PEOPLES GAS®

Pipe Retirement Program Biannual Forum

Dec. 8, 2025

Pipe Retirement Program
Biannual Forum

Second Session

Welcome!

1. We will allow time for guests to join and will begin at 4:10 pm.
2. We will have one 5-minute break and expect the meeting to last approx. 3 hours.
3. Please identify your name and organization. Find your name in the Participant List, click the three dots next to your name, select “Edit display name”.
4. Please use the chat function to ask questions. We will monitor the chat and answer questions during the presentation.
5. The meeting is being recorded and will be posted on the Peoples Gas YouTube page. The presentation will be posted on the Peoples Gas website.

Pipe Retirement Program
Biannual Forum

Second Session

Agenda

1. Opening comments and introductions
2. Pipe Retirement Program scope and key objectives
3. A walk down of “The PRP Way” — Project lifecycle
4. Pipe Retirement Program governance and delivery model
5. Pipe Retirement Program ramp-up plan and stakeholder engagement
6. Wrap up and closing comments

Welcome and purpose

Peoples Gas is excited to share with you our Pipe Retirement Program strategy and roadmap for retirement of just over 1,000 miles of cast- and ductile-iron natural gas mains that are under 36 inches in diameter.

Our values

Safety first

Every decision we make — scope, schedule and spend — will be grounded in risk reduction.

Transparency and cost-effectiveness

The Pipe Retirement Program will be a world-class capital program: disciplined planning, clear controls, transparent reporting.

Community and partnership

This work creates Illinois jobs, supports local and diverse suppliers, and minimizes neighborhood disruption through tight coordination with our city partners.

Introduction to our moderator and panelists

Moderator: Polly Eldringhoff, Vice President — Operational Performance, PRP Program Executive

Panelists

Annie-Beryl Akuamoah, City and Customer Coordination Manager

Danielle Bly, Vice President — Supplier Diversity

Eric Stall, PRP Development and Planning Manager

Eric Wagener, PRP Strategic Planning Lead

Jerry Dickson, PRP Program Manager

Jon Czarnecki, Director — Engineering

Peggy Salvatore, Director — Work Management and Project Controls

Tom Aridas, Vice President — Local Affairs and Community Relations

High Level Scope, Key Objectives and Introduction to 'The PRP Way'

Presented by: Polly Eldringhoff

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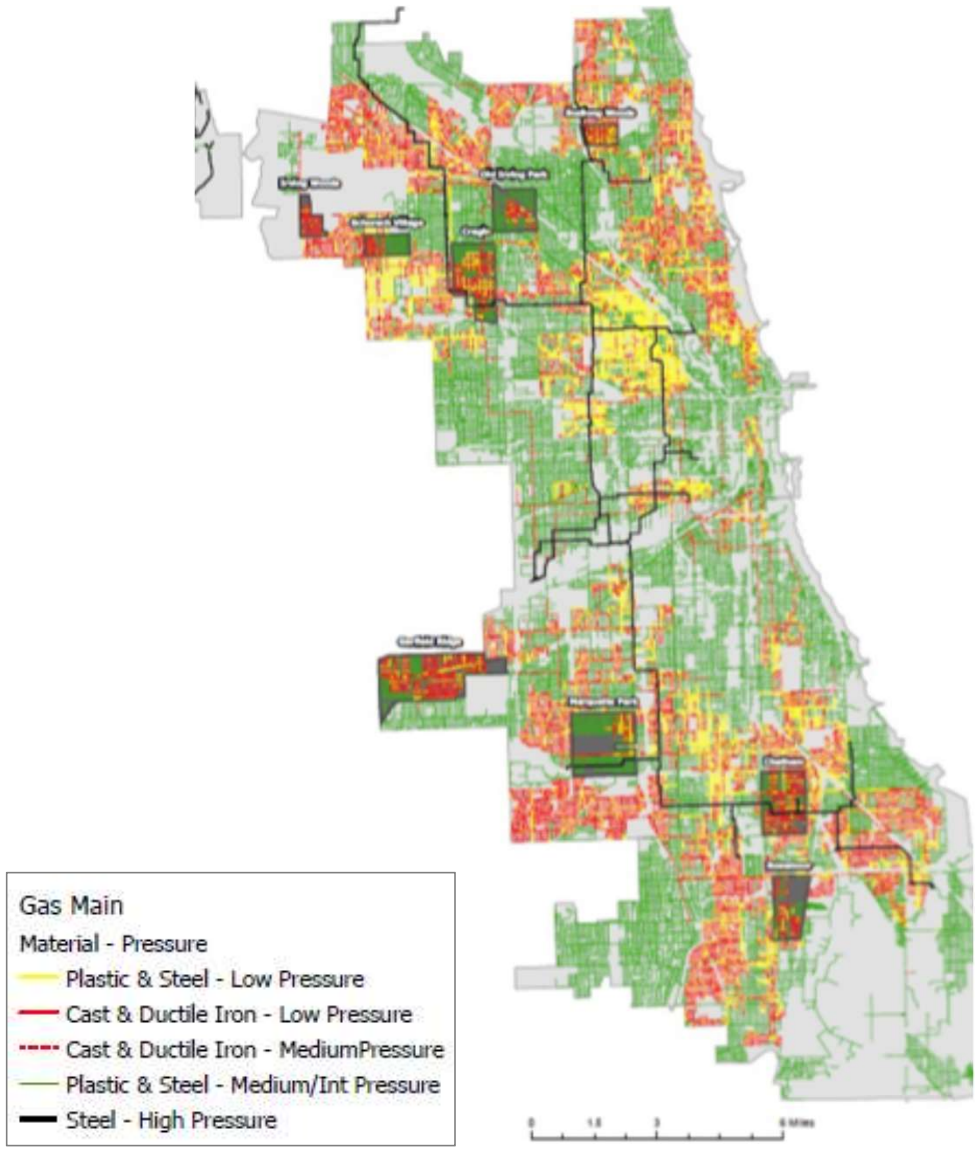
Pipe Retirement Program scope

Retire 1,020 miles of cast- and ductile-iron gas mains less than 36 inches in diameter by Jan. 1, 2035

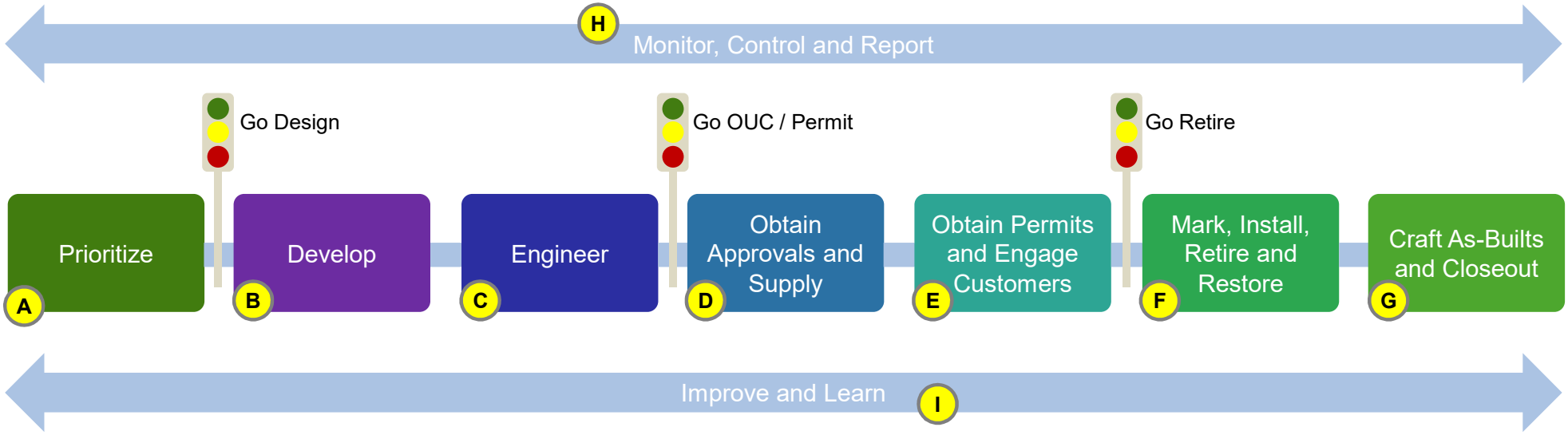


Safety Modernization Program (SMP) to new Pipe Retirement Program (PRP) with continued focus on our core values

SMP	PRP
• Replacement of all cast and ductile iron, regardless of diameter or driver/need • High-pressure and neighborhood planned work	• Retirement of all cast-iron/ductile-iron <36" • Implementation of JANA probabilistic risk model • Considering system-based assets
Emergency, public improvement, system improvement	Credit for all cast-iron/ductile-iron retirement miles, but planned and managed outside of PRP
Assumed installation of: • Medium pressure • Single or double-decking in parkways • New gas service lines	New **alternative analysis** covering: • Medium pressure • Single or double-decking in parkways • Reconnect or install new gas service lines
Move meters outside	• Meters remain inside • Add regulator for new medium pressure
~2,371 miles of main to retire (program plan) with ~1,450 left to retire (included 400 miles of either intermingled low-pressure plastic or higher-diameter pipe)	~1,020 miles of main to retire

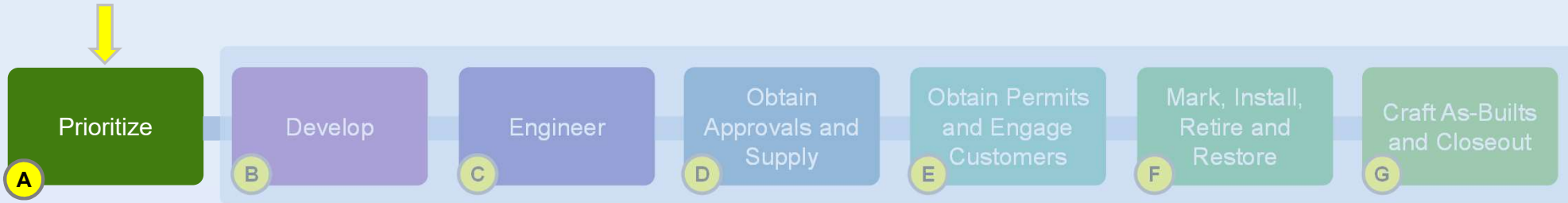
Safety | Transparency and Cost-effectiveness | Community and Partnership

The PRP Way — Project lifecycle



Programmatic Prioritization of PRP Projects

Panelists: Eric Stall



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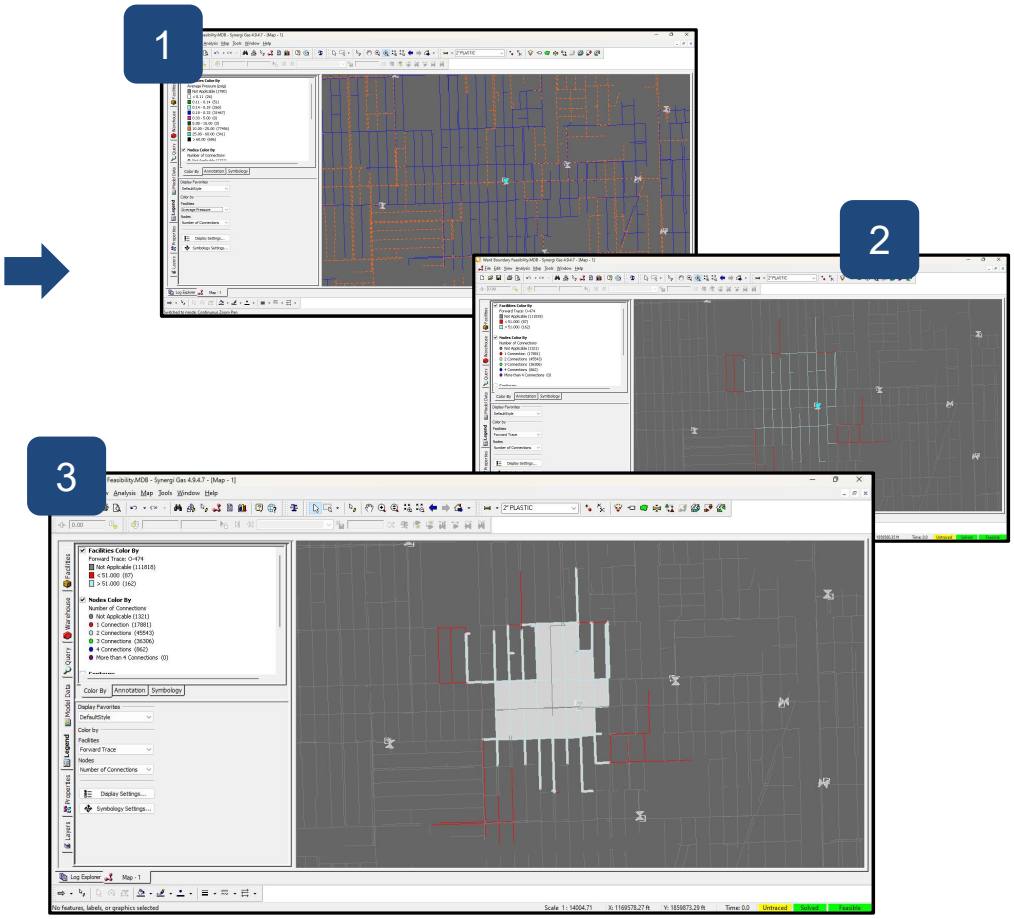
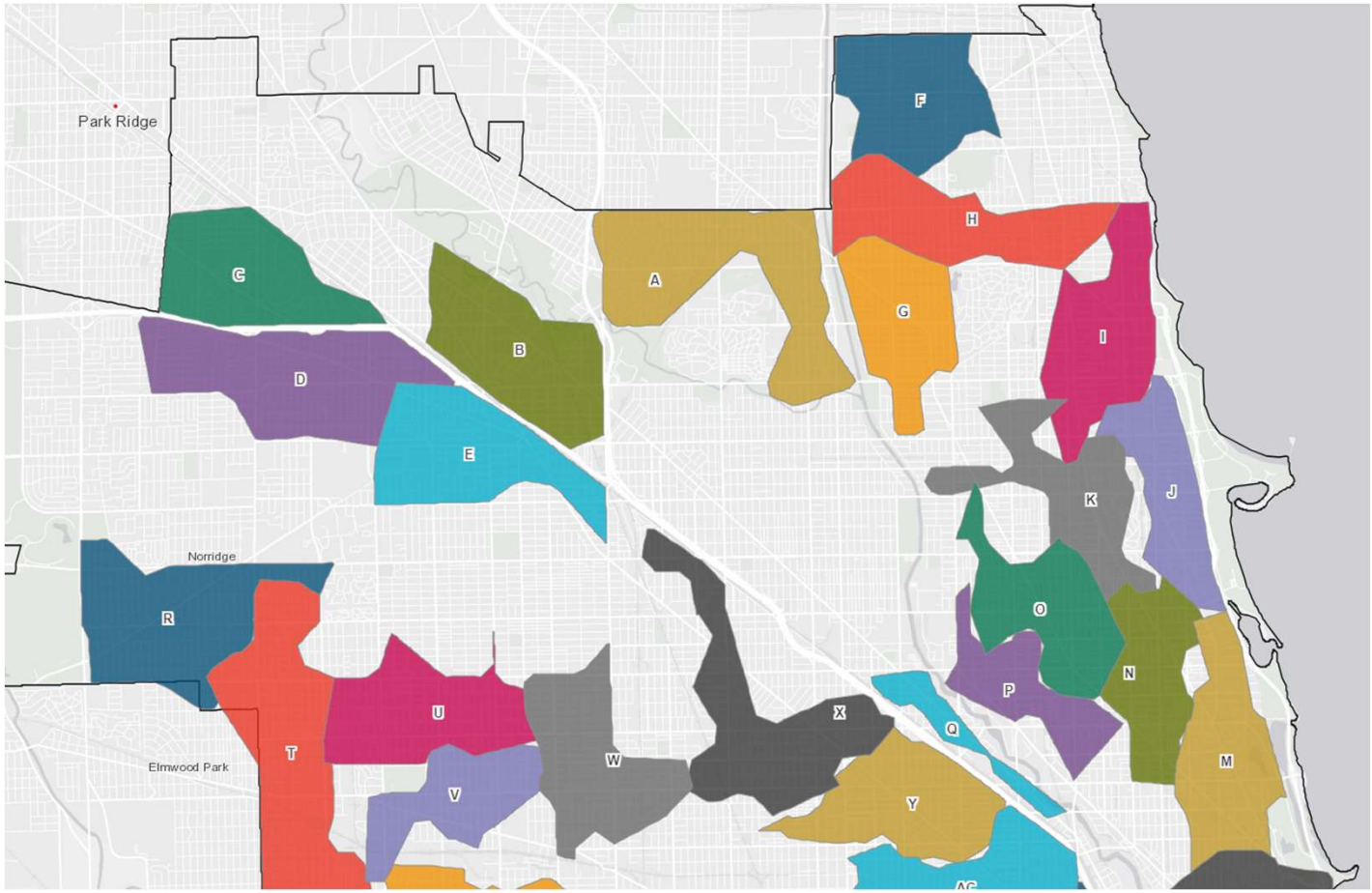
PRP will leverage a systems-based approach to project risk assessment and prioritization

- For PRP, our engineering team is developing a systems (natural gas system) based approach to establish project boundaries using system flow capacities.
  - Approach focuses on safety and reliability of both current and proposed natural gas systems.
  - Takes into account and balances system requirements along with customer needs and construction execution requirements.
- These boundaries are then prioritized using JANA probabilistic risk model.



Identifying piping systems

- Transpose polygons from the hydraulic model to GIS system.
- Group these individual polygons into piping systems.
- Note: Letters assigned for identification purposes only (not an indication of priority).



JANA modeling overview

Ideally progress from highest mitigated risk per foot to lowest.

However, additional factors must be considered:

- Hydraulic feasibility
- Schedule
- Cost
- Constructability
- City and third-party coordination

Mitigated Risk = Overall Risk – Outcome Risk

Overall Risk
Current state total risk

Overall Risk Threat Units								
A	B	C	D	E	F	G	H	I
Corrosion Failure	Equipment Failure	Excavation	Incorrect Operations	Material Failure	Joint Failure Modes	Natural Forces	Other Failure Modes	Other Outside Forces
89,677.27	2,941.50	147,811.29	7,272.41	3,830.31	69,293.28	234,139.10	10.12	990.69

Outcome Risk
Remaining risk after PRP has taken action

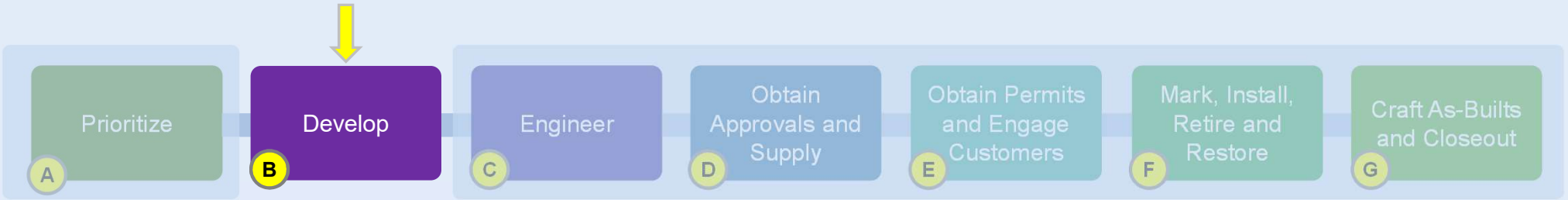
Risk Threat Units								
J	K	L	M	N	O	P	Q	R
Corrosion Failure	Equipment Failure	Excavation	Incorrect Operations	Material Failure	Joint Failure Modes	Natural Forces	Other Failure Modes	Other Outside Forces
0.00	0.00	70,663.68	1,026.68	0.00	0.00	5,150.61	10.12	1,115.55

Mitigated Risk
Total risk reduction from PRP action

Mitigated Risk per Foot Units
(Mitigated Risk)/(Total Feet of CI/DI < 36")
(477,999.32)/(119,702.79) = **3.99**

Project Development

Panelists: Eric Stall and Eric Wagener



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Development Engineering

- Development Engineering is responsible for performing early-stage engineering system analysis that defines technical scope of PRP projects.
- Team supports transition of concepts into fully developed, constructible projects by performing early-stage system feasibility analysis and scoping of piping systems.

PRP approach to alternative analysis

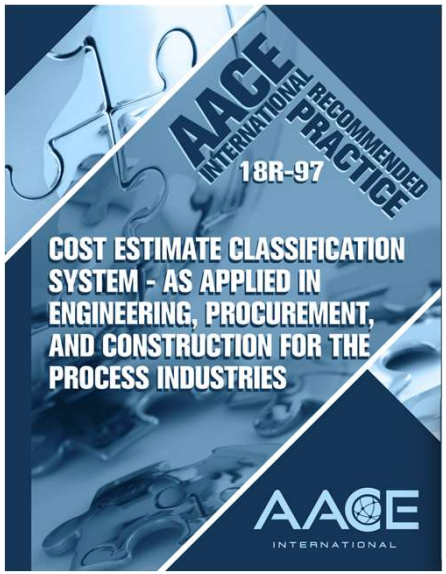
Retirement of cast- and ductile-iron <36" in each piping system will be planned and executed as individual projects.

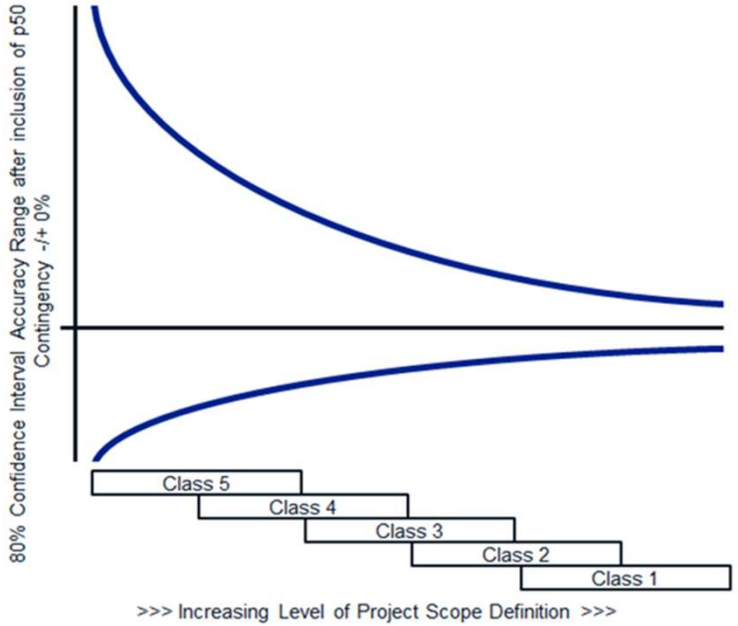
When planning a project to retire cast-and ductile-iron <36" in a piping system, potential NPAs will be part of alternatives analysis.

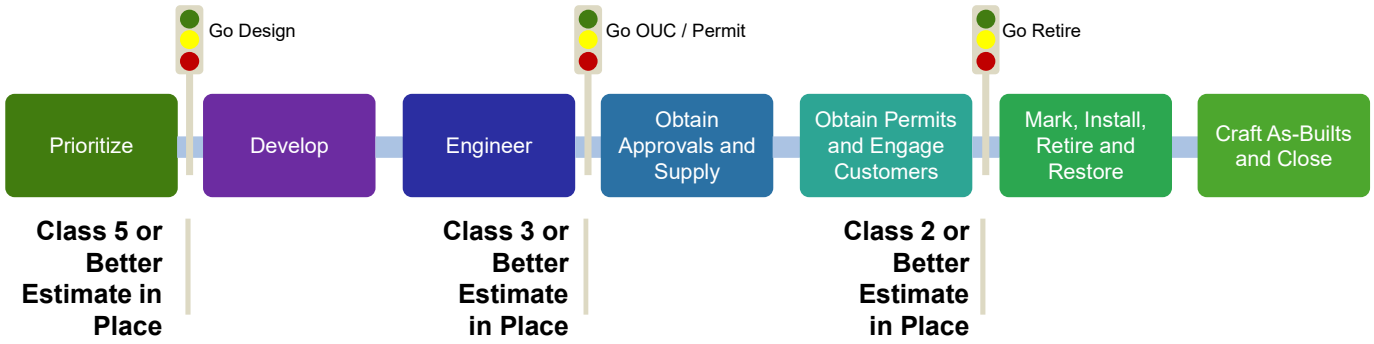
- Before deciding whether to replace CI/DI <36" in piping system, Peoples Gas will develop and incorporate framework to analyze feasibility and cost/benefit of using potential non-pipeline alternatives (NPAs) instead of replacement.
- If NPAs are not feasible or benefits are outweighed by costs, then various alternative approaches to replacement will be analyzed.

PRP is leveraging industry best practice put forth by AACEI to classify and benchmark cost estimates and acceptable levels of uncertainty as project progresses along its life cycle.

Estimating





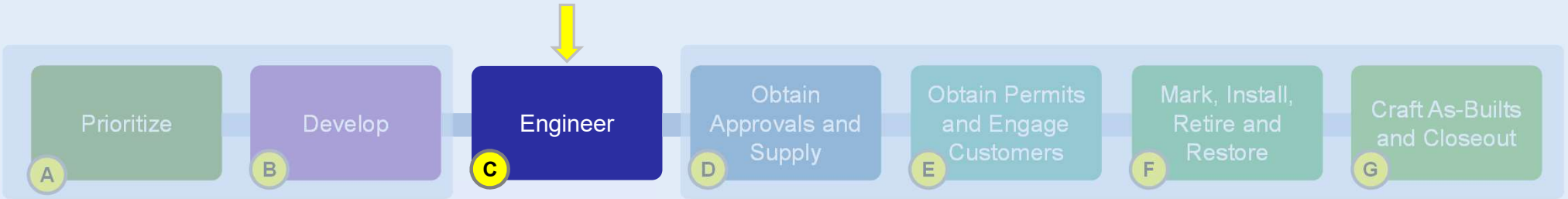


Planning

- **Upfront and robust planning** will play central role in transforming scoped projects into detailed and executable work plans that guide scheduling and delivery for PRP.
- Each project will be **structured for efficient execution** by defining work breakdown structures, activity sequencing and milestone alignment in coordination with estimating, engineering and project delivery teams.
- With long-range and initial project plans that are realistic, **well-documented**, and aligned with program priorities, supporting **consistent project preparation and delivery.**

Project Engineering

Panelist: Eric Stall



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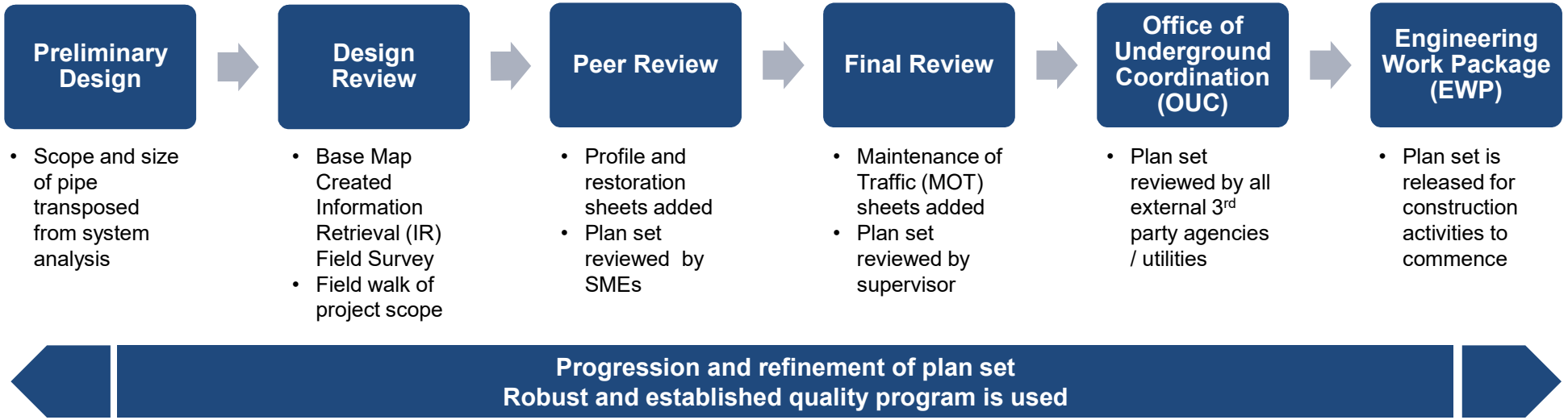
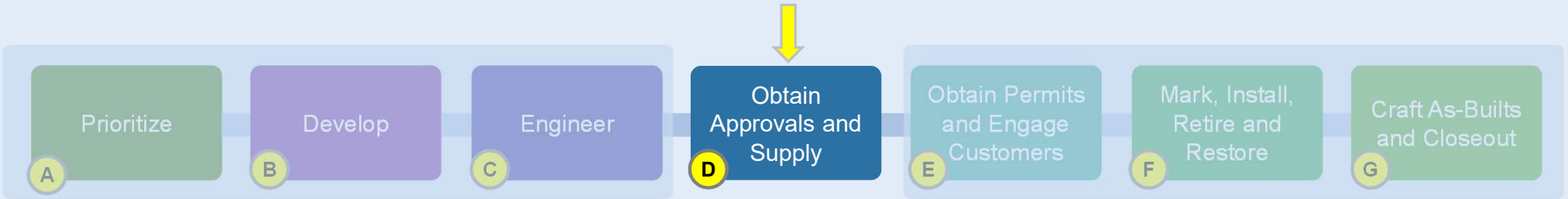
Project Engineering

Project Engineering is responsible for performing detailed, project-based system analysis of the piping system defined by Development Engineering. They analyze and determine the sequencing of projects within the piping system, sequence in which projects must be constructed and any dependencies (system, temperature, etc.) that must be adhered to.



Obtaining OUC Approvals and Supply

Panelists: Eric Stall



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Obtaining OUC approvals

Start

Initial OUC submittal

Review of plan set by 29 other 3rd party agencies

Ensuring separation requirements are met

Construction/restoration timing coordination

Coordination/ collaboration with 3rd party agency reviewers

Detour

Plan set denied by 3rd party agency

Coordination/ collaboration with 3rd party agency reviewers

Plan set updated

Plan set uploaded to OUC for additional review cycles

Extended detour

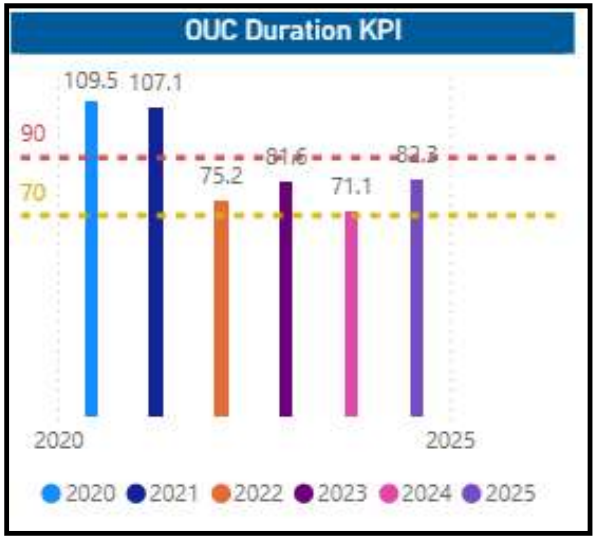
Comments provided by 3rd party agency reviewer

Plan set updated

Plan set update and resubmitted to the OUC for additional review cycles

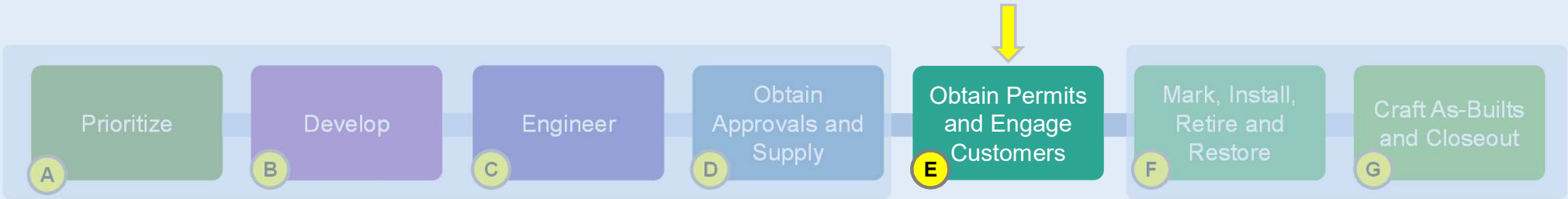
OUC approval obtained

Finish



Obtaining permits and engaging customers

Panelist: Annie-Beryl Akuamoah and Tom Aridas



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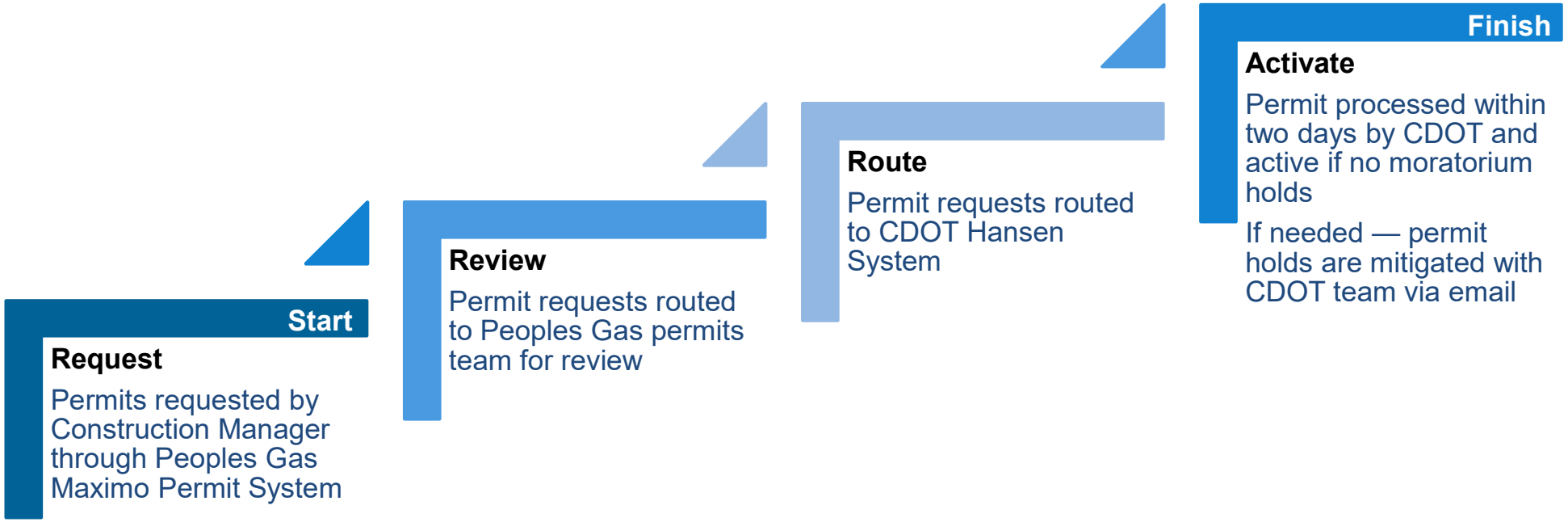
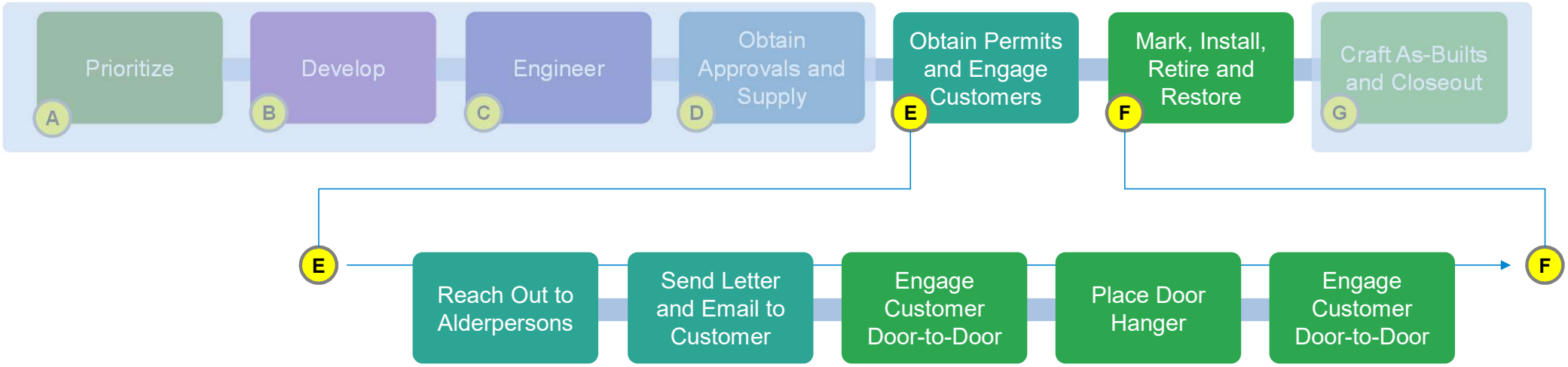
Obtaining permits (from request to activation)



Customer engagement and proactive communication



Plus, the following additional forms of communication:

- *PRP website - https://www.peoplesgasdelivery.com/services/pipe-retirement-program*
- *Collaboration and coordination with Aldermanic Offices*
- *Collaboration with community groups on communications*

Interactive construction maps and communications

Keeping the community informed

www.peoplesgasdelivery.com/services/pipe-retirement-program-construction#map

PEOPLES GAS® Payment & Billing Services & Programs Way

Interactive construction map

Find construction projects near you using our interactive map:

- Construction sites are highlighted on map, select highlighted area for additional information.
- Enter address, city and state in map search box (upper-right corner of map).
- Scroll within map to navigate.

Preparation Installation Restoration Complete

Select highlighted project areas for more information.

Letters, emails, door hangers and phone calls to inform customers of construction activities

Ward 36

Program Overview

For more than 175 years, we have proudly delivered safe, reliable natural gas service to Chicago's homes and businesses. Today, we are investing in the future by modernizing our system.

Our Pipe Retirement Program is retiring more than 1,000 miles of aging cast- and ductile-iron mains by 2035. The pipes we are retiring date back to the 1800s and early 1900s. These critical infrastructure improvements are essential to maintaining system safety and reliability across our communities.

These changes also will provide environmental benefits. After a project has been completed, there is a greater than 95% reduction in methane emissions.

In addition, Chicago will be well positioned as energy needs evolve. By modernizing the system, we will be ready to support clean energy solutions as they evolve, including hydrogen blends and renewable natural gas.

For more information about this project and others, visit our interactive map on our website at www.peoplesgasdelivery.com or scan the QR code:

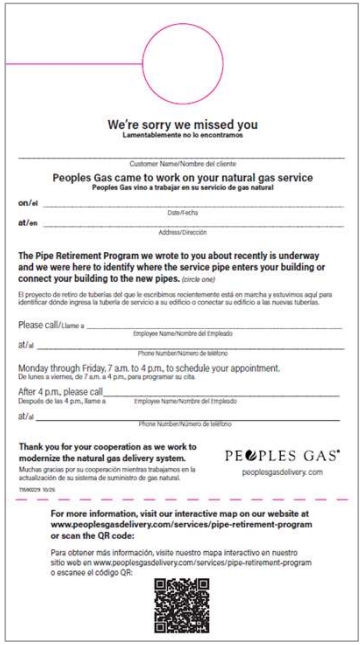
Scope – Ward 36
- Cragin Phase 1 - Q4 2025 to Q1 2026
- Cragin Phase 8 - Q1 2026 to Q2 2027
- Cragin Phase 10 - Q2 2026 to Q4 2026
- Schorsch Village Phase 16 - Q1 2026 to Q4 2026

Priorities
- Minimize impact and limit service disruption to our customers
- Maintain high level of safety on the job for our crews and our customers

Program Benefits
- Improved safety of the system
- Increased reliability of gas service to our customers
- Lower methane emissions by eliminating leaking pipes

For questions about this project, please contact us at customerservice@peoplesgasdelivery.com or call 866-556-6001.

PEOPLES GAS PIPE RETIREMENT PROGRAM



We're sorry we missed you
Lamentablemente no lo encontramos

Customer Name/Nombre del cliente

Peoples Gas came to work on your natural gas service
Peoples Gas vino a trabajar en su servicio de gas natural

on/el _____ Date/Fecha

at/en _____ Address/Dirección

The Pipe Retirement Program we wrote to you about recently is underway and we were here to identify where the service pipe enters your building or connect your building to the new pipes. (circle one)

El proyecto de retiro de tuberías del que le escribimos recientemente está en marcha y estuvimos aquí para identificar dónde ingresa la tubería de servicio a su edificio o conectar su edificio a las nuevas tuberías.

Please call/Llame a _____ Employee Name/Nombre del Empleado

at/al _____ Phone Number/Número de teléfono

Monday through Friday, 7 a.m. to 4 p.m., to schedule your appointment.
De lunes a viernes, de 7 a.m. a 4 p.m., para programar su cita.

After 4 p.m., please call _____ Employee Name/Nombre del Empleado
Después de las 4 p.m., llame a

at/al _____ Phone Number/Número de teléfono

Thank you for your cooperation as we work to modernize the natural gas delivery system.
Muchas gracias por su cooperación mientras trabajamos en la actualización de su sistema de suministro de gas natural.

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peoplesgasdelivery.com

For more information, visit our interactive map on our website at www.peoplesgasdelivery.com/services/pipe-retirement-program or scan the QR code:

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Pipe Retirement Program
Biannual Forum

Second Session

Break – for 5 minutes

Mark, install, retire and restore

Panelist: Jerry Dickson

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Mark, install, retire and restore

Improved team makeup and orchestration

Establishing PRP Delivery Team model

Focused on leadership, management and oversight

Focused on design, scheduling, analysis and reporting

Focused on monitoring, control and execution of field and close-out activities

As-builts and closeout

Panelists: Jerry Dickson

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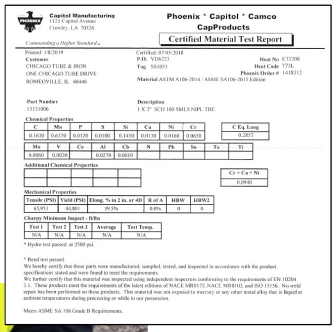
As-builts, material traceability and closeout

Material testing reports


Capitol Manufacturing
1723 Capitol Avenue
Crowley, LA 70526

Phoenix * Capitol * Camco
CapProducts

Certified Material Test Report

Commanding a Higher Standard

Printed: 1/8/2019
Customer
CHICAGO TUBE & IRON
ONE CHICAGO TUBE DRIVE
ROMEOVILLE, IL 60446

Certificate #: 1555-2018
P.O. VD8252
Tag SS3053
Material: ASTM A106-2014 / ASME SA106-2013 Edition

Heat No: E73208
Heat Code: 7738
Phoenix Order #: 1418312

Part Number
15133008

Description
1 X 3" SCH 160 SMLS NPT, THE

Chemical Properties

C	Mn	P	S	Si	Cu	Ni	Cr	C Eq. Long
0.1630	0.6370	0.0120	0.0180	0.1420	0.0130	0.0160	0.0650	0.2837

Mo	V	Co	Al	Cb	N	Pb	Sn	Ta	Ti
0.0560	0.0020		0.0270	0.0010					

Additional Chemical Properties

					Cr + Cu + Ni
					0.0943

Mechanical Properties

Tensile (PSI)	Yield (PSI)	Elong. % in 2 in. or 4D	R of A	HBW	HBW2
A951	44,860	39.5%	0.0%	0	0

Charpy: Minimum Impact - ft/lbs

Test 1	Test 2	Test 3	Average	Test Temp.
N/A	N/A	N/A	N/A	N/A

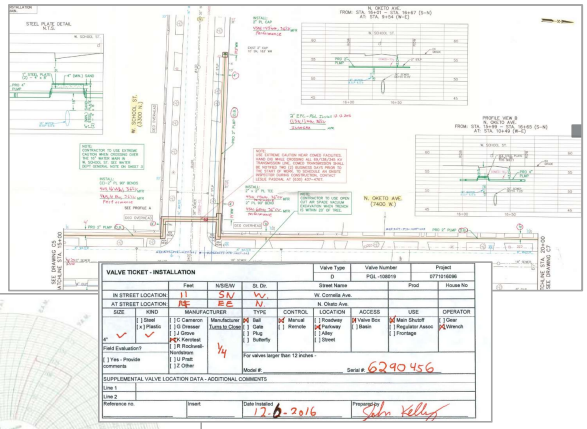
* Hydro test passed. at 2500 psi.

* Bend test passed.
We hereby certify that these parts were manufactured, sampled, tested, and inspected in accordance with the product specification: stated and were found to meet the requirements.
We further certify that this material was inspected using independent inspectors conforming to the requirements of EN 10204 3.1. These products meet the requirements of the latest editions of NACE MR0175, NACE MR0103, and ISO 15156. No weld repair has been performed on these products. This material was not exposed to mercury or any other metal alloy that is liquid at ambient temperatures during processing or while in our possession.

Meets ASME SA 106 Grade B Requirements.

GPS collection

Field records



VALVE TICKET - INSTALLATION

Feet	N/S/E/W	St. Dir.	Valve Type	Valve Number	Project
			D	PGL-108019	0771016096

Street Name	Prod	House No
W. Cornelia Ave.		
N. Otsego Ave.		

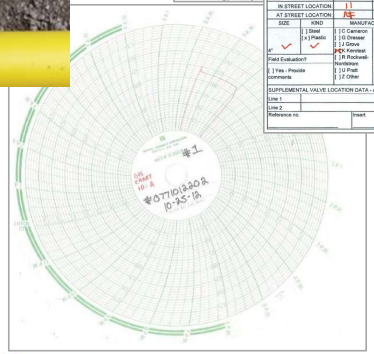
IN STREET LOCATION: 11 S/W
AT STREET LOCATION: 46 E

SIZE	MANUFACTURER	TYPE	CONTROL	LOCATION	ACCESS	USE	OPERATOR
4	Manufacturer Turns to Close: 14	Ball	Manual	Roadway	Valve Box	Main Shutoff	Gear

Field Evaluation?
For valves larger than 12 inches -
Model #:
Serial #: 6290456

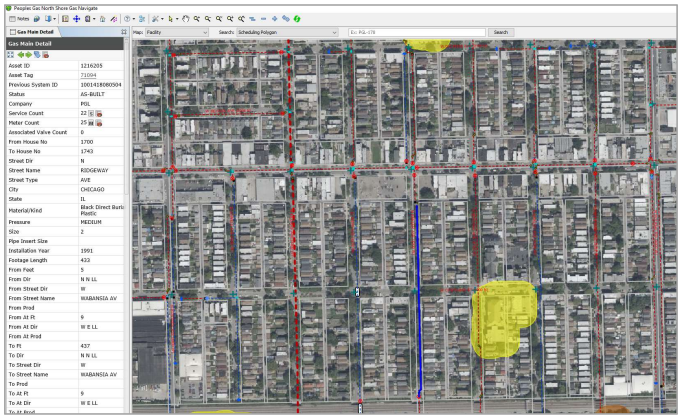
SUPPLEMENTAL VALVE LOCATION DATA - ADDITIONAL COMMENTS
Line 1
Line 2
Reference no.
Insert
Date Installed: 12-6-2016
Prepared by: Shawn Kelly

Pressure test documentation



ArcGIS Pro

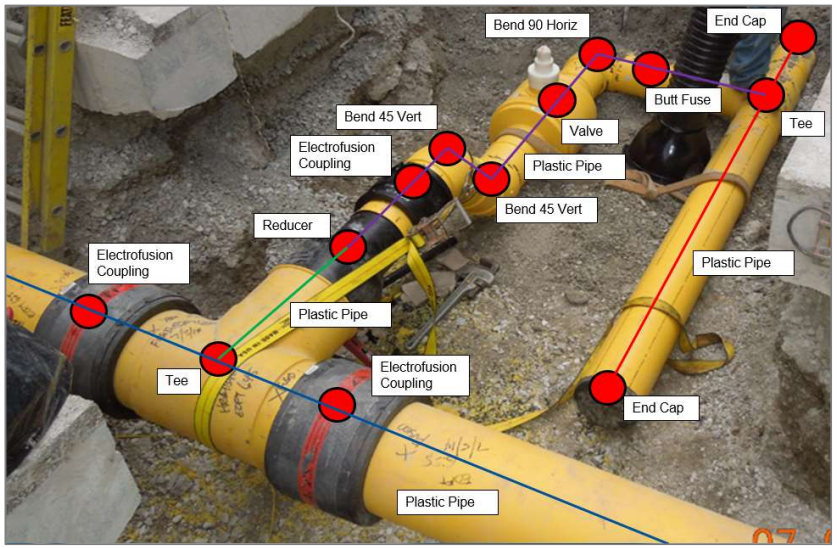
(Digital asset record)

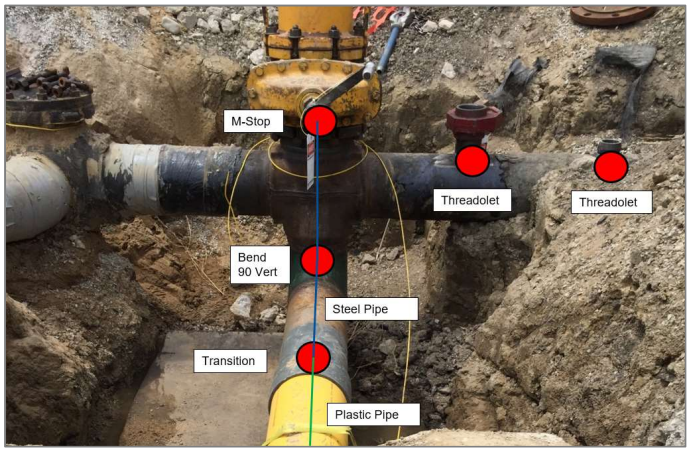

Peoples Gas North Shore Gas Navigate

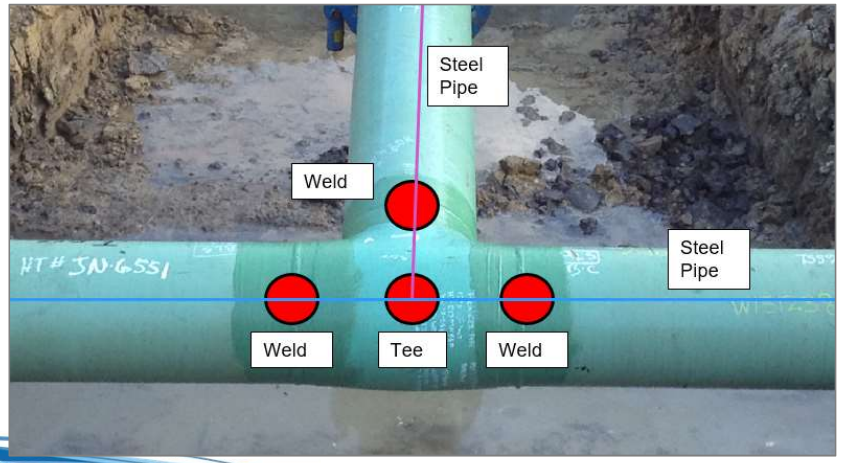
Gas Main Detail

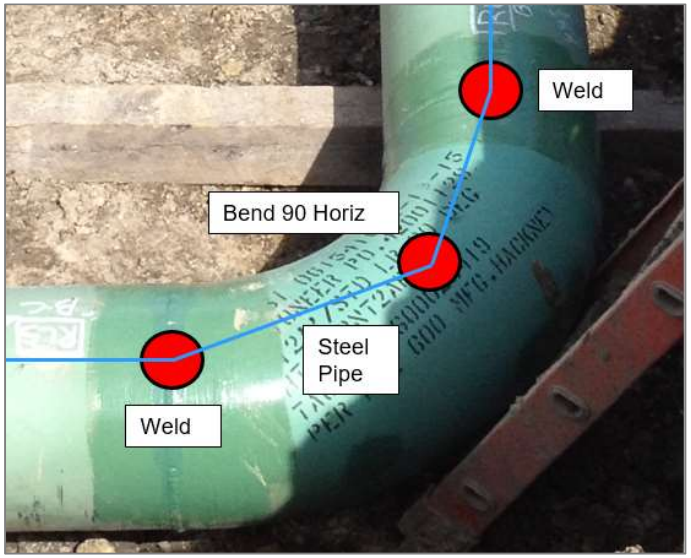
Asset ID	1216205
Asset Tag	71004
Previous System ID	10014180805504
Status	AS-BUILT
Company	PGL
Service Count	22
Meter Count	25
Associated Valve Count	0
From House No	1700
To House No	1743
Street Dir	N
Street Name	RIDGEWAY
Street Type	AVE
City	CHICAGO
State	IL
Material/Kind	Black Direct Burial Plastic
Pressure	MEDIUM
Size	2
Pipe Insert Size	
Installation Year	1991
Footage Length	433
From Feet	5
From Dir	N N LL
From Street Dir	W
From Street Name	WABANSIA AV
From Prod	
From At Ft	9
From At Dir	W E LL
From At Prod	
To Ft	437
To Dir	N N LL
To Street Dir	W
To Street Name	WABANSIA AV
To Prod	
To At Ft	9
To At Dir	W E LL
To At Prod	

Example of distribution system data overlay



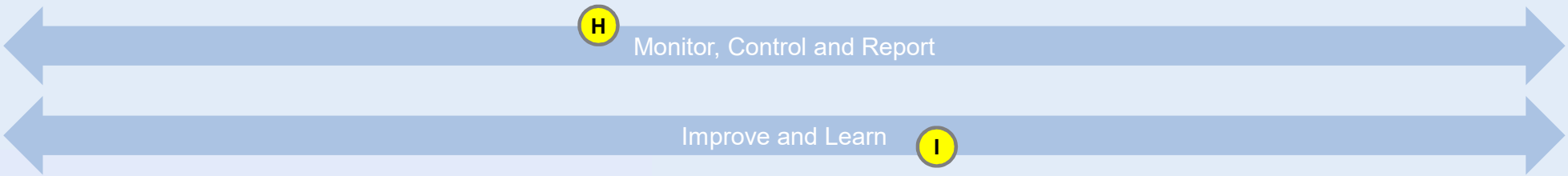






Monitor and Control / Improve and Learn

Panelists: Peggy Salvatore



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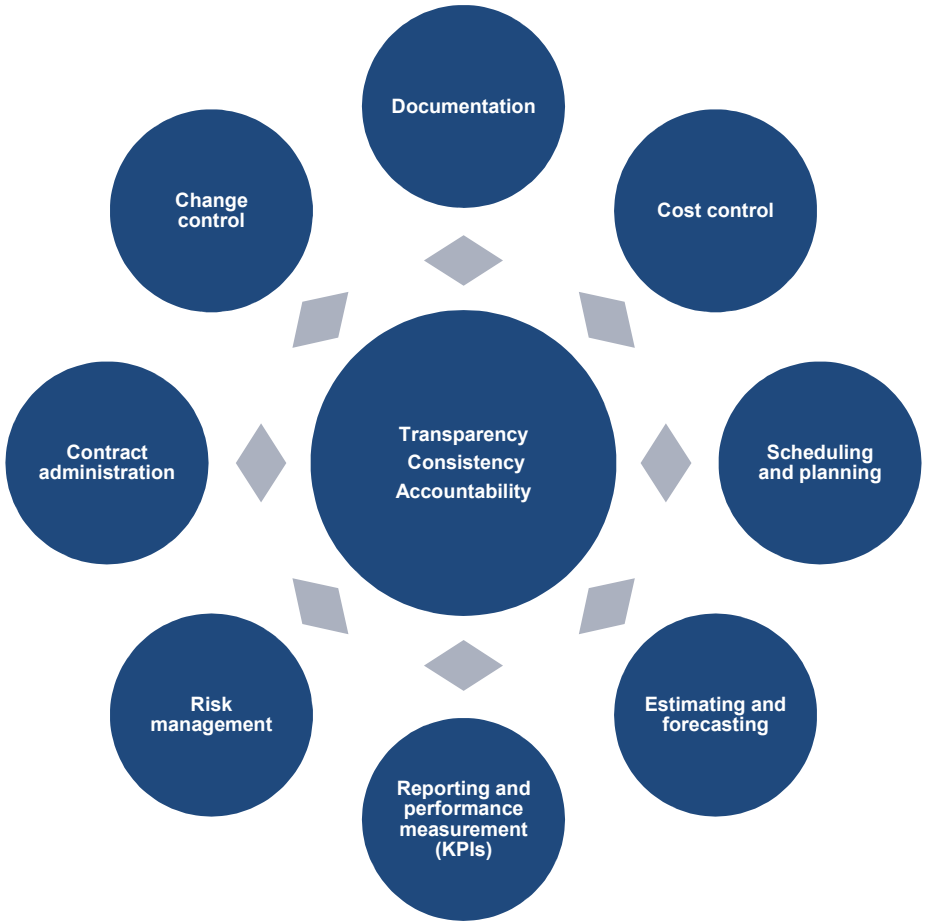
Program control facilitated through stage gate reviews

- A set of three programmatic stage gate reviews will control the progression of prioritized projects from development through initiation of pipe retirement activities.

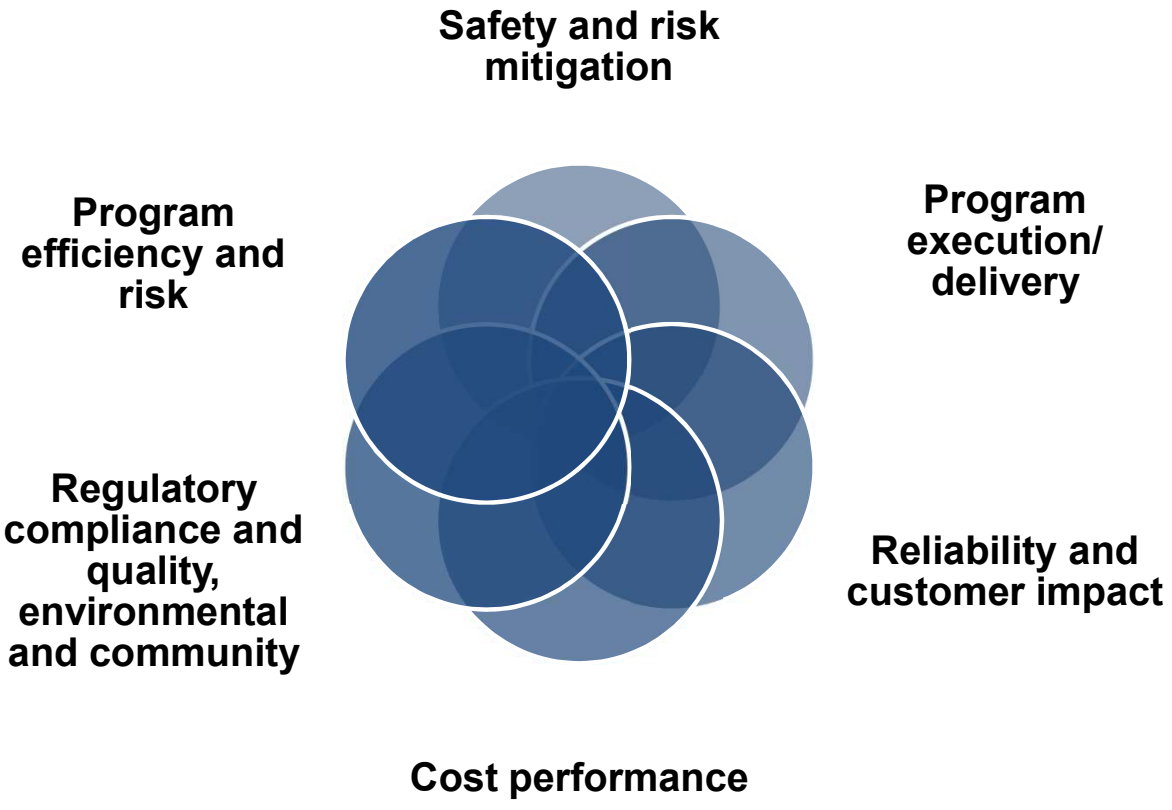
- At each gate, there is review of project progress, level of risk and readiness to proceed to next stage.
- Outcome of a stage gate review may be a green light to proceed as planned, a yellow light to proceed with conditional actions instituted, or a red light to stop the project, at which point critical issues will need to be addressed before anything can proceed.

Program and project control framework

Transparency, consistency and accountability sit at center of PRP program and project control framework, which facilitates proper monitoring and control of critical activities.



PRP will measure and guide performance management through a set of KPIs



PRP program governance and delivery model

Panelists: Polly Eldringhoff and Danielle Bly

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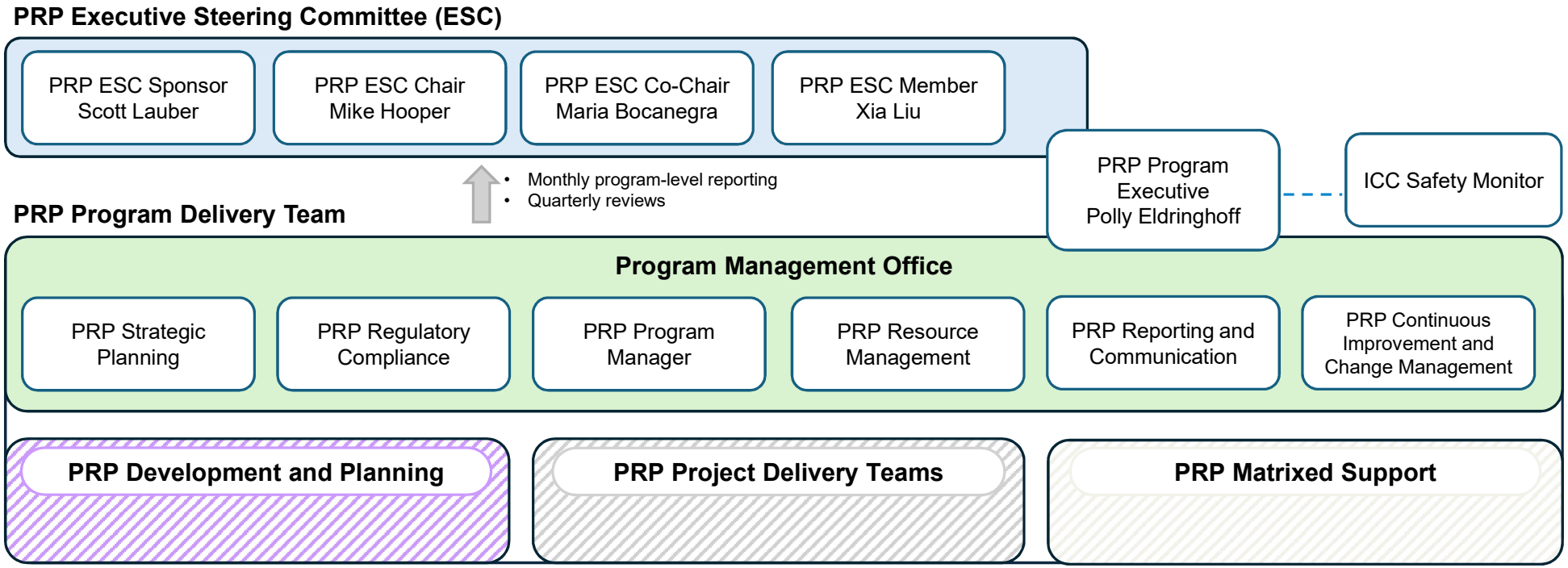
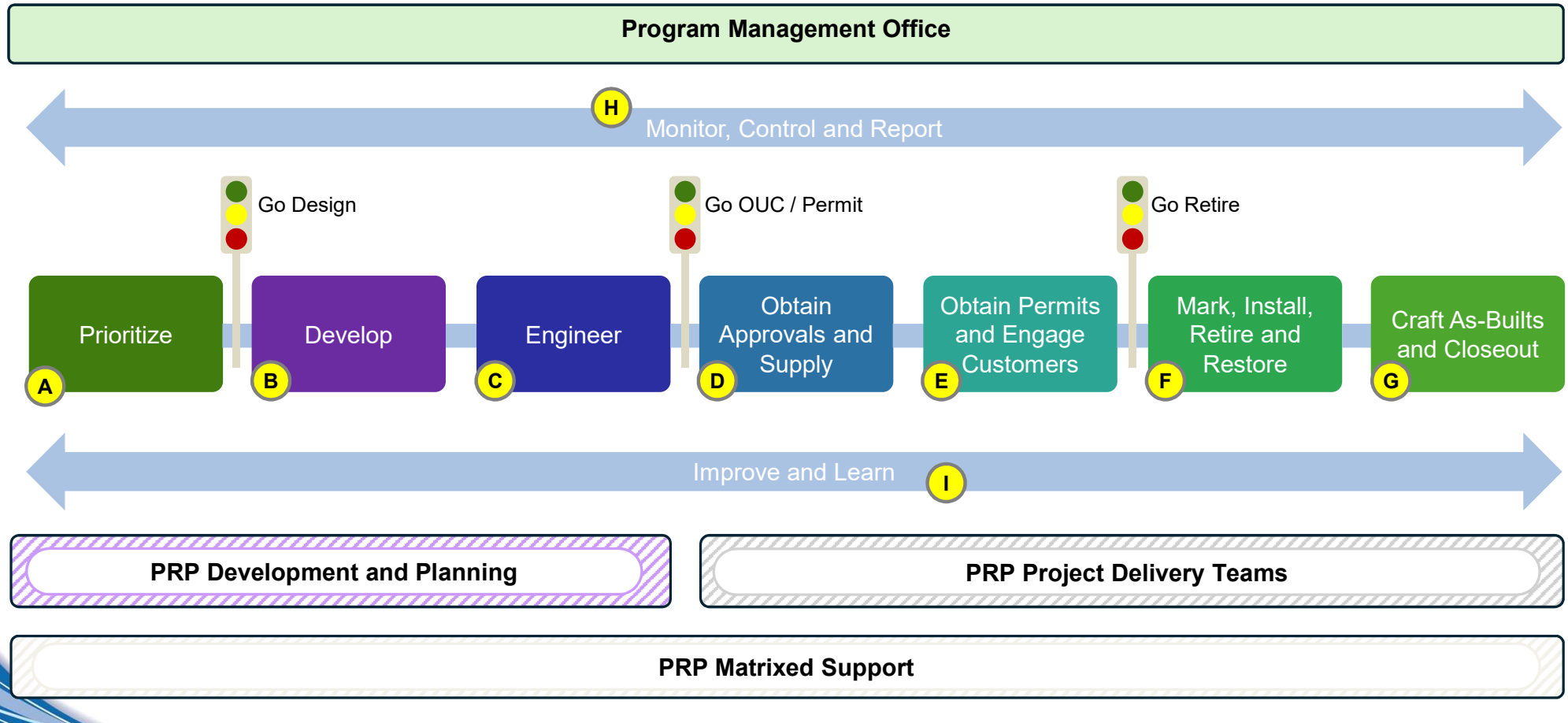
PRP governance and program delivery model



Role of safety monitor

- Future of SMP order created the role of the Safety Monitor for the PRP program
- ICC is in the midst of onboarding a Safety Monitor
- Safety Monitor will:
  - Review the Company's PRP program assessing a variety of topics including program costs, timelines, construction, retirement progress, and metrics for the program
  - Receive and provide PRP progress reporting to the Commission based on the Company's reports, program data, best practices and the Safety Monitor's technical input

PRP program delivery team

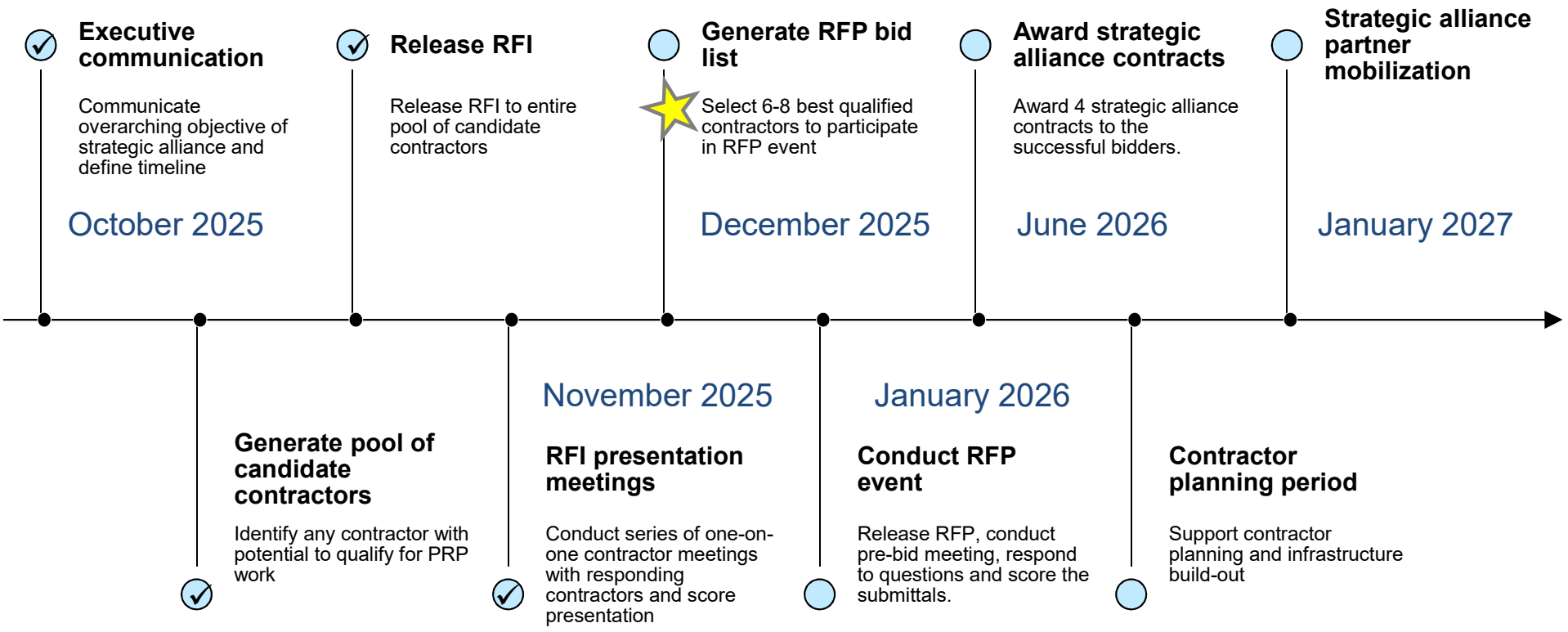


Strategic alliance contracting definition and objectives

Concentrate PRP contracting with four highly qualified, experienced contractors working within designated areas to achieve increased capital efficiency.

- **Leverage contractor capabilities and infrastructure** to optimize material management, including receipt, storage, handling and inventory control.
- **Collaborate in project planning and execution** to achieve shared goals.
- **Integrate delivery teams** to achieve greater capital efficiency in performance of program work.
- **Drive out wasted effort from organization and projects** through efficient processes and effective planning.

Strategic alliance contracting process



Supplier diversity

$1 billion spent with diverse suppliers since 2015

Supplier diversity is a core value at Peoples Gas.

- As a builder of inclusive relationships, our program helps us to foster competition, enhance job creation and generate additional purchasing power.
- We are committed to developing mutually beneficial relationships with diverse suppliers and making a positive economic impact in the communities we serve.
- PRP will allow us to provide meaningful opportunities for local and diverse businesses to participate.

Tier 1	Tier 2	Illinois-based suppliers	62% spent with IL based firms in 2024

PRP ramp-up plan and stakeholder engagement

Panelists: Polly Eldringhoff and Tom Aridas

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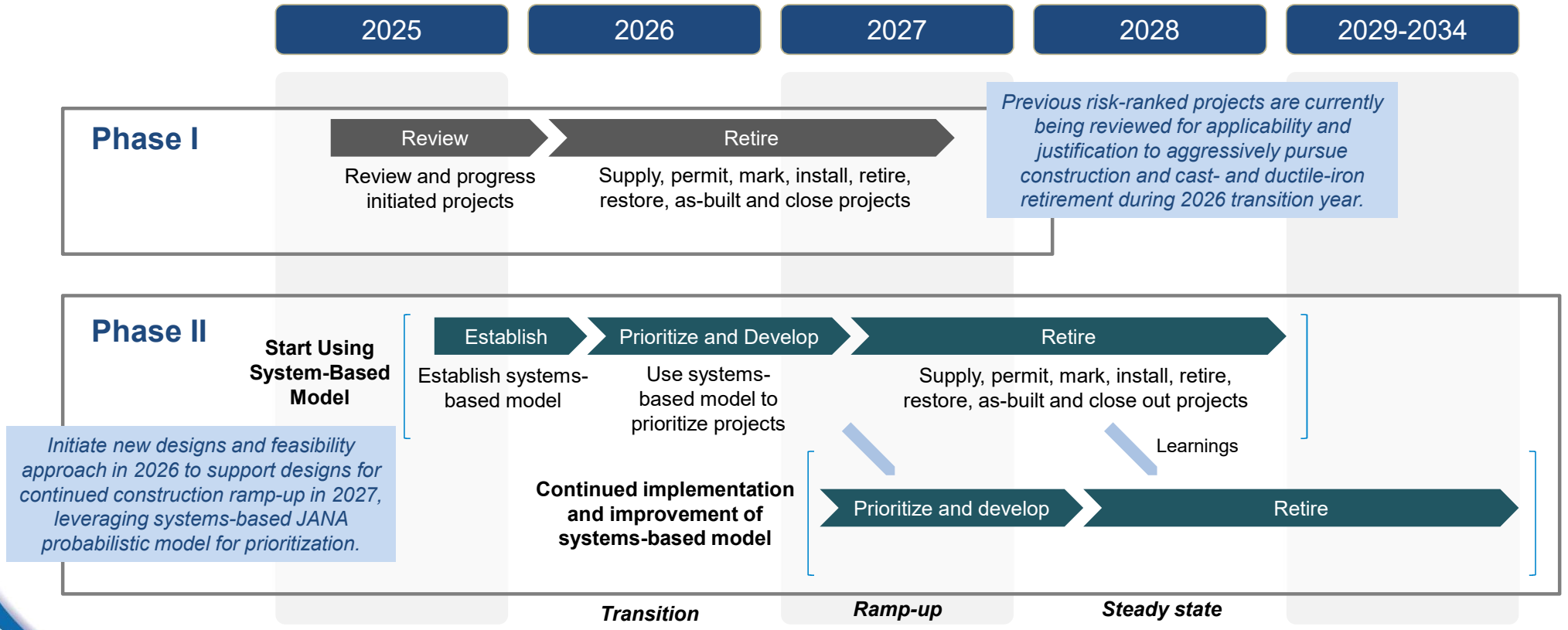
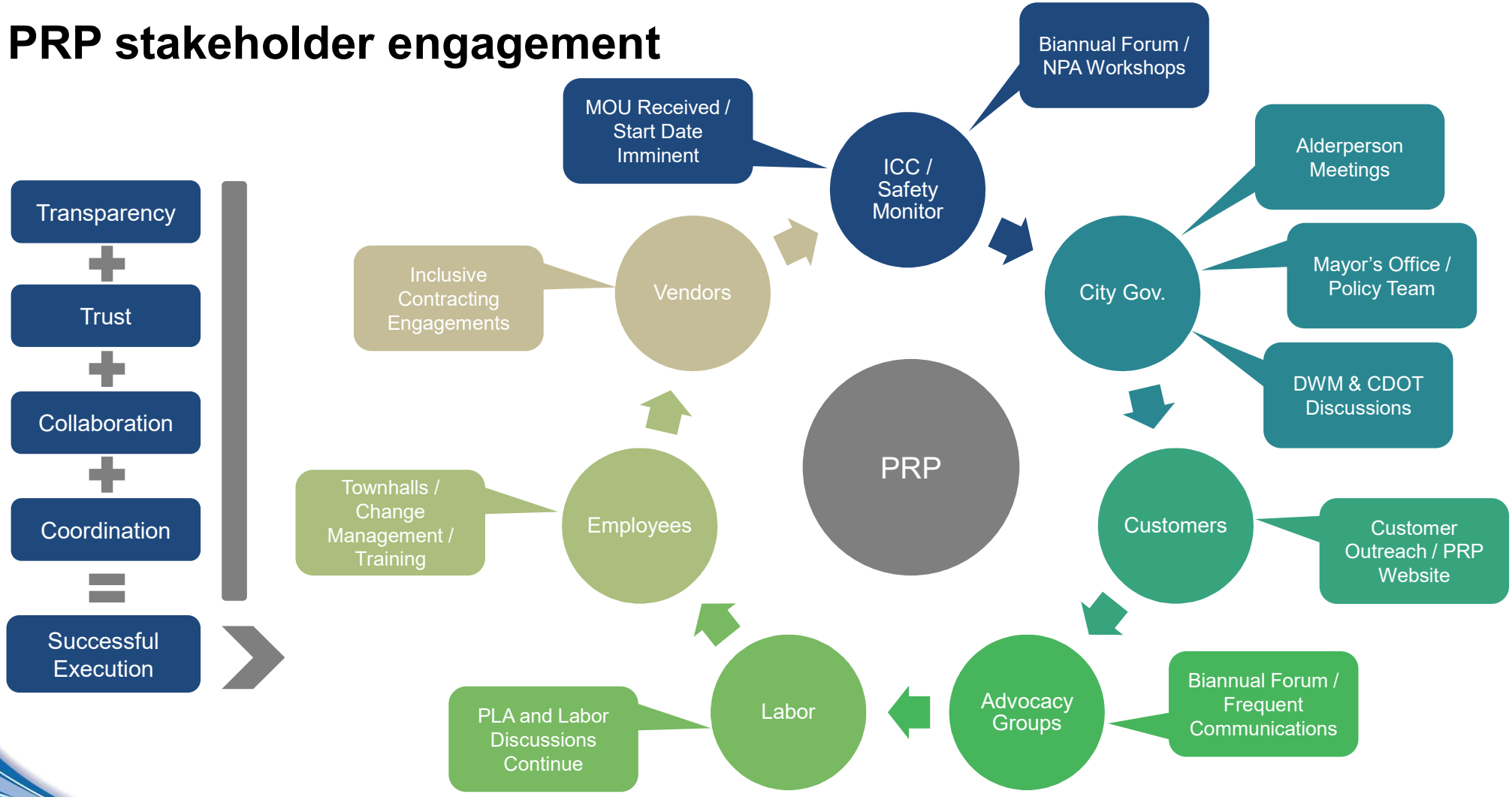
Phased deployment of new system-based model



PRP stakeholder engagement



Pipe Retirement Program
Biannual Forum

Questions and Feedback

1. Website: www.peoplesgasdelivery.com/services/pipe-retirement-program
2. YouTube: www.youtube.com/@PeoplesGasDelivery/videos
3. Email: workshop@peoplesgasdelivery.com

Wrap-up and closing comments

Maria Bocanegra

PEOPLES GAS®

Thank you for your participation and engagement

Peoples Gas is excited to share with you our Pipe Retirement Program strategy and roadmap for retirement of just over 1,000 miles of cast- and ductile-iron natural gas mains that are under 36 inches in diameter.

Our values

Safety first

Every decision we make — scope, schedule and spend — will be grounded in risk reduction.

Transparency and cost-effectiveness

The Pipe Retirement Program will be a world-class capital program: disciplined planning, clear controls, transparent reporting.

Community and partnership

This work creates Illinois jobs, supports local and diverse suppliers, and minimizes neighborhood disruption through tight coordination with our city partners.