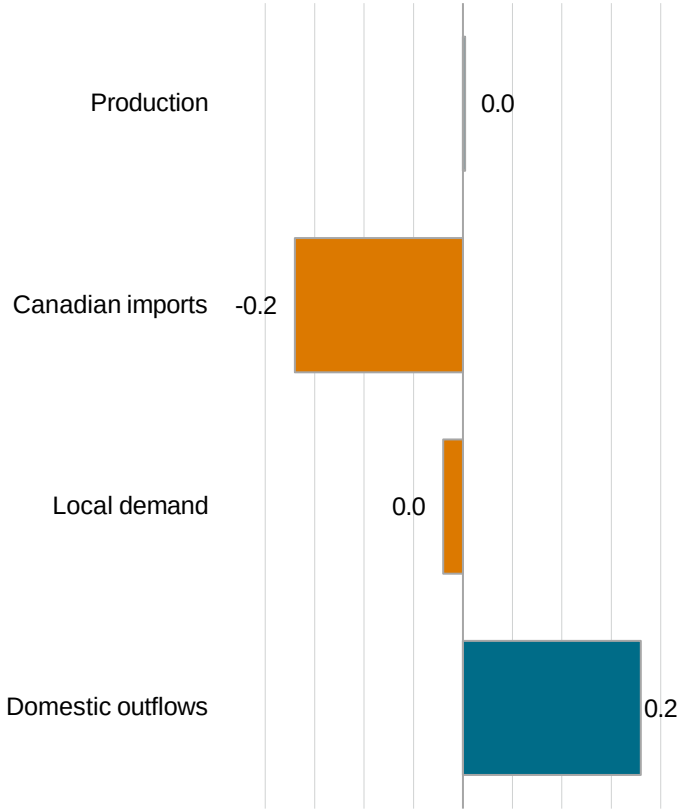
PWCDD tracker (May 1 to Aug. 24)



Western supply and demand, Apr-Aug 2026 vs. Apr-Aug 2025 (Bcf/d)



Rockies supply and demand, Apr-Aug 2026 vs. Apr-Aug 2025 (Bcf/d)



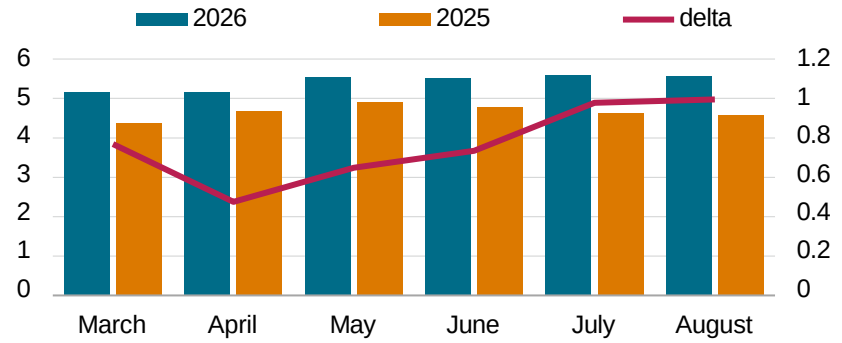
Data compiled Aug. 25, 2026.

The deviations from the normal indicated on the images are compared with the 30-year normal. In the PWCDD tracker chart, orange bars represent warmer than 10-year normal and blue bars represent colder than 10-year normal. The October 2026 forecast represents gas-weighted heating degree-days.

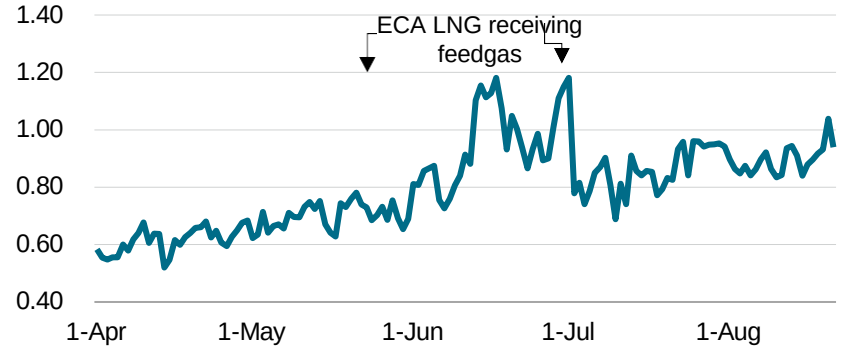
Sources: S&P Global Energy; Vaisala Xweather.

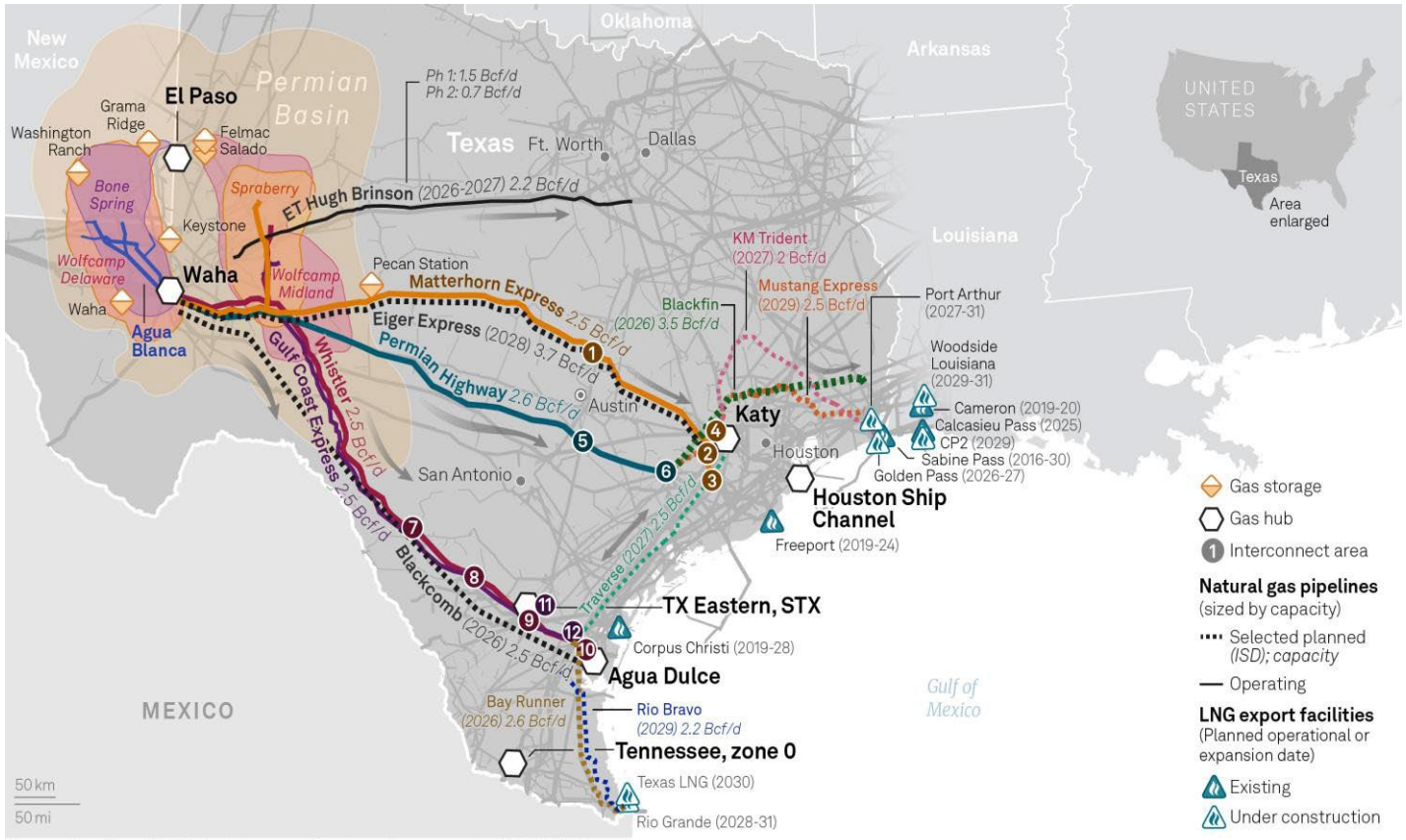
Summer 2026 brought new competition for Permian supply via feedgas deliveries to ECA and a wave of new easterly egress capacity that entered service in June

Western outflows to the Gulf Coast (Bcf/d)



Western exports to Mexico (Bcf/d)



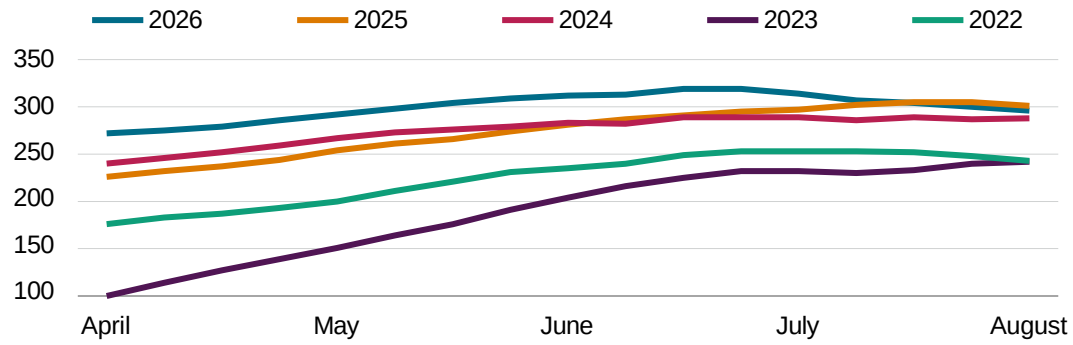


Source: Data from S&P Global Upstream Solutions. Data compiled Feb. 6, 2026.
Credit: Energy Content Design; © 2026 S&P Global. All rights reserved. Provided "as is", without any warranty. This map is not to be reproduced or disseminated and is not to be used nor cited as evidence in connection with any territorial claim. S&P Global is not an authority on international boundaries which might be subject to unresolved claims by multiple jurisdictions.

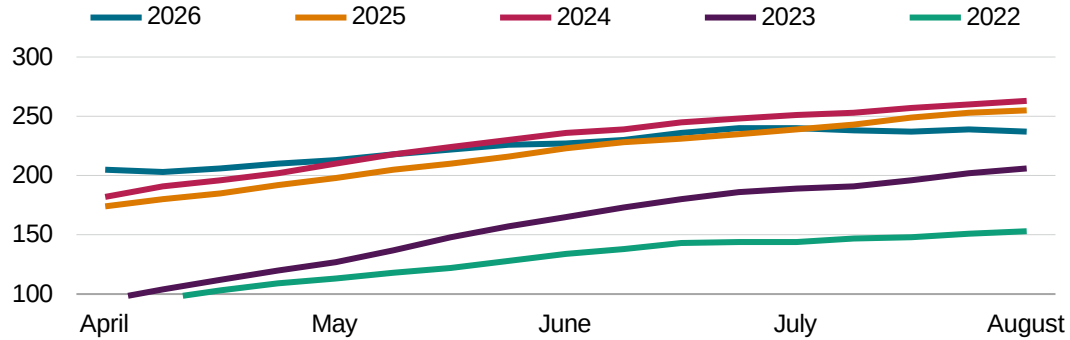
Data compiled Aug. 25, 2026.
Source: S&P Global Energy.

The EIA Pacific region reported six consecutive weeks of withdrawals in July-Aug., erasing longstanding weakness at Western benchmarks

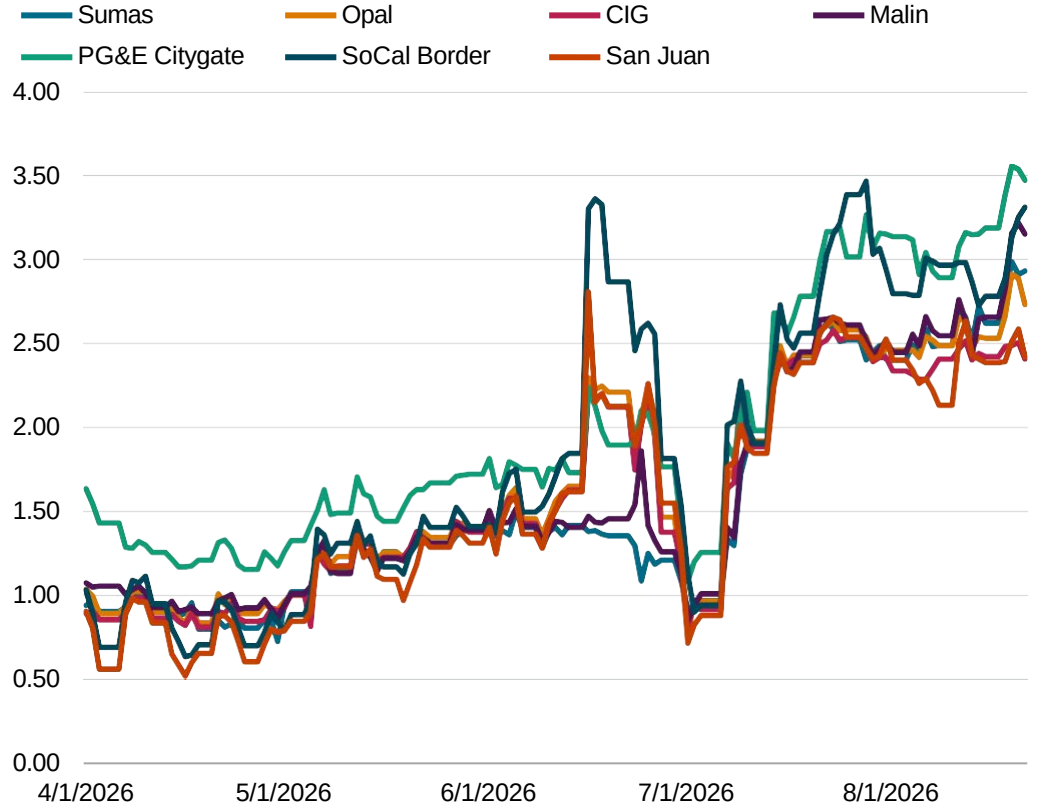
EIA Pacific region inventory (Bcf)



EIA Mountain region inventory (Bcf)



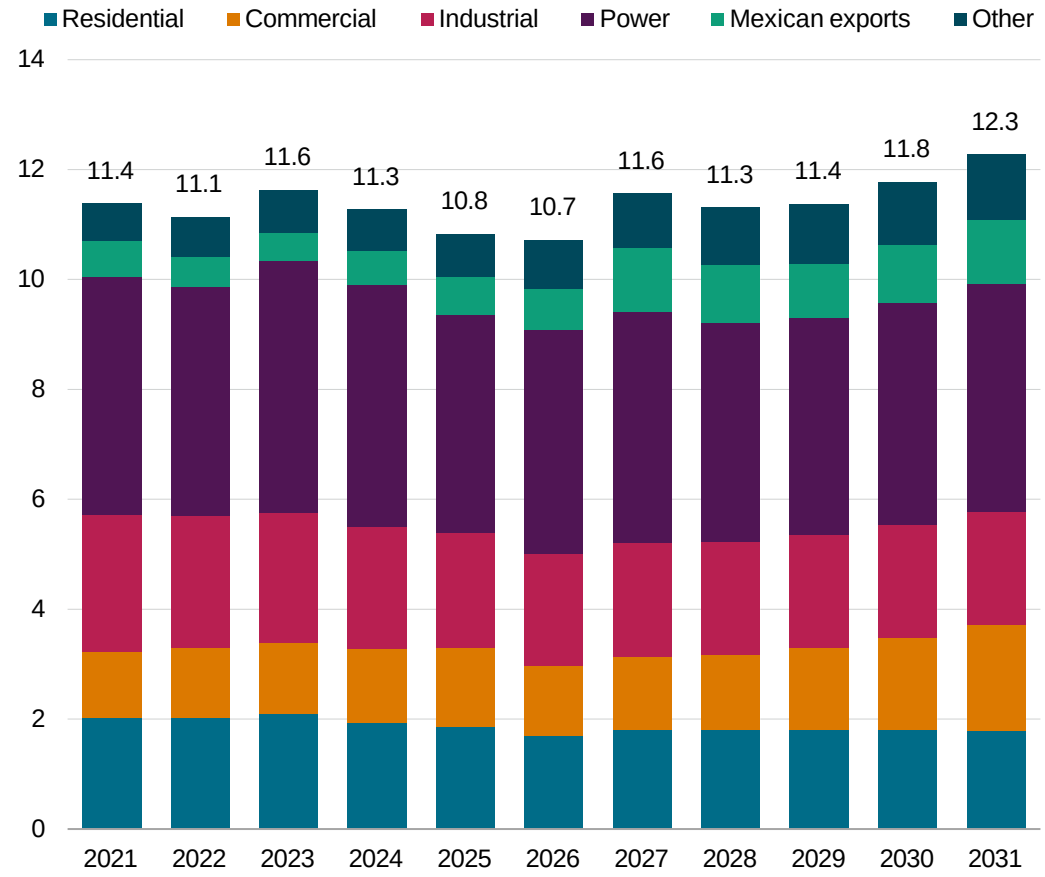
US West and Rockies spot prices ($/MMBtu)



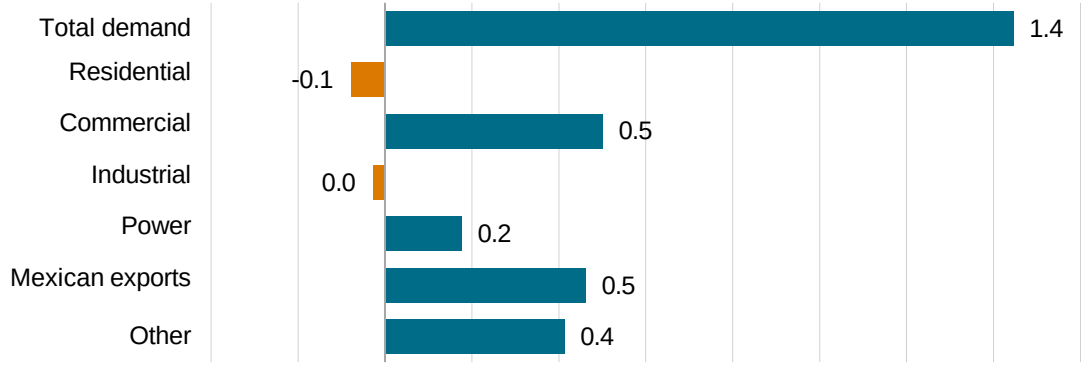
Data compiled Aug. 27, 2026.
Historic pricing data from Platts, a part of S&P Global Energy.
Sources: S&P Global Energy; US EIA.

Demand growth in the West is concentrated in the Desert Southwest, attributed to on-site gas demand for data centers and growth in exports to Mexico

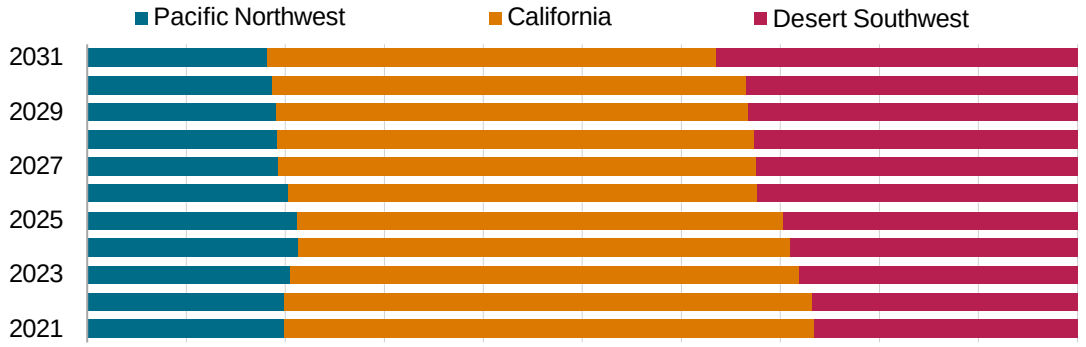
Western demand by sector, 2021-31 (Bcf/d)



Demand growth by sector, 2031 vs. 2025 (Bcf/d)



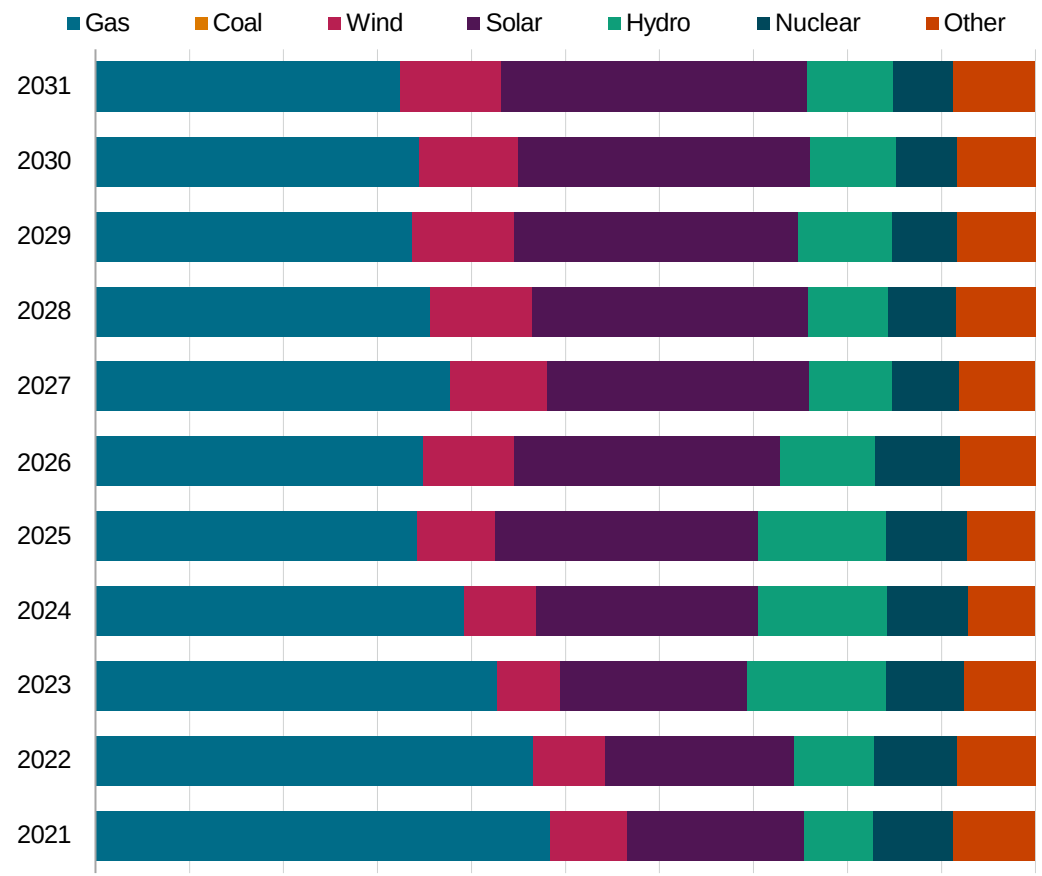
Regional share of total consumption in the West



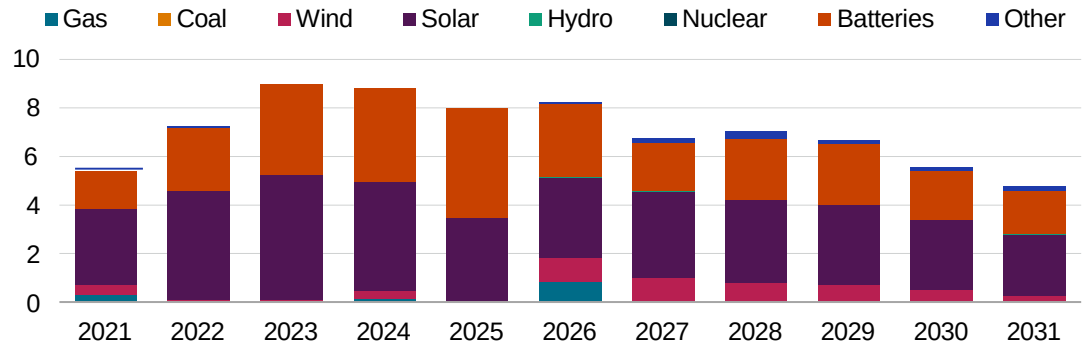
Data compiled Aug. 25, 2026.
Data shown may reflect rounding.
Sources: S&P Global Energy; US EIA.

Renewables penetration weighs on gas generation in the near term, despite overall load growth, primarily driven by data centers

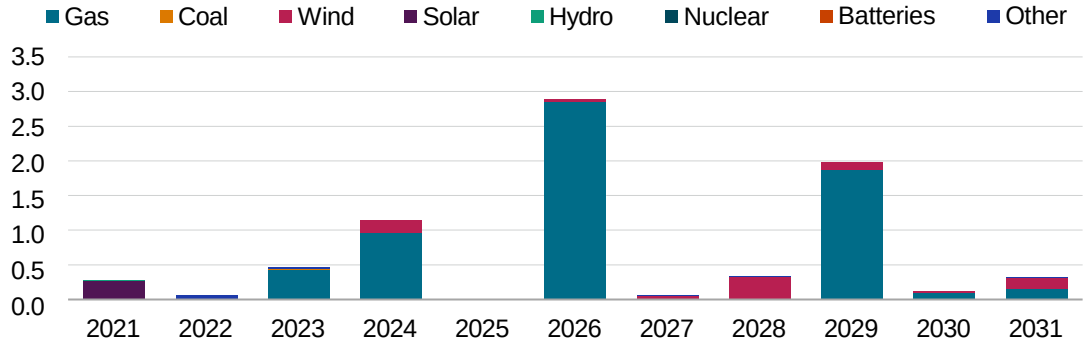
Percentage of total California power generation, 2021-31



California power capacity additions, 2021-31 (GW)



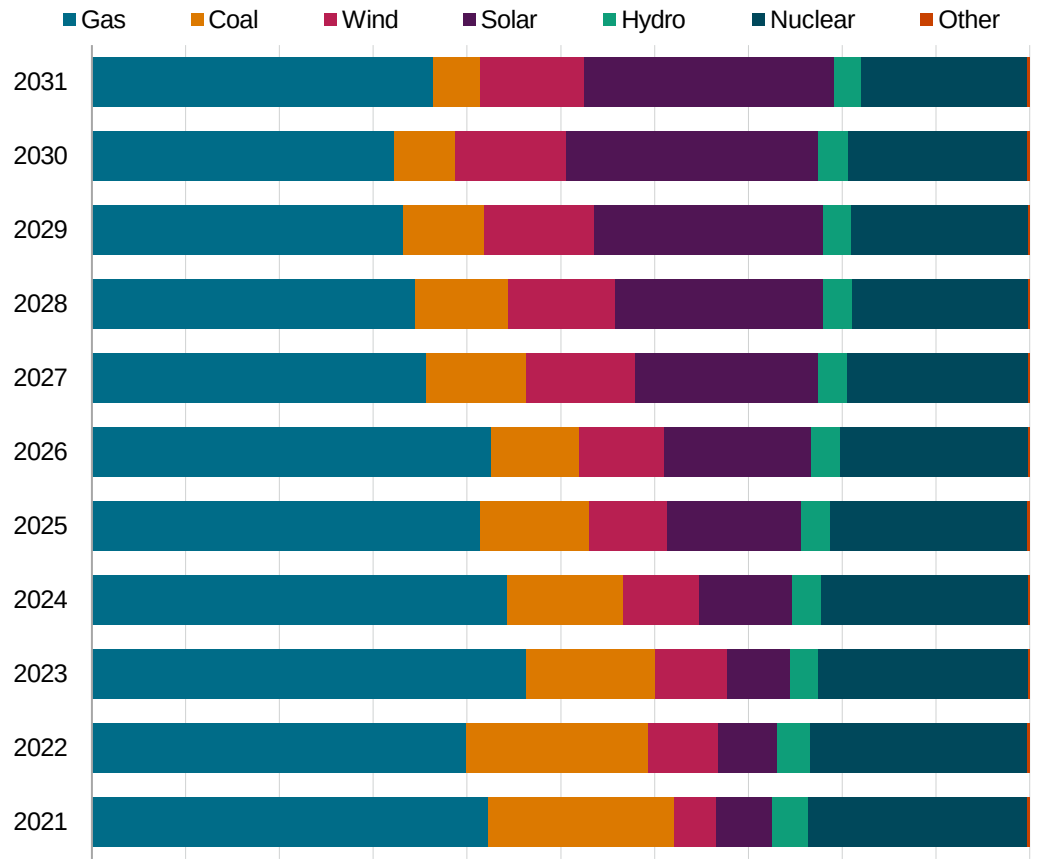
California power capacity retirements, 2021-31 (GW)



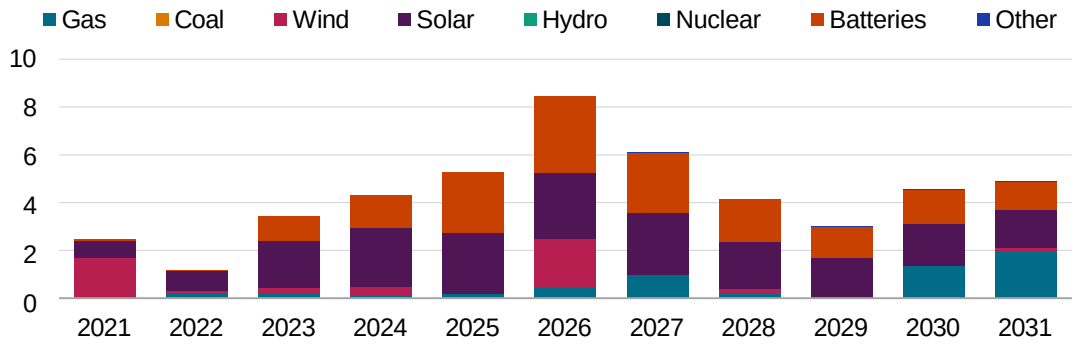
Data compiled Aug. 25, 2026.
Capacity additions and retirements according to calendar year. Other includes oil, biomass, geothermal and pumped storage.
Sources: S&P Global Energy; US EIA.

Renewables penetration weighs on gas generation in the near term, despite overall load growth, primarily driven by data centers

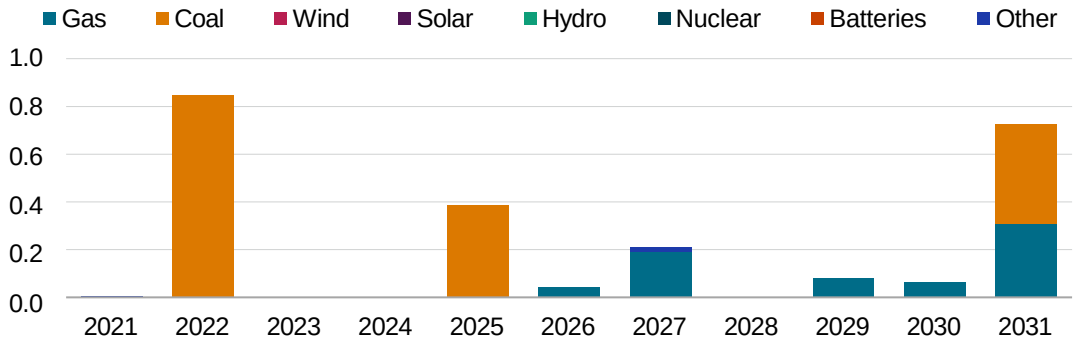
Percentage of total DSW power generation, 2021-31



DSW power capacity additions, 2021-31 (GW)



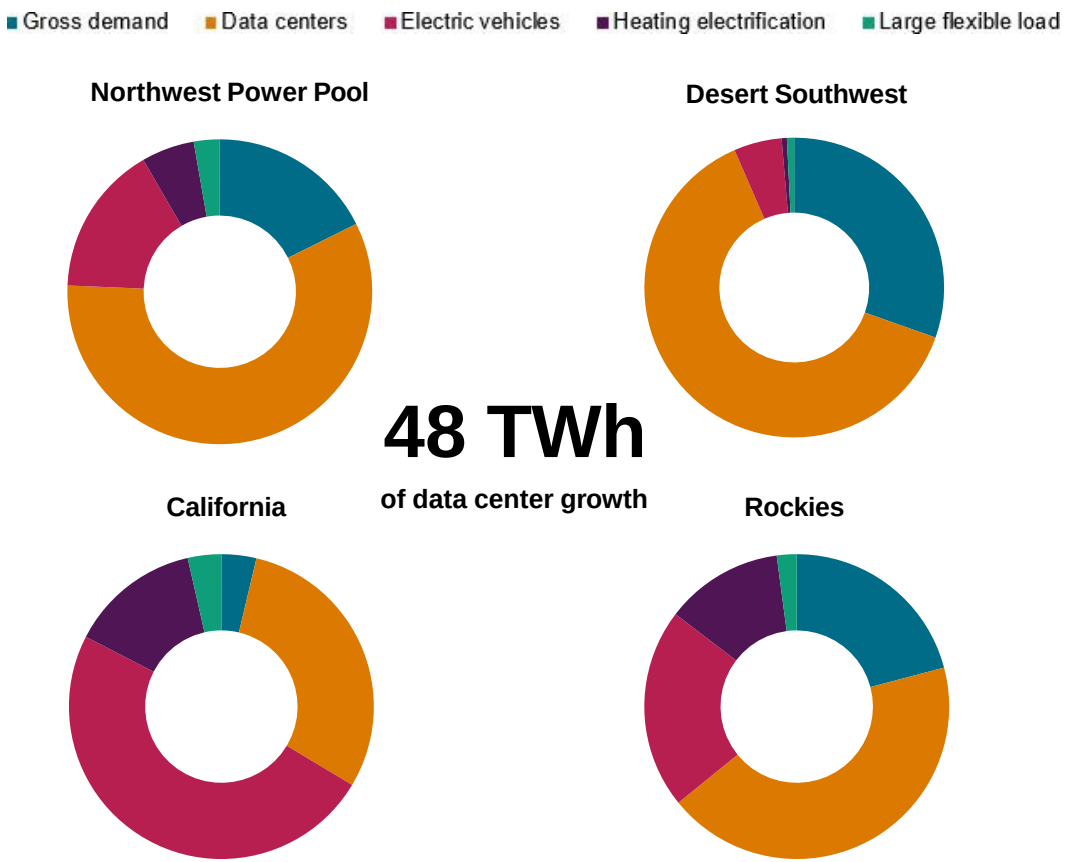
DSW power capacity retirements, 2021-31 (GW)



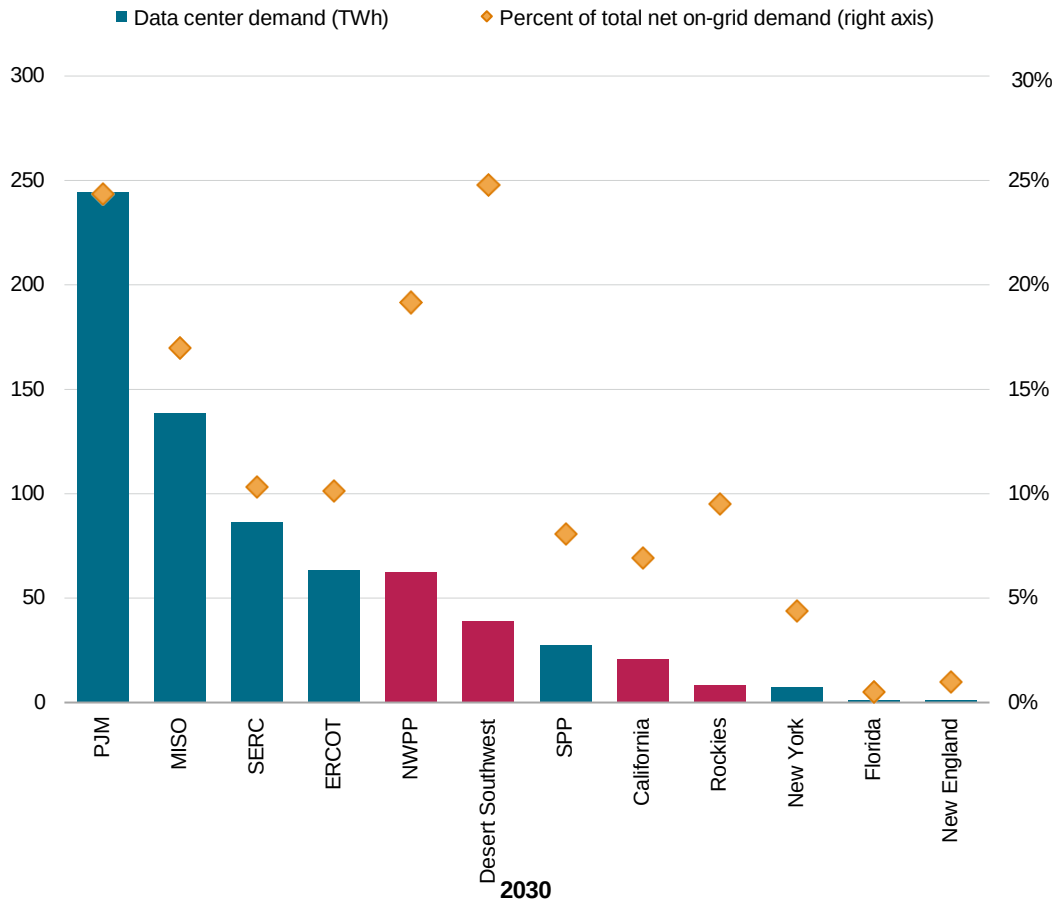
Data compiled Aug. 25, 2026.
Capacity additions and retirements according to calendar year. Other includes oil, biomass, geothermal and pumped storage.
Sources: S&P Global Energy; US EIA.

Data center development is shifting toward the West's more scalable power markets in NWPP and DSW

Regional demand growth share by sector, 2026-30 (TWh)



Data center demand as percent of total net on-grid demand, 2030

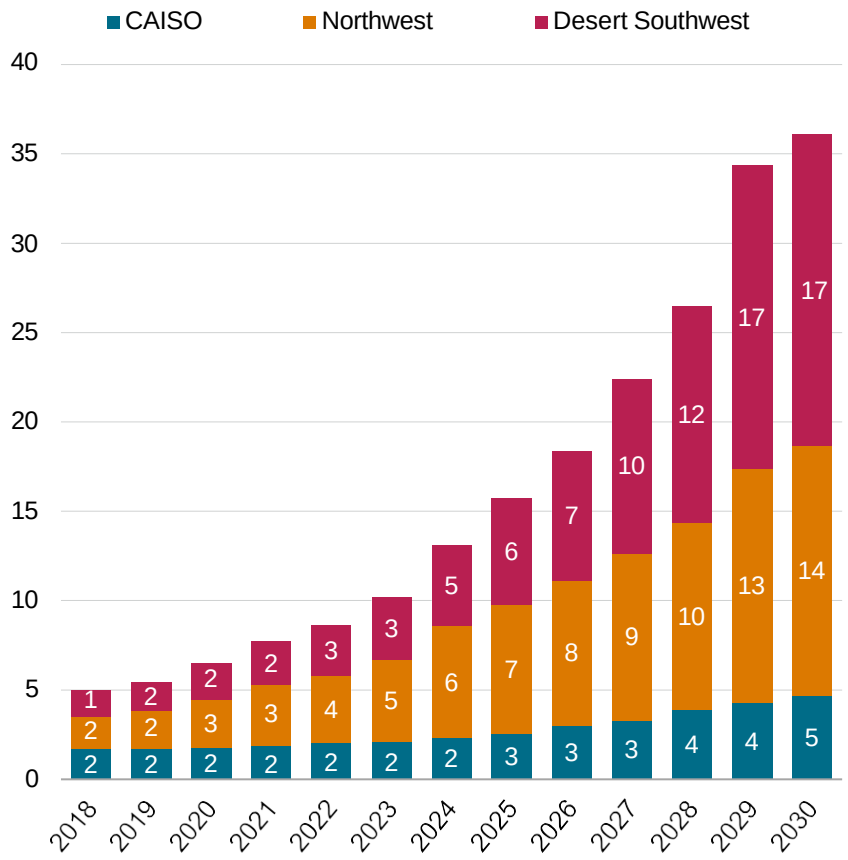


Data compiled Aug. 26, 2026.
Sources: S&P Global Energy

S&P Global Energy

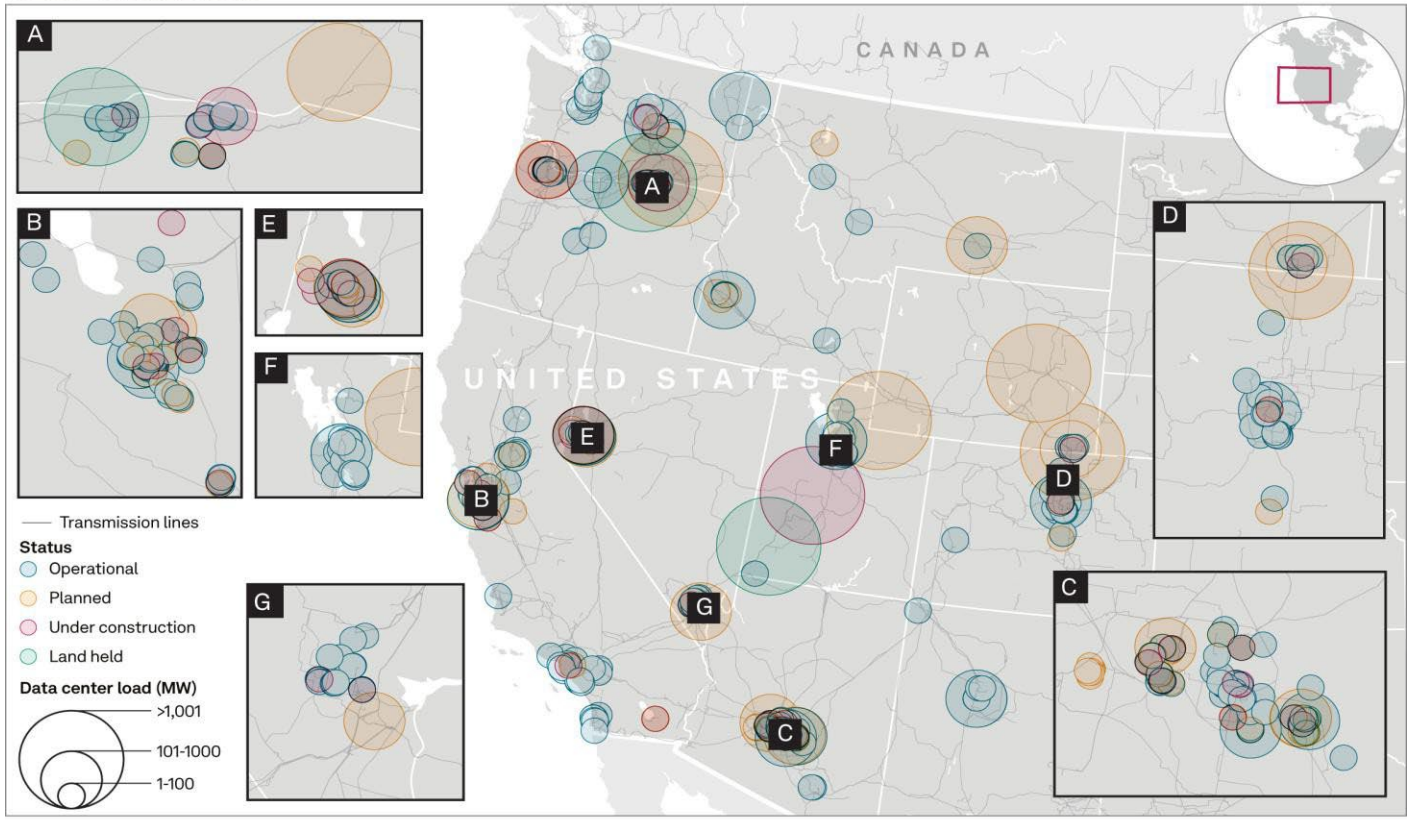
The DSW and NWPP expand rapidly while California lags for a multitude of reasons

Western data center demand (GW)



Data compiled Aug. 26, 2026.
Sources: S&P Global Energy

WECC data centers

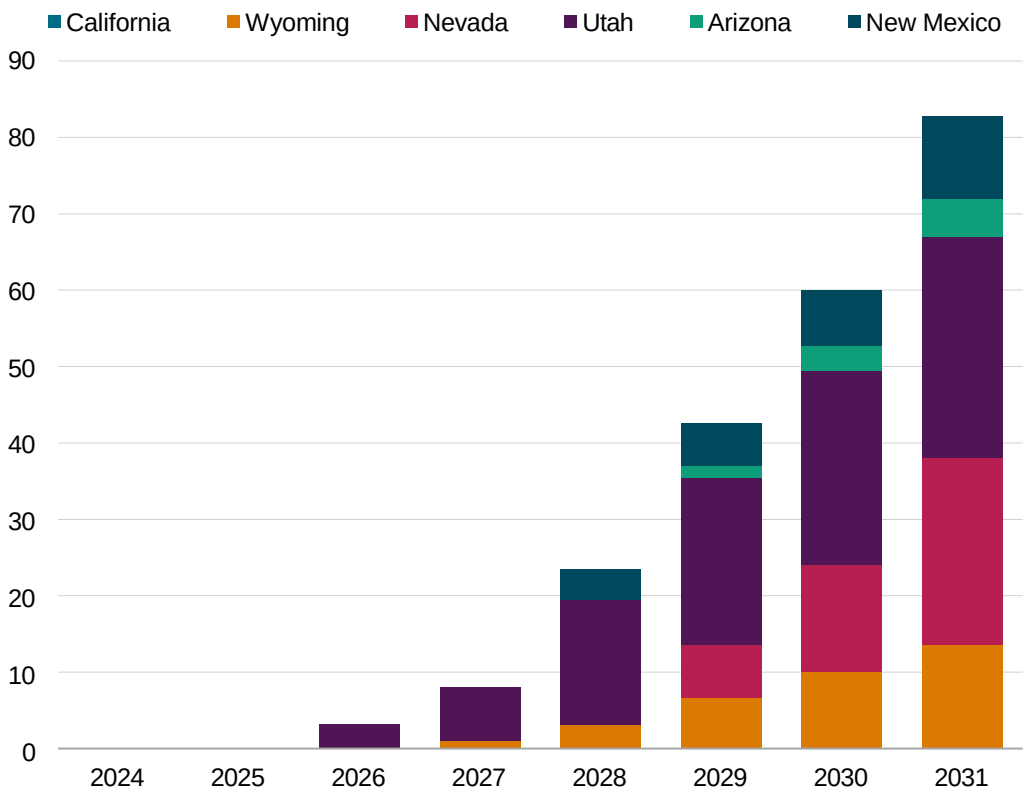


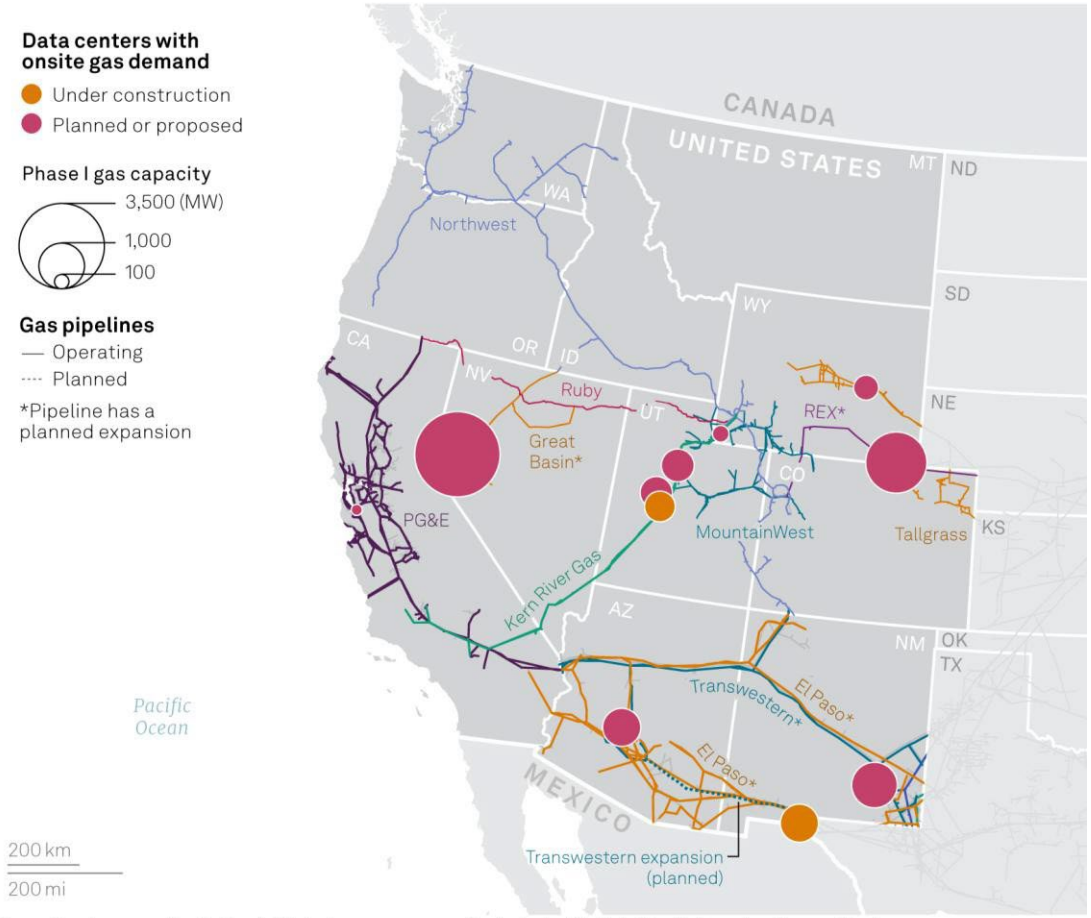
Data compiled Aug. 14, 2026.
Source: S&P Global Energy: 263848-01.
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Energy

The power sector is not the only beneficiary of data center demand—on-site gas demand from data centers boosts the commercial sector outlook

West and Rockies onsite gas generation from data centers, cumulative (TWh)

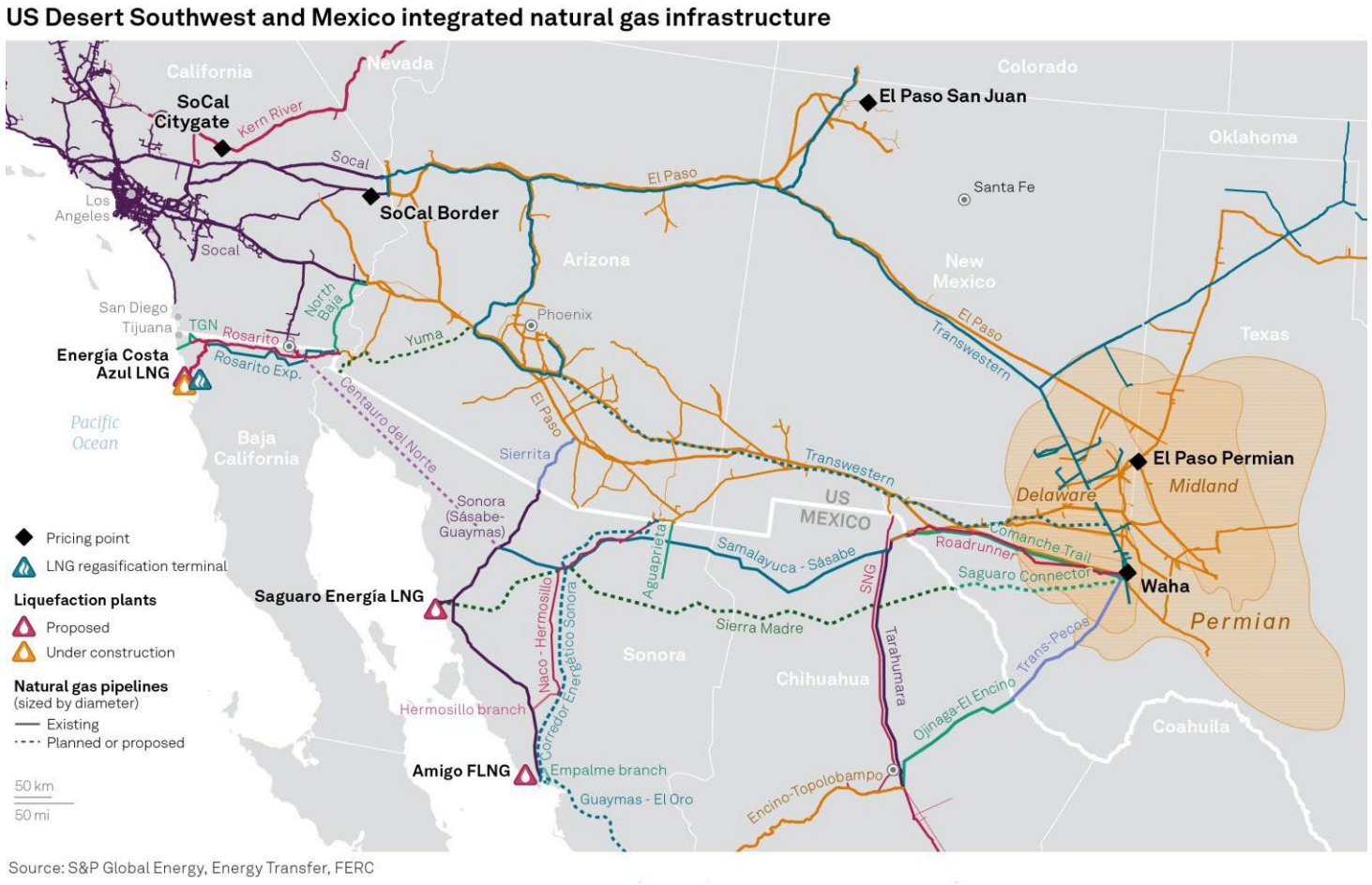




Capacity shown reflects the initial-phase gas capacity included in this North America Gas outlook or that will be incorporated into the North America Power Integrated House View H1 2026 outlook.
For several projects in Texas, Nevada, and Utah, data center locations shown are best-estimate approximations based on available information (e.g., county, highway proximity, nearby infrastructure, announced online year, etc.).

Data compiled Aug. 25, 2026.
Sources: S&P Global Energy; S&P Global Market Intelligence.

Data center demand spurs new long-haul capacity projects to emerging data center hubs as well as several new laterals to enable individual projects



Regionally, gas pipeline expansions are being developed to widely support both utility and dedicated generation serving data centers:

- The Transwestern Desert Southwest Expansion (2.3 Bcf/d, Q4 2029): Designed to transport additional Permian Basin natural gas into Arizona and New Mexico — the two states experiencing accelerating load growth tied to population and data center development.
- The Great Basin expansion (0.8 Bcf/d, Q4 2028): Another regional example, increasing firm gas deliverability into Nevada, directly supporting on-site gas-fired generation serving data center campuses.

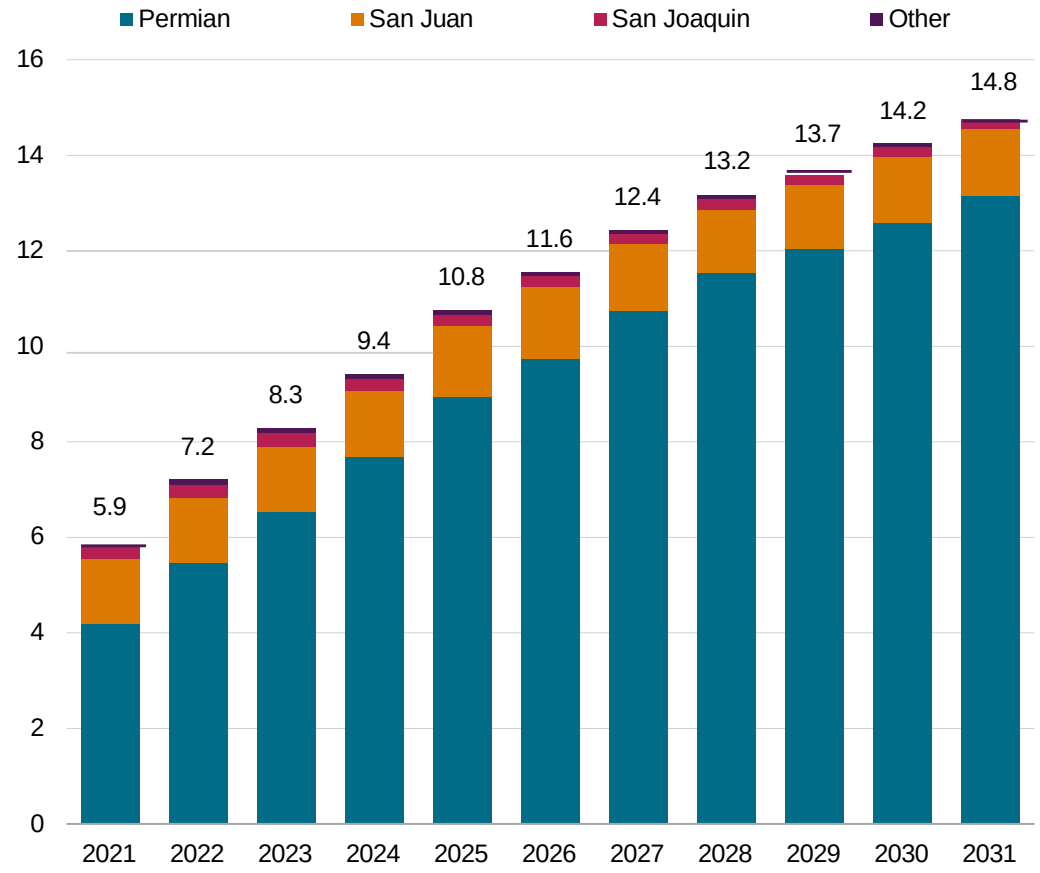
Pipeline laterals are being developed to enable individual data center projects:

- The Switchgrass Lateral (0.4 Bcf/d, Q4 2026): A roughly 7-mile pipe, proposed by Rockies Express Pipeline that will run from the Cheyenne Hub in Colorado to Laramie County, Wyoming, and includes a new interconnect and meter station. The gas infrastructure is tied to Project Jade, a 1.8-GW (scalable to 10 GW) data center campus.
- The Green Chili Lateral (0.4 Bcf/d, Q1 2027): A roughly 18-mile pipe delivering gas to Project Jupiter, which could host up to 4 GW of natural gas capacity, as well as on-site renewables to power a 4-GW data center and is expected to begin operations in early 2027.

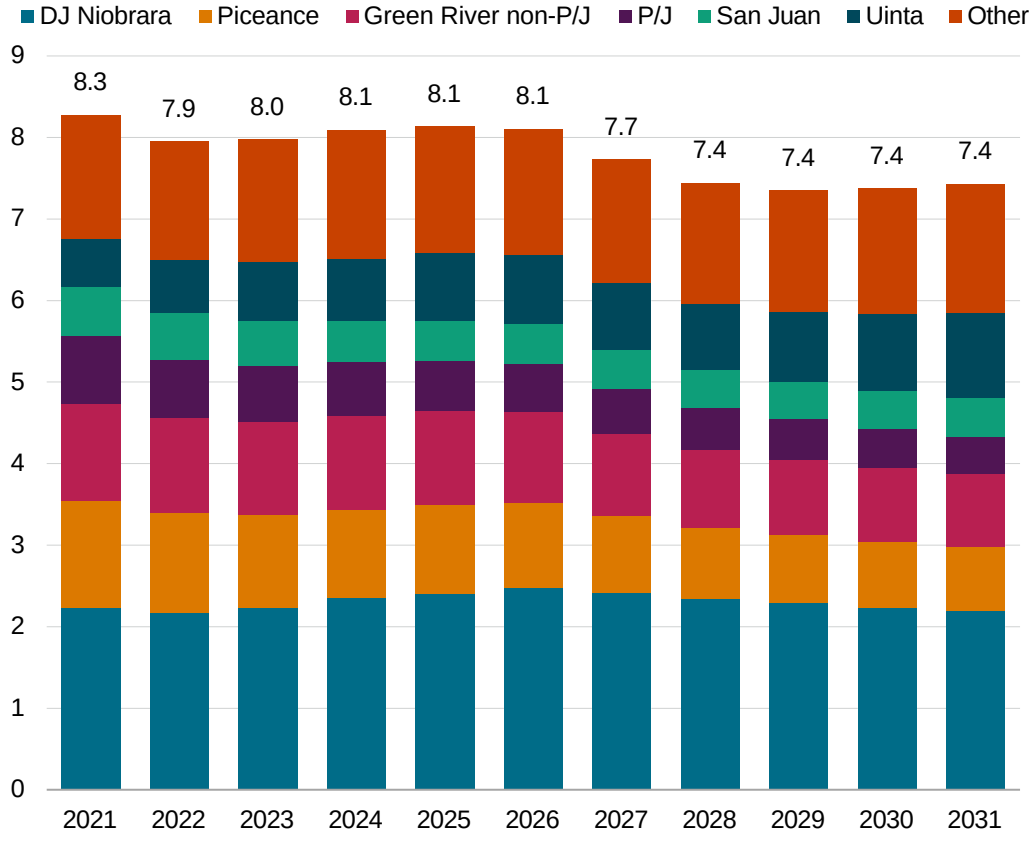
Data compiled Aug. 25, 2026.
Source: S&P Global Energy.

The Permian makes up an increasing share of the supply profile in Western markets in the near term, even with rising outflows to the Gulf Coast

Western production, 2021-31 (Bcf/d)



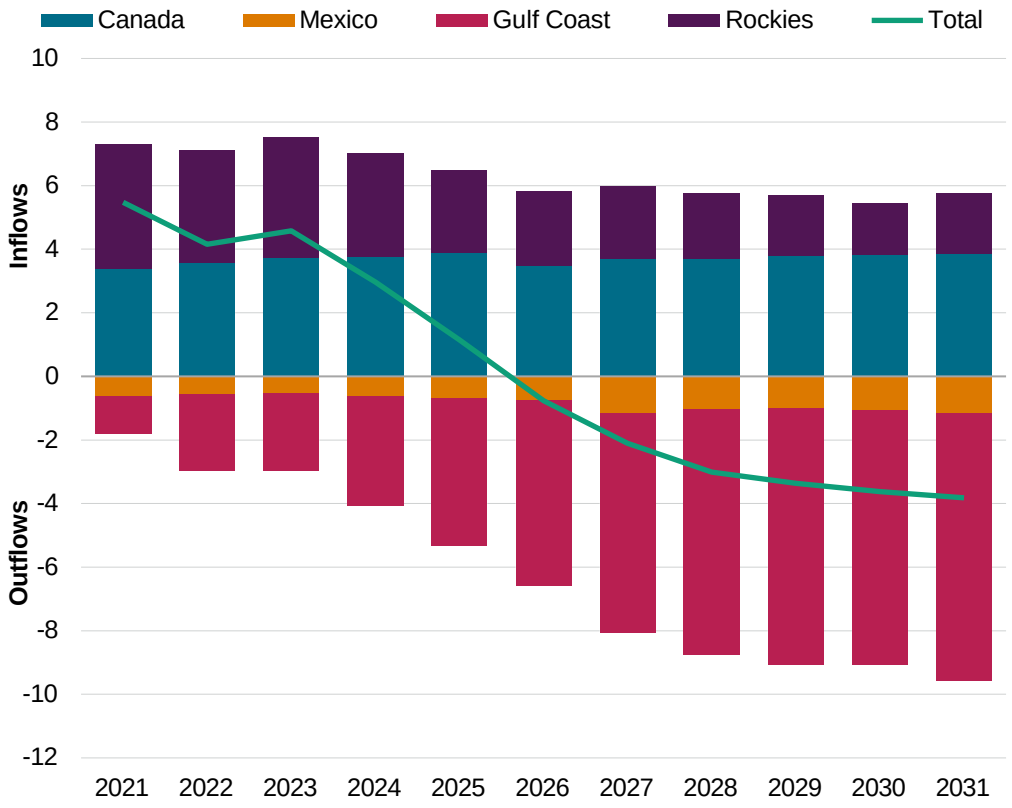
Rockies production, 2021-31 (Bcf/d)



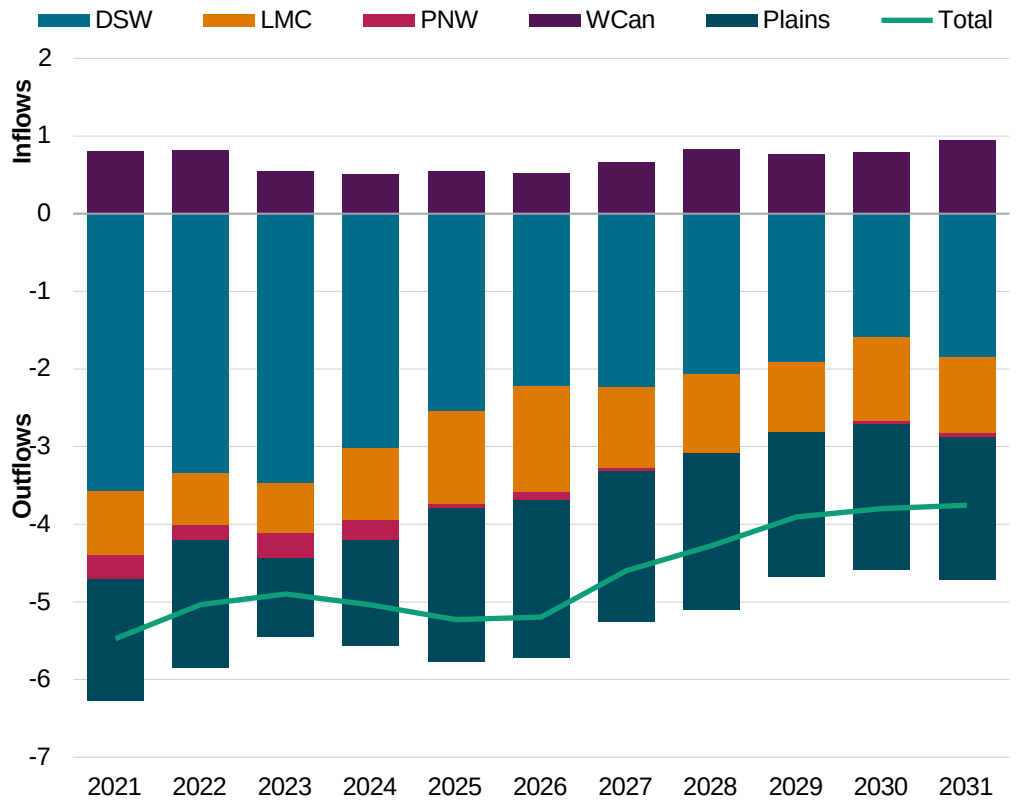
Data compiled Aug. 25, 2026.
P/J = Pinedale/Jonah, Green River non-P/J = Green River non-Pinedale/Jonah. Production for prominent plays is within the region. Other reflects the remaining production in the region.
Sources: S&P Global Energy; US EIA.

Incremental Western production flows east into the ballooning Gulf Coast market, driving growing regional net outflows; the Rockies remain a net exporter, with flows declining in step with production

Western regional flows, 2021-31 (Bcf/d)



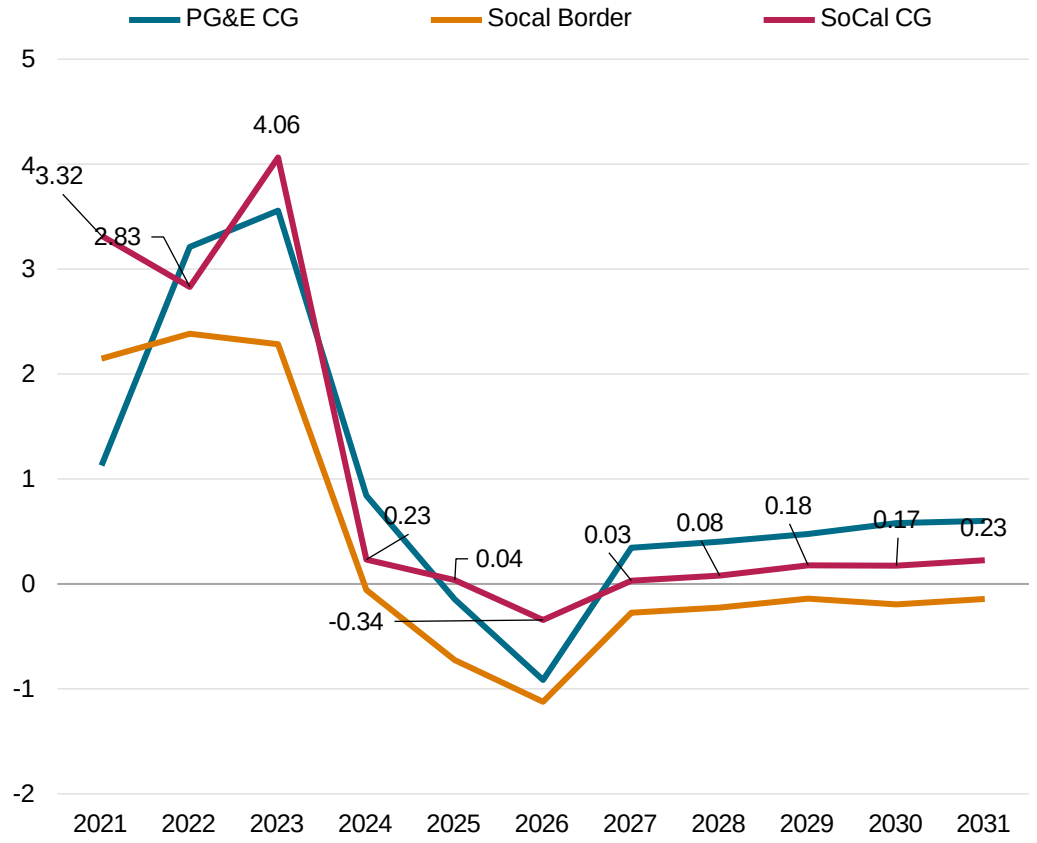
Rockies regional flows, 2021-31 (Bcf/d)



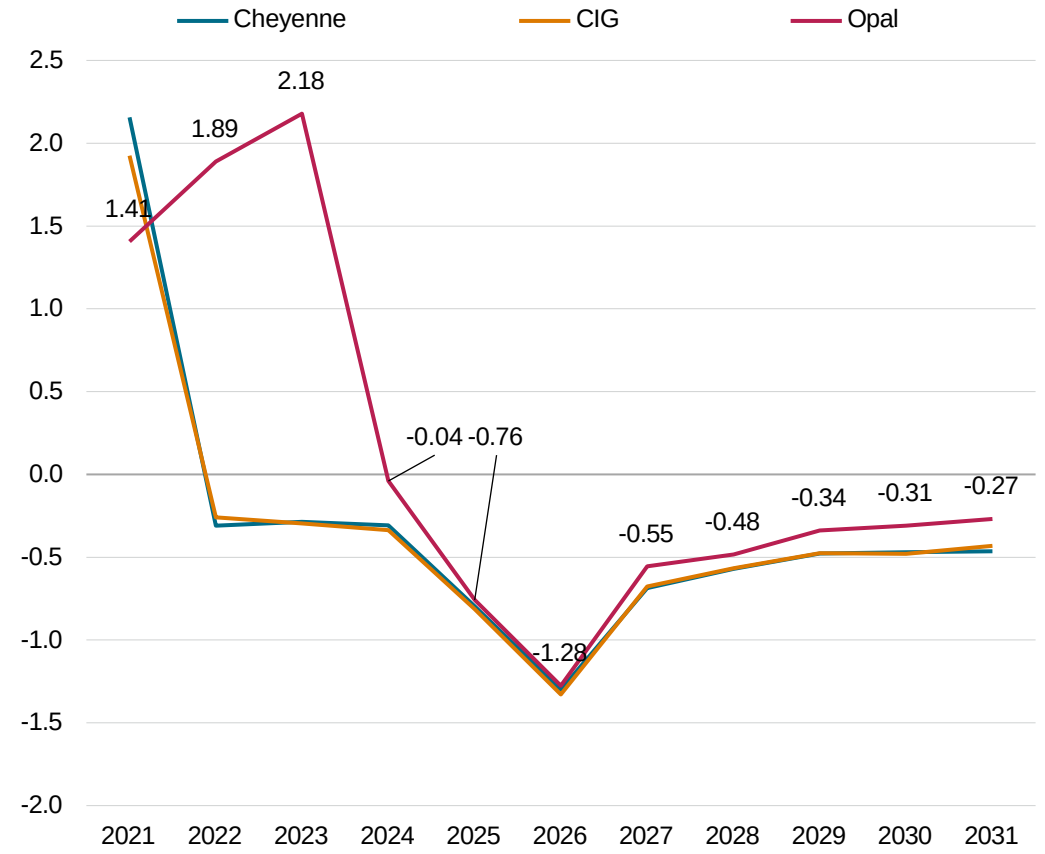
Data compiled Aug. 25, 2026.
Limited visibility into flows onto intrastate pipelines in Texas results in an imbalance for West to Gulf Coast historical volumes. Adjustments are informed by EIA 176 data, PHMSA Annual Gathering Report Data, and growth in processing capacity.
Sources: S&P Global Energy; US EIA.

Pricing trends are shaped by production, demand growth in downstream markets, local demand, storage balances, and pipeline constraints

California gas hubs annual basis differentials, 2021-31 ($/MMBtu)



Rockies gas hubs annual basis differentials, 2021-31 ($/MMBtu)



Data compiled Aug. 25, 2026.
Historic pricing data from Platts, a part of S&P Global Energy.
Source: S&P Global Energy.



Closing Comments & Announcements

Mac McGuire

Vice President, Customer Service
& Business Development

Kern River Gas Transmission Company


Thanks for coming!
Kern River
GAS TRANSMISSION COMPANY