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**PREPARED DIRECT TESTIMONY OF
ANTHONY CALDRO**

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Anthony Caldoro and my business address is 375 North Shore Drive, Pittsburgh, Pennsylvania 15212.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by PNG Companies LLC (PNG Companies) as a Rate Consultant. PNG Companies provides various administrative functions for Peoples Natural Gas Company LLC (“Peoples” or the “Company”) including rate and regulatory functions.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.

A. I graduated from The Pennsylvania State University, State College, Pennsylvania, in 1982, with a Bachelor of Science Degree in Mineral Economics. In January 1983, I began full-time employment with the Federal Energy Regulatory Commission (“FERC”) as an Industry Economist in the Allocation and Rate Design Branch of the Office of Pipeline and Producer Regulation. Prior to beginning full-time employment, I had worked at the FERC as a co-op student for two six-month terms. While at the FERC, I participated as a member of the FERC staff in various proceedings, including base rate and certificate proceedings.

In August 1986, I joined Peoples’ Pricing and Regulatory Affairs Department. In my current position, my responsibilities include the preparation and coordination of

1 Peoples' and PTWP's annual and quarterly §1307(f) filings and other regulatory and
2 tariff filings before the Pennsylvania Public Utility Commission ("Commission").
3

4 **Q. HAVE YOU TESTIFIED PREVIOUSLY IN ANY REGULATORY**
5 **PROCEEDING?**

6 A. Yes. I have presented testimony on behalf of Peoples in numerous proceedings before
7 the Commission, including every one of Peoples' 1307(f) cases since 1994, Peoples' base
8 rate cases at Docket Nos. R-2010-2201702 and R-2012-2285985 and Peoples TWP LLC
9 base rate case at Docket No. R-2013-2355886. In addition, I presented testimony before
10 the West Virginia Public Service Commission on behalf of Hope Gas, Inc., in Case No.
11 08-1783-G-42T. I have also testified before the FERC as a member of the FERC Staff.
12

13 **Q. ARE YOU SPONSORING ANY FILING REQUIREMENTS OR OTHER**
14 **EXHIBITS?**

15 A. Yes, I am. Attached to this Direct Testimony as Appendix A is a complete list of the
16 exhibits for which I am the responsible witness.
17

18 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

19 A. I am responsible for developing the value of the Company's rate base. In doing that, I
20 have prepared **Peoples Natural Gas Exhibit No. 8, Schedule No. 2**, which reflects
21 Peoples' Measures of Value for the historic test year (HTY), the future test year (FTY)
22 and the fully projected future test year (FPFTY), for Peoples Division, Equitable Division
23 and on a combined basis and **Peoples Natural Gas Exhibit No. AC-1**, which is a

1 workpaper showing the derivation of the fully projected future test year plant in service
2 for Peoples Division and Equitable Division. Throughout my testimony, references to
3 Peoples Natural Gas, Peoples, and the Company, includes both Peoples Division and
4 Equitable Division unless described otherwise.

5
6 **Q. WHAT DO YOU MEAN WHEN YOU SAY THAT PEOPLES NATURAL GAS**
7 **EXHIBIT NO. 8, SCHEDULE NO. 2 REFLECTS MEASURES OF VALUE FOR**
8 **THE FULLY PROJECTED FUTURE TEST YEAR OR FPFTY?**

9 A. In complying with the Commission’s filing requirements for a general rate case, Peoples
10 has traditionally filed its base rate cases using a historic test year and future test year as
11 set forth in section 53.53(b) of the Commission’s regulations, 52 Pa. Code § 53.53(b).
12 The use of a future test year as support for a general rate increase is authorized by Section
13 315 of the Public Utility Code, 66 Pa. C.S. § 315. With the enactment of Act 11 of 2012,
14 effective April 12, 2012, Section 315 was amended to also permit use of a “fully
15 projected future test year” in rate cases. The fully projected future test year is defined as
16 the 12-month period that begins with the first month that the new rates will be placed into
17 effect, after application of the full suspension period permitted under Section 1308(d).
18 Based on the filing date of this case, the fully projected future test year is the 12-month
19 period beginning November 1, 2019 and ending October 28, 2020. Peoples has elected to
20 utilize a fully projected future test year in this case, which I refer to in this testimony as
21 either the fully projected future test year or FPFTY. Consistent with this election, I have
22 determined the Company’s rate base by projecting the facilities to be in service during the
23 FPFTY.

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Q. PLEASE EXPLAIN HOW PEOPLES' FULLY PROJECTED FUTURE TEST YEAR PLANT IN SERVICE WAS DEVELOPED.

A. The FPFTY plant in service for both Peoples and Equitable Divisions was determined by taking the adjusted plant balance of \$1,472,026,522 and \$1,220,911,127 as of the end of the HTY, September 30, 2018, respectively, and then adding forecasted plant additions and subtracting forecasted retirements through the end of the FPFTY, or October 28, 2020.

Q. WHAT WAS YOUR NEXT STEP IN DETERMINING THE ORIGINAL COST OF PLANT IN SERVICE AS OF OCTOBER 28, 2020?

A. I determined the total plant additions from Peoples' 2018 and 2019 Capital Budgets and the amount of Construction Work in Progress ("CWIP") as of September 30, 2018 that will close to plant in 2018 or early 2019. These two categories of additions to plant are reflected on **Peoples Natural Gas Exhibit No. AC-1**, columns 7 and 6.

Q. HOW DID YOU DETERMINE THE AMOUNT OF FORECASTED PLANT ADDITIONS FROM THE 2018 AND 2019 CAPITAL BUDGETS THAT WILL CLOSE TO PLANT IN THE FTY?

A. These amounts were determined by applying known closing criteria to the 2018 and 2019 Capital Budgets. The known closing criteria take into consideration the length of time it generally takes for the completion and placement into service of construction projects that take longer than one month to complete. For example, a transmission pipeline

1 replacement project is estimated to take four months to finish and be placed in service,
2 whereas a distribution system measurement and regulating station project is estimated to
3 take two months for completion. These guidelines on closing criteria were supplied by
4 Peoples' Operations Department.

5
6 **Q. HOW DID YOU DETERMINE THE AMOUNT OF CWIP AS OF SEPTEMBER**
7 **30, 2018 THAT WILL CLOSE TO PLANT IN 2018 OR EARLY 2019?**

8 A. I used the same closing criteria that I applied to the 2018 and 2019 Capital Budgets.
9 Additionally, a list of projects that were known to be closing was provided to me by the
10 Plant Accounting section of the Accounting Department and I incorporated those closings
11 into the FPFTY plant-in-service projection.

12
13 **Q. HOW DID YOU FORECAST PLANT RETIREMENTS FOR 2018 AND 2019?**

14 A. Forecasted retirements were based on two primary drivers: 1) an adjusted three-year
15 historical average of plant retirements, by FERC account, and 2) additional retirements
16 for General Plant developed and described in the testimony of Peoples' Witness John J.
17 Spanos in Peoples Natural Gas Statement No. 8. Forecasted retirements for 2018 and
18 2019 are shown on **Peoples Natural Gas Exhibit No. AC-1**, column 8.

19
20 **Q. WHAT WAS YOUR NEXT STEP IN DETERMINING THE ORIGINAL COST**
21 **OF PLANT IN SERVICE AS OF OCTOBER 28, 2020, THE END OF THE**
22 **FPFTY?**

1 A. I added the amount of plant from the 2019 and 2020 Capital Budgets and the amount of
2 CWIP from the 2019 Capital Budget that is expected to close to plant prior to October 28,
3 2020. Those amounts are reflected on **Peoples Natural Gas Exhibit No. AC-1**, columns
4 11 and 10.

5
6 **Q. HOW DID YOU DETERMINE THE AMOUNT OF FORECASTED PLANT**
7 **ADDITIONS FROM THE 2019 AND 2020 CAPITAL BUDGETS AND THE**
8 **AMOUNT OF CWIP AS OF SEPTEMBER 30, 2019 THAT WILL CLOSE TO**
9 **PLANT IN 2019 AND 2020?**

10 A. In the same manner as I did for the 2018 Capital Budget, I applied the closing criteria, as
11 supplied by Peoples' Operations Department, to the 2019 and 2020 Capital Budgets and
12 the September 30, 2019 projected CWIP balance. Under those closing criteria, Peoples
13 construction projects generally do not last longer than four months, after which the
14 project is placed in service and closed to the appropriate plant accounts.

15
16 **Q. HAVE YOU INCLUDED ANY PLANT INVESTMENT AMOUNTS IN YOUR**
17 **RATE BASE PROJECTION THAT FALL OUTSIDE OF THE FPFTY?**

18 A. No.

19
20 **Q. HOW DID YOU FORECAST PLANT RETIREMENTS FOR THE FPFTY?**

21 A. In the same manner that I forecasted retirements for the FTY. Forecasted retirements
22 were based on an adjusted three-year historical average of plant retirements, by FERC

1 account, with additional retirement projections provided by Peoples' witness Spanos.
2 Those amounts are reflected on **Peoples Natural Gas Exhibit No. AC-1**, column 12.

3
4 **Q. PLEASE SUMMARIZE PEOPLES' ORIGINAL COST OF GAS PLANT IN**
5 **SERVICE AS OF OCTOBER 28, 2020?**

6 A. As reflected on **Peoples Natural Gas Exhibit No. AC-1**, column 13, the original cost of
7 gas plant in service as of October 28, 2020 is \$1,772,914,418 and \$1,471,566,896 for
8 Peoples and Equitable Divisions, respectively. These amounts are carried forward to
9 pages 1 and 2, line 1 of **Peoples Natural Gas Exhibit No. 8, Schedule No. 2**.

10
11 **Q. HOW DID THE COMPANY DETERMINE THE ACCRUED DEPRECIATION**
12 **AND AMORTIZATION ASSOCIATED WITH GAS PLANT IN SERVICE AS OF**
13 **OCTOBER 28, 2020?**

14 A. The claim for Accrued Depreciation and Amortization was supplied by Peoples' witness
15 Spanos. As explained in his testimony in this proceeding, the appropriate measure of
16 accrued depreciation for use as the deduction from the original cost in determining
17 Peoples' rate base is Peoples' adjusted book depreciation reserve as of October 28, 2020.
18 Those amounts are shown on **Peoples Natural Gas Exhibit No. 8, Schedule No. 2**,
19 pages 1 through 3, line 4.

20
21 **Q. HAS THE COMPANY INCLUDED GAS STORED UNDERGROUND –**
22 **NONCURRENT IN RATE BASE?**

1 A. Yes. The cost of Gas Stored Underground – Noncurrent is \$0. Gas stored Underground –
2 Noncurrent includes a portion of “base” gas that Peoples maintains in its storage pools
3 that is not withdrawn, but rather, is used to maintain sufficient pressure in the storage
4 pools in order to operate in an efficient manner. The cost of this gas is accounted for in
5 Account No. 117. However, since the cost of Gas Stored Underground – Noncurrent has
6 been fully reserved the net amount claimed is \$0.

7
8 **Q. HAS THE COMPANY INCLUDED GAS STORED UNDERGROUND –**
9 **CURRENT IN RATE BASE?**

10 A. Yes. The cost of Gas Stored Underground – Current is \$2,986,349 and \$16,994,721 for
11 the historic test year and \$13,272,445 and \$17,843,381 for the FPFTY for the Peoples
12 and Equitable Divisions respectively. Gas Stored Underground – Current is the gas that
13 Peoples injects and withdraws seasonally. This gas is accounted for in Account No. 164.

14
15 **Q. HOW DID YOU DETERMINE THE COST OF GAS STORED UNDERGROUND**
16 **– CURRENT FOR INCLUSION IN RATE BASE?**

17 A. To determine the historic test year cost for Gas Stored Underground – Current, I used the
18 twelve-month average of the monthly balances in Account 164 as of September 30, 2018.
19 The FPFTY projection for Gas Stored Underground – Current was developed and
20 provided to me by Peoples witness Karen Worcester as described in Peoples Natural Gas
21 Statement No. 6.

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Q. HAS THE COMPANY INCLUDED MATERIALS AND SUPPLIES IN RATE BASE?

A. Yes. The cost of Materials and Supplies is \$2,678,823 and \$523,480 for the Peoples and Equitable Divisions respectively. These amounts are based on the historic test year twelve month averages of the monthly balances in Account 154.

Q. DID YOU INCLUDE PREPAYMENTS IN RATE BASE?

A. Yes, I included FPFTY prepayments of \$4,639,670 and \$1,770,211 for the Peoples and Equitable Divisions respectively. These amounts are based on the historic test year twelve month averages and reflect prepayments primarily for insurance and computer maintenance.

Q. DID YOU INCLUDE AN AMOUNT FOR CASH WORKING CAPITAL IN RATE BASE?

A. Yes, Peoples' FPFTY cash working capital requirement of \$21,304,166 and \$14,189,053 for the Peoples and Equitable Divisions, respectively, was developed and provided to me by Peoples' Witness Eric Petrichevich, as explained in Peoples Natural Gas Statement No. 8.

Q. HAS THE COMPANY INCLUDED ANY OFFSETS OR DEDUCTIONS TO WORKING CAPITAL IN ITS RATE BASE CLAIM?

1 A. Yes. Offsets or deductions to working capital include deferred income taxes, customer
2 advances and customer deposits.

3

4 **Q. HOW DID YOU DETERMINE THE AMOUNT OF DEFERRED INCOME**
5 **TAXES AS OF OCTOBER 28, 2020?**

6 A. Peoples' witness Matthew Wesolosky describes the derivation of deferred income taxes
7 in Peoples Natural Gas Statement No. 4 in this proceeding, and he provided that amount
8 to me to include as a reduction to the fully projected future test year rate base.

9

10 **Q. WHAT ARE CUSTOMER ADVANCES, AND HOW DID YOU DETERMINE**
11 **THE LEVEL OF CUSTOMER ADVANCES AS OF OCTOBER 28, 2020?**

12 A. Customer advances are generally amounts paid by customers in advance of receiving
13 service from the Company. The level of customer advances, as of October 28, 2020, was
14 projected on the basis of the 12-month average of actual customer advances balances for
15 the historic test year ended September 30, 2018.

16

17 **Q. WHAT ARE CUSTOMER DEPOSITS, AND HOW DID YOU DETERMINE THE**
18 **LEVEL OF CUSTOMER DEPOSITS AS OF OCTOBER 28, 2020?**

19 A. Customer deposits are amounts paid by customers as security for the payment of bills.
20 The level of customer deposits, as of October 28, 2020, was projected on the basis of the
21 12-month average of actual customer deposit balances for the historic test year ended
22 September 30, 2018.

23

1 **Q. PLEASE SUMMARIZE PEOPLES' FPFTY RATE BASE CLAIM.**

2 A. Peoples Natural Gas' FPFTY year rate base derives from a calculation that consists of
3 four components: (1) a determination of the original cost of gas plant in service as
4 adjusted; (2) a determination of the accrued depreciation and amortization associated
5 with that plant; (3) a determination of the cost of other items of property includable in
6 rate base; and, (4) appropriate reductions to working capital related to other sources of
7 funds available to Peoples, such as deferred income taxes, customer advances and
8 customer deposits. As shown on **Peoples Natural Gas Exhibit No. 8, Schedule No. 2,**
9 pages 1 through 3, line 17, Peoples Natural Gas' FPFTY rate base is \$1,074,396,878 and
10 \$975,919,654 and \$2,052,311,067 for the Peoples Division, Equitable Division and on a
11 combined basis, respectively.

12
13 **Q. DOES THIS COMPLETE YOUR PREPARED DIRECT TESTIMONY?**

14 A. Yes, it does. I reserve the right to submit additional testimony as issues arise during the
15 course of the proceeding. Thank you.

Filing Requirements Sponsored by
Anthony Caldro

<u>Volume</u>	<u>Filing Requirement</u>
Ex. 8, Sch. 1	53.52(c)(1)
Ex. 8, Sch. 3	53.52(c)(3)
Ex. 8, Sch. 2	53.53.I.A.2
Ex. 8, Sch. 9	53.53.I.A.12
Ex. 8, Sch. 10	53.53.I.A.13
Ex. 8, Sch. 11	53.53.I.A.14
Ex. 8, Sch. 14	53.53.I.A.18
Ex. 8, Sch. 15	53.53.II.A.21
Ex. 1, Sch. 6	53.53.II.C.1
Ex. 12, Sch. 8	53.53.III.E.25
Ex. 12, Sch. 9	53.53.III.E.31
Ex. 19, RR-14	Exhibit VI.I.RR.14
Ex. 19, RR-15	Exhibit VI.I.RR.15
Ex. 19, RR-17	Exhibit VI.I.RR.17
Ex. 19, RR-45	Exhibit VI.II.RR.45
Ex. 18, ROR-14	Exhibit VI.IV.ROR.14

Exhibits Sponsored by
Anthony Caldro

Peoples Natural Gas Exhibit No. AC-1

Peoples Natural Gas
 FTY - September 30, 2019 - Plant in Service
 FPFTY - October 31, 2020 - Plant in Service

G/L	ORACLE	SAP	Tax Life	DESCRIPTION	HTY Balance at September 30, 2018	9/30/2018 CWIP Closed to Plant within FTY 1/	4th Q 2018/2019 Capital Budget Closed to Plant	2018/2019 Retirements	FTY Balance at 9/30/2019 Plant in Service	9/30/2019 CWIP Closed to Plant within FPFTY	2019/2020 Capital Budget Closed to Plant	2019/2020 Retirements	Balance at 10/28/2020 FPFTY Plant in Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
INTANGIBLE PLANT - GAS PLANT IN SERVICE													
1311020	30101001	3010	15	Organization	\$ -				\$ -				\$ -
1311020	30201001	3020	15	Franchises & Consents	-				-				-
1311020	30301001	3030	5	Misc Intangible Plant (Includes CIAC)	59,000				59,000				59,000
1311020	30302001	3030	1	Misc Intangible Plant-Computer Software (In House) OTHER	18,882,706	4,120,191	8,633,950	(5,428,422)	26,208,425	1,538,310	11,118,304	(1,525,434)	37,339,605
1311020	30302001	3030	1	Misc Intangible Plant-Computer Software (In House) MAJOR	44,110,070	22,249			44,132,319	3,463,925	2,263,825		49,860,069
1311020	30303001	3030	3	Misc Intangible Plant-Computer Software (Purchased) OTHER	5,362,136			(3,597,078)	1,765,058			(82,615)	1,682,443
1311020	30303001	3030	3	Misc Intangible Plant-Computer Software (Purchased) MAJOR	4,564,042	585,083			5,149,125				5,149,125
Total Intangible Plant					\$ 72,977,954	\$ 4,727,523	\$ 8,633,950	\$ (9,025,500)	\$ 77,313,927	\$ 5,002,235	\$ 13,382,129	\$ (1,608,049)	\$ 94,090,242
NATURAL GAS PRODUCTION & GATHERING PLANT - GAS PLANT IN SERVICE													
1311030	32511001	3251		Producing Lands	\$ 75,600				\$ 75,600				\$ 75,600
1311030	32521001	3252		Producing Leaseholds	10,016				10,016				10,016
1311050	32531001	3253		Gas Rights	9,120				9,120				9,120
1311030	32541001	3254	7	Rights Of Way	1,345,528				1,345,528				1,345,528
1311030	32551001	3255		Other Land & Land Rights-Land	37,292				37,292				37,292
1311050	32701001	3270	7	Field Compressor Station Structures	2,011,191				2,011,191				2,011,191
1311050	32801001	3280		Field M&R Station Structures-Producing Gas	45,916				45,916				45,916
1311050	32901001	3290	39	Other Structures	1,925,965			(1,191)	1,924,774			(1,191)	1,923,583
1311050	33001001	3300	7	Producing Gas Wells-Well Construction	9,221				9,221				9,221
1311050	33101001	3310		Producing Gas Wells-Well Equipment	2,984				2,984				2,984
1311050	33201001	3320	7	Field Lines	35,556,827	472,867	1,283,200	(229,310)	37,083,584	1,162,400	2,174,600	(229,310)	40,191,274
1311050	33301001	3330	7	Field Compressor Station Equipment	27,935,684	1,102,869	239,000	(599,979)	28,677,574	49,000	121,000	(599,979)	28,247,595
1311050	33401101	3340	7	Field M&R Station Equip-Purchase Gas-Meters & Gauges	22,279				22,279				22,279
1311050	33401201	3340	7	Field M&R Station Equip-Purchase Gas-Other	941,168		750,600	(22,661)	1,669,107	279,800	1,867,600	(22,661)	3,793,846
1311050	33404201	3340		Field M&R Station Equip-Free Gas-Other	208,712				208,712				208,712
1311050	33406101	3340		Field M&R Station Equip-Company Wells-Meters & Gauges	74				74				74
1311050	33406201	3340		Field M&R Station Equip-Company Wells-Other	378,025				378,025				378,025
1311050	33502001	3350		Drilling & Cleaning Equipment-NY, PA & OH	18,642				18,642				18,642
1311050	33701001	3370		Other Equipment-Odorization	27,305				27,305				27,305
1311050	33703001	3370	7	Other Equipment-Other	77,469				77,469				77,469
Total Natural Gas Production & Gathering Plant					\$ 70,639,018	\$ 1,575,736	\$ 2,272,800	\$ (853,141)	\$ 73,634,413	\$ 1,491,200	\$ 4,163,200	\$ (853,141)	\$ 78,435,672
UNDERGROUND STORAGE - GAS PLANT IN SERVICE													
1311030	35011001	3501	0	Land	\$ 13,084				\$ 13,084				\$ 13,084
1311030	35012001	3501		Land Other	3,740				3,740				3,740
1311030	35021001	3502	15	Rights Of Way	46,800				46,800				46,800
1311052	35102001	3510	15	Structures & Improvements-Compressor Station Structures	1,353,783			(16,011)	1,337,772			(16,011)	1,321,761
1311052	35103001	3510		Structures & Improvements-M & R Station Structures	1,464				1,464				1,464
1311052	35104001	3510		Structures & Improvements-Other Structures	410,747				410,747				410,747
1311052	35201001	3520	15	Wells-Well Construction/Equipment	1,047,295				1,047,295				1,047,295
1311030	35211001	3521		Land & Land Rights-Leaseholds/Storage Rights	182,671				182,671				182,671
1311052	35221001	3522		Reservoirs	433,139				433,139				433,139
1311052	35231001	3523		Non-Recoverable Natural Gas	205,251				205,251				205,251
1311052	35301001	3530	15	Lines	2,134,447				2,134,447				2,134,447
1311052	35401001	3540	15	Comp Station - Equipment/Computer Hardware/Other	7,574,440			(8,928)	7,565,512			(8,928)	7,556,584
1311052	35501001	3550	15	M & R Equipment-Meters & Gauges	5,350				5,350				5,350
1311052	35502001	3550	15	M & R Equipment-Other	70,399				70,399				70,399
1311052	35701001	3570	15	Other Equipment - Odorization	30,184				30,184				30,184
Total Underground Storage					\$ 13,512,794	\$ -	\$ -	\$ (24,939)	\$ 13,487,855	\$ -	\$ -	\$ (24,939)	\$ 13,462,916
TRANSMISSION PLANT - GAS PLANT IN SERVICE													
1311030	36511001	3651	0	Land & Land Rights-Land	\$ 192,966				\$ 192,966				\$ 192,966
1311030	36521001	3652	40	Rights Of Way	2,287,747				2,287,747				2,287,747
1311060	36602001	3660	15	Structures & Improvements-M&R Station Structures	1,505,536			(4,663)	1,500,873			(4,663)	1,496,210
1311060	36603001	3660	39	Structures & Improvements-Other Structures	49,996				49,996				49,996
1311060	36701001	3670	15	Mains	116,147,755	1,461,154	2,403,000	(227,124)	119,784,785	2,200,000	3,850,000	(227,124)	125,607,661
1311060	36801001	3680	15	Comp Station - Equipment/Computer Hardware/Other	-				-				-
1311060	36901001	3690		M&R Station Equipment-Automatic Controls	1,708,097		692,500		2,400,597	372,500	437,000		3,210,097
1311060	36903001	3690	15	M&R Station Equipment-Other	25,853,993	691,093		(177,391)	26,367,695			(177,391)	26,190,304
1311060	37101001	3710	15	Other Equipment-Odorization	2,482,345			(12,545)	2,469,800			(12,545)	2,457,255
1311060	37103001	3710		Other Equipment-Other Equipment	2,540	4,587			7,127				7,127
Total Transmission Plant					\$ 150,230,975	\$ 2,156,834	\$ 3,095,500	\$ (421,723)	\$ 155,061,586	\$ 2,572,500	\$ 4,287,000	\$ (421,723)	\$ 161,499,363

Peoples Natural Gas
 FTY - September 30, 2019 - Plant in Service
 FPFTY - October 31, 2020 - Plant in Service

G/L	ORACLE	SAP	Tax Life	DESCRIPTION	HTY Balance at September 30, 2018	9/30/2018 CWIP Closed to Plant within FTY 1/	4th Q 2018/2019 Capital Budget Closed to Plant	2018/2019 Retirements	FTY Balance at 9/30/2019 Plant in Service	9/30/2019 CWIP Closed to Plant within FPFTY	2019/2020 Capital Budget Closed to Plant	2019/2020 Retirements	Balance at 10/28/2020 FPFTY Plant in Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
DISTRIBUTION PLANT - GAS PLANT IN SERVICE													
1311030	37401001	3740	0	Land & Land Rights - Land	\$ 631,577			(32)	\$ 631,545			(32)	\$ 631,513
1311030	37404001	3740	44	Land & Land Rights - Rights-of-Way	3,966,263				3,966,263				3,966,263
1311070	37501001	3750	20	Structures & Improvements-M & R Station Structures (General)	2,218,997	979,826			3,198,823				3,198,823
1311070	37502001	3750		Structures & Improvements-M & R Station Structures (Industrial)	112,048				112,048				112,048
1311070	37503201	3750	39	Structures & Improvements-Other Structures	20,167,361		3,035,000	(144,667)	23,057,694		2,544,000	(144,667)	25,457,027
1311070	37601001	3760	20	Low Pressure Mains	322,875,109	333,048	36,815,710	(401,965)	359,621,902		36,228,098	(401,965)	395,448,035
1311070	37602001	3760	15	Regulated Pressure Mains	334,290,007	344,822	38,117,290	(416,176)	372,335,943		37,508,902	(416,176)	409,428,669
1311070	37801001	3780	20	M & R Station Equipment (General)-Meters & Gauges	366,988				366,988				366,988
1311070	37802001	3780	20	M & R Station Equipment (General)-Other Equipment	34,217,545	634,789	2,210,000	(328,366)	36,733,968	377,000	1,700,000	(328,366)	38,482,602
1311070	38001001	3800	20	Services - All Pressures	249,000,187	17,714	23,410,000	(387,588)	272,040,313		24,815,000	(387,588)	296,467,725
1311070	38003001	3800		Services - Regulated Pressure	158,853				158,853				158,853
1311070	38101001	3810	20	Meters - Meters	26,601,233	1,699	2,354,000	(1,149,320)	27,807,612		2,750,000	(1,149,320)	29,408,292
1311070	38102001	3810		Meters - Recording Gauges	3,354,075				3,354,075				3,354,075
1311070	38102001	3810		Meters - ERT	19,268,002		13,669,000		32,937,002		18,033,000		50,970,002
1311070	38102001	3810		Meters - Corrector UFG	1,381,929				1,381,929				1,381,929
1311070	38201001	3820	20	Meter Installations - Residential	45,900,095		1,672,550	(270,443)	47,302,203		3,083,540	(270,443)	50,115,299
1311070	38203001	3820	20	Meter installations - Commercial	11,483,587		418,450	(67,661)	11,834,375		771,460	(67,661)	12,538,175
1311070	38501001	3850		Industrial M & R Station Equipment - Meters & Gauges	109,470				109,470				109,470
1311070	38502001	3850		Industrial M & R Station Equipment - Telemetering Equipment	586,824				586,824				586,824
1311070	38503001	3850	20	Industrial M & R Station Equipment - Other	8,995,268	251,825		(41,610)	9,205,483			(41,610)	9,163,873
1311070	38601001	3860		Other Property on Customers Premises	77,720				77,720				77,720
1311070	38701001	3870	20	Other Equipment - Other Equipment	8,244,630	154,428	200,000	(242,452)	8,356,606		200,000	(1,139,893)	7,416,713
Total Distribution Plant					\$ 1,094,007,768	\$ 2,718,151	\$ 121,902,000	\$ (3,450,280)	\$ 1,215,177,639	\$ 377,000	\$ 127,634,000	\$ (4,347,721)	\$ 1,338,840,918
GENERAL PLANT - GAS PLANT IN SERVICE													
1311030	38901001	3890		Land & Land Rights - Land	\$ 51,727				\$ 51,727				\$ 51,727
1311030	38903001	3890	44	Land & Land Rights - Rights-of-Way	33,159				33,159				33,159
1311040	39003001	3900	39	Structures & Improvements - Leasehold Improvements	4,143,750		335,000		4,478,750				4,478,750
1311040	39003001	3900	39	Structures & Improvements - Communications	623,791				623,791				623,791
1311040	39005001	3900	39	Structures & Improvements - Other	86,504				86,504				86,504
1311090	39101001	3910	7	Office Furniture & Equipment - Furniture	1,009,655			(12,954)	996,701				996,701
1311090	39102001	3912	5	Office Furniture & Equipment - Computer Hardware	5,818,145	266,092	1,343,000	(1,282,996)	6,144,241		1,070,500	(1,682,079)	5,532,662
1311090	39103001	3910	5	Office Furniture & Equipment - Equipment	502,973			(2,536)	500,437			(6,390)	494,047
1311090	39104001	3910	5	Office Furniture & Equipment - Legal Books	9,943			(9,943)	-				-
1311080	39201201	3920	5	Transportation Equipment - Non Luxury Automobiles	75,830				75,830				75,830
1311080	39202101	3920	5	Transportation Equipment - Light Trucks	18,028,283	1,215,337	7,133,000	(1,545,539)	24,831,081		7,245,600	(1,545,539)	30,531,142
1311080	39202201	3920	5	Transportation Equipment - Heavy Trucks>13k	16,371,301				16,371,301				16,371,301
1311080	39203001	3920	5	Transportation Equipment -Trailers (PA & NY)	1,617,904				1,617,904				1,617,904
1311080	39205301	3920		Transportation Equipment - NGV Kits Light Trucks<10k	6,345				6,345				6,345
1311090	39301001	3930	20	Stores Equipment	-				-				-
1311090	39401001	3940		Tools, Shop & Garage Equipment - Shop Equipment	73,933			(3,280)	70,653			(1,800)	68,853
1311090	39402001	3940	20	Tools, Shop & Garage Equipment - Garage Equipment	133,633			(5,929)	127,704			(3,253)	124,451
1311090	39403001	3940	20	Tools, Shop & Garage Equip - NGV Compression/Station	500,853				500,853				500,853
1311090	39404001	3940	20	Tools, Shop & Garage Equip - Tools & Equipment	293,230		464,900		758,130		483,000		1,241,130
1311080	39601401	3960	20	Power Operated Equipment - Distribution Equipment	9,097,637			(971,319)	8,126,318			(971,319)	7,154,999
1311090	39701001	3970	7	Communications Equipment - Communication Equipment	8,735,450	603,802	1,877,000		11,216,252		2,079,400		13,295,652
1311090	39702001	3970	7	Communications Equipment - Telephone System	569,866				569,866				569,866
1311090	39704001	3970	7	Communications Equipment - Microwave System	1,427,404				1,427,404				1,427,404
1311090	39705001	3970		Communications Equipment - Radio	1,263,974				1,263,974				1,263,974
1311090	39801001	3980	20	Miscellaneous Equipment - Misc Equipment	182,723			(52,184)	130,539			(92,277)	38,262
Total General Plant					\$ 70,658,013	\$ 2,085,231	\$ 11,152,900	\$ (3,886,680)	\$ 80,009,464	\$ -	\$ 10,878,500	\$ (4,302,657)	\$ 86,585,307
Total Gas Plant In Service A/C 101					\$ 1,472,026,522	\$ 13,263,475	\$ 147,057,150	\$ (17,662,263)	\$ 1,614,684,884	\$ 9,442,935	\$ 160,344,829	\$ (11,558,230)	\$ 1,772,914,418

1/ Includes Mountain Energy capital costs of \$588,020 in Accounts 376, 378, 380 and 381.

Peoples Natural Gas - Equitable Division
 FTY - September 30, 2019 - Plant in Service
 FPFTY - October 31, 2020 - Plant in Service

G/L	ORACLE	SAP	Tax Life	DESCRIPTION	HTY Balance at September 30, 2018	9/30/2018 CWIP Closed to Plant within FTY	4th Q 2018/2019 Capital Budget Closed to Plant	2018/2019 Retirements	FTY Balance at 9/30/2019 Plant in Service	9/30/2019 CWIP Closed to Plant within FPFTY	2019/2020 Capital Budget Closed to Plant	2019/2020 Retirements	Balance at 10/31/2020 FPFTY Plant in Service
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
INTANGIBLE PLANT - GAS PLANT IN SERVICE													
1311020	30101001	3010	15	Organization	\$ 49,770				\$ 49,770				\$ 49,770
1311020	30201001	3020	15	Franchises & Consents					\$ -				\$ -
1311020	30301001	3030	5	Misc Intangible Plant (Includes CIAC)	5,845,747				\$ 5,845,747				\$ 5,845,747
1311020	30302001	3030	1	Misc Intangible Plant-Computer Software (In House) OTHER	2,961,633	1,702,860	4,580,481		\$ 9,244,974	915,090	6,968,780	\$ (674,303)	\$ 16,454,541
1311020	30302001	3030	1	Misc Intangible Plant-Computer Software (In House) MAJOR	15,455,738	16,256			\$ 15,471,994	2,060,575	1,346,675		\$ 18,879,244
1311020	30303001	3030	3	Misc Intangible Plant-Computer Software (Purchased) OTHER	927,559			(285,454)	\$ 642,105			\$ (32,693)	\$ 609,412
1311020	30303001	3030	3	Misc Intangible Plant-Computer Software (Purchased) MAJOR	2,055,945	271,136		-	\$ 2,327,081			-	\$ 2,327,081
Total Intangible Plant					\$ 27,296,392	\$ 1,990,252	\$ 4,580,481	\$ (285,454)	\$ 33,581,671	\$ 2,975,665	\$ 8,315,455	\$ (706,996)	\$ 44,165,795
NATURAL GAS PRODUCTION & GATHERING PLANT - GAS PLANT IN SERVICE													
1311030	32511001	3251		Producing Lands	\$ 63,365				\$ 63,365				\$ 63,365
1311030	32521001	3252		Producing Leaseholds					\$ -				\$ -
1311050	32531001	3253		Gas Rights	11,865				\$ 11,865				\$ 11,865
1311030	32541001	3254	7	Rights Of Way	283,475				\$ 283,475				\$ 283,475
1311030	32551001	3255		Other Land & Land Rights-Land	9,803			(7,225)	\$ 2,578			(2,578)	\$ -
1311050	32701001	3270	7	Field Compressor Station Structures	9,344,366				\$ 9,344,366				\$ 9,344,366
1311050	32801001	3280		Field M&R Station Structures-Producing Gas	16,862				\$ 16,862				\$ 16,862
1311050	32901001	3290	39	Other Structures					\$ -				\$ -
1311050	33001001	3300	7	Producing Gas Wells-Well Construction					\$ -				\$ -
1311050	33101001	3310		Producing Gas Wells-Well Equipment					\$ -				\$ -
1311050	33201001	3320	7	Field Lines	23,688,821	669,738	643,000	(11,045)	\$ 24,990,514	272,000	1,016,000	(11,045)	\$ 26,267,469
1311050	33301001	3330	7	Field Compressor Station Equipment	7,969,834		134,000	(169,144)	\$ 7,934,690	49,000	67,000	(169,144)	\$ 7,881,546
1311050	33401101	3340	7	Field M&R Station Equip-Purchase Gas-Meters & Gauges	603,454				\$ 603,454				\$ 603,454
1311050	33401201	3340	7	Field M&R Station Equip-Purchase Gas-Other	889,819		300,000		\$ 1,189,819	10,000	50,000		\$ 1,249,819
1311050	33404201	3340		Field M&R Station Equip-Free Gas-Other					\$ -				\$ -
1311050	33406101	3340		Field M&R Station Equip-Company Wells-Meters & Gauges					\$ -				\$ -
1311050	33406201	3340		Field M&R Station Equip-Company Wells-Other					\$ -				\$ -
1311050	33502001	3350		Drilling & Cleaning Equipment-NY, PA & OH					\$ -				\$ -
1311050	33701001	3370		Other Equipment-Odorization					\$ -				\$ -
1311050	33703001	3370	7	Other Equipment-Other	3,066				\$ 3,066				\$ 3,066
Total Natural Gas Production & Gathering Plant					\$ 42,884,730	\$ 669,738	\$ 1,077,000	\$ (187,414)	\$ 44,444,054	\$ 331,000	\$ 1,133,000	\$ (182,767)	\$ 45,725,287
UNDERGROUND STORAGE - GAS PLANT IN SERVICE													
1311030	35011001	3501	0	Land					\$ -				\$ -
1311030	35012001	3501		Land Other					\$ -				\$ -
1311030	35021001	3502	15	Rights Of Way					\$ -				\$ -
1311052	35102001	3510	15	Structures & Improvements-Compressor Station Structures					\$ -				\$ -
1311052	35103001	3510		Structures & Improvements-M & R Station Structures					\$ -				\$ -
1311052	35104001	3510		Structures & Improvements-Other Structures					\$ -				\$ -
1311052	35201001	3520	15	Wells-Well Construction/Equipment					\$ -				\$ -
1311030	35211001	3521		Land & Land Rights-Leaseholds/Storage Rights					\$ -				\$ -
1311052	35221001	3522		Reservoirs					\$ -				\$ -
1311052	35231001	3523		Non-Recoverable Natural Gas					\$ -				\$ -
1311052	35301001	3530	15	Lines					\$ -				\$ -
1311052	35401001	3540	15	Comp Station - Equipment/Computer Hardware/Other					\$ -				\$ -
1311052	35501001	3550	15	M & R Equipment-Meters & Gauges					\$ -				\$ -
1311052	35502001	3550	15	M & R Equipment-Other					\$ -				\$ -
1311052	35701001	3570	15	Other Equipment - Odorization					\$ -				\$ -
Total Underground Storage					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSMISSION PLANT - GAS PLANT IN SERVICE													
1311030	36511001	3651	0	Land & Land Rights-Land	\$ 68,423				\$ 68,423				\$ 68,423
1311030	36521001	3652	40	Rights Of Way	487,582				\$ 487,582				\$ 487,582
1311060	36601001	3660	15	Structures & Improvements-Compressor Station Structure	1,341,190				\$ 1,341,190				\$ 1,341,190
1311060	36602001	3660	15	Structures & Improvements-M&R Station Structures	43,930				\$ 43,930				\$ 43,930
1311060	36603001	3660	39	Structures & Improvements-Other Structures					\$ -				\$ -
1311060	36701001	3670	15	Mains	20,332,181	17,460	541,000	(12,478)	\$ 20,878,163	880,000	1,540,000	(12,478)	\$ 23,285,685
1311060	36801001	3680	15	Comp Station - Equipment/Computer Hardware/Other	11,406,290			(19,874)	\$ 11,386,416			(19,874)	\$ 11,366,542
1311060	36901001	3690		M&R Station Equipment-Automatic Controls					\$ -				\$ -
1311060	36903001	3690	15	M&R Station Equipment-Other	2,739,645	180,173	433,500		\$ 3,353,318	399,500	553,500		\$ 4,306,318
1311060	37101001	3710	15	Other Equipment-Odorization					\$ -				\$ -
1311060	37103001	3710		Other Equipment-Other Equipment					\$ -				\$ -
Total Transmission Plant					\$ 36,419,241	\$ 197,633	\$ 974,500	\$ (32,352)	\$ 37,559,022	\$ 1,279,500	\$ 2,093,500	\$ (32,352)	\$ 40,899,670

Peoples Natural Gas - Equitable Division
 FTY - September 30, 2019 - Plant in Service
 FPFTY - October 31, 2020 - Plant in Service

				HTY	9/30/2018 CWIP	4th Q 2018/2019	2018/2019	FTY	9/30/2019 CWIP	2019/2020	2019/2020	Balance at 10/31/2020	
				Balance at	Closed to Plant	Capital Budget	Retirements	Balance at	Closed to Plant	Capital Budget	Retirements	FPFTY	
				September 30, 2018	within FTY	Closed to Plant		Plant in Service	within FPFTY	Closed to Plant		Plant in Service	
G/L	ORACLE	SAP	Tax Life	DESCRIPTION	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(1)	(2)	(3)	(4)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
DISTRIBUTION PLANT - GAS PLANT IN SERVICE													
1311030	37401001	3740	0	Land & Land Rights - Land	\$ 576,998				\$ 576,998				\$ 576,998
1311030	37404001	3740	44	Land & Land Rights - Rights-of-Way	1,755,787				\$ 1,755,787				\$ 1,755,787
1311070	37501001	3750	20	Structures & Improvements-M & R Station Structures (General)	1,624,376				\$ 1,624,376				\$ 1,624,376
1311070	37502001	3750		Structures & Improvements-M & R Station Structures (Industrial)					\$ -				\$ -
1311070	37503201	3750	39	Structures & Improvements-Other Structures	183,073		829,000	(124)	\$ 1,011,949		48,000	(124)	\$ 1,059,825
1311070	37601001	3760	20	Low Pressure Mains	250,365,438	158,689	27,940,608	(467,234)	\$ 277,997,501		29,416,776	(467,234)	\$ 306,947,043
1311070	37602001	3760	15	Regulated Pressure Mains	426,188,964	270,130	47,562,392	(795,358)	\$ 473,226,128		50,075,224	(795,358)	\$ 522,505,994
1311070	37801001	3780	20	M & R Station Equipment (General)-Meters & Gauges	7,645				\$ 7,645				\$ 7,645
1311070	37802001	3780	20	M & R Station Equipment (General)-Other Equipment	25,646,345	649,302	1,111,000	(26,627)	\$ 27,380,020	264,000	1,200,000	(26,627)	\$ 28,817,393
1311070	38001001	3800	20	Services - All Pressures	294,901,312		20,183,000	(15,973)	\$ 315,068,339		20,735,000	(15,973)	\$ 335,787,366
1311070	38003001	3800		Services - Regulated Pressure					\$ -				\$ -
1311070	38101001	3810	20	Meters - Meters	22,117,712		1,524,000	(638,534)	\$ 23,003,178		1,775,000	(638,534)	\$ 24,139,644
1311070	38102001	3810		Meters - Recording Gauges	399,245				\$ 399,245				\$ 399,245
1311070	38102001	3810		Meters - ERT	1,464,853		2,013,000		\$ 3,477,853		13,426,000		\$ 16,903,853
1311070	38102001	3810		Meters - Corrector UFG	271,574				\$ 271,574				\$ 271,574
1311070	38201001	3820	20	Meter Installations - Residential	22,682,803		1,932,000	(37,107)	\$ 24,577,696		3,150,000	(37,107)	\$ 27,690,589
1311070	38203001	3820	20	Meter installations - Commercial					\$ -				\$ -
1311070	38501001	3850		Industrial M & R Station Equipment - Meters & Gauges	30,432				\$ 30,432				\$ 30,432
1311070	38502001	3850		Industrial M & R Station Equipment - Telemetering Equipment	573				\$ 573				\$ 573
1311070	38503001	3850	20	Industrial M & R Station Equipment - Other	655,374	97,644			\$ 753,018				\$ 753,018
1311070	38601001	3860		Other Property on Customers Premises	14,566,812				\$ 14,566,812				\$ 14,566,812
1311070	38701001	3870	20	Other Equipment - Other Equipment	271,965	1,552	-	(23,459)	\$ 250,058		\$ -		\$ 250,058
Total Distribution Plant					\$ 1,063,711,281	\$ 1,177,317	\$ 103,095,000	\$ (2,004,416)	\$ 1,165,979,182	\$ 264,000	\$ 119,826,000	\$ (1,980,957)	\$ 1,284,088,225
GENERAL PLANT - GAS PLANT IN SERVICE													
1311030	38901001	3890		Land & Land Rights - Land	\$ 134,342				\$ 134,342				\$ 134,342
1311030	38903001	3890	44	Land & Land Rights - Rights-of-Way	19,837				\$ 19,837				\$ 19,837
1311040	39003001	3900	39	Structures & Improvements - Leasehold Improvements	5,432,726		15,000		\$ 5,447,726		15,000		\$ 5,462,726
1311040	39003001	3900	39	Structures & Improvements - Communications					\$ -				\$ -
1311040	39005001	3900	39	Structures & Improvements - Other	4,040,441	138,209		(39,019)	\$ 4,139,631			(39,019)	\$ 4,100,612
1311090	39101001	3910	7	Office Furniture & Equipment - Furniture	1,623,511				\$ 1,623,511				\$ 1,623,511
1311090	39102001	3912	5	Office Furniture & Equipment - Computer Hardware	212,458		644,200	(205,640)	\$ 651,018		636,000		\$ 1,287,018
1311090	39103001	3910	5	Office Furniture & Equipment - Equipment	2,435,216			(6,392)	\$ 2,428,824			(2,274,813)	\$ 154,011
1311090	39104001	3910	5	Office Furniture & Equipment - Legal Books					\$ -				\$ -
1311080	39201201	3920	5	Transportation Equipment - Non Luxury Automobiles	56,226				\$ 56,226				\$ 56,226
1311080	39202101	3920	5	Transportation Equipment - Light Trucks	6,181,875	627,058	3,519,000	(1,140,200)	\$ 9,187,733		2,862,000	(1,140,200)	\$ 10,909,533
1311080	39202201	3920	5	Transportation Equipment - Heavy Trucks>13k	5,122,808				\$ 5,122,808				\$ 5,122,808
1311080	39203001	3920	5	Transportation Equipment -Trailers (PA & NY)	197,237				\$ 197,237				\$ 197,237
1311080	39205301	3920		Transportation Equipment - NGV Kits Light Trucks<10k					\$ -				\$ -
1311090	39301001	3930	20	Stores Equipment					\$ -				\$ -
1311090	39401001	3940		Tools, Shop & Garage Equipment - Shop Equipment					\$ -				\$ -
1311090	39402001	3940	20	Tools, Shop & Garage Equipment - Garage Equipment					\$ -				\$ -
1311090	39403001	3940	20	Tools, Shop & Garage Equip - NGV Compression/Station					\$ -				\$ -
1311090	39404001	3940	20	Tools, Shop & Garage Equip - Tools & Equipment	5,162,989		394,400	(109,142)	\$ 5,448,247		195,000	(106,079)	\$ 5,537,168
1311080	39601401	3960	20	Power Operated Equipment - Distribution Equipment	2,021,466	14,417		(117,409)	\$ 1,918,474			(117,409)	\$ 1,801,065
1311090	39701001	3970	7	Communications Equipment - Communication Equipment	699,644		978,000		\$ 1,677,644		1,234,000	(88,526)	\$ 2,823,118
1311090	39702001	3970	7	Communications Equipment - Telephone System	243,298				\$ 243,298				\$ 243,298
1311090	39704001	3970	7	Communications Equipment - Microwave System	17,015,409				\$ 17,015,409				\$ 17,015,409
1311090	39705001	3970		Communications Equipment - Radio					\$ -				\$ -
1311090	39801001	3980	20	Miscellaneous Equipment - Misc Equipment			200,000		\$ 200,000				\$ 200,000
Total General Plant					\$ 50,599,483	\$ 779,684	\$ 5,750,600	\$ (1,617,802)	\$ 55,511,965	\$ -	\$ 4,942,000	\$ (3,766,046)	\$ 56,687,919
Total Gas Plant In Service A/C 101					\$ 1,220,911,127	\$ 4,814,624	\$ 115,477,581	\$ (4,127,438)	\$ 1,337,075,894	\$ 4,850,165	\$ 136,309,955	\$ (6,669,118)	\$ 1,471,566,896