

REDUCE WINTER RISK WITH NATURAL GAS LOAD MANAGEMENT



Strategy information you can use

Lean on our expertise to stay apprised of strategy choices that can help you manage risk and turn market uncertainty into opportunity.

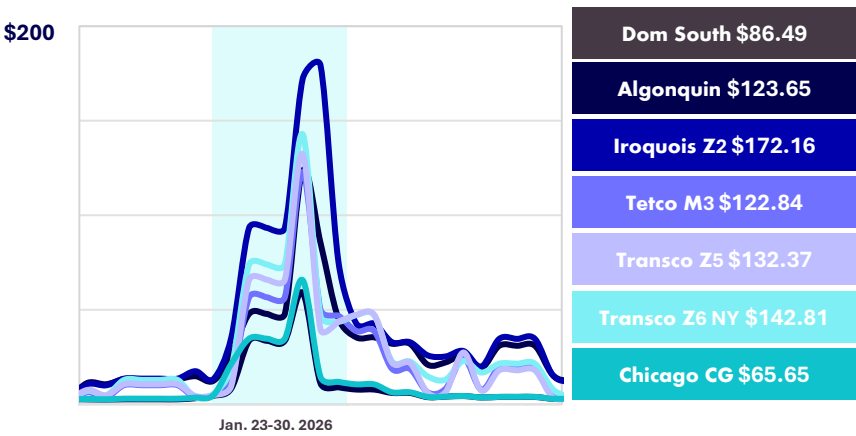
The challenge

The natural gas market experienced unprecedented volatility in 2026 due to Winter Storm Fern and a deep freeze that followed. **Extreme weather events like this are becoming more common** and when they occur, they can impact your energy strategy and budget—even when you think you’re protected.

For instance:

- If your business is settling its volume at index pricing, you risk being exposed to spikes in your natural gas rates.
- You could be impacted by penalties or additional costs during operational flow order (OFO) events if you consume above/below your contract quantity.
- If you consume/burn more, you may be hit with much higher costs for that overconsumption during periods of price volatility.
- You could be impacted by a supply interruption if your particular utility’s tariff rate allows for such.

Daily Gas Index Prices (\$/DTh)



Proven solutions to meet the challenges

NRG offers natural gas load management solutions that are designed to help businesses manage market volatility, system constraints, and operational risk, while providing the potential for significant cost avoidance and/or savings. **Load shifting/reductions** and **fuel switching** are two options for achieving this using different approaches.

Load shifting & reductions

If your business/facility has the ability to temporarily reduce or shift natural gas consumption during peak demand or constraint events, you may be able to achieve significant cost avoidance and/or savings.*

How?

When you reduce consumption during peak demand periods, you reduce your exposure to price volatility as well as peak demand charges and potential penalties.

Things to consider with this approach

- May impact production; typically can’t be used for critical processes
- Lower implementation complexity; no alternate fuel required
- Requires some operational flexibility to achieve

Fuel switching

If your business/facility can temporarily transition from natural gas to an alternate fuel such as oil, propane, or diesel during constraint events, you have the benefit of maintaining operations/avoiding disruptions.

How?

During utility curtailments, you eliminate the potential for interruptions, along with your exposure to penalties for overburn or consumption fluctuations during such events.

Things to consider with this approach

- Does not impact production; allows you to maintain critical processes
- Allows for higher operational resilience
- Implementation complexity; requires dual-fuel capabilities

Which approach is right for my business?

Load shifting/reductions if:

- Your business processes can tolerate temporary reductions or shifts in when you consume natural gas.
- You’re looking for a simple, low-cost strategy to reduce exposure to peak demand periods and avoid costs.

Fuel switching if:

- Your operations cannot be interrupted.
- You have or can install an alternate fuel source to run your operations.
- Sufficient backup fuel inventory is available and fuel switching economics are advantageous.

Don’t go it alone

NRG is here to help you make an informed decision about your cost management and cost reduction options and to **ensure these activities fit seamlessly into your purchasing strategy**. We continue to support you by providing timely, critical market and event information, along with services to help you succeed—no matter which approach you choose. Contact your NRG Account Executive today for more information.

* Because more stringent balancing requirements are in place for suppliers during peak demand periods/pipeline constraint events, curtailment during these periods—or any changes in consumption—need to be closely coordinated with us in order to avoid potential penalties and capitalize on savings potential.