
Nicholas A. Stobbe

nstobbe@postschell.com
717-612-6033 Direct
717-720-5387 Direct Fax
File #: 205143

April 1, 2024

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Pennsylvania Public Utility Commission, *et al.* v. Peoples Natural Gas
Company LLC 1307(f)-2024 Proceeding
Docket Nos. R-2024-3045945, *et al.***

Dear Secretary Chiavetta:

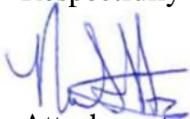
Enclosed for filing on behalf of Peoples Natural Gas Company LLC (“Peoples Natural Gas” or the “Company”) in the above-referenced proceeding pursuant to Section 1307(f)(1) of the Public Utility Code, 66 Pa. C.S. § 1307(f)(1), is the Company’s direct testimony, exhibits, and Pro Forma Tariff Supplement.

Please note that effective January 1, 2023, the Peoples Companies legal entities were merged. As such, Peoples Natural Gas Company became Peoples Natural Gas Company LLC – Peoples Natural Gas Division (“PNGD” or “Peoples Natural Gas Division”) and Peoples Gas Company became Peoples Natural Gas Company LLC – Peoples Gas Division (“PGD” or “Peoples Gas Division”). Accordingly, the enclosed filing reflects the direct testimony, exhibits and Pro Forma Tariff Supplement for both Divisions.

The Pro Forma Tariff Supplement contains proposed changes to the Peoples Natural Gas Division’s Retail Tariff Gas – Pa. P.U.C. No. 47 and the Peoples Gas Division’s Retail Tariff Gas – Pa. P.U.C. No. 8 and is attached as Peoples Natural Gas Exhibit No. 5.

If you have any comments or questions regarding the attached, please contact the undersigned.

Respectfully submitted,



Attachments

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL

Carrie B. Wright, Esquire
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265
cwright@pa.gov

Melanie J. Atieh, Esquire
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
OCA1307f2024@paoca.org

Steven C. Gray
Office of Small Business Advocate
555 Walnut Street
Forum Building, 1st Floor
Harrisburg, PA 17101
sgray@pa.gov

Kevin J. Moody, Esquire
212 Locust Street, Suite 300
Harrisburg, PA 17101
kevin@pioga.org
Counsel for PIOGA

Date: April 1, 2024



Nicholas A. Stobbe

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION

v.

PEOPLES NATURAL GAS COMPANY LLC

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Docket No. R-2024-3045945

**DIRECT TESTIMONY OF
CAROL A. SCANLON**

On behalf of

**PEOPLES NATURAL GAS COMPANY LLC
Peoples Natural Gas Division and Peoples Gas Division**

DATE SERVED: April 1, 2024

DATE ADMITTED: _____

Peoples Natural Gas Company Statement No. 1

**PREPARED DIRECT TESTIMONY OF
CAROL A. SCANLON**

1 **Q. PLEASE STATE YOUR NAME AND ADDRESS.**

2 **A.** My name is Carol A. Scanlon. My business address is 375 North Shore Drive, Pittsburgh,
3 PA 15212.

4

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

6 **A.** I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as Rates Manager.
7 I note that effective January 1, 2023, the Peoples Natural Gas Company LLC and Peoples
8 Gas Company LLC were merged. As such, Peoples Natural Gas Company LLC
9 (“Company”) became Peoples Natural Gas Company LLC – Peoples Natural Gas Division
10 (“PNGD” or “Peoples Natural Gas Division”) and Peoples Gas Company LLC became
11 Peoples Natural Gas Company LLC – Peoples Gas Division (“PGD” or “Peoples Gas
12 Division”). When referring to both divisions herein, they may be referred to as the Peoples
13 Divisions, Peoples Natural Gas, the Company or Peoples. In my position as Rates Manager,
14 I provide rates and regulatory services for both PNGD and PGD.

15

16 **Q. PLEASE DESCRIBE BRIEFLY YOUR EDUCATIONAL BACKGROUND AND**
17 **WORK EXPERIENCE.**

18 **A.** I graduated from the University of Pittsburgh in 1994 with a Bachelor of Science Degree
19 in Business Administration with a concentration in Finance, and from Robert Morris
20 University in 2001 with a Master’s Degree in Business Administration. My career began
21 with the former Equitable Gas Company (“EGC”) in 2004, where I was employed in

1 various positions of increasing responsibility. I started with EGC as a Senior Financial
2 Analyst supporting the Collections and Compliance areas of the business. In March 2006,
3 I transitioned to the role of Supervisor of Collections and Analysis. I was in that role until
4 August of 2007, when I was promoted to the Manager of Account Maintenance, during
5 which time I directed the activities of the Audit and Back Office departments. In May
6 2009, I was promoted to Manager of Commercial and Residential Analysis. In June 2010,
7 I was promoted to the Manager of Rates. I continued in that role until December 17, 2013,
8 at which time EGC was acquired by PNG Companies and merged into Peoples Natural
9 Gas. At that time, I transitioned to Peoples Natural Gas as a Rate Consultant. In August
10 2017, I was promoted to Manager of Transportation and Revenue. In this role, I managed
11 revenue reporting and the team responsible for all interactions with the Natural Gas
12 Suppliers (“NGSs”). In 2018, I transferred to PNG Companies. In April of the same year,
13 I moved back to the Regulatory team as the Rates Manager.

14
15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

16 **A.** I am the witness with general responsibility for the information presented in support of the
17 2024 1307(f) Purchased Gas Cost filing (“1307(f)-2024”) for both Peoples Divisions. In
18 addition, my testimony will identify the other Company witnesses, describe their case
19 responsibilities, and review the Company’s Federal Energy Regulatory Commission
20 (“FERC”) activities and monitoring of upstream pipelines that supply gas to subsidiaries of
21 Peoples. I will also address the Company’s customer retainage calculation, the Company’s
22 AVC capacity rate blending proposal, and provide a status update to Settlement Terms 32 -
23 Hedging Program and 33 - Interim PGC Rate Filings from the Commission-approved Joint

1 Petition for Settlement in the Company’s 2023-1307(f) proceeding at Docket No. R-2023-
2 3037928. Lastly, I will discuss an anticipated finding in the Company’s Purchased Gas Cost
3 audit for the 12-month periods ended January 31, 2022, January 31, 2021, and January 31,
4 2020.

5
6 **Q. PLEASE DESCRIBE THE GENERAL RESPONSIBILITIES OF THE OTHER**
7 **PEOPLES NATURAL GAS WITNESSES.**

8 **A.** Steven Kolich, through **Peoples Natural Gas Statement No. 2**, will support the Company’s
9 gas procurement policies, the historical period gas purchases, as well as the projected period
10 gas procurement plans. Dawn Folks will sponsor **Peoples Natural Gas Statement No. 3**,
11 which provides the calculation of the prior period over/under collections and supports the
12 rate calculations for the projected period. Dawn Folks will also address the Company’s
13 Design Peak Day Requirements. Finally, Lynda Petrichevich will sponsor **Peoples Natural**
14 **Gas Statement No. 4**, which will discuss Unaccounted for Gas (“UFG”) and producer
15 retainage.

16
17 **Q. WHAT IS THE OVERALL STRUCTURE AND FORMAT OF THE COMPANY’S**
18 **FILING?**

19 **A.** There are two major components of the Company’s filing: (1) the pre-filing; and (2) the
20 annual filing. The pre-filing is made up of responses to the standard filing requirements as
21 well as standard exhibits required under Pennsylvania Public Utility Commission’s
22 (“Commission” or “PUC”) regulations at 52 Pa. Code §§ 53.64 and 53.65. The annual filing

1 consists of the Company's direct testimony, accompanying exhibits, and the Company's
2 unnumbered, undated tariff supplement.

3
4 **Q. PLEASE DESCRIBE THE FILING REQUIREMENT RESPONSES PROVIDED IN**
5 **THE PRE-FILING.**

6 **A.** The Company provided responses to the standard filing requirements set forth in the
7 Commission's regulations at 52 Pa. Code § 53.64(c)(1) through 53.64(c)(14) and 53.64(i)(1).
8 In addition, the Company has responded to Section 53.65. For ease of reference, these
9 responses are numbered the same as the regulation. The table below describes each filing
10 requirement and identifies the Company's witness responsible for the information provided.

11
12

FR No.	Filing Requirement	Witness¹
53.64 (c) (1)	12 & 20 Month Supply	DMF
53.64 (c) (2)	Confidential Treatment	DMF
53.64 (c) (3)	Supply Not Chosen	SPK
53.64 (c) (4)	FERC Summary	CAS
53.64 (c) (5)	Gas Supply and Demand Projections	DMF
53.64 (c) (6)	Fuel Procurement	SPK
53.64 (c) (7)	Off System Sales & Capacity Release	SPK
53.64 (c) (8)	Transportation	DMF
53.64 (c) (9)	Transportation	DMF
53.64 (c) (10)	Schematic / Facilities	SPK
53.64 (c) (11)	Rate Structure Changes	DMF
53.64 (c) (12)	Three Day Peak Data	DMF
53.64 (c) (13)	Peak Day Methodology	DMF
53.64 (c) (14)	Min. Gas Entitlements	SPK
53.64 (i) (1)	Revenue and Expense Comparison (over/under)	DMF
53.65	Affiliated Gas Purchases	SPK

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¹ Peoples witnesses include Carol Scanlon – Statement No. 1 (“CAS”), Steven P. Kolich – Statement No. 2 (“SPK”), Dawn Folks –Statement No. 4 (“DMF”), and Lynda Petrichevich – Statement No. 4 (“LWP”).

1 **Q. PLEASE DESCRIBE THE COMPANY’S EXHIBITS.**

2 **A.** The table below includes a description of each Exhibit and the Company’s sponsoring
3 witness. These exhibits are numbered sequentially.

Ex. No.	Exhibit Name	Witness
1	Design Day - Requirements and Supply	DMF/SPK
2	FERC Annotated List	CAS
3	Customer Retainage	CAS
4	Btu Factor Calculation	SPK
5	Tariff	DMF
6	12 Month Actuals	DMF/SPK
7	Interim Gas Cost Projections	DMF/SPK
8	Collection Period Gas Cost Projections	DMF/SPK
9	Over/Under Collections	DMF
10	Rate Calculation	DMF
11	Balancing Rate	DMF
12	Revenues and Expenses	DMF
13	2023 UFG Mitigation Plan Results Summary	LWP
14	3-Year History- UFG Volumes and Loss Rate	LWP
15	Storage Valuation Change Adjustment	CAS

13 **Q. PLEASE EXPLAIN THE EXHIBITS THAT YOU WILL BE SPONSORING.**

14 **A.** I am sponsoring **Peoples Natural Gas Company Exhibit No. 2**, which provides a detailed
15 identification and explanation of all the various FERC proceedings involving PNG
16 Companies subsidiaries’ interstate pipeline providers and other FERC proceedings that PNG
17 Companies’ subsidiaries monitored and/or participated in during 2023. I am also sponsoring
18 **Peoples Natural Gas Company Exhibit No. 3**, which displays the results of Peoples
19 customer retainage calculation, and **Peoples Natural Gas Company Exhibit No. 15**, which
20 describes an adjustment to the Company’s storage valuation based upon an anticipated audit
21 finding.

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FERC PARTICIPATION

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Q. WHY DOES PEOPLES NATURAL GAS PARTICIPATE IN PROCEEDINGS AT THE FERC?

A. As a distributor of natural gas, Peoples is concerned with minimizing the price and assuring adequate availability of its gas supplies in order to provide reasonably priced, reliable service to the Company’s residential, commercial and industrial ratepayers. Thus, the Company monitors and participates in various proceedings before the FERC – the federal agency that regulates the price and terms of services of interstate pipelines from which the Company obtains the delivery of a substantial portion of its gas supply – as a means of assuring for Peoples’ ratepayers the future availability of reasonably priced, reliable gas supplies.

Peoples and its predecessors have monitored and participated in proceedings at the FERC and the FERC’s predecessor agency, the Federal Power Commission, since the early 1950’s. Since 1985, Pennsylvania natural gas distribution companies have had a statutory duty to participate in FERC proceedings in accordance with the requirements of the Pennsylvania Public Utility Code, as amended by Act 74 of 1984 and as interpreted by the Commission in both Peoples Division’s previous 1307(f) proceedings. Peoples involvement in FERC-related activities has been reviewed by the Commission in each of the Peoples Division’s 1307(f) proceedings since that time.

Q. DOES PEOPLES NATURAL GAS WORK WITH ANY OTHER ORGANIZATIONS IN MATTERS BEFORE THE FERC?

A. Peoples is a member of the American Gas Association (“AGA”). The AGA FERC Regulatory Committee is charged with the responsibility to act upon federal and regulatory

1 policy issues of interest and importance to its members, which consist of more than 200 local
2 natural gas utility companies like the Peoples Divisions.

3
4 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
5 **MARKED AS PEOPLES NATURAL GAS COMPANY EXHIBIT NO. 2?**

6 **A. Yes. Peoples Natural Gas Company Exhibit No. 2** provides a detailed identification and
7 explanation of all of the various FERC proceedings involving Peoples subsidiaries' interstate
8 pipeline providers and other FERC proceedings that Peoples monitored and/or participated
9 in during 2023. I should note that the Company previously filed these materials with the
10 Commission on March 1, 2024, as part of the 30-day pre-filing required by the Commission's
11 1307(f) regulations. As this description of Peoples' FERC activity reveals, Peoples has fully
12 and vigorously represented the interests of its ratepayers at FERC during the time periods
13 relevant to this case.

14
15 **PEOPLES DIVISIONS CUSTOMER RETAINAGE**

16
17 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS COMPANY EXHIBIT NO. 3.**

18 **A.** The top section of the analysis shown in **Peoples Natural Gas Company Exhibit No. 3**
19 presents the most recent three-year average (2021-2023) for UFG and Company Use ("CU")
20 gas. The average of UFG for the three-year period is 5.2%, while the average of CU for the
21 three-year period is 0.6%. Summing the two together results in a three-year average of 5.7%
22 (Note, the difference of 0.10% in **Peoples Natural Gas Company Exhibit No. 3** is due to
23 rounding).

1 As seen in the bottom section of **Peoples Natural Gas Company Exhibit No. 3**,
2 applying the three-year average of UFG/CU to the projected usage for the Peoples system
3 yields the projected total system retainage requirements for the forecasted period. From that,
4 the Company deducted volumes retained from competitive customers, volumes retained from
5 producers, retainage on the Goodwin/Tombaugh system, and the imputed retainage on storage
6 gas. This calculation produces the net amount to be retained from sales and the remaining
7 transportation customers. Dividing this volume by the total volume for customers paying the
8 tariff retainage rate results in a retainage percentage of 5.8%.

9
10 **Q. DOES THE COMPANY DISCOUNT RETAINAGE RATES?**

11 **A.** Yes, in some circumstances. Please refer to the direct testimony Dawn Folks at **Peoples**
12 **Natural Gas Statement No. 3** for further discussion of this topic.

13
14 **ALLEGHENY VALLEY CONNECTOR (“AVC”) CAPACITY**

15
16 **Q. PLEASE DESCRIBE AVC CAPACITY, INCLUDING HOW AVC COSTS ARE**
17 **CALCULATED AND RECOVERED.**

18 **A.** The AVC facilities consist of transmission and storage facilities that are used to provide
19 service to customers. The AVC facilities were historically owned by the Peoples Natural
20 Gas Division and AVC costs were recovered in base rates from both sales and
21 transportation customers in accordance with the cost allocation approved in Peoples’ then
22 most recent base rate case. The AVC facilities were transferred to EQT Corporation
23 (“EQT”) as part of Peoples acquisition of the Equitable Gas distribution system in

1 December 2013. When that happened, the AVC costs were removed from base rates and
2 included in purchased gas costs as a stand-alone capacity charge. In other words, the AVC
3 costs were not rolled into Peoples traditional capacity charges for recovery. To date, AVC
4 costs are recovered via a separate surcharge applicable to all PNGD customers.
5 Additionally, AVC capacity is not included in the Price to Compare (“PTC”) because it is
6 charged to PNGD’s customers and therefore shopping customers would not shed this cost
7 if choosing to purchase commodity through a third-party supplier.

8
9 **Q. ARE YOU PROPOSING TO BLEND THE AVC RATES IN THIS PROCEEDING?**

10 **A.** Yes. Peoples is proposing the blending of the AVC rate for both of its Divisions (PNGD
11 and PGD) in this proceeding in conjunction with the same proposal in Peoples present base
12 rate case proceeding at Docket No. R-2023-3044549. Peoples proposal is to charge the
13 stand alone AVC capacity charge to all Peoples Natural Gas Division and Peoples Gas
14 Division customers.

15
16 **Q. WHY IS PEOPLES PROPOSING AVC CHARGES FOR PEOPLES GAS
17 DIVISION CUSTOMERS?**

18 **A.** The Company combined gas costs for the Peoples Natural Gas Division and Peoples Gas
19 Division effective October 1, 2022. Since that time, with the exception of the AVC charge,
20 both divisions have the same PGC rate components, balancing charges and retainage rates.
21 In Peoples’ present base rate case proceeding, the Company is proposing to combine the
22 base rates and tariffs as the next step in the process of merging these separate divisions into
23 one company. The blending of the AVC rate is necessary to bring the divisions together on

1 the same footing.

2 Additionally, since the gas costs were combined, Peoples Gas Division
3 customers receive the benefit of the AVC capacity. Specifically, Peoples is able to “move”
4 the capacity, including AVC, across both legacy systems. This is of particular note when
5 considering Peoples’ transportation program. Third-party suppliers are able to bring gas to
6 the Peoples system at any of the interconnection points, no matter where the end use
7 customer is receiving the gas. In this fashion, the capacity can be used in the same way by
8 both of the divisions and is not contingent on which of the legacy distribution systems the
9 customer is served from.

10
11 **Q. PLEASE DESCRIBE THE COMPANY’S AVC CAPACITY RATE BLENDING**
12 **PROPOSAL.**

13 **A.** Refer to **Peoples Natural Gas Company Exhibit No. 10**, page 2 of 2. Peoples is not
14 proposing any changes to the AVC capacity dollars to be recovered in this proceeding.
15 Peoples is also not proposing any change to the allocation of the costs to the customer
16 classes as defined in the current Peoples Natural Gas Company LLC - Peoples Natural Gas
17 Division tariff and shown below.

Rate Class	Allocation
Residential	66.25%
SGS	11.94%
MGS	12.99%
LGS	8.82%

18
19 Peoples is only proposing that recovery of the AVC charge come from both Peoples
20 Natural Gas Division and Peoples Gas Division customers. In **Peoples Natural Gas**
21 **Company Exhibit No. 10**, page 2 of 2, the volumes to be charged the AVC Capacity Cost

1 shown towards the bottom of the calculation reflect both PNGD and PGD volumes less
2 competitive customer volumes that have negotiated AVC rates. The contribution to AVC
3 costs from competitive customers is also updated to include both PNGD and PGD
4 competitive customers and is shown in the second row of the calculation.

5
6 **2023-1307(F) SETTLEMENT**

7 **HEDGING PROGRAM AND INTERIM PGC RATE FILINGS**

8
9 **Q. PLEASE DESCRIBE THE SETTLEMENT TERM FROM THE 2023-1307(F)**
10 **RELATED TO A HEDGING PROGRAM.**

11 **A.** In the Company’s 2023-1307(f) proceeding, the Parties agreed to the following related to
12 a hedging program.

13 If the Company’s rate in effect for commodity reaches \$5.00 or more for at least
14 two consecutive quarters, Peoples Natural Gas will propose a hedging program in
15 its then-next annual PGC filing. This provision will be in effect beginning with the
16 October 1, 2023, quarterly rate change and end after eight quarters.
17

18 **Q. HAS THE COMPANY MONITORED THE COMMODITY RATE IN EFFECT?**

19 **A.** Yes. Shown below is the commodity rate in effect each quarter beginning October 1, 2023,
20 through April 1, 2024, the filing date of this testimony.

	Commodity Rate
Quarter	in Effect
1-Oct-23	\$ 2.9220
1-Jan-24	\$ 2.3664
1-Apr-24	\$ 1.9843

21
22
23 **Q. IS PEOPLES PROPOSING A HEDGING PROGRAM IN THIS PROCEEDING?**

1 A. No. As shown in the table above, the commodity rate in effect has not reached the \$5.00
2 threshold for at least two consecutive quarters. Therefore, Peoples is not proposing a
3 hedging program in this proceeding.

4

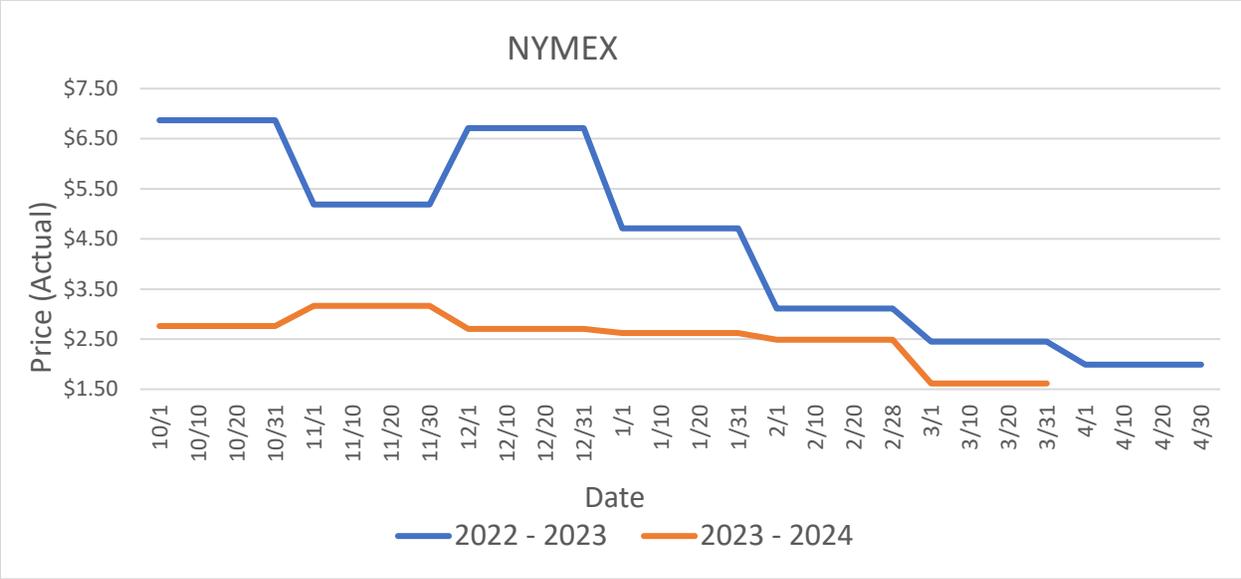
5 **Q. PLEASE DESCRIBE THE SETTLEMENT TERM FROM THE 2023-1307(F)**
6 **RELATED TO INTERIM PGC RATE FILINGS.**

7 A. In the Company's 2023-1307(f) proceeding, one of the elements the Parties agreed to in
8 settlement concerns interim PGC rate filings:

9 The Company will monitor natural gas commodity prices to consider making
10 interim filings in the future. The purpose of this monitoring is to avoid significant
11 over or under collections of gas cost commodity costs in the future.
12

13 **Q. HAS THE COMPANY MONITORED THE COMMODITY PRICES TO**
14 **CONSIDER MAKING INTERIM PGC FILINGS?**

15 A. Yes. Shown in the graph below is a summary of NYMEX pricing comparing the winter
16 season of October 2022 – March 2023 to the winter season of October 2023- March. The
17 graph displays the actual NYMEX price approximately every ten days; the beginning of
18 the month, the tenth of the month, the twentieth of the month, and the end of the month.



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Q. HAS THE COMPANY MADE ANY INTERIM PGC FILINGS? WHY OR WHY NOT?

A. No. As shown in the graph above, the Company did monitor commodity prices and considered whether or not to make an interim PGC filing. When considering whether or not to make an interim PGC filing, the Company looked to see if the pricing fluctuated to the extent it did in the October 2022 – March 2023 timeframe. As can be seen in the above graph, the Nymex pricing during the October 2023 – March 2024 timeframe has been relatively flat and has not fluctuated to the degree it did during the prior year’s heating season. As a result, the Company did not make any interim PGC filings as the change in NYMEX shown would not have materially affected the over- or -under collection of gas cost commodity costs.

ANTICIPATED AUDIT FINDING

1 **Q. WHAT IS THE STATUS OF THE PURCHASED GAS COST AUDIT YOU**
2 **MENTION?**

3 **A.** The Company is working with the Bureau of Audits to finalize individual audits of PNGD
4 and PGD Purchased Gas Costs for the 12-month periods ended January 31, 2022, January
5 31, 2021, and January 31, 2020. The Audit report has not yet been issued for either division,
6 however, based upon conversations with the Audits Bureau, Peoples anticipates a finding
7 related to the storage valuation method the Company currently uses.

8

9 **Q. PLEASE EXPLAIN THE ANTICIPATED FINDING IN MORE DETAIL.**

10 **A.** Generally, the Company injects gas into storage from April through October. However, there
11 are times that there can also be gas withdrawn in those months on a certain day or days.
12 Currently, Peoples prices these limited summer storage withdrawals at the same price as
13 storage injections that occur in the same month. The essence of the anticipated finding directs
14 that Peoples price these summer storage withdrawals at the prior month WACOG rather than
15 the using the price of the current month injections.

16

17 **Q. IS THE COMPANY AMENABLE TO MAKING THIS CHANGE?**

18 **A.** Yes, Peoples is agreeable to making this change to the storage valuation methodology.

19

20 **Q. WHAT IS THE IMPACT OF MAKING THIS CHANGE?**

21 **A.** I note that this matter came up very recently. Audits is requesting that this methodology be
22 applied beginning April 2020. Peoples estimates the adjustment amount for the period of
23 April 2020 – December 2023 to be a net decrease in storage book value of approximately

1 (\$2,020,833) for PNGD and for the period October 2022 – December 2023 a net decrease in
2 storage book value of approximately (\$1,228,594) for PGD, for a total net decrease in storage
3 book value of approximately (\$3,249,426) combined. The PGD adjustment period reflects
4 the start date for when PNGD and PGD purchased gas costs were combined. Interest
5 associated with these storage valuation adjustments is currently estimated to be (\$588,821)
6 for PNGD and \$(180,297) for PGD. Both the storage valuation adjustments and the
7 associated interest are proposed to be collected by PNG. Refer to **Peoples Natural Gas**
8 **Company Exhibit No. 15** for details of this calculation. Peoples will provide the final audit
9 report to the parties when it becomes available.

10
11 **Q. HOW DOES THE COMPANY PROPOSE TO HANDLE THIS?**

12 **A.** As mentioned above, this matter came up very recently. Peoples will make the change to the
13 storage valuation process and finalize the adjustment amount that covers the full period of
14 April 2020 (October 2022 for PGD) through the effective date of the change in the valuation
15 process. Peoples proposes to include the final adjustment amount, plus applicable interest,
16 in the E-factor of component of the rate effective October 1, 2024 to be recovered over a 12
17 month period.

18
19 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

20 **A.** Yes. I reserve the right to submit additional testimony if other issues arise during the course
21 of the proceeding. Thank you.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION

v.

PEOPLES NATURAL GAS COMPANY LLC

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Docket No. R-2024-3045945

**DIRECT TESTIMONY OF
STEVEN P. KOLICH**

On behalf of

PEOPLES NATURAL GAS COMPANY LLC

DATE SERVED: April 1, 2024

DATE ADMITTED: _____

Peoples Natural Gas Company Statement No. 2

**DIRECT TESTIMONY OF
STEVEN P. KOLICH**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Steven P. Kolich. My business address is 375 North Shore Drive,
3 Pittsburgh, Pennsylvania 15212.

4

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

6 A. I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as the
7 Director, Gas Supply. In this position, I manage the team that provides the gas supply
8 acquisition services for Peoples Natural Gas Company LLC (“Peoples,” “Peoples
9 Natural Gas” or “the Company”). I would note that effective January 1, 2023, Peoples
10 Natural Gas Company LLC and Peoples Gas Company LLC were merged. As such,
11 Peoples Natural Gas Company LLC became Peoples Natural Gas Company LLC –
12 Peoples Natural Gas Division (“PNGD” or “Peoples Natural Gas Division”) and
13 Peoples Gas Company LLC became Peoples Natural Gas Company LLC – Peoples Gas
14 Division (“PGD” or “Peoples Gas Division”). When referring to both divisions herein,
15 they may be referred to as the Peoples Divisions, Peoples Natural Gas, the Company,
16 or Peoples.

17

18 **Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL
19 EXPERIENCE.**

20 A. I graduated from the University of Pittsburgh in 1989 with a Bachelor of Science degree
21 in Industrial Engineering. In 1989, I accepted a position with Columbia Gas of Ohio

1 as an Industrial Marketing Engineer in the Marketing Department. My career at PNG
2 began in 1991 in the Sales and Marketing Department as an Industrial Sales
3 Representative after which I transitioned into a Technical Marketing Engineer position.
4 In 1997, I accepted the role of Supply Planning Analyst in the Gas Supply Group for
5 Consolidated Natural Gas Company, the then parent of PNG, where I was responsible
6 for the design and execution of the gas supply plan and capacity portfolio for PNG.

7 In 2000, I moved back to PNG where I worked as a Planning and Fuel
8 Forecasting Analyst until 2008 when I was promoted to the Manager Sales and
9 Transportation. After PNG was acquired by SteelRiver Infrastructure Fund North
10 America LP, I remained the Manager Sales and Transportation until 2011 when I was
11 promoted to Manager Gas Supply, Requirement Forecasting and Transportation. In
12 2014, I transitioned to the role of Manager Transportation Services and Requirement
13 Forecasting. In July 2017, I was promoted to my current position of Director of Gas
14 Supply.

15

16 **Q. HAVE YOU TESTIFIED PREVIOUSLY IN ANY REGULATORY**
17 **PROCEEDINGS?**

18 A. Yes. I have testified in cases before the Pennsylvania Public Utility Commission
19 (“Commission”), including Peoples Natural Gas Company LLC’s 1307(f) filings at
20 Docket Nos. R-2018-2645278, R-2018-3000236, R-2019-3007612, R-2019-3007617,
21 R-2020-3017850, R-2021-3023965, R-2022-3030661 and R-2023-3037928 and
22 Peoples Gas Company LLC’s 1307(f) filings at Docket Nos. R-2018-2645296, R-2019-
23 3007613, 2020-3017846, R-2021-3023967 and R-2022-3030664.

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Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS CASE?

A. I am the Company’s gas supply witness. As the Company’s gas supply witness, I will address the following subjects:

- I. Gas Procurement Policy and Supply Planning
- II. Supply Requirements
- III. Interstate Pipeline Transportation and Storage Capacity Portfolio
- IV. Natural Gas Supply Portfolio
- V. Capacity Releases
- VI. Off-System Sales
- VII. Purchases from Affiliates
- VIII. Shut-In Practices and Policies
- IX. Renegotiation of Contracts
- X. System Average BTU Value

Throughout my testimony, I will refer to the “1307(f)-2024 historical period” and the “1307(f)-2024 projected period.” The “1307(f)-2024 historical period” is the 12-month period of February 1, 2023, through January 31, 2024. That same 12-month period was part of the projected period in Peoples’ 1307(f)-2023 proceeding. The projected period in this proceeding is the 20-month period of February 1, 2024, through September 30, 2025, which is the “1307(f)-2024 projected period.” Peoples Natural Gas will have experienced a part of that projected period before this case is over.

1 **Q. WHICH COMPONENTS OF THE COMPANY’S 1307(f)-2024 FILING ARE**
2 **YOU SPONSORING?**

3 A. I am sponsoring Filing Requirement sections 53.64(c)(3), 53.64(c)(6), 53.64(c)(7),
4 53.64(c)(10), 53.64(c)(14), and 53.65. I am also sponsoring or jointly sponsoring
5 **Peoples Natural Gas Exhibit Nos. 1, 4, 6, 7 and 8.**

6

7 **I. PEOPLES NATURAL GAS’S GAS PROCUREMENT POLICY AND**
8 **SUPPLY PLANNING**
9

10 **Q. PLEASE DESCRIBE GENERALLY PEOPLES NATURAL GAS’S GAS**
11 **PROCUREMENT POLICY.**

12 A. It is Peoples Natural Gas’s policy to secure long-term reliable capacity and supply and to
13 manage gas procurement so that the Company incurs the lowest overall gas costs. Peoples
14 Natural Gas pursues that policy within the limitations of its existing facilities and its
15 existing contracts. It also pursues that policy with the recognition that it must balance the
16 goals of least cost and long-term reliable supply.

17

18 **Q. PLEASE EXPLAIN HOW PEOPLES NATURAL GAS HAS PURSUED ITS**
19 **GOAL OF LEAST COST RELIABLE SERVICE.**

20 A. Peoples Natural Gas pursues its goal of least cost reliable service through a combination
21 of local and interstate assets and supplies. The local assets are Peoples Natural Gas’s on-
22 system storage facility and a gathering and distribution system, which have allowed
23 Peoples Natural Gas to deliver local natural gas supplies produced in Pennsylvania and
24 purchased by Peoples Natural Gas from Pennsylvania producers.

1 Peoples Natural Gas’s interstate assets consist of a portfolio of transportation and
2 storage services that Peoples Natural Gas has contracted for with various Federal Energy
3 Regulatory Commission (“FERC”)-regulated pipelines, including Eastern Gas
4 Transmission and Storage, Inc. (“EGTS”) (f/k/a Dominion Energy Transmission, Inc.),
5 Texas Eastern Transmission LP (“TETCO”), Equitrans L.P. (“Equitrans”), National Fuel
6 Gas Supply Corporation (“NFG”) and Columbia Gas Transmission, LLC (“TCO”), The
7 Company also has interconnects with Tennessee Gas Pipeline Company, LLC
8 (“Tennessee” or “TGP”), but does not currently contract for either transportation or
9 storage services on Tennessee. Those interstate assets give Peoples Natural Gas access to
10 a variety of locations at which it can receive gas supplies that are produced upstream of
11 the Peoples Natural Gas system. The interstate storage assets allow Peoples Natural Gas
12 to use its upstream assets more efficiently, mitigate the effects of price swings in the
13 natural gas market, and enhance the deliverability of Peoples Natural Gas’s interstate
14 natural gas supplies during periods of peak demand. Peoples Natural Gas’s interstate
15 supplies are primarily EQT Energy, LLC (“EQT Energy”) and other Appalachian-
16 produced gas that it purchases from suppliers upstream of the Peoples Natural Gas system
17 for delivery into various receipt points of the interstate pipelines and occasionally
18 purchases on a delivered basis at Peoples’s city-gate.

19

20 **Q. WHAT SPECIFIC ACTIVITIES ARE INVOLVED IN PEOPLES NATURAL**
21 **GAS’S PURSUIT OF ITS GAS SUPPLY GOAL?**

22 A. Peoples Natural Gas’s goal of safe, reliable, cost-effective gas supply involves two distinct
23 activities. The first activity is portfolio planning, which involves the assembly of a

1 portfolio of supply assets including indigenous and contracted storage as well as
2 transportation services. The second activity is the purchase of natural gas supplies to
3 satisfy the demands of its customers. The time horizon for this second activity is shorter
4 than that for portfolio planning. At all times, Peoples Natural Gas strives to minimize gas
5 costs, while concurrently considering many factors such as safety, reliability, the projected
6 range of gas requirements, the uncertainty of future gas prices, and all of the operational
7 and contractual characteristics of the components of its existing gas supply portfolio and
8 distribution system.

9

10 **Q. IN GENERAL, HOW DOES PEOPLES NATURAL GAS SELECT AMONG THE**
11 **VARIOUS SERVICES AND SUPPLIES AVAILABLE TO IT?**

12 A. Peoples Natural Gas prepares a supply plan as the point of departure. The plan includes
13 forecasts for requirements of its own supply (i.e., sales) customers on a monthly basis and
14 the sources from which those requirements will be filled on a monthly basis. The plan
15 also includes an estimate of services that its transportation customers, those who purchase
16 their natural gas supplies from natural gas suppliers (“NGSs”), will require on a monthly
17 basis. As the Company prepares to acquire gas each month, it “fine tunes” the plan to
18 consider storage levels, actual operational requirements and market conditions so that it
19 may acquire the least costly, reliable blend of gas that is available.

20

21 **Q. IS THERE A GUIDING PRINCIPLE THAT PEOPLES NATURAL GAS USES IN**
22 **PREPARING ITS GAS SUPPLY PLAN?**

1 A. Yes. Peoples Natural Gas’s guiding principle is to maximize reliability while minimizing
2 its gas costs. In general, Peoples Natural Gas does that through the “economic dispatch”
3 of supplies – that is, by using its least costly source of supply first, within the operational,
4 reliability and contractual limits of its system.

5
6 **Q. HOW DOES PEOPLES NATURAL GAS FORMULATE ITS GAS SUPPLY**
7 **PLAN ON AN ANNUAL BASIS?**

8 A. Each year, Peoples Natural Gas projects its total system requirements and available
9 sources of supply. On the requirements side of the analysis, Peoples Natural Gas develops
10 throughput projections. The Company then adds monthly projections for company use
11 and lost and unaccounted for gas to arrive at total projected system requirements on a
12 monthly basis.

13 Certain operational considerations play a role in the requirements analysis. For
14 example, the Company considers the radically different load profiles of the weather-
15 sensitive (generally residential and small and medium commercial) and non-weather-
16 sensitive (generally large volume industrial) customer classes, the geographic location of
17 its principal customer markets, the physical design and related operational capacity
18 limitations inherent in its pipeline system, and the sources of supply available at various
19 times during the year. There are also portions of the Company’s service territory that are
20 not physically interconnected with the main portion of Peoples Natural Gas’s facilities,
21 particularly in the Grove City area. Similarly, there are portions of the Company’s service
22 territory that require support from specific interstate pipeline delivery points at times of
23 high demand. As a result, Peoples Natural Gas needs to specifically project the

1 requirements that it will have in those areas to assure that it will have supplies available
2 from the particular sources of supply needed to serve those areas.

3

4 **Q. WHAT DOES PEOPLES NATURAL GAS DO ON THE SUPPLY SIDE OF THE**
5 **ANALYSIS?**

6 A. Peoples Natural Gas uses an economic dispatch approach that considers reliability,
7 operational requirements, and contractual obligations. Under that approach, Peoples
8 Natural Gas reviews the cost of its various sources of supply and plans to use those that
9 are least costly. The Company starts with the existing pipeline supply assets and existing
10 gas supply agreements. These include the firm transportation and storage service
11 agreements with interstate pipelines and the long-term gas supply agreement with EQT
12 Energy.

13 Another component of the supply planning process is to factor in the portion of
14 Allegheny Valley Connector (“AVC”) storage gas used for balancing service that will be
15 made available for purchase by NGSs serving Non-Priority 1 (“NP-1”), or non-essential
16 human needs, customers. Peoples Natural Gas maintains access to and manages the
17 injections and withdrawals of gas associated with balancing storage capacity on the AVC
18 system. Peoples recognizes the amount of AVC Storage balancing service purchased by
19 NGSs throughout the winter and incorporates that amount in the Company’s Gas Supply
20 Plan.

21

22 **Q. PLEASE DESCRIBE HOW PEOPLES NATURAL GAS HAS IMPLEMENTED**
23 **THE ECONOMIC DISPATCH APPROACH IN FORMULATING ITS GAS**

1 **SUPPLY PLAN FOR THE TIME PERIODS THAT ARE RELEVANT TO THIS**
2 **PROCEEDING.**

3 A. Peoples Natural Gas formulates its supply plan each year for a 20-month period that
4 corresponds to the projected period in its annual 1307(f) filings. Peoples Natural Gas
5 formulated the supply plan that included the 1307(f)-2024 historical period – as part of
6 the then 20-month 1307(f)-2023 projected period – in early 2023 and the supply plan for
7 the 1307(f)-2024 projected period in early 2024. Peoples Natural Gas used the same
8 analysis in formulating both supply plans.

9 Peoples Natural Gas uses a two-step planning process to review and establish the
10 natural gas supply requirements of the Company’s distribution system. The first step
11 involves a review of the system Design Peak Day requirements. The second step involves
12 using the system flow model to determine where gas must be sourced into the system to
13 satisfy both supply and pressure requirements. Each of these steps is required to develop
14 a reliable capacity and supply portfolio. Please refer to Peoples Statement No. 3, the
15 Direct Testimony of Dawn Folks, for further discussion of the first step related to the
16 Design Day study. I will address the second step.

17 First, Peoples Natural Gas maintains its historic practice of “base loading” local
18 gas; that is, using its supplies of local gas first as this gas is already behind the city gate.
19 Peoples Natural Gas then estimates the local gas volumes it will receive and formulates a
20 plan for purchasing the balance of its projected requirements from other sources in its
21 portfolio, again using an economic dispatch approach. Peoples Natural Gas then utilizes
22 its Equitrans transportation capacity and EQT Energy supply contracts to deliver the
23 supply needed at Peoples Natural Gas’s city-gates and on Equitrans, which serves a

1 sizable portion of the Peoples Natural Gas requirements. Then, Peoples Natural Gas
2 evaluates service options for portions of the system that are isolated and cannot be served
3 by Equitrans or where the service from Equitrans needs to be supplemented. Peoples
4 Natural Gas reviews projected spot market prices and pipeline transportation rates and
5 considers various combinations of delivery routes for gas from Appalachia, as well as
6 various operational and contractual constraints and limits. Taking all those factors and
7 the need for reliability into consideration, Peoples Natural Gas selects the lowest cost
8 blend of gas from all the sources in its portfolio, on a monthly and/or daily basis.

9

10 **II. PEOPLES NATURAL GAS'S SUPPLY REQUIREMENTS**

11

12 **Q. WHAT ARE THE COMPONENTS OF PEOPLES NATURAL GAS'S SUPPLY**
13 **REQUIREMENTS?**

14 A. The Company's supply components consist of: (a) supply service to those Peoples Natural
15 Gas customers who purchase their supplies from Peoples Natural Gas; (b) standby service
16 to those Peoples Natural Gas customers who purchase their supplies from NGSs and who
17 either are required to subscribe or elect to subscribe to Peoples Natural Gas's standby
18 service, if applicable; (c) balancing service to Peoples Natural Gas customers who
19 purchase their supplies from NGSs, but who are entitled to balancing service under the
20 Commission's regulations and the Peoples Division's tariffs; and (d) gas that is used in
21 Company operations or is lost or unaccounted for.

22

23 **Q. WHAT ARE THE TIMEFRAMES USED TO DETERMINE PEOPLES**
24 **NATURAL GAS'S CUSTOMERS' REQUIREMENTS?**

1 A. Peoples Natural Gas uses two timeframes when determining its customers' requirements.
2 The first is a "design peak day," which is a 24-hour period that is based on extreme
3 weather conditions, and the second is a forecast of customers' day-to-day usage
4 throughout the year.

5
6 **Q. WHAT HAS PEOPLES NATURAL GAS USED AS ITS CUSTOMERS'**
7 **REQUIREMENTS ON A DESIGN PEAK DAY FOR PURPOSES OF THIS**
8 **CASE?**

9 A. The Company used 1,473.4 MMcf/day as the design day requirements of Peoples Natural
10 Gas, as discussed in the direct testimony of Peoples Natural Gas witness Dawn Folks
11 (Peoples Natural Gas Statement No. 3).

12
13 **Q. WILL PEOPLES NATURAL GAS SUPPLY THE ENTIRETY OF THAT 1,473.4**
14 **MMCF FOR ITS CUSTOMERS?**

15 A. No. Peoples Natural Gas will supply 1,175.2 MMcf of the Company's customers' design
16 day requirements of 1,473.4 MMcf. The supply of 1,175.2 MMcf per day includes the
17 following components:

- 18 • Projected local gas volumes of 10.4 MMcf. This volume is based on a projection of
19 the amount of local gas under contract to Peoples Natural Gas and available on a
20 design day.
- 21 • The on-system storage design day supply of 55.3 MMcf reflects the expected volume
22 of supplies available from the Company's on-system storage fields; and

- 1 • Interstate delivered gas of 1,109.5 MMcf projected to be received from Equitrans,
2 EGTS, TGP, TETCO, TCO and NFG.

3

4 **Q. WHY DOESN'T PEOPLES NATURAL GAS HAVE TO BE PREPARED TO**
5 **SUPPLY ALL OF ITS CUSTOMERS' DESIGN DAY REQUIREMENTS?**

6 A. Many of Peoples Natural Gas's customers, generally also its largest customers, that
7 purchase their supplies from NGSs – customers whom the Company refers to as Non-
8 Priority 1 or NP-1 – are responsible for acquiring their own design day assets at a level
9 sufficient to deliver their average daily usage during that month. The Company expects
10 those customers to deliver to the system 298.2 MMcf on a design day during the 1307(f)-
11 2024 projected period.

12

13 **Q. HOW DO THE DESIGN DAY REQUIREMENTS OF PEOPLES NATURAL**
14 **GAS'S SMALLER CUSTOMERS WHO PURCHASE THEIR SUPPLIES FROM**
15 **NGSs FIT INTO PEOPLES NATURAL GAS'S SUPPLY PORTFOLIO?**

16 A. When a substantial alternative supply market for those smaller Priority 1 ("P-1"), or
17 essential human needs customers first began to develop on Peoples Natural Gas's system
18 in 1997, Peoples Natural Gas addressed the design day requirements of those customers
19 under a program of mandatory capacity assignment. Peoples Natural Gas's tariff requires
20 that the P-1 customers acquire their design day capacity requirements from Peoples
21 Natural Gas by means of mandatory assignment of capacity and that the P-1 customers
22 must pay the costs of that assigned capacity through the capacity charge. The P-1 NGSs
23 are expected to utilize the assigned capacity to deliver to the system sufficient supplies to

1 meet the projected total usage for their P-1 customers on a design day during the 1307(f)-
2 2024 projected period.

3

4 **Q. IN ADDITION TO ITS CUSTOMERS' DESIGN DAY CAPACITY AND SUPPLY**
5 **REQUIREMENTS, WHAT OTHER CUSTOMER REQUIREMENTS MUST**
6 **PEOPLES NATURAL GAS'S GAS SUPPLY PORTFOLIO SATISFY?**

7 A. Peoples Natural Gas must also satisfy the day-to-day supply requirements of Peoples
8 Natural Gas's customers who purchase supplies from Peoples Natural Gas, the day-to-
9 day balancing requirements of NP-1 transportation customers, and the requirements for
10 gas that either will be used in Peoples Natural Gas's operations (i.e., company-use gas) or
11 that will be "lost or unaccounted for" because of various reasons.

12

13 **Q. DOES PEOPLES NATURAL GAS USE ITS ANNUAL CONSUMPTION**
14 **PROJECTIONS FOR THOSE CUSTOMERS WHO LIKELY WILL BUY THEIR**
15 **SUPPLIES FROM NGSs FOR ANY PURPOSE IN THIS PROCEEDING?**

16 A. Yes. Although those customers' capacity requirements are measured strictly by the
17 demands that they will place on Peoples Natural Gas's system on a design peak day,
18 Peoples Natural Gas recovers the costs of meeting those requirements through each Mcf
19 that Peoples Natural Gas delivers to those customers throughout the year. In the case of
20 P-1 customers, Peoples Natural Gas recovers the costs through a capacity charge per Mcf
21 consumed. In the case of NP-1 customers, the recovery is through a balancing charge per
22 Mcf consumed.

23

1 **Q. HOW DO THE DESIGN DAY SUPPLY ASSETS COMPARE TO THE**
2 **PROJECTED DESIGN DAY REQUIREMENTS?**

3 A. As shown on **Peoples Natural Gas Exhibit No. 1**, the Company is projecting that its
4 design day supply assets will be within 0.02 MMcf of its design day requirements.

5

6 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
7 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 6?**

8 A. Yes. **Peoples Natural Gas Exhibit No. 6** is a document, prepared jointly by the Gas
9 Supply and Rates and Regulatory Affairs Departments, that illustrates monthly allocations
10 of volumes by the sources of supply, including storage, that Peoples Natural Gas projects
11 to use to meet the supply requirements of those of its customers who bought their supplies
12 from Peoples Natural Gas during the 1307(f)-2024 historical period of February 1, 2023,
13 through January 31, 2024, and a summary of the natural gas costs associated with those
14 volumes.

15

16 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENTS THAT HAVE**
17 **BEEN MARKED AS PEOPLES NATURAL GAS EXHIBIT NOS. 7 AND 8?**

18 A. Yes. **Peoples Natural Gas Exhibit Nos. 7 and 8**, prepared jointly by the Gas Supply and
19 Rates and Regulatory Affairs Departments, illustrate monthly allocations of volumes by
20 the sources of supply, including storage, that Peoples Natural Gas expects to use to meet
21 the supply requirements of its customers who likely will buy their supplies from Peoples
22 Natural Gas during the 1307(f)-2024 projected period of February 1, 2024, through
23 September 30, 2025, as well as a summary of the natural gas costs associated with those

1 volumes. The allocation displayed there reflects the application of the economic dispatch
2 approach that I have described. In her direct testimony (**Peoples Natural Gas Statement**
3 **No. 3**), Dawn Folks explains the pricing of the volumes that appear on these Exhibits,
4 based, in part, on price projections that I provided.

5

6 **Q. ARE THE PROJECTIONS OF MONTHLY ALLOCATIONS OF VOLUMES BY**
7 **SUPPLIER THAT ARE SET FORTH ON PEOPLES NATURAL GAS EXHIBIT**
8 **NOS. 7 AND 8 LIKELY TO CHANGE?**

9 A. Yes. The projections contained on **Peoples Natural Gas Exhibit Nos. 7 and 8** are
10 Peoples Natural Gas's best estimates of gas prices and conditions that affect its ability to
11 acquire gas and, accordingly, are Peoples Natural Gas's best estimates of the lowest cost
12 supply mix consistent with its need for reliability. However, because projections are based
13 on factors that change over time, including prices, storage levels and customers'
14 requirements, each month Peoples Natural Gas fine tunes the plan as it prepares to acquire
15 gas for the following month to consider actual operational and market conditions and to
16 assure that its acquisition of gas supplies is based on the most current information. The
17 Company then makes further daily adjustments as necessary during each month.

18

19 **Q. PLEASE EXPLAIN THE FILING REQUIREMENTS IMPOSED BY SECTION**
20 **1317(c) OF THE PUBLIC UTILITY CODE.**

21 A. 66 Pa C.S. Section 1317(c) requires Peoples Natural Gas to file both a reliability plan and
22 a supply plan for the 1307(f) projected period.

23

1 **Q. HAS PEOPLES NATURAL GAS DONE SO?**

2 A. Yes. **Peoples Natural Gas Exhibit Nos. 1, 7, and 8**, as well as the testimony in support
3 of those exhibits, provide the required information.

4

5 **III. INTERSTATE PIPELINE TRANSPORTATION**
6 **AND STORAGE CAPACITY PORTFOLIO**

7

8 **Q. WHAT COMPRISES PEOPLES NATURAL GAS'S INTERSTATE CAPACITY**
9 **PORTFOLIO?**

10 A. Over the 1307(f)-2024 historical period, Peoples Natural Gas's natural gas capacity
11 portfolio included: (1) interstate pipeline transportation and storage services from
12 Equitrans; (2) interstate pipeline transportation and storage services from EGTS; (3)
13 interstate pipeline transportation service from TETCO; (4) interstate pipeline
14 transportation and storage services from NFG; and (5) interstate pipeline transportation
15 and storage services from TCO. In addition, Peoples Natural Gas purchases winter-only,
16 city-gate delivered supply via Tennessee and winter-only, city-gate delivered supply via
17 TETCO. Although these are gas purchase arrangements, Peoples Natural Gas treats them
18 the same as interstate capacity for planning purposes because the Company requires
19 deliveries at the respective delivery points and would pursue firm capacity at these points
20 if reliable city-gate delivered supply was not available.

21

22 **Q. DOES PEOPLES NATURAL GAS ANTICIPATE THAT IT WILL HAVE THE**
23 **SAME PORTFOLIO THROUGHOUT THE 1307(f)-2024 PROJECTED**
24 **PERIOD?**

1 A. In large part, yes. However, Peoples Natural Gas also plans to evaluate its options with
2 regard to the amount and priority level of the city-gate, delivered contracts to the
3 Tennessee and TETCO interconnects.

4

5

EQUITRANS

6 **Q. PLEASE DESCRIBE THE SERVICES THAT EQUITRANS PROVIDES**
7 **PEOPLES NATURAL GAS.**

8 A. Equitrans provides Peoples Natural Gas firm transportation and firm storage services.
9 These services vary with the facilities used to provide them. As further explanation, there
10 are two parts to the Equitrans system: the Mainline system and the Allegheny Valley
11 Connector (“AVC”). The Mainline System is Equitrans’ traditional system in West
12 Virginia and Pennsylvania that has historically served Equitable Gas Company, among
13 other firm customers, and now also includes the Sunrise Pipeline system, which is a newer
14 pipeline extending from northern West Virginia to Waynesburg, Greene County,
15 Pennsylvania, that was developed to transport new gas production, primarily Marcellus
16 Shale production, to market. The AVC consists of the midstream assets – transmission
17 lines and storage fields – that were transferred by Peoples Natural Gas to Equitrans as part
18 of the Equitable acquisition.

19 Equitrans has provided Peoples Natural Gas’s former Equitable Division a menu
20 of unbundled transportation and storage services on the Mainline System since FERC’s
21 promulgation of Order 636 in the 1990’s. These services include firm transportation
22 service under Equitrans’ Rate Schedule EFT. Under this rate schedule, the customer
23 transports gas up to the maximum daily quantity stated in the customer’s contract.

1 Equitrans assesses a transportation usage charge for the actual quantities that were
2 delivered to the customer during the month. In addition, Equitrans assesses a seasonal
3 demand charge that is different for the winter period (November 1 through March 31)
4 than for the summer period (April 1 through October 31). Both charges are calculated
5 by multiplying the appropriate seasonal demand charge by its respective maximum
6 daily contract quantity.

7 Equitrans also provides no-notice firm transportation service under Equitrans’
8 Rate Schedule NOFT. No-notice firm transportation allows the Company to receive or
9 deliver gas on demand up to its firm entitlement on a daily basis without incurring daily
10 balancing and scheduling penalties. For this service, Equitrans assesses a
11 transportation usage charge for the actual quantities it delivers to the Company’s city-
12 gates during the month. As with Rate Schedule EFT service, there are winter and
13 summer demand charges associated with this NOFT contract that are calculated in a
14 similar fashion.

15 In addition to the firm pipeline transportation and the no-notice firm
16 transportation services, Equitrans also provides a base load storage service and a
17 peaking storage service. The base load storage service is provided under the Equitrans
18 115-SS Rate Schedule. This rate schedule provides for a 115-day storage service, with
19 a maximum daily withdrawal quantity (“MDWQ”) of 110% of 1/115 of the total annual
20 storage quantity, subject to ratchets as explained below. This service also permits the
21 Company to withdraw and inject gas year-round on a best-efforts basis.

22 The peaking storage service is provided under the Equitrans 60-SS Rate
23 Schedule. The MDWQ is based on 110% of 1/60 of the total annual storage quantity,

1 subject to ratchets as also explained below. This service also permits the Company to
2 withdraw and inject gas year-round on a best-efforts basis.

3 For each storage service, Equitrans assesses four charges that are applicable the
4 entire year. These charges consist of the storage demand charge, the storage space
5 charge, the storage injection charge, and the storage withdrawal charge. The storage
6 demand charge is equal to the storage demand rate multiplied by the MDWQ. The
7 storage space charge is equal to the storage space rate multiplied by the total annual
8 storage quantity. The storage withdrawal and injection charges are variable charges
9 that are assessed on the actual volumes withdrawn or injected during the month.

10 Beginning December 17, 2013, Equitrans began providing firm transportation and
11 firm storage services from Equitrans' AVC system to the Peoples Natural Gas Division.
12 The AVC services consist of transportation service under Rate Schedule EFT, no-notice
13 transportation service under Rate Schedule FTSS, and Storage Service under Rate
14 Schedule GSS. The FTSS and GSS service agreements provide Peoples Natural Gas
15 Division and its customers with access to AVC storage capacity of 8.6 MMDth annually
16 and maximum deliverability of 200,000 Dth per day. The EFT service agreement
17 provides Peoples Natural Gas Division and its customers up to 251,700 Dth per day of
18 firm transportation capacity. These service agreements provide for a total of 451,700 Dth
19 per day of firm capacity on the AVC system.

20 Beginning April 1, 2014, Equitrans began providing Peoples Natural Gas Division
21 firm transportation service under Rate Schedule FTS from Equitrans' Mainline system.
22 Gas transported under this agreement is sourced from receipt points on the Sunrise section
23 of the Mainline system and delivered to Equitrans' Ginger Hill station, which is the point

1 of interconnection between Equitrans' Mainline and AVC systems. The capacity is
2 seasonal, and the maximum firm daily quantity is 251,700 Dth during November through
3 March and 62,000 Dth during April through October.

4 On December 10, 2013, the Peoples Gas Division entered into a firm storage
5 agreement under Equitrans Rate Schedule 60SS and a no-notice firm transportation
6 agreement under Equitrans Rate Schedule NOFT. The rates for both the storage and
7 firm transportation service are negotiated rates that are less than the Equitrans recourse
8 rates for the services and less than the cost available for this same capacity under the
9 existing TCO and EGTS agreements. In the Equitable Acquisition proceeding, Peoples
10 received approval by the Commission for the Equitrans storage and transportation
11 agreements pursuant to Section 2204(e)(4) of the Public Utility Code, 66 Pa.C.S. §
12 2204(e)(4).

13 The Equitrans contracts provided peak demand period daily deliverability of
14 27,500 Dth and storage capacity of 1,500,000 Dth for the storage withdrawal period of
15 November 1, 2014, through March 31, 2015. The deliverability under these contracts
16 increased to 33,917 Dth and storage capacity increased to 1,850,000 Dth for the
17 withdrawal period of November 1, 2015, through March 31, 2016. Effective April 1,
18 2018, the daily deliverability under these contracts increased to 44,917 Dth and storage
19 capacity increased to 2,450,000 Dth. Effective April 1, 2022, the daily deliverability
20 under these contracts increased to 72,417 Dth and storage capacity increased to
21 4,000,000 Dth.

22

1 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
2 **ARRANGEMENTS WITH EQUITRANS IN PEOPLES NATURAL GAS'S**
3 **1307(f)-2023 PROCEEDING?**

4 A. Yes. In Peoples' 1307(f)-2023 proceeding (for both PNGD and PGD), Peoples Natural
5 Gas described the various service arrangements that would be in effect between Peoples
6 Natural Gas divisions and Equitrans and the costs associated with them over what is now
7 the 1307(f)-2024 historical period. In its final order in that proceeding, the Commission
8 approved rates for the collection of Peoples Natural Gas's natural gas costs that included
9 the costs associated with the Equitrans service arrangements over what is now the 1307(f)-
10 2024 historical period.

11
12 **Q. IN LAST YEAR'S 1307F THE COMPANY IDENTIFIED ISSUES WITH**
13 **EQUITRANS AVC STORAGE SERVICE. PLEASE EXPLAIN WHAT**
14 **HAPPENED AND HOW THOSE ISSUES WERE RESOLVED.**

15 A. For the historical 1307(f) period in this proceeding, the Company did use most of the
16 Equitrans services as intended. However, as the Company noted in its 1307(f)-2023
17 proceeding, the Company was prevented from using a significant amount of its storage on
18 Equitrans' AVC system in its historical period herein, due to a storage well incident in
19 November 2022.

20 As a result of the storage well incident, Equitrans declared an Operational Flow
21 Order ("OFO") on the AVC system in December 2022. The OFO resulted in the
22 Company's AVC storage withdrawals to be limited to 70,000 Dth per day, or 130,000 Dth
23 per day less than its contract withdrawal rights of 200,000 Dth per day.

1 A. For the 1307(f)-2024 historical period, EGTS provides service to Peoples Natural Gas
2 Division under four service agreements and three rate schedules which all have an
3 expiration date of March 31, 2034. EGTS provides year-round Rate FTNN no-notice
4 transportation service at 40,000 Dth/day, Rate FT firm transportation service of 40,000
5 Dth/day, and Rate GSS storage service under two separate service agreements, one with
6 capacity of 4.6 MMDth annually and maximum deliverability of 40,000 Dth/day and the
7 other with capacity 2.48 MMDth annually and up to 40,000 Dth/day of deliverability.
8 These agreements promote service reliability in parts of the Peoples Natural Gas Division
9 distribution system that are particularly well-suited for gas deliveries from EGTS.

10 Under a service agreement with EGTS that expires on March 31, 2029, People
11 Gas Division has 10,000 Dth/day of FT firm transportation service and 10,000 Dth/day
12 of GSS firm storage service with a storage capacity of 600,000 Dth. Peoples Gas
13 Division additionally has 10,000 Dth/day of FT transportation service that expires
14 October 31, 2024.

15 Because the EGTS delivery points into the Peoples Gas Division system are
16 well located to the service territory's population center around Butler, the Company
17 plans to renew the 10,000 Dth/day of EGTS FT firm transportation service slated to
18 expire October 31, 2024 to ensure adequate supply to meet the design day requirements
19 of its sales customers for the 2024/2025 winter period. Peoples has informed EGTS
20 of its intention to extend the agreement for this 10,000 Dth/day of FT firm
21 transportation service for another one-year term beginning October 1, 2024. This gas
22 is necessary to meet the needs in this key area of customer demand and to meet the
23 Company's design day needs.

1

2 **Q. ARE THERE ANY DIFFERENCES IN THE EGTS SUPPLY ASSETS SHOWN**
3 **IN PEOPLES NATURAL GAS EXHIBIT NO. 1 BETWEEN 1307(f)-2023 AND**
4 **1307(f)-2024?**

5 A. No. When comparing last year's Peoples Natural Gas Exhibit No. 1 and Exhibit No. 1
6 of this 1307(f)-2024, the amount of EGTS assets shown are the same.

7

8 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
9 **ARRANGEMENTS WITH EGTS IN PEOPLES NATURAL GAS'S 1307(f)-2023**
10 **PROCEEDING?**

11 A. In Peoples Natural Gas's 1307(f)-2023 proceeding, Peoples Natural Gas and Peoples Gas
12 described the various service arrangements that would be in effect between Peoples
13 Natural Gas and EGTS and Peoples Gas and EGTS and the costs associated with them
14 over what is now the 1307(f)-2024 historical period. Under the settlement, the Parties
15 agreed that the Commission should approve the Company's gas supply, pipeline and
16 storage capacity contracts. In its final order in that proceeding, the Commission approved
17 the settlement including the rates for the collection of Peoples Natural Gas's natural gas
18 costs that included the costs associated with the EGTS service arrangements over what is
19 now the 1307(f)-2024 historical period.

20

21

TETCO

22 **Q. PLEASE DESCRIBE THE SERVICES THAT TETCO PROVIDES TO PEOPLES**
23 **NATURAL GAS.**

1 A. TETCO provides Peoples Natural Gas with firm transportation service under Rate
2 Schedule FT-1 and also delivers to the city-gate purchases made by Peoples Natural Gas
3 from suppliers who are TETCO shippers. Peoples Natural Gas requires gas deliveries in
4 the eastern portion of its service territory at Ebensburg, Delmont, Claysburg, and
5 Rockwood and supplies into these delivery points are essential during the winter.

6 Peoples Natural Gas purchases gas on TETCO and moves it over TETCO's
7 facilities under its Rate FT-1 service agreement primarily to the Ebensburg and Delmont
8 delivery points. Peoples Natural Gas also contracts with gas suppliers for the purchase of
9 supply that is delivered on TETCO to Peoples Natural Gas's city-gates at the Claysburg
10 and Rockwood delivery points in addition to occasionally supplementing the firm
11 transportation deliveries at Ebensburg. TETCO also provides an operational balancing
12 agreement that helps Peoples Natural Gas manage the unanticipated swings in demand at
13 its physical interconnections with TETCO.

14

15 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S CONTRACTUAL**
16 **ARRANGEMENTS WITH TETCO OVER THE 1307(f)-2024 HISTORICAL AND**
17 **PROJECTED PERIODS.**

18 A. Peoples Natural Gas Division has 15,650 Dth/day of FT-1 firm transportation service
19 under contract from TETCO for the entire 1307(f)-2024 historical period. Gas supplies
20 under this transportation contract, which expires on April 30, 2025, are delivered by
21 TETCO primarily at Peoples Natural Gas Division's Ebensburg delivery point located in
22 TETCO's market zone M3. This service agreement may also be used to deliver gas
23 supplies at Claysburg, also in M3, and Rockwood, which is upstream of Ebensburg in

1 TETCO's market zone M2. Peoples Natural Gas plans to renew this TETCO FT-1 firm
2 transportation service agreement during the 1307(f)-2024 projected period.

3 TETCO also provides Peoples Gas Division with firm transportation service of
4 10,000 Dth/day under Rate Schedule FT-1 for the entire 1307(f)-2024 historical period.
5 Peoples Gas Division purchases gas on TETCO's market zone M-2 and moves it over
6 TETCO's facilities to an interconnection at Delmont, Westmoreland County, which is
7 also in market zone M-2. This negotiated rate agreement, which commenced on
8 November 1, 2015, and expires on October 31, 2030, allows the Company to purchase
9 gas in a very liquid and competitively low-priced commodity market and deliver it to
10 the eastern part of the Peoples' system to support service to the Allegheny Valley.

11

12 **Q. ARE THE FIRM DELIVERIES OF 25,650 DTH/DAY UNDER THESE**
13 **CONTRACTS SUFFICIENT TO MEET THE PEAK DAY SYSTEM NEEDS IN**
14 **THE EASTERN PORTION OF THE PEOPLES NATURAL GAS SERVICE**
15 **TERRITORY?**

16 A. Not quite. The 2013-2014 and 2014-2015 colder-than-normal winters tested the Peoples
17 Natural Gas Division's system and gas supply capabilities, and for the most part, the
18 system and gas supply portfolio performed well in meeting the near-design day needs of
19 the PNGD's customers. However, the 2014-2015 winter was unique and insightful
20 because the PNGD experienced the coldest weather conditions, which were some of the
21 coldest in recent history, later in the winter season, during mid-February. The heating
22 degree days ("HDDs") on February 15th, 19th, and 20th were 64 HDDs, 63 HDDs and 64
23 HDD, respectively. The challenge with meeting design day or near design day conditions

1 this late in the winter season is that the deliverability provided by the PNGD's pipeline
2 storage contracts is reduced because as physical storage inventories are depleted, the daily
3 storage withdrawal quantities under the pipeline storage tariffs are correspondingly
4 ratcheted down or reduced.

5

6 **Q. HOW DID PNGD SATISFY ITS SYSTEM NEEDS IN THIS PART OF ITS**
7 **SERVICE TERRITORY AT THAT TIME?**

8 A. During these near-peak days in February 2015, the combined available supplies from the
9 Equitrans AVC storage and TETCO FT contracts were insufficient to meet customers'
10 requirements in this part of the system, necessitating the purchase of additional supplies.
11 The most operationally and cost-effective option at the time was to purchase gas supplies
12 on the TETCO system for delivery at Ebensburg. During the coldest days of February 15,
13 19, and 20 of 2015, PNGD purchased and had delivered to the Ebensburg delivery point
14 24,000 Dth per day of supplies in addition to the firm supplies from TETCO to the
15 Rockwood and Claysburg points under existing supply agreements.

16

17 **Q. SINCE THE 2014-2015 WINTER HOW HAS PEOPLES SATISFIED ITS**
18 **SYSTEM NEEDS IN THIS PART OF ITS TERRITORY?**

19 A. PNGD proposed in the 1307(f)-2015 proceeding to put in place an arrangement for
20 additional firm gas deliveries of up to 25,000 Dth per Day to the Ebensburg delivery point
21 for the 2015-2016 winter period. In the following year's 1307(f)-2016 proceeding, PNGD
22 recommended seeking proposals for similar arrangements for the following winter, and
23 this recommendation was accepted. Subsequent Request for Proposals ("RFP") resulted

1 in additional gas agreements covering each winter period from 2016-2017 through 2023-
2 2024. This most recent winter included two days with 52 and 48 HDDs on January 16
3 and 17, 2024 respectively, when PNGD used its TETCO agreements to deliver
4 approximately 21,000 Dth each day at Ebensburg, which assisted effectively to hold up
5 gas service in the eastern portion of the PNGD service territory.

6

7 **Q. PLEASE DESCRIBE THE MARKET ZONE 2 (“M-2”) SERVICES THAT PNGD**
8 **RECEIVES VIA TETCO.**

9 A. PNGD can accept up to 11,000 Dth/day at its Rockwood interconnection with TETCO in
10 TETCO’s market zone M-2. Prior to 2007, Peoples Natural Gas satisfied this requirement
11 with TETCO firm transportation capacity, but the M-2 firm transportation capacity was
12 not renewed upon its March 31, 2007 expiration. Peoples Natural Gas then entered into
13 a series of annual agreements for either delivered supply or for the purchase of released
14 capacity that Peoples Natural Gas then matched with spot purchases that extended through
15 the 2013-2014 winter period. For the next two winter seasons, Peoples Natural Gas
16 satisfied its needs at this delivery point with delivered gas purchases. From 2017-through
17 2024, Peoples Natural Gas issued RFPs and contracted for delivered gas agreements for
18 up to 6,000 Dth/day for each winter season.

19

20 **Q. PLEASE DESCRIBE THE RECENT TETCO RFP PROCESS.**

21 A. In July 2023, Peoples Natural Gas issued an RFP for firm deliveries of up to 6,000
22 Dth/day at TETCO M2 Rockwood for the period of November 2023 through March
23 2024. Approximately twenty potential suppliers were solicited, and one proposal was

1 received. Peoples Natural Gas accepted the offer for up to 6,000 Dth/day at Rockwood.
2 The accepted Rockwood proposal included a reservation charge of \$36,000 per month,
3 or \$180,000 for the deal term. The deal allowed for combinations of baseload and daily
4 calls for supply. Baseload supply would be priced at the INSIDE FERC's Gas Market
5 Report, Monthly Bidweek Spot Gas Price Index for Texas Eastern, M-2 Receipts for
6 that month plus TETCO M2-M2 FT rate variable charges. Daily supply would be
7 priced Gas Daily midpoint pricing for Texas Eastern, M-2 Receipts reported for the
8 day of flow plus M2-M2 FT rate variable charges. There was no minimum call
9 provision for baseload or daily supply to Rockwood.

10 In July 2023, Peoples Natural Gas issued an RFP for firm deliveries of up to
11 31,000 Dth/day at TETCO M3 Ebensburg for the period of November 2023 through
12 March 2024. Peoples Natural Gas received four proposals, from three companies, for
13 Ebensburg supply. Peoples accepted the Ebensburg proposal which had no reservation
14 charge for the term of the deal. The deal allows for combinations of baseload and daily
15 calls for supply. Baseload supply would be priced at the INSIDE FERC's Gas Market
16 Report, Monthly Bidweek Spot Gas Price Index for Texas Eastern, M-3 Receipts for
17 that month. Daily supply would be priced Gas Daily midpoint pricing for Texas
18 Eastern, M-2 Receipts reported for the day of flow plus \$0.45 per Dth. There was no
19 minimum call provision for baseload or daily supply to Ebensburg.

20

21 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
22 **ARRANGEMENTS WITH TETCO AND SUPPLIERS IN PEOPLES NATURAL**
23 **GAS'S 1307(f)-2023 PROCEEDING?**

1 A. Yes. In Peoples Natural Gas Division’s 1307(f)-2023 proceeding, PNGD described its
2 service arrangements with TETCO and its intent to enter into arrangements for delivered
3 gas on TETCO that would be in effect over what is now the 1307(f)-2024 historical period.
4 Peoples also included estimated costs for these arrangements and described the reasons
5 why Peoples Natural Gas entered into those firm supply arrangements. Under the
6 settlement, the Parties agreed that the Commission should approve the Company’s gas
7 supply, pipeline and storage capacity contracts. In its final order in that proceeding, the
8 Commission approved the settlement including the rates for the collection of Peoples
9 Natural Gas Division’s natural gas costs that included the costs associated with the
10 TETCO service arrangements.

11

12 **Q. HOW DOES PEOPLES NATURAL GAS INTEND TO SATISFY ITS**
13 **REQUIREMENTS FOR TETCO DELIVERIES DURING THE 1307(f)-2024**
14 **PROJECTED PERIOD?**

15 A. Similar to prior years, in addition to utilizing the FT contracts the Company holds with
16 TETCO, the Company proposes to issue an RFP to potential suppliers for TETCO Zone
17 M-2 delivered supply but up to 10,000 Dth/day for the winter period November 2024
18 through March 2025 to assist in balancing out Design Peak Day Requirements as
19 presented earlier. For the same reason, the Company also proposes to issue a separate
20 RFP to potential suppliers for TETCO Zone M-3 delivered supply up to 31,000 Dth/day
21 for the winter period November 2024 through March 2025. The Company is currently
22 in discussions with a few potential suppliers about providing this TETCO Zone M-3
23 delivered supply with a higher priority curtailment ranking than has been contracted for

1 in the past. This is because TETCO has increased the number of OFOs it has normally
2 issued for Zone M-3 deliveries, and the Company believes that this trend will continue
3 due to the large electric generation load now attached to this part of TETCO's system.

4 Peoples has reached out to TETCO about contracting for additional M-3 FT-1 firm
5 transportation capacity but has been informed from TETCO that no additional capacity is
6 currently available. Therefore, the Company believes it is prudent to secure a higher-
7 ranking curtailment priority through delivered deals and expects to pay a reservation fee
8 of between \$1.0 - \$1.5 million for that reliability, which would be considerably less than
9 the approximate \$5 million for additional TETCO FT capacity.

10

11

NFG

12

Q. PLEASE DESCRIBE THE SERVICES THAT NFG PROVIDES PNGD.

13

A. NFG provides PNGD with no-notice storage service and firm transportation service under
14 rates approved by the Federal Energy Regulatory Commission ("FERC"). PNGD uses
15 NFG's services primarily to serve the isolated Grove City area of its service territory.
16 PNGD uses its storage service from NFG as a no-notice balancing service to manage
17 supply to an uncertain demand and to reduce natural gas costs, by buying supplies when
18 they generally are cheaper during the summer months and injecting them into storage, and
19 to enhance reliability, by withdrawing the volumes from storage during the winter when
20 demand is highest. PNGD utilizes its firm transportation service from NFG both to
21 support the NFG storage service and for deliveries from other supply sources.

22

1 **Q. PLEASE DESCRIBE PNGD’S CONTRACTUAL ARRANGEMENTS WITH**
2 **NFG OVER THE 1307(f)-2024 HISTORICAL AND PROJECTED PERIODS.**

3 A. During the entire 1307(f)-2024 historical period and for the first two months of the
4 1307(f)-2024 projected period, NFG provided 9,793 Dth/day of no-notice storage service
5 to PNGD under its Rate ESS and 15,476 Dth/day of firm transportation service to PNGD
6 under its Rate EFT. PNGD entered into both of those contracts in the mid-1990s, and the
7 primary terms of those contracts expired on March 31, 2003. However, each of the
8 contracts contains a one-year notice of termination provision so that if neither party gives
9 the other one-year’s notice of termination, the contracts automatically renew for another
10 year. The contracts have automatically renewed on April 1 of each year since 2003 and
11 will renew again, effective April 1, 2024. As a result, the NFG contracts will be in effect
12 throughout the 1307(f)-2024 projected period.

13
14 **Q. DOES THE COMPANY PROPOSE ANY CHANGE TO ITS ARRANGEMENTS**
15 **WITH NFG?**

16 A. Not at this time.

17
18 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS DIVISION’S**
19 **ARRANGEMENTS WITH NFG IN PEOPLES NATURAL GAS DIVISION’S**
20 **1307(f)-2023 PROCEEDING?**

21 A. In Peoples Natural Gas Division’s 1307(f)-2023 proceeding, Peoples Natural Gas
22 Division described the arrangements between Peoples Natural Gas Division and NFG that
23 would be in effect, over what is now the 1307(f)-2024 historical period. Peoples Natural

1 Gas Division also described the reasons why Peoples Natural Gas Division entered into
2 those arrangements and the costs associated with them. Under the settlement, the Parties
3 agreed that the Commission should approve the Company’s gas supply, pipeline and
4 storage capacity contracts. In its final order in that proceeding, the Commission approved
5 the settlement including the rates for the collection of Peoples Natural Gas Division’s
6 natural gas costs that included the costs associated with the NFG service arrangements
7 over what is now the 1307(f)-2024 historical period.

8

9

TCO

10 **Q. PLEASE DESCRIBE PEOPLES GAS DIVISION’S CONTRACTUAL**
11 **ARRANGEMENTS WITH TCO OVER THE 1307(f)-2024 HISTORICAL**
12 **PERIOD AND PROJECTED PERIOD.**

13 A. For the 1307(f)-2024 historical period, TCO provided Peoples Gas Division firm
14 transportation service under Rate FTS of up to 4,000 Dth/day. TCO also provided firm
15 storage service under Rate GSS and related firm transportation service under Rate SST
16 of up to 2,000 Dth/day with a total storage capacity of 112,860 Dth with an expiration
17 date of March 31, 2025. The Company utilizes the TCO services to maintain system
18 integrity in the Fairview and Hickory Corners area of the system.

19

20 **Q. DOES THE COMPANY PROPOSE ANY CHANGES TO IT**
21 **ARRANGEMENTS WITH TCO DURING THE PROJECTED PERIOD?**

22 A. As mentioned earlier, the Company’s TCO FTS, GSS and SST contracts expire on March
23 31, 2025. Since the Company continues to have an operational need for this TCO

1 capacity, with regards to maintaining firm deliverability for that portion of its system
2 currently served by these agreements, it plans to extend these agreements through March
3 2027.

4

5 **Q. DID THE COMMISSION APPROVE PEOPLES GAS DIVISION'S**
6 **ARRANGEMENTS WITH TCO?**

7 A. Yes. In Peoples Gas Division's 1307(f)-2023 proceeding, Peoples Gas Division
8 described the arrangements between Peoples Gas Division and TCO that would be in
9 effect, over what is now the 1307(f)-2024 historic period. Peoples Gas Division also
10 described the reasons why Peoples Gas Division entered into those arrangements and
11 the costs associated with them. Under the settlement, the Parties agreed that the
12 Commission should approve the Company's gas supply pipeline and storage capacity
13 contracts. In the final order in that proceeding, the Commission approved the
14 settlement including the rates for the collection of Peoples Gas Division's natural gas
15 costs that included the costs associated with the TCO service arrangements over what
16 is now the 1307(f)-2024 historical period.

17

18

19

**CITY-GATE DELIVERED SUPPLY
VIA TENNESSEE**

20 **Q. PLEASE DESCRIBE THE SERVICES THAT PEOPLES NATURAL GAS**
21 **RECEIVES FROM TENNESSEE.**

22 A. Peoples Natural Gas annually issues an RFP for city gate delivered supply for the
23 upcoming winter season. These delivered supply agreements require the supplier to
24 utilize Tennessee pipeline delivery points directly into Peoples Natural Gas at

1 Pittsburgh Terminal and Pulaski. In addition, the agreements also required deliveries
2 into the Columbia Gas of Pennsylvania, Inc. (“CPA”) natural gas distribution system
3 at New Castle, PA. This supply supports an exchange agreement under which CPA
4 delivers gas into the Grove City area of Peoples Natural Gas’s service territory, which
5 is not physically integrated with the rest of the Peoples Natural Gas system.

6

7 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS’S CONTRACTUAL**
8 **ARRANGEMENTS FOR DELIVERED GAS ON TENNESSEE OVER THE**
9 **1307(f)-2024 HISTORICAL PERIOD.**

10 A. In July 2023, Peoples Natural Gas issued an RFP for deliveries to its TGP
11 meters at Pitt Terminal (meter 420199) and Pittsburgh Terminal (meter 420385),
12 Pulaski and New Castle, for the period of November 2023 through March 2024.
13 Approximately twenty potential suppliers were solicited, and three offers were
14 received. PNG entered into an agreement with the supplier to make deliveries ranging
15 from zero Dth/day to 36,000 Dth/day. The agreement included no reservation fee for
16 the deal term. The agreement specified baseload supply pricing at the INSIDE FERC’s
17 Gas Market Report, Monthly Bidweek Spot Gas Price Index for Tennessee, Zone 4-
18 200 Leg for that month plus \$0.105 plus TGP Zone 4 to Zone 4 fuel and variables per
19 Dth. For daily requested quantities, the proposal specified pricing at Gas Daily
20 midpoint pricing for Tennessee, Zone 4-200 Leg reported for the day of flow plus
21 \$0.105 plus TGP Zone 4 to Zone 4 fuel and variables per Dth. There was no minimum
22 call provision of baseload or daily supply associated with either of the deals.

23

1 **Q. DID PEOPLES NATURAL GAS ADVISE THE PARTIES OF ITS INTENT TO**
2 **ENTER INTO ARRANGEMENTS FOR DELIVERED GAS ON TENNESSEE IN**
3 **PEOPLES NATURAL GAS’S 1307(f)-2023 PROCEEDING?**

4 A. Yes. In Peoples Natural Gas’s 1307(f)-2023 proceeding, Peoples Natural Gas described
5 its intention to issue RFPs for delivered service arrangements on Tennessee that would be
6 in effect, over what is now the 1307(f)-2024 historical period. Peoples Natural Gas also
7 included estimated costs for these arrangements and described the reasons why Peoples
8 Natural Gas entered into those supply arrangements. Under the 1307(f)-2023 settlement,
9 the Parties agreed that the Commission should approve the Company’s gas supply,
10 pipeline and storage capacity contracts. In its final order in that proceeding, the
11 Commission approved the settlement including the rates for the collection of Peoples
12 Natural Gas’s natural gas costs that included the costs associated with this arrangement
13 over what is now the 1307(f)-2024 historical period.

14
15 **Q. HOW DOES PEOPLES NATURAL GAS INTEND TO SATISFY ITS**
16 **REQUIREMENTS FOR TENNESSEE DELIVERIES DURING THE 1307(f)-2024**
17 **PROJECTED PERIOD?**

18 A. The Company proposes to issue another RFP for delivered supply on Tennessee that will
19 provide for delivery of natural gas on a firm basis for up to 35,000 Dth/day delivered to
20 Peoples Natural Gas with 0 - 29,000 Dth/day delivered to Pittsburgh Terminal, 0-3,000
21 Dth/day delivered to Pulaski, and 0-3,000 Dth/day delivered to New Castle and 0 – 6,000
22 Dth/day delivered to Pitt Terminal (former PG citygate) for the winter period of
23 November 2024 through March 2025. The Company has not experienced any supply

1 During the 1307(f)-2024 historical period, Peoples Natural Gas incurred the
 2 following overrun charges for exceeding pipeline conditions:

Month	Pipeline	Type	Dths	Charges	\$/Dth
February 2023	TETCO	OFO/Overrun	5,812	\$399,010.94	\$68.65
March 2023	TETCO	OFO/Overrun	260	\$2,129.40	\$8.19
April 2023	EGTS	Overrun	609	\$454.37	\$0.75
April 2023	Equitrans	Overrun	70,268	\$25,151.92	\$0.35
April 2023	TCO	Overrun	45	\$15.84	\$0.35
October 2023	Equitrans	Overrun	70,404	\$23,223.37	\$0.35
November 2023	Equitrans	Overrun	44	\$12.56	\$0.29
January 2024	Equitrans	Overrun	25,371	\$7,240.88	\$0.29
January 2024	EGTS	Overrun	4,684	\$3,488.17	\$0.75

3

4 **Q. CAN YOU PROVIDE MORE DETAILS REGARDING THE FEBRUARY 2023**
 5 **TETCO OFO/OVERRUN CHARGES THAT AMOUNTED TO \$399,011?**

6 **A,** In early February 2023, Equitrans had an OFO restriction on its AVC system and TETCO
 7 was operating its M3 market area under OFO conditions to maintain its system integrity.
 8 During the effectiveness of this OFO, TETCO stated that all parties must be balanced such
 9 that actual receipts of gas into the system must be equal to or greater than scheduled
 10 receipts into the system. The penalty shall apply to each dekatherm of actual receipt
 11 quantities that are less than scheduled quantities minus 2,000 Dth or 96% of scheduled
 12 receipt quantities. The penalty will be equal to three times the daily Platts Gas Daily "Daily
 13 Price Survey" posting for the High Common price for the M3 market area.

1 PNG was aware of TETCO's OFO and bought supply, based on historical usage
2 at forecasted temperatures, to meet its needs at its Ebensburg and Claysburg citygates in
3 TETCO's M3 market area. However, on February 3, 2023, the actual weather came in a
4 couple of degrees colder than expected and PNG experienced demand and pressure
5 conditions that exceeded its forecasts in its Altoona service area. These conditions were
6 experienced late in the evening, beyond nomination deadlines, making PNG unable to
7 respond with intraday supply purchases. The sudden nature of this supply crisis required
8 PNG to utilize more gas from TETCO than it had nominated to avoid service outages.
9 TETCO's M3 location was the only physical location from which the Company could
10 secure the additional supply to maintain reliable service. The actual amount sourced from
11 TETCO at penalty rates was very small at 2,933 Dth. Nevertheless, due to the OFO
12 conditions, the rate charged per Dth was extremely high at \$123.615 per Dth. This rate
13 was determined, as called for by TETCO's tariff, to be the highest reported Gas Daily
14 trade in the M3 market area for period multiplied by three or: $(\$41.205 * 3)$, or
15 $\$362,562.80 (2,933 \text{ Dth} * \$123.615)$ for February 3, 2023.

16 PNG also incurred TETCO OFO charges on February 4, 2023, in the amount of
17 $\$36,448.14$. This charge resulted from system conditions that caused it to take 4,879 Dth
18 more than its scheduled nominations. This was 2,879 Dth above TETCO's allowable
19 tolerances. The penalty was calculated as shown for February 3rd, except the applicable
20 Gas Daily M3 price calculation was $\$12.66$ per Dth.

21

22 **Q. DOES PEOPLES BELIEVE IT IS PRUDENT TO RECOVER THE COST OF**
23 **THESE OVERRUN/OFO CHARGES FROM RATEPAYERS?**

1 A. Yes. Overrun charges, specifically, are usually the result of exceeding a pipeline's
2 capacity tolerances. PNG does not routinely intend to exceed its capacity limits, making
3 overrun charges naturally temporary and incident-specific when they are incurred. The
4 temporary aspect of overrun charges always makes them less expense than the cost of
5 acquiring extra, long-term capacity with higher tolerances. PNG's alternative to reducing
6 overrun risk would be to acquire supply and capacity with higher limits and delivery
7 priorities. However, ratepayers would thus be encumbered with capacity that may only
8 be needed a few times per decade. It's unlikely that PNG would "release" such capacity
9 since that would negate the reason for acquiring the capacity. Even if releases were
10 executed, by necessity, such capacity would be released as recallable at PNG's discretion.
11 This would seriously diminish its value to any other party. The necessary recallable status
12 would make it very unlikely for PNG to recover any substantial amount of the capacity's
13 reservation cost through pipeline capacity release markets.

14 Overall, the Company realizes that it may incur overrun charges but accepts this
15 practice in order to maintain human needs and the integrity of its system. Large OFO
16 charges, as discussed above, usually result from system resources becoming so strained
17 that human needs take precedence over temporary financial concerns. The Company
18 believes that, over time, it is prudent to incur occasional OFO charges in lieu of near
19 permanent capacity charges.

20

21 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR SUPPLIES**
22 **DELIVERED FROM INTERSTATE PIPELINES DURING THE 1307(f)-2024**
23 **PROJECTED PERIOD?**

1 A. Peoples Natural Gas projects to incur the costs that are set forth on **Peoples Natural Gas**
2 **Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe. The projected
3 commodity costs set forth on **Peoples Natural Gas Exhibit Nos. 7 and 8** will vary with
4 the actual purchases that Peoples Natural Gas will make to meet the actual requirements
5 of Peoples Natural Gas’s customers. Amounts shown in **Peoples Natural Gas Exhibit**
6 **Nos. 7 and 8** are the best estimate the Company can make at this time of Peoples Natural
7 Gas’s projected purchases, based on the assumptions that Peoples Natural Gas’s system
8 will experience “normal” weather customer requirements and system balancing
9 requirements.

10
11 **ON-SYSTEM STORAGE**

12 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS’S ON-SYSTEM STORAGE**
13 **FACILITIES.**

14 A. Peoples Natural Gas currently owns and operates five storage fields, which have
15 2,147,000 Mcf of storage capacity and 55,300 Mcf of maximum design day withdrawal
16 capacity.

17 **Q. WHAT PURCHASED GAS COSTS DID PEOPLES NATURAL GAS INCUR FOR**
18 **ITS ON-SYSTEM STORAGE FACILITIES OVER THE 1307(f)-2024**
19 **HISTORICAL PERIOD?**

20 A. There are two categories of natural gas costs that Peoples Natural Gas incurs to own and
21 operate its on-system storage facilities. The first of those categories is the portion of
22 Peoples Natural Gas’s requirements for company use and lost and unaccounted for gas
23 that was attributable to those facilities. The second is the weighted average cost that

1 Peoples Natural Gas assigns to each Mcf that is injected into and withdrawn from its on-
2 system (and interstate) storage facilities. For the 1307(f)-2024 historical period, the
3 weighted average cost was based on the cost of all supplies that Peoples Natural Gas
4 acquired over calendar year 2023. The total weighted average costs that Peoples Natural
5 Gas assigned to injections into and withdrawals from storage over the historical period are
6 those set forth on **Peoples Natural Gas Exhibit No. 6**, as described by Ms. Folks.

7

8 **Q. DID THE COMMISSION APPROVE THE USE OF PEOPLES NATURAL GAS'S**
9 **ON-SYSTEM STORAGE FACILITIES AND THE COSTS ASSOCIATED WITH**
10 **THEM IN PEOPLES NATURAL GAS'S 1307(f)-2023 PROCEEDING?**

11 A. In Peoples Natural Gas's 1307(f)-2023 proceeding, Peoples Natural Gas set forth
12 projections regarding the use of on-system storage over what is now the 1307(f)-2024
13 historical period. In that proceeding, Peoples Natural Gas described the projected
14 weighted average costs assigned to the supplies that Peoples Natural Gas anticipated
15 injecting into and withdrawing from its on-system and interstate storage facilities over
16 that same period. In its final order in that proceeding, the Commission approved rates for
17 the collection of Peoples Natural Gas's natural gas costs that included the weighted
18 average costs of supplies that Peoples Natural Gas anticipated injecting into and
19 withdrawing from storage over what is now the 1307(f)-2024 historical period. The rates
20 approved by the Commission also included the cost of Peoples Natural Gas's projected
21 requirements for company use and lost or unaccounted for gas, including the portion of
22 those requirements attributable to its on-system storage facilities.

23

1 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR THE USE OF**
2 **ITS ON-SYSTEM STORAGE FACILITIES OVER THE 1307(f)-2024**
3 **PROJECTED PERIOD?**

4 A. Peoples Natural Gas projects to incur the weighted average costs of supplies injected into
5 and withdrawn from storage that are set forth on **Peoples Natural Gas Exhibit Nos. 7**
6 **and 8**, which Ms. Folks will identify and describe. While Peoples Natural Gas has done
7 its best to anticipate what those weighted average costs will be, when the Company looks
8 back next year, the weighted average costs likely will be different than what Peoples
9 Natural Gas is projecting here, again because of the inability to predict the exact price of
10 market-priced supplies.

11

12 **IV. PEOPLES NATURAL GAS'S GAS SUPPLY PORTFOLIO**

13

14 **LOCAL GAS SUPPLIES**

15 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S USE OF LOCAL GAS**
16 **SUPPLIES.**

17 A. Peoples and its customers continue to purchase a substantial amount of their gas supply
18 from Pennsylvania and Appalachian producers. Year-round base load gas supply is
19 purchased by Peoples from approximately 207 local Pennsylvania producers at
20 approximately 1265 supply meters. The majority of this gas is produced from
21 conventional gas wells drilled into shallow upper Devonian formations (approximately
22 4,000 ft.). Over the last 100 years, Peoples' pipeline system has been designed and
23 operated to accommodate local supply, which must be delivered at varying pressures.

1 The deliverability of Pennsylvania gas has historically declined as the gas wells
2 age. Such decline is characteristic of these small volume local wells and thus, over time,
3 deliverability of existing wells will continue to fall as these wells are depleted. Over the
4 last several years, the decline in new shallow well development resulted in production
5 from the new gas wells failing to offset the production deliverability declines of the
6 existing Pennsylvania gas wells. Production from Marcellus wells has accounted for
7 roughly 22.1% of the total local production into Peoples' system. Adding new Marcellus
8 gas is limited due to the lower operating pressures of the gathering system and most
9 Marcellus production is sold to the transport market since its steady, year-round supply
10 matches up better with the less heat sensitive large industrial load.

11

12 **Q. UNDER WHAT TYPES OF CONTRACTUAL ARRANGEMENTS DOES**
13 **PEOPLES NATURAL GAS ACQUIRE GAS FROM LOCAL PRODUCERS?**

14 A. With the implementation of Rate Appalachian Gathering Service as part of the settlement
15 approved in resolution of PNGD's general rate case at Docket No. R-2018-3006818,
16 PNGD has replaced and/or amended nearly all existing contracts to implement approved
17 terms and conditions. Among these replacements and/or amendments is a requirement
18 that any party desiring to transport gas through PNGD's gathering system, as well as to
19 deliver gas directly into PNGD's distribution and transmission system, must execute a
20 Master Interconnect and Measurement Agreement ("MIMA"). The MIMA supersedes
21 and terminates any previously executed agreement(s) between the parties for the transport
22 and/or purchase of gas. The terms of the MIMA include PNGD's standard purchase price
23 terms, as follows:

1 A price based on the Inside F.E.R.C.'s Gas Market Report, "Price of Spot Gas
2 Delivered to Pipelines," for deliveries of Appalachian production into EGTS's dry
3 transmission system for first of the month (a.k.a. Eastern South Point Index) was first used
4 as a pricing option in 1999 and has become the standard, local gas, purchase price for
5 PNGD. These contracts are for 1-year terms with a price at either 100% or 103% of the
6 index. Unless terminated upon at least thirty (30) days' advance notice by either party
7 prior to the end of the term, the agreement renews automatically for successive additional
8 one-month production period terms.

9 PGD has purchased Pennsylvania gas supply under "Vintage" contracts,
10 "Dedicated" (formally known as "life-of-the-well") contracts, and "Non-Dedicated"
11 (formally known as "year-to-year") contracts. Any new purchased Pennsylvania gas
12 supply will be purchased under a Non-Dedicated contract as well as the execution of a
13 MIMA.

14 The two types of Vintage contracts PGD utilized are fixed price contracts and
15 percent of market contracts which together represent less than 2% of PGD's total local
16 purchases. The fixed price Vintage Agreements were entered into many decades ago with
17 a fixed price by which all gas would be purchased under the contract for the life of the
18 well. The percent of market contracts were formerly fixed price vintage contracts that
19 were amended to become market-based contracts upon completion of certain
20 commitments made by the producers and approved in prior PGC settlements.

21 Dedicated contracts for gas purchases from local Pennsylvania producers are
22 made pursuant to several forms of "standard" gas purchase agreements that have been

1 used by PGD from time to time over the years. Almost all of those agreements have
2 provided for a term equal to the productive life of the covered gas wells.

3 The purchase price for these Dedicated Agreements was revised on March 1,
4 2014, to better reflect current market pricing for such production. It was revised to be
5 Inside F.E.R.C.'s Gas Market Report, "Price of Spot Gas Delivered to Pipelines," for
6 deliveries of Appalachian production into EGTS's dry transmission system for first of the
7 month (a.k.a. FOM Eastern South Point Index) which is the same standard price PNGD
8 utilizes. The revisions were approved as part of the settlement of PGD's 1307(f)-2014
9 proceeding at Docket No. R-2014-2399598.

10 Non-Dedicated gas purchase agreements are utilized to purchase the vast majority
11 of local production by PGD and at the same standard purchase prices as the Dedicated
12 agreements but on a one-year term, with a month-to-month evergreen clause giving either
13 party the option to terminate effective on the anniversary date upon specified prior written
14 notice. Seventy nine percent (79%) of the local gas purchased by PGD is done through
15 Non-Dedicated gas purchase agreements.

16

17 **Q. WHAT COSTS DID PEOPLES NATURAL GAS INCUR FOR LOCAL GAS**
18 **SUPPLIES OVER THE 1307(f)-2024 HISTORICAL PERIOD?**

19 **A.** Peoples Natural Gas incurred the costs that are set forth on **Peoples Natural Gas Exhibit**
20 **No. 6**, as described by Ms. Folks.

21

1 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
2 **ARRANGEMENTS WITH LOCAL GAS SUPPLIERS IN PEOPLES NATURAL**
3 **GAS'S PRIOR 1307(f) PROCEEDING?**

4 A. Yes. In Peoples Natural Gas's 1307(f)-2023 proceeding, Peoples Natural Gas described
5 its contracts for local gas supplies that would be in effect over what is now the 1307(f)-
6 2024 historical period. Under the settlement, the Parties agreed that the Commission
7 should approve the Company's gas supply, pipeline and storage capacity contracts. In its
8 final order in that proceeding, the Commission approved the settlement including the rates
9 for the collection of Peoples Natural Gas's natural gas costs that included the costs
10 associated with the local gas contracts over what is now the 1307(f)-2024 historical
11 period.

12
13 **Q. DID PEOPLES NATURAL GAS'S LOCAL GAS SUPPLY CONTRACTS**
14 **CHANGE DURING THE 1307(f)-2024 HISTORICAL PERIOD?**

15 A. Besides the Vintage and Dedicated gas purchase agreements, which only represent a small
16 percentage of the total local supply purchased, all of Peoples' other local gas supply
17 contracts are subject to renegotiation due to the evergreen nature of the agreements.
18 During the 1307(f)-2024 historical period, there were a number of local production meters
19 that switched from system supply to transportation agreements and vice versa but the
20 amount of local supplies Peoples Natural Gas purchased for its customers was virtually
21 the same as the 1307(f)-2023 historical period.

22

1 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR LOCAL GAS**
2 **SUPPLIES OVER THE 1307(f)-2024 PROJECTED PERIOD?**

3 A. Peoples Natural Gas will incur the costs that are set forth on **Peoples Natural Gas Exhibit**
4 **Nos. 7 and 8**, which Ms. Folks will identify and describe. The costs set forth on **Peoples**
5 **Natural Gas Exhibit Nos. 7 and 8** obviously are not exact – they are based on projections
6 that I provided to Ms. Folks and will vary with the actual use that Peoples Natural Gas
7 makes of local gas supplies in response to the actual requirements of Peoples Natural
8 Gas’s customers, with certain operational factors that I have identified and, to the extent
9 the pricing is market based, with operation of the market.

10

11

SPOT MARKET SUPPLIES

12 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS’S USE OF SPOT MARKET**
13 **SUPPLIES.**

14 A. Peoples Natural Gas uses the spot market to purchase a substantial amount of its natural
15 gas requirements. A large portion of its interstate supply deals are done as day-ahead
16 deals and reference a published index for pricing, allowing the final pricing to be
17 determined by the market. Along with its local gas supplies, these are the supplies that
18 Peoples Natural Gas uses to meet the demands of those customers who continue to buy
19 their supplies from Peoples Natural Gas. These are also the supplies that Peoples Natural
20 Gas uses for its various interstate pipeline assets to transport and store.

21

22 **Q. PLEASE DESCRIBE THE MANNER IN WHICH PEOPLES NATURAL GAS**
23 **ACQUIRES SPOT MARKET SUPPLIES.**

1 A. Peoples Natural Gas continually adjusts its daily supply plan based on actual and projected
2 daily weather and customer usage. As part of that process, Peoples Natural Gas
3 determines if additional supply is required at various parts of its system or, during the
4 storage injection season, at various off-system storage receipt points. Peoples Natural Gas
5 monitors the New York Mercantile Exchange (“NYMEX”) futures prices and the
6 Intercontinental Exchange (“ICE”) cash and forward prices, and monitors various spot
7 market gas index prices for areas from which it purchases spot market supplies. With this
8 information, Peoples Natural Gas will determine the least cost option to serve areas of its
9 system that requires additional supply. Peoples Natural Gas is in frequent contact with
10 many gas suppliers who will agree to deliver spot market supplies to pipeline receipt
11 points from which Peoples Natural Gas is able to secure transportation to its city gate or
12 to storage receipt points pursuant to off-system storage contracts.

13

14 **Q. WHAT COSTS DID PEOPLES NATURAL GAS INCUR FOR SPOT MARKET**
15 **SUPPLIES OVER THE 1307(f)-2024 HISTORICAL PERIOD?**

16 A. Peoples Natural Gas incurred the costs that are set forth on **Peoples Natural Gas Exhibit**
17 **No. 6**, as described by Ms. Folks.

18

19 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS’S SPOT**
20 **MARKET SUPPLIES IN PEOPLES NATURAL GAS’S 1307(f)-2023**
21 **PROCEEDING?**

22 A. In Peoples Natural Gas’s 1307(f)-2023 proceeding, Peoples Natural Gas described the
23 manner in which Peoples Natural Gas expected to acquire and use spot market supplies

1 over what is now the 1307(f)-2024 historical period. Peoples Natural Gas also described
2 the reasons why Peoples Natural Gas acquires spot market supplies, the factors that affect
3 the costs of spot market supplies, and the costs for spot market supplies that Peoples
4 Natural Gas likely would incur over what is now the 1307(f)-2024 historical period.
5 Under the settlement, the Parties agreed that the Company's rates for purchased gas costs,
6 as the parties agreed upon in that proceeding, during the relevant time period were just
7 and reasonable and in compliance with 66 Pa.C.S. § 1318. In its final order in that
8 proceeding, the Commission approved the settlement including the rates for the collection
9 of Peoples Natural Gas's natural gas costs that included the costs associated with Peoples
10 Natural Gas's acquisition of spot market supplies over what is now the 1307(f)-2024
11 historical period.

12
13 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR SPOT MARKET**
14 **SUPPLIES OVER THE 1307(f)-2024 PROJECTED PERIOD?**

15 A. Peoples Natural Gas projects to incur the costs that are set forth on **Peoples Natural Gas**
16 **Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe.

17

18 **GAS PURCHASE AGREEMENTS WITH EQT ENERGY, LLC**

19 **Q. PLEASE DESCRIBE THE GAS PURCHASES UNDER THE GAS SUPPLY**
20 **AGREEMENTS WITH EQT ENERGY, LLC OVER THE 1307(f)-2023**
21 **HISTORICAL PERIOD.**

22 A. The Company purchased gas under two EQT Energy gas purchase agreements during the
23 1307(f)-2023 historical period. The first agreement matches gas supply with the Equitrans

1 Sunrise/Mainline firm transportation contract of up to 251,700 Dth/day. The annual
2 quantity is 15 MMDth, and EQT Energy will deliver up to 251,700 Dth/day at active
3 receipt point interconnects with the Equitrans Sunrise and AVC system. The second
4 agreement matches a firm gas supply with the Equitrans firm transportation contract of up
5 to 164,935 Dth/day. The annual quantity is 20 MMDth, and EQT Energy will deliver up
6 to 164,935 Dth/day at active receipt point interconnects with the Equitrans Sunrise and
7 Mainline systems.

8 Purchases under both agreements scheduled at the beginning of the month for
9 steady daily delivery throughout the month are priced at the first of the month Eastern
10 South Point index price. During the winter season, Peoples Natural Gas is able to swing
11 between the first of the month scheduled quantity and the maximum daily quantity of the
12 applicable agreement on 24 hours' notice. Swing purchases scheduled after the first of
13 the month are priced at the daily Eastern South Point index price.

14
15 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
16 **ACQUISITION OF EQT ENERGY SUPPLIES IN PEOPLES NATURAL GAS'S**
17 **1307(f)-2023 PROCEEDING?**

18 A. In Peoples Natural Gas's 1307(f)-2023 proceeding, Peoples Natural Gas described the
19 manner in which it expected to acquire and use EQT Energy supplies and the costs
20 associated with them that Peoples Natural Gas likely would incur over what is now the
21 1307(f)-2024 historical period. Under the settlement, the Parties agreed that the rates for
22 purchased gas costs, as the parties agreed upon in that proceeding, during the relevant
23 time period were just and reasonable and in compliance with 66 Pa.C.S. § 1318. In its

1 final order in that consolidated proceeding, the Commission approved the settlement
2 including the rates for the collection of Peoples Natural Gas's natural gas costs that
3 included the costs associated with Peoples Natural Gas's acquisition of EQT Energy
4 supplies over what is now the 1307(f)-2024 historical period.

5
6 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR EQT ENERGY**
7 **SUPPLIES OVER THE 1307(f)-2024 PROJECTED PERIOD?**

8 A. Peoples Natural Gas projects to incur the costs that are set forth on **Peoples Natural Gas**
9 **Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe and which show Peoples
10 Natural Gas's projected purchases of EQT Energy supplies.

11

12 **HEDGING PROGRAM**

13 **Q. DOES PEOPLES NATURAL GAS PRESENTLY HEDGE GAS PRICES AS**
14 **PART OF ITS NATURAL GAS SUPPLY PORTFOLIO?**

15 A. No. Peoples Natural Gas stopped purchasing financial hedges as of October 31, 2013,
16 and all financial hedges were completed by March 31, 2014.

17

18 **Q. IS PEOPLES NATURAL GAS PROPOSING A HEDGING PROGRAM IN THIS**
19 **1307(f) PROCEEDING?**

20 A. No. As part of Peoples Natural Gas's 1307(f) 2023 proceeding, the Company agreed to
21 propose a hedging program in its next annual PGC filing if the Company's rate in effect
22 for commodity reached \$5.00 or more for at least two consecutive quarters. This provision
23 went into effect beginning October 1, 2023, and ends after eight quarters.

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Q. HAS PEOPLES NATURAL GAS’S COMMODITY RATE REACHED \$5.00 OR MORE FOR AT LEAST TWO CONSECUTIVE QUARTERS SINCE OCTOBER 1, 2023?

A. No. Therefore, Peoples Natural Gas will not be proposing a hedging program in this year’s proceeding.

V. CAPACITY RELEASES

Q. PLEASE EXPLAIN PEOPLES NATURAL GAS’S PRACTICES WITH RESPECT TO CAPACITY RELEASES.

A. The Company views capacity release primarily as a mitigation measure through which it can recapture a portion of the capacity reservation costs that it pays to the pipelines from replacement shippers who may be interested in buying the capacity when the Company does not need it. As a general matter, however, Peoples Natural Gas historically has not had a lot of surplus capacity for release purposes and does not expect to have a lot in the future because it has assembled and will continue to have a highly efficient capacity portfolio. Peoples Natural Gas uses transportation capacity during the summer months to meet its non-heating load and to fill storage. During the winter months, Peoples Natural Gas uses firm transportation capacity in conjunction with storage withdrawals to meet higher cold weather demands and Peoples Natural Gas has contracted for firm transportation services accordingly. Therefore, most of the capacity the Company has under contract is used year-round, adjusted seasonally to match the Company’s load profile, or is capacity that may be needed in order to meet unexpected daily and seasonal

1 demands. Moreover, as a general rule, when Peoples Natural Gas does not need all of the
2 capacity it holds, the market generally does not need the capacity either, and the Company
3 can recover only a fraction of its costs through a release.

4

5 **Q. DOES PEOPLES NATURAL GAS HOLD ANY FIRM PIPELINE CAPACITY**
6 **THAT IS MORE PRACTICABLE FOR RELEASE THAN ITS OTHER**
7 **CAPACITY?**

8 A. Yes. Peoples Natural Gas holds 15,650 Dth/day of FT-1 firm transportation service under
9 contract from TETCO that has a primary receipt point in the TETCO supply zone and a
10 primary delivery point in market area zone M-3 at Algonquin Lambertville. This is the
11 capacity that Peoples Natural Gas utilizes for deliveries of gas to the Ebensburg
12 interconnection with TETCO. Because Ebensburg is in the capacity path between the
13 primary receipt point and the primary delivery point, reliable service can be maintained at
14 Ebensburg while the downstream segment of the capacity can still be used for deliveries
15 to other delivery points in TETCO market zone 3. Over the life of this contract, when
16 market conditions permit, Peoples Natural Gas has often used it to make off-system sales
17 that benefitted both Peoples Natural Gas and the Company's 1307(f) customers.

18

19 **Q. WAS PEOPLES NATURAL GAS ABLE TO RELEASE ANY OF THIS TETCO**
20 **CAPACITY DURING THE HISTORICAL PERIOD?**

21 A. Yes. In July 2023, Peoples Natural Gas solicited proposals for an Asset Management
22 Agreement ("AMA") of its TETCO capacity for the period of November 2023 through
23 October 2024. The request stipulated that the asset manager would provide supply to

1 Peoples Natural Gas with the same operational availability of capacity as if Peoples
2 Natural Gas retained control of the TETCO capacity. Following the RFP, the AMA was
3 awarded for the entire period at a rate payable to Peoples Natural Gas of \$341,345 per
4 month, or \$4,096,140 total for the term of the arrangement, less any refunds or credits
5 received by Peoples Natural Gas as a result of a force majeure, curtailment or other
6 restriction prohibiting the use of the asset on a primary firm basis by the asset manager.
7 Peoples Natural Gas's TETCO capacity was then released at zero cost per month for the
8 same period. The AMA specifies that Peoples Natural Gas may call on the capacity at
9 specific points at monthly baseload or daily levels, or some combination. For monthly
10 baseload requested quantities, pricing is INSIDE FERC's Gas Market Report, Monthly
11 Bidweek Spot Gas Price Index for Texas Eastern, M-2 Receipts plus TETCO variable
12 costs to the requested meter in effect for the period. For daily requested quantities, pricing
13 is Gas Daily midpoint pricing for Texas Eastern, M-2 Receipts for the day of flow plus
14 TETCO variable costs to the requested meter in effect for the period.

15

16 **Q. HOW DOES THIS RELEASE BENEFIT THE 1307(f) CUSTOMERS?**

17 A. 1307(f) customers will receive 75% of the proceeds from this release as a credit against
18 cost of the capacity. This credit will reduce the capacity charges that customers will pay
19 by approximately \$3,072,105 while maintaining the same level of service that has
20 historically been available from this capacity.

21

22 **Q. HAVE THERE BEEN ANY CHANGES TO PEOPLES NATURAL GAS'S**
23 **CAPACITY RELEASE SHARING MECHANISM?**

1 A. No. In the 1307(f)-2018 proceeding, Peoples Natural Gas proposed to indefinitely
2 continue the capacity release sharing mechanism wherein 1307(f) customers will
3 receive 75% and Peoples Natural Gas will receive 25% of these revenues. Under the
4 Commission-approved settlement, the mechanism has been extended indefinitely, but
5 parties can propose changes to the mechanism in future proceedings.

6

7 **Q. DID PEOPLES NATURAL GAS HAVE ANY RELEASES OF CAPACITY**
8 **DURING THE HISTORICAL PERIOD?**

9 A. Yes. Peoples Natural Gas realized \$8,552,408 of capacity release revenue during the
10 historical period. In addition to our regular contacts with industry participants, potential
11 replacement shippers can view and inspect all of Peoples Natural Gas's contracted
12 interstate capacity on each pipeline's Electronic Bulletin Board, or EBB. The Company
13 responds to any party that expresses interest in our capacity.

14

15 **Q. DOES THE COMPANY PROPOSE ANY CHANGES TO ITS CAPACITY**
16 **RELEASE SHARING MECHANISM?**

17 A. No.

18

19 **VI. OFF-SYSTEM SALES SHARING MECHANISM**

20

21 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S OFF-SYSTEM SALES**
22 **REVENUE SHARING MECHANISM.**

1 A. In the 1307(f)-2018 proceeding, Peoples Natural Gas proposed to indefinitely continue
2 the sharing mechanism for off-system sales that utilize off-system assets paid for by
3 1307(f) customers wherein customers will receive 75% and Peoples Natural Gas will
4 receive 25% of these revenues. Under the Commission-approved settlement in the 2018
5 proceeding, the mechanism has been extended indefinitely, but parties can propose
6 changes to the mechanism in future proceedings.

7

8 **Q. DID PEOPLES NATURAL GAS UNDERTAKE ANY OFF-SYSTEM SALES**
9 **THAT ARE SUBJECT TO THE SHARING MECHANISM IN THE 1307(f)-2024**
10 **HISTORICAL PERIOD?**

11 A. No. Peoples Natural Gas continually looks for opportunities to make off-system sales.
12 However, Peoples Natural Gas did not have an opportunity to make off-system sales
13 during the period where the spread was profitable and its ability to meet its firm
14 obligations was not compromised. As a result, Peoples Natural Gas did not make any
15 off-system sales during the 1307(f)-2024 historical period.

16

17 **Q. DOES THE COMPANY PROPOSE ANY CHANGES TO ITS OFF-SYSTEM**
18 **SALES SHARING MECHANISM?**

19 A. No.

20

21 **VII. PURCHASES FROM PEOPLES NATURAL GAS'S AFFILIATES**

22

23 **Q. IS PEOPLES NATURAL GAS AFFILIATED WITH ANY OF THE ENTITIES**
24 **FROM WHICH IT PURCHASED SUPPLIES?**

1 A. No.

2

3

VIII. SHUT-IN POLICIES AND PRACTICES

4

5 **Q. DOES PEOPLES NATURAL GAS SHUT-IN SUPPLIES THAT OTHERWISE**
6 **WOULD BE CONTRACTUALLY AVAILABLE TO PEOPLES NATURAL GAS**
7 **FOR USE AS PART OF ITS SUPPLY MIX?**

8 A. In general, except for purposes of repairs, maintenance or safety, Peoples Natural Gas
9 does not shut-in Pennsylvania production over which it has control where the expected
10 result of such shut-in would be to require Peoples Natural Gas to acquire substitute
11 supplies at a higher cost.

12

13

IX. RENEGOTIATION OF CONTRACTS

14

15 **Q. TO WHAT EXTENT ARE PEOPLES NATURAL GAS'S EXISTING GAS**
16 **PURCHASE CONTRACTS ("GPC") WITH LOCAL PRODUCERS SUBJECT**
17 **TO RENEGOTIATION?**

18 A. Almost all of Peoples Natural Gas's GPCs with local producers are subject to
19 renegotiation. Roughly 89% of those GPCs are currently based on a standard index
20 market base price, so Peoples Natural Gas has no need to renegotiate those agreements.
21 Most of the older GPCs contain fixed prices that have historically been below market
22 price, so Peoples Natural Gas believes there is no benefit to attempt to renegotiate.

23

1 **Q. WHAT OPPORTUNITY DOES PEOPLES NATURAL GAS HAVE TO**
2 **RENEGOTIATE SUPPLY CONTRACTS WITH SUPPLIERS WHO DELIVER**
3 **VIA INTERSTATE FACILITIES?**

4 A. Other than the two long term supply agreements with EQT Energy mentioned previously,
5 Peoples Natural Gas does not hold any other long-term supply contracts with Suppliers
6 since those would limit the flexibility Peoples Natural Gas needs to operate its system
7 and storage contracts during the winter months. Peoples Natural Gas purchases a large
8 portion of its supply delivered via interstate facilities during the summer months when
9 supply is plentiful, therefore there is little to no benefit to enter into term supply
10 agreements for that supply. When Peoples Natural Gas does purchase supply, it will
11 seek out and commit to the best deals available for the supplies that it needs considering
12 applicable operational and physical system constraints.

13
14 **Q. WHAT PLANS, IF ANY, DOES PEOPLES NATURAL GAS HAVE TO**
15 **RENEGOTIATE THE VARIOUS CONTRACTS THAT IT HAS IN PLACE**
16 **AND WILL HAVE IN PLACE FOR THE DELIVERY AND STORAGE OF**
17 **INTERSTATE SUPPLIES DURING THE 1307(f)-2024 PROJECTED PERIOD?**

18 A. Peoples Natural Gas has no such plans.

19

20 **X. SYSTEM AVERAGE BTU VALUE**

21

22 **Q. WHAT IS THE SIGNIFICANCE OF THE SYSTEM AVERAGE BTU VALUE?**

23 A. Gas is measured at a customer’s meter per thousand cubic feet (“Mcf”), which is a

1 volumetric measurement. Typically, gas is purchased based on dekatherms (“Dth”), a
2 thermal measurement equal to 1,000,000 British thermal units (“Btu”), which reflects
3 the heat content of the gas. An Mcf of gas with a higher heat content – more Btus –
4 than another Mcf of gas will represent more Dth. The Company uses the system
5 average Btu value to convert transportation customers’ metered Mcf consumption to
6 Dth. This conversion based on actual Btu values helps to balance receipts of gas on
7 behalf of General Pooling Service pools with the deliveries of gas to the pool members
8 (i.e., the transportation customers) and helps to allocate gas costs between purchase gas
9 cost and transportation customers.

10

11 **Q. WHAT WAS PEOPLES NATURAL GAS’S SYSTEM AVERAGE BTU VALUE**
12 **FOR THE MOST RECENT TWELVE-MONTH PERIOD AVAILABLE?**

13 A. **Peoples Natural Gas Exhibit No. 4** is a calculation of the Company’s system average
14 Btu value. For the twelve-month period ended December 31, 2023, Peoples Natural
15 Gas’s system average Btus per Mcf was 1,039,000, which converts to a Btu value of
16 1.039 MMBtu/Mcf.

17

18 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

19 A. Yes. I reserve the right to supplement my testimony as additional issues arise during
20 the course of the proceeding. Thank you.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY :
COMMISSION :
 :
v. : Docket No. R-2024-3045945
 :
PEOPLES NATURAL GAS COMPANY LLC :

**DIRECT TESTIMONY OF
DAWN M. FOLKS**

On behalf of

**PEOPLES NATURAL GAS COMPANY LLC
Peoples Natural Gas Division and Peoples Gas Division**

DATE SERVED: April 1, 2024
DATE ADMITTED: _____

Peoples Natural Gas Company Statement No. 3

PREPARED DIRECT TESTIMONY OF DAWN M. FOLKS

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I. Witness Background

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Dawn M. Folks. My business address is 375 North Shore Drive, Pittsburgh, PA 15212.

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

A. I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as a Finance and Rates Analyst. I provide rates and regulatory services for Peoples Natural Gas Company LLC. I would note that effective January 1, 2023 the Peoples Natural Gas Company LLC and Peoples Gas Company LLC were merged. As such, Peoples Natural Gas Company LLC became Peoples Natural Gas Company LLC – Peoples Natural Gas Division (“PNGD” or “Peoples Natural Gas Division”) and Peoples Gas Company LLC became Peoples Natural Gas Company LLC – Peoples Gas Division (“PGD” or “Peoples Gas Division”). When referring to both divisions herein, they may be referred to as the Peoples Divisions, Peoples Natural Gas, the Company or Peoples.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE IN THE GAS INDUSTRY.

A. I received my Master of Science Degree in Industrial Engineering from the University of Pittsburgh in 2005, and a Bachelor of Science Degree in Mathematics and a Bachelor of

1 Arts Degree in Physics from Duquesne University in 2004. After graduation, I was
2 employed as a Control Engineer with SMS Siemag LLC. I began my career within the
3 gas industry when I started working for Peoples Natural Gas in January 2011. I initially
4 worked in the Rates and Regulatory Affairs Department as the Gas Planning and
5 Forecasting Analyst. In October 2011, I accepted my current position as a Finance and
6 Rate Analyst in the Rates and Regulatory Affairs Department.

7

8 **Q. WHAT ARE YOUR RESPONSIBILITIES AS A FINANCE AND RATES**
9 **ANALYST?**

10 A. My general responsibilities include analyses, computations, and support of the rates and
11 regulatory functions for Peoples Natural Gas and its affiliated natural gas distribution
12 company in Kentucky.

13

14 **Q. HAVE YOU PREVIOUSLY OFFERED TESTIMONY IN REGULATORY**
15 **PROCEEDINGS?**

16 A. Yes. I have previously submitted testimony before the Pennsylvania Public Utility
17 Commission (“Commission”) in regulatory proceedings. I testified in Peoples Natural
18 Gas Company’s 1307(f) proceedings at Docket Nos. R-2023-3037928, Docket No. R-
19 2022-3030661, Peoples Gas’s 1307(f) proceedings at Docket Nos. R-2023-3037928,
20 Docket No. R-2022-3030664 and Docket No. R-2014-2399598 as well as Peoples
21 Natural Gas’s 2023 Rate Case Proceeding Docket No. R-2023-3044549 and Peoples
22 Gas’s 2013 Rate Case Proceeding Docket No. R-2013-2355886.

23

1 **Q. DO YOU HAVE ANY PRELIMINARY ITEMS YOU WOULD LIKE TO**
2 **DISCUSS?**

3 **A.** Yes. Peoples Natural Gas Company LLC (“Peoples Natural Gas”) & Peoples Gas
4 Company LLC (“Peoples Gas”) (the “Peoples Divisions”) filed an application on
5 December 1, 2021 to merge Peoples Gas into Peoples Natural Gas at Docket Nos. A-
6 2021-3029831 and A-2021-3029833. That application was approved by the
7 Pennsylvania Public Utility Commission (“PUC”) by order entered August 25, 2022.
8 Effective October 1, 2022, the PGC (“Purchased Gas Cost”) rates of Peoples Natural
9 Gas and Peoples Gas were merged. As a result, with the exception of the Allegheny
10 Valley Connector (“AVC”) capacity charge, the Peoples Divisions charge the same
11 PGC rate components, balancing charges and retainage rates to their respective
12 customers. In addition to the merger of the PGC rates, the Peoples Divisions combined
13 the Merchant Function Charges (“MFC”) and the Gas Procurement Charges (“GPC”) in
14 order to have a single consolidated Price-to-Compare (“PTC”), also effective
15 October 1, 2022. My testimony addresses both Divisions on a combined basis.

16

17 **II. Purpose of Testimony**

18

19 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

20 **A.** My testimony will discuss and support the Company’s position and/or adjustments in
21 the following areas:

- 22 • Waivers or discounts of retainage;
- 23 • Design Day planning that appears in **Peoples Natural Gas Exhibit No. 1;**

- 1 • Proposed tariff changes as shown in **Peoples Natural Gas Exhibit No. 5**;
- 2 • The compilation and presentation of all of the purchased gas cost information
- 3 that appears in **Peoples Natural Gas Exhibit Nos. 6, 7, 8, 9, 10, 11, 12**;
- 4 • Over/Under collections of purchased gas costs; and
- 5 • The calculation of the projected purchased gas cost rates, including AVC
- 6 Charges and the calculation of Balancing Charges to become effective October
- 7 1, 2024.

8

9 **III. Retainage Waivers and Discounts**

10

11

12 **Q. DOES THE COMPANY WAIVE OR DISCOUNT RETAINAGE RATES?**

13 A. Yes, in certain circumstances the Company discounts or waives retainage.

14

15 **Q. HOW MANY CUSTOMERS CURRENTLY RECEIVE A FULL OR PARTIAL**

16 **WAIVER OF GAS RETAINAGE AS A RESULT OF THE REVIEW AND**

17 **APPROVALS IN RECENT 1307(f) CASES?**

18 A. There were six PNGD customers and three PGD customers receiving discounted gas

19 retainage as of the last 1307(f) proceeding.

20

21

22

1 **Q. DID ANY OF THE CONTRACTS FOR THE CUSTOMERS THAT HAVE A**
2 **FULL OR PARTIAL WAIVER OF RETAINAGE EXPIRE, OR DO ANY**
3 **EXPIRE BEFORE SEPTEMBER 30, 2024?**

4 A. Yes. One PNGD customer contract was set to expire on September 30, 2023, and move
5 to full tariff rates. This company closed before expiration of the contract and is no longer
6 a customer on our system.

7
8 **Q. HAVE ANY ADDITIONAL CUSTOMERS REQUESTED AND QUALIFIED**
9 **FOR A WAIVER OF RETAINAGE?**

10 A. No.

11
12

IV. Design Day

13
14 **Q. WHAT IS DESIGN DAY?**

15 A. Design Day is the 24 hour period, from 10:00 am through 9:59 am on the following day,
16 that reflects the maximum conditions, in the event of extremely cold weather, for which
17 the Company plans for Gas Supply purposes. Its primary purpose is to determine the
18 maximum amount of gas requirements that must be supplied for a 24-hour period to meet
19 these maximum conditions. Specifically, Peoples Natural Gas calculates the amount of
20 capacity and supply that is required to meet these maximum conditions, assuming they
21 occur before the end of January, after which the assumption is that the weather will not
22 produce Design Day conditions.

1 One of the challenges in forecasting Design Day is that Peoples Natural Gas’s
2 service territory last experienced Design Day conditions on January 19, 1994. At that
3 time, the service territory looked much different.

4

5 **Q. FOR WHAT CONDITIONS DOES PEOPLES NATURAL GAS PREPARE?**

6 A. Peoples Natural Gas’s Design Day is described as a late January weekday reaching 74
7 Heating Degree-Days (“HDDs”). The time in January is relevant because it requires
8 assumptions of how full storage assets must be through the end of January.

9

10 **Q. HOW DOES PEOPLES NATURAL GAS FORECAST DESIGN DAY**
11 **REQUIREMENTS?**

12 A. Peoples Natural Gas uses a regression analysis based upon daily sendout for the most
13 recent four-year period ending May 31st as the dependent variable. Temperature, winter
14 month of the year, binary cold weather variables for prior days’ weather, and a binary
15 weekend variable (1 for weekend and 0 for weekday) are then tested for correlation.

16 To obtain heat sensitive sendout, large daily measured customer throughput is
17 subtracted from the total daily sendout. Peoples Division’s system has a high proportion
18 of industrial throughput. Because this gas usage is not strictly related to weather
19 conditions, the Company is able to find a better correlation without this data.

20 Although the test period does not contain a Design Day, it does contain a variety
21 of weather including days over 60 HDDs, which allows the Company to draw reasonable
22 conclusions to forecast sendout requirements under Design Day conditions.

1 The Company then allocates Design Day responsibility across its rate classes
2 based on the baseload and heat load requirements. This allocation is used to distribute
3 capacity costs between the balancing and capacity charges.

4

5 **Q. WHAT IS SENDOUT?**

6 A. Sendout is the total amount of gas received into the Company’s pipeline system. Daily
7 sendout is the amount of gas received during a given 24-hour period, usually from 10
8 a.m. to 10 a.m. Eastern Time, the industry standard gas day. Interstate pipelines report
9 and track daily measurement in this way. Local production, which is not typically
10 measured daily, especially for older production wells, must be estimated from monthly
11 meter readings.

12 Note that sendout is different from requirements. Requirements means the
13 amount of gas needed to serve customers during a similar period.

14

15 **Q. WHY DOES PEOPLES NATURAL GAS USE SENDOUT TO CALCULATE**
16 **DESIGN DAY?**

17 A. Requirements for most customers are not daily measured. The majority of sendout,
18 especially on cold days, is received from daily measured interstate pipelines. The
19 monthly volumes from local production are typically baseload in nature and can be
20 reasonably used to estimate a constant rate of daily flow of local production gas. This
21 makes sendout much more accurate, on a daily basis, than requirements.

22

23

1 **Q. WHAT ARE THE RESULTING DESIGN DAY REQUIREMENTS?**

2 A. The analysis produced Design Day requirements of 1,473 MMcf for Peoples Natural
3 Gas. This is presented in Peoples Natural Gas Exhibit No. 1.

4

5 **V. Pro Forma Tariff Changes**

6

7 **Q. IS PEOPLES NATURAL GAS PROPOSING ANY TARIFF CHANGES IN THIS**
8 **FILING?**

9 A. Yes. PNGD and PGD have updated the rates for capacity, commodity, over/under
10 collections, transportation balancing, and retainage consistent with the Company's
11 testimony in this proceeding. In the Peoples Natural Gas's currently pending base rate
12 case, the company is proposing to apply the AVC capacity charge to both PNGD and
13 PGD sales and transportation customers. These changes are included in the PGD tariff
14 and are described in the direct testimony of Peoples Natural Gas witness Carol Scanlon
15 (**Peoples Natural Gas Statement No. 1**). Updates are incorporated into the unnumbered,
16 undated, tariff supplement that is attached as **Peoples Natural Gas Exhibit No. 5**.

17

18 **VI. Twelve-Month Historical and Twenty-Month Projected Periods**

19

20 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENTS THAT HAVE**
21 **BEEN MARKED AS PEOPLES NATURAL GAS EXHIBIT NOS. 6, 7, 8?**

22 A. Yes. **Peoples Natural Gas Exhibit No. 6** presents the actual gas costs for the 1307(f)-
23 2024 historical period of February 1, 2023, through January 31, 2024. **Peoples Natural**
24 **Gas Exhibit No. 7** presents the projected gas costs for the interim period of February

1 2024 – September 2024. **Peoples Natural Gas Exhibit No. 8** presents the gas costs
2 for the projected period of October 2024 – September 2025. **Peoples Natural Gas**
3 **Exhibit Nos. 7 and 8** break out the 20-month period from February 1, 2024, through
4 September 30, 2025, into the interim period and the projected period, respectively. I
5 and Peoples Natural Gas’s other witnesses may sometimes refer in our direct testimony
6 to this combined 20-month period as the projected period.

7

8 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS EXHIBIT NOS. 7 AND 8 IN**
9 **MORE DETAIL.**

10 A. **Peoples Natural Gas Exhibit Nos. 7 and 8** reflect Peoples Natural Gas’s projected: (1)
11 costs and volumes of locally purchased Pennsylvania supplies; (2) cost and volumes of
12 interstate supplies delivered through interstate pipelines or purchased at the city-gate; (3)
13 costs of storage services contracted for with interstate pipelines; (4) costs related to
14 storage injections and withdrawals; (5) purchased gas costs consisting of costs related to
15 supply/risk management, imbalance buyback costs, transportation costs associated with
16 certain local gas supplies, and exchange gas costs; and (6) capacity costs related to
17 Peoples Natural Gas’ service on Equitrans’ AVC system. Peoples Natural Gas witness
18 Steven P. Kolich describes in his direct testimony (**Peoples Natural Gas Statement No.**
19 **2**) how Peoples Natural Gas utilizes the underlying natural gas supply assets and the
20 bases for the costs that I have incorporated into these exhibits.

21

22

1 **Q. HOW ARE THE COSTS OF STORAGE INJECTIONS AND WITHDRAWALS**
2 **CALCULATED?**

3 A. Storage injections and withdrawals are calculated using the weighted average commodity
4 cost of gas (“WACCOG”) methodology for pricing storage inventory. As previously
5 approved by the Commission, Peoples Natural Gas switched from the last in first out
6 (“LIFO”) method to the WACCOG method effective January 1, 2020.

7
8 **Q. WHAT ARE PEOPLES NATURAL GAS’S PROJECTED NATURAL GAS**
9 **COSTS FOR THE INTERIM AND PROJECTED PERIODS?**

10 A. The projected natural gas costs are \$140,280,076 for the 8-month interim period, as
11 shown on page 1 of **Peoples Natural Gas Exhibit No. 7**, and \$268,719,941 for the 12-
12 month projected period, as detailed on page 1 of **Peoples Natural Gas Exhibit No. 8**,
13 for a total of \$409,000,017 for the combined 20-month period.

14
15 **VII. Historical Period**

16
17 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
18 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 9?**

19 A. Yes. **Peoples Natural Gas Exhibit No. 9** is a document prepared by Peoples Natural
20 Gas’ Rates and Regulatory Affairs Department to demonstrate and illustrate the
21 derivation of the experienced net collection or “E” factor for the projected prior period
22 over/under collection through September 30, 2024.

23

1 **VIII. Proposed Rates for October 1, 2024**

2
3 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
4 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 10?**

5 A. Yes. **Peoples Natural Gas Exhibit No. 10** is a two-page document that was prepared
6 by Peoples Natural Gas’s Rates and Regulatory Affairs Department to illustrate the
7 development of the natural gas supply rates that the Company proposes to charge as of
8 October 1, 2024. Those supply rates include a commodity charge that will apply to all
9 sales and standby customers, a capacity charge that will apply to all sales and Priority
10 One customers, a GCA charge that will apply to all sales customers, and the AVC
11 capacity charge that currently applies to all PNGD sales and transportation customers.
12 In this proceeding and in Peoples Natural Gas’s currently pending base rate case, the
13 company is proposing to apply the AVC capacity charge to both PNGD and PGD sales
14 and transportation customers. Peoples Natural Gas witness Carol Scanlon describes this
15 in her direct testimony (**Peoples Natural Gas Statement No. 1**)

16
17 **Q. ARE THESE THE ACTUAL RATES THAT PEOPLES NATURAL GAS**
18 **INTENDS TO PUT INTO EFFECT ON OCTOBER 1, 2024?**

19 A. Generally yes, but not exactly. The 1307(f)-2024 gas cost calculations are based on
20 natural gas price projections provided by Peoples Natural Gas’ witness Steven P.
21 Kolich. These price projections are based, in part, on the latest available New York
22 Mercantile Exchange (“NYMEX”) projections. As the Company has done in the last
23 several 1307(f) proceedings, for Peoples Natural Gas’s quarterly filings up to and
24 including the implementation filing, the Company will update the gas cost calculations,

1 and the rates based on those costs, for the 1307(f)-2024 projected period based on the
2 latest available NYMEX price projections for the remaining 1307(f)-2024 projected
3 period.

4

5

IX. Balancing Charges

6

7

Q. PLEASE DISCUSS THE DERIVATION OF THE BALANCING CHARGES.

8

A. The assets used to provide balancing services for Peoples Natural Gas’s transportation
9 customers consist of AVC storage, non-AVC upstream pipeline storage that Peoples
10 Natural Gas currently has under contract, and on-system storage. The non-AVC assets
11 include storage services provided by Eastern Gas Transmission and Storage, Inc.
12 (“EGTS”), Equitrans LP (“ETRN”), National Fuel Gas Supply Corporation (“NFG”) and
13 Columbia Gas Transmission, LLC (“TCO”). The PNGD on-system storage is the
14 Dice storage facility and the PGD on-system storage is from the Kinter, Hughes,
15 Portman and Vardy pools. However, since the costs for these facilities are included in
16 PNGD and PGD base rates, the cost of on-system storage is not reflected in the
17 balancing charge.

18

19

20

21

22

23

24

Similar to the rate treatment of the on-system storage, even though the AVC
storage assets are used to provide balancing service, the capacity cost of these storage
and transmission assets are recovered from Peoples Natural Gas’ ratepayers through a
separate capacity charge (“AVC Capacity Charge”). As a result, none of the capacity
costs for use of AVC storage are included in the balancing charges. However, Peoples
Natural Gas has included the AVC GSS variable storage injection and withdrawal
charges of \$437,911 in the calculation of the balancing charge since it already includes

1 all of the other variable storage injection and withdrawal charges in the balancing charge
2 calculation.

3 **Peoples Natural Gas Exhibit No. 11** provides the details of the calculation of
4 the balancing charges proposed in this proceeding.

5

6 **X. Capacity Release/Off-System Sales Sharing Mechanism**

7

8 **Q. DOES THE COMPANY HAVE A CAPACITY RELEASE/OFF-SYSTEM SALES**
9 **REVENUE SHARING MECHANISM?**

10 A. Yes, the Company's capacity release/off-system sales sharing mechanism was approved
11 for an indefinite period in the Company's 1307(f)-2018 proceeding at Docket Nos. R-
12 2018-2645278 and R-2018-3000236. Under this sharing mechanism, 75% of revenues
13 from capacity releases and off-system sales are shared with 1307(f) customers, while the
14 remaining 25% of those revenues are retained by the Company. Peoples Natural Gas
15 does not propose any changes to this sharing mechanism.

16

17 **XI. Revenues and Expenses**

18

19 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
20 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 12?**

21 A. Yes. It is a one-page document that shows Peoples Natural Gas's gas cost revenues
22 and expenses for the 1307(f)-2024 historical period. When Peoples Natural Gas made
23 its 1307(f) pre-filing on March 1, 2024, the Company included estimates for the month

1 of January 2024. **Peoples Natural Gas Exhibit No. 12** updates the information
2 provided in the pre-filing to include January 2024 actuals.

3

4 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

5 A. Yes, it does. I reserve the right to submit supplemental testimony if other issues arise
6 during the course of the proceeding. Thank you.

**PREPARED DIRECT TESTIMONY OF
LYNDA W. PETRICHEVICH**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Lynda W. Petrichevich, and my business address is 375 North Shore Drive,
3 Pittsburgh, Pennsylvania 15212.

4

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

6 A. I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as Senior Director,
7 Process Operations. In this position, I provide oversight of operational processes including
8 Unaccounted for Gas (“UFG”) reduction and compliance activities for Peoples Natural Gas
9 Company LLC. I would note that effective January 1, 2023 the Peoples Natural Gas Company
10 LLC and Peoples Gas Company LLC were merged. As such, Peoples Natural Gas Company
11 LLC became Peoples Natural Gas Company LLC – Peoples Natural Gas Division (“PNGD”
12 or “Peoples Natural Gas Division”) and Peoples Gas Company LLC became Peoples Natural
13 Gas Company LLC – Peoples Gas Division (“PGD” or “Peoples Gas Division”). When
14 referring to both divisions herein, they may be referred to as the Peoples Divisions, Peoples
15 Natural Gas, the Company, or Peoples.

16

17 **Q. BRIEFLY STATE YOUR EDUCATION BACKGROUND AND EMPLOYMENT**
18 **EXPERIENCE.**

19 A. I am a graduate of the University of Pittsburgh, with a Bachelor of Arts Degree in Economics.
20 In addition, I have attended in-house training courses on economic evaluation and the
21 ratemaking process, the American Gas Association (“AGA”) Gas Distribution Course, and the

1 AGA courses on gas rate fundamentals, as well as the AGA Advanced Gas Rates and
2 Regulatory Issues. I have also attended various gas supply seminars, as well as benchmarking
3 and process improvement courses.

4 I have been employed with Peoples Natural Gas (including its predecessor, The Peoples
5 Natural Gas Company) since 1977, and held positions in various departments including
6 corporate planning, operations, process improvement, gas measurement, gas supply, and
7 regulatory.

8 Upon the 2010 acquisition of The Peoples Natural Gas Company by PNG Companies,
9 I was assigned general responsibility for the Rates Department. In early 2017, I was promoted
10 to Vice President and my responsibilities included all regulatory affairs, the customer
11 transportation programs and requirements forecasting. In the fall of 2018, I took my current
12 position which includes the responsibility for Process Operations for Peoples Natural Gas,
13 Peoples Gas, and Peoples Gas WV LLC.

14
15 **Q. HAVE YOU TESTIFIED PREVIOUSLY IN ANY REGULATORY PROCEEDINGS?**

16 A. Yes, I have testified in numerous regulatory proceedings including Peoples Gas's most recent
17 general rate case at Docket No. R-2013-2355886 and Peoples Natural Gas's general rate cases
18 at Docket Nos. R-2012-2285985 and R-2010-2201702 before the Pennsylvania Public Utility
19 Commission ("Commission"). I have also testified in Peoples Natural Gas's most recent
20 1307(f) proceedings from 2018 through and including the 2023 1307(f) proceeding at Docket
21 No. R-2023-3037928 before the Commission.

22
23 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

1 A. I am the witness with general responsibility for the activities related to reducing UFG and
2 producer retainage charges.

3

4 **Q. PLEASE IDENTIFY THE EXHIBITS THAT YOU WILL BE SPONSORING.**

5 A. I am sponsoring **Peoples Natural Gas Exhibit Nos. 13 and 14**. A brief explanation of these
6 exhibits is provided immediately below.

7

8 **Q. PLEASE EXPLAIN PEOPLES NATURAL GAS EXHIBIT NO. 13.**

9 A. **Peoples Natural Gas Exhibit No. 13** displays the continuing results of the original 2018
10 Combined Four Year UFG Mitigation Plan for the Peoples Companies, which is provided for
11 reference from the 2023 proceedings and includes the actual 2022 and 2023 activity for
12 comparison.

13

14 **Q. PLEASE EXPLAIN THE INFORMATION PRESENTED IN PEOPLES NATURAL
15 GAS EXHIBIT NO. 14.**

16 A. **Peoples Natural Gas Exhibit No. 14** is the exhibit that displays the volumes and loss rate for
17 the Company.

18

UFG LEVELS

19

20 **Q. PLEASE PROVIDE SOME HISTORY REGARDING UFG AT PEOPLES NATURAL
21 GAS.**

22 A. Since 2010, Peoples Natural Gas has been working to reduce UFG. The Company's UFG
23 volume was 7.0 Bcf in 2017, which resulted in a loss rate of 4.46%. For the period ending

1 August 31, 2023, the overall Company system amount was 6.0 Bcf, which resulted in an overall
2 system loss rate of 4.3%, or 14% less during this recent 6-year period. The two main
3 components of the Company's overall UFG are Distribution UFG and Gathering UFG.
4 Distribution UFG for the last reporting period is 3.6 Bcf which results in a loss rate of 2.69%
5 which is below the Commission's targeted loss rate for Distribution UFG of 3.0%. The
6 Gathering UFG for the 2023 reporting period is 2.4 Bcf¹ and equates to a loss rate of 7.33%,
7 down from 9.83% in 2017 when the Company began the most recent mitigation plan.

8 Despite the efforts to reduce UFG, Peoples Natural Gas remains challenged to reduce
9 UFG on its pipelines that gather gas from local production wells. The Peoples Natural Gas
10 gathering system is comprised of older (mostly pre-1970), low pressure pipe, much of which
11 has provided service for producers and customers for many years and is nearing the end of its
12 useful life. The customers are generally scattered across the gathering system in relatively rural
13 areas, although there are a very few areas where there are high concentrations of customers.
14 Since the Commission adopted regulations beginning in 2014 requiring industry-wide UFG
15 reporting, Peoples Natural Gas has segmented the loss attributable to the gathering pipelines
16 from the loss attributable to other functional pipeline systems.

17
18 **Q. WERE PROSPECTIVE GATHERING LOSS RATE TARGETS ESTABLISHED IN**
19 **THE COMPANY'S 1307(f)-2018 PURCHASED GAS COST ("PGC") PROCEEDING?**

20 **A.** Yes, gathering loss rate targets were established in the settlement of that proceeding and are
21 shown in the following table:
22

¹ This includes the impact of producer retainage.

PGC Period	UFG reporting Period	Gathering UFG target rate
2020	September 2018 – August 2019	9.0%
2021	September 2019 – August 2020	8.5%
2022	September 2020 – August 2021	7.5%

1

2 The 2018 settlement states that exceedance of the Gathering Target would create a rebuttable
3 presumption that the excess is unreasonable. It further provides as follows:

4 That presumption may be rebutted by a demonstration that
5 Peoples Gas has taken reasonable actions to reduce gathering
6 UFG and/or demonstration that other factors, such as but not
7 limited to, production on the gathering systems has declined
8 thereby increasing the percentage of gathering UFG
9 experienced. The overall level of Peoples Gas’ UFG will also
10 be considered.

11

12 **Q. HOW DOES THE COMPANY’S LATEST PERFORMANCE COMPARE TO THE**
13 **PAST TARGETS?**

14 A. The historic gathering loss rates are shown in the following table. During this 4-year period,
15 Peoples Natural Gas has continued to execute and improve its UFG Mitigation Plan. The
16 Company has seen less and less local gas delivered into the Company’s lines in recent years
17 due to normal production declines and decreased new drilling in these systems. As the total
18 amount of gas entering the gathering system is reduced, the same volumetric loss would result
19 in a higher UFG rate. In fact, a lower volumetric loss can still result in an increased UFG rate
20 because there is less gas flowing through the system. The production has declined 9.5 BCF
21 since 2017 and by more than 1.4 BCF or 3.9% during the latest period, so the decreased

1 production loss has impacted UFG rates. Had the 2023 production stayed at the same rate as
2 it was in 2022, the 2023 loss rate would have been 7.04%.

3

PGC Period	UFG Reporting Period	Actual Gathering UFG Rate
2020	September 2018 – August 2019	7.53%
2021	September 2019 – August 2020	6.51%
2022	September 2020 – August 2021	6.41%
2023	September 2021 – August 2022	7.49%
2024	September 2022 – August 2023	7.33%

4

5 **UFG MITIGATION PLAN PROGRESS**

6

7 **Q. PLEASE DESCRIBE THE UFG MITIGATION PLAN ACTIVITIES AND PROGRESS**
8 **TO DATE.**

9 A. Peoples Natural Gas began working on its UFG mitigation plan even before it was filed in
10 Docket Nos. R-2018-2645278 and R-2018-3000236. **Peoples Natural Gas Exhibit No. 13** is
11 a summary of the specific actions taken since the 2018 plan inception and an update of ongoing
12 activities though the current PGC period.

13

14 **Q. DID PEOPLES NATURAL GAS TAKE OTHER ACTIONS DURING THE HISTORIC**
15 **PERIOD OF THIS CASE TO ADDRESS UFG?**

1 A. Yes. The Company continues to focus on its major gathering systems. Additionally, the
2 Company has installed upgraded measurement on 6 measuring stations and one of our large
3 field compressor stations.

4
5 **Q. ARE THERE SPECIFIC ACCOMPLISHMENTS OF THE UFG MITIGATION PLAN**
6 **THAT YOU WANT TO MENTION?**

7 A. Yes. As displayed in **Exhibit 13**, the Company has abandoned and replaced a total of 29 miles
8 of gathering mains during 2023, compared to a plan of 23 miles. As the abandonment
9 opportunities reduce, the replacements become the focus of the mitigation efforts and the level
10 of planned mileage reflects that shift of effort.

11 In addition, Peoples Natural Gas continued its audit process of producer meters and, as
12 a result, found a number of wells that were operating outside of the Company's standards and,
13 in some cases, contributing to UFG. Peoples Natural Gas acted in each of these cases to have
14 the issues remedied, which in many cases resulted in shutting in the production.

15 This audit process is continuing in 2024.

16 Finally, the following activities were also performed by the Company:

- 17 1. Expired and removed 77 Zero flow production meters.
- 18 2. Completed 1398 Meter Service/Repair Orders.
- 19 3. Continued automation of measurement data for ready UFG analysis.

20
21 **Q. WILL THERE BE A NEW MULTIYEAR-GATHERING UFG MITIGATION PLAN?**

22 A. Yes. The Company is proposing to continue the activities in the table below.

23

Mitigation Effort	Distribution	Gathering	Goodwin/Tombaugh
At risk Pipe Replacement	LTIP	UFG Mitigation Plan	Aqua Acquisition commitment to replace within 7 years
Accelerated Survey	Leak Survey no less than every 3 years, even though code provides for 5-year surveys on plastic and cathodically protected steel	Leak survey of bare steel gathering is done on an annual basis	Leak survey of remaining Goodwin/Tombaugh pipe is completed annually
Leak Tracking and Prioritization	Leaks outstanding are updated and reported weekly for operational prioritization		
Removal of at risk pipe	All potential pipe replacement projects include a review to see if the pipeline is still necessary and if any synergy options exist with adjacent pipelines		
Segmentation	Systems are segmented from each other and subsystems are created for high loss areas to better identify outcomes of mitigation efforts		
Measurement validation	Supply and delivery meters are past of either testing and/or replacement programs	Production meters are verified for proper production volume identification and compliance with gas quality standards; delivery meters are part of the testing and replacement programs	
Loss modeling	UFG modeling is ongoing for each of the segments		
Automation	The company is working to create a warehouse of measurement information that will allow additional automated modeling of systems and subsystems		
Theft identification	Monitoring for theft at delivery points is ongoing	Monitoring for theft at production sites is ongoing	

1
2 The Company will also continue to review UFG results each year and determine the
3 best mix of UFG mitigation activities and targets for the upcoming calendar year. Additional
4 gathering lines with little or no production have been identified and are being verified for
5 possible abandonment. Based on last year’s overall UFG results, Peoples’ has again targeted the
6 removal of 23 miles by either abandonment or replacement for 2024. These potential reductions
7 in legacy pipelines will be targeted, along with all other mitigation efforts, in an effort to continue
8 reducing overall lost volume on the combined system.

1 In addition, Peoples will be using aerial laser technology in the spring of 2024 to
2 quickly identify loss issues in the gathering areas. This technology allows the accelerated surveys
3 of all gathering segmentation areas in days and provides results that allow for prioritized
4 investigation and remediation, as necessary.

5
6 **PRODUCER RETAINAGE PROPOSALS**

7
8 **Q. PLEASE DESCRIBE THE COMPANY'S PROPOSALS FOR PRODUCER**
9 **RETAINAGE DURING THE PROJECTED PERIOD.**

10 A. The Company is recommending a single producer retainage rate across both Divisions based
11 on the average level currently charged for all conventional production. More specifically,
12 Peoples proposes a producer retainage rate of 2.61% for all conventional production entering
13 both the PNGD system and PGD systems. Since the non-gas charges are proposed to be
14 standardized, it is appropriate to charge the same level of retainage.

Calculation of the Blended Average Producer Retainage Rate

Unconventional Production

	PNGD	PGD	Total
Volumes (Mcf)	20,091,556	7,952,551	28,044,107
Current Rate	2.30%	3.40%	
Total retainage (Mcf)	462,105.8	270,386.7	732,492.52

15 Proposed Rate **2.61%**

16 Peoples will continue to maintain measurement for the purpose of isolating gathering areas
17 from Distribution, Storage and Transmission. Measurement not only informs on the level of
18 gathering loss, but also is a reference point in determining the producer retainage rate.

1 The rationale for a retainage charge remains the same. The producers are the primary
2 beneficiaries of the gathering system and should contribute to the costs of the UFG. Through
3 the allocation of some of the gathering system losses to the producers whose gas flows on those
4 systems, the Company will continue to incent the producers to partner with Peoples in
5 developing UFG mitigation initiatives, which has produced a number of cooperative system
6 improvements. Therefore, with UFG being an unavoidable cost component of gathering and
7 delivering local gas, and with both producers and customers benefitting from it, it is
8 appropriate for both producers and customers to pay a portion of the UFG costs.

9
10 **Q. IS THERE OTHER COMPELLING LOGIC THAT WOULD INDICATE THAT THE**
11 **CURRENT LEVEL OF RECOVERY FROM CONVENTIONAL PRODUCERS IS**
12 **REASONABLE?**

13 A. Yes, there is. One factor to be considered is the value of service to the producer and the relative
14 gathering costs on the Peoples Natural Gas system. For some conventional producers, this is
15 the only economical way for their gas to get to market given today's prices. For others,
16 maintaining the gathering retainage charge will minimize the incentive to look for alternatives.
17 The Company's current gathering charges and retainage produce, on average, approximately
18 the same contribution as would occur on the other gathering pipelines and, therefore, should
19 not force producers to other gathering systems.

20
21 **Q. WHAT IS THE EXPECTED CONTRIBUTION TO RECOVERY OF UFG IN THE**
22 **PROJECTED PERIOD?**

1 A. Based on the current producer retainage rates, 732,492 Mcf would be contributed to recovery
2 of UFG.

3

4 **GOODWIN TOMBAUGH RETAINAGE RECOVERY**

5

6 **Q. ARE THERE ANY CHANGES EXPECTED FOR THE PRODUCER RETAINAGE**
7 **COLLECTED FROM THE GOODWIN TOMBAUGH SYSTEM DURING THE**
8 **PROJECTED PERIOD?**

9 A. Yes. As part of the settlement in the acquisition of the Peoples Companies by Aqua, Peoples
10 Natural Gas agreed to annually adjust the Goodwin system retainage rate to reflect the lower
11 of: 1) a retainage rate calculated by reducing the then-effective annual retainage rate by a
12 percentage (percentage rate of decline) that is equal to the annual rate of pipeline replacement
13 on the Goodwin system, either by abandonment or replacement, or 2) the actual level of loss.
14 As reflected in the Company's 2023 1307(f) Commission-approved joint settlement, the
15 current level of retainage on the Goodwin system is 68% which went into effect October 1,
16 2023.

17

18 **Q. PLEASE DESCRIBE THE COMPARATIVE CALCULATION FOR RETAINAGE**
19 **AND THE RESULTING LEVEL OF GOODWIN SYSTEM RETAINAGE THAT**
20 **PEOPLES NATURAL GAS PROPOSES FOR THE PROJECTED PERIOD.**

21 A. The Goodwin system's actual loss rate as of August 2022 was 94.1%. The original retainage
22 rate for the Goodwin System was 85%. At the end of 2023, approximately 33.6% of the system
23 had been replaced or abandoned, which would forecast a corresponding reduction to the

1 original 85% retainage rate of 28.5%, or to 56.4%². The lower of the two rates is 56.4% and is
2 the rate that will be applied beginning in October of 2024. Peoples has also committed to
3 reviewing the actual loss rate at 6-month intervals. Since most of the construction work on the
4 system is completed during late summer, we do not expect to see the full impacts of such
5 construction to be reflected in the rolling twelve-month loss rate until some time has passed.
6 Also, since little additional work is completed during the winter, the rate is likely to remain
7 relatively stable until the next construction cycle is completed and sufficient time has passed
8 for the results to be fully reflected in the UFG calculation.

9
10 **Q. WHAT IS THE EXPECTED CONTRIBUTION TO RECOVERY OF UFG IN THE**
11 **PROJECTED PERIOD?**

12 A. Based on the updated Goodwin retainage rate of 56.4% and the existing Tombaugh system rate
13 of 9.5%, Goodwin-Tombaugh producers would contribute an estimated 54,100 Mcf to
14 recovery of UFG, and total, system-wide, producer contribution to recovery of UFG is
15 projected to be 786,592 Mcf.

16
17 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

18 A. Yes. I reserve the right to submit additional testimony if other issues arise during the course
19 of the proceeding. Thank you.

² 85% * (1-.33.6) = 56.4%

Peoples Natural Gas
Peak Day Design (All Volumes in MMcf @ 14.73 Psia)
Design Day: 74 HDDs

<u>REQUIREMENTS</u>	<u>Jan Design</u> <u>2025</u>
<u>Peoples Supplied Customers</u>	
Residential	681.0
Small General Service	110.9
Medium General Service	49.7
Large General Service	1.2
Subtotal	842.8
<u>P-1 NGS Supplied Customers (Standby)</u>	
Priority One - Residential	100.4
Priority One - Small General Service	7.3
Priority One - Medium General Service	15.7
Priority One - Large General Service	0.9
Subtotal	124.3
<u>Balancing</u>	
Residential	0.0
Small General Service	18.6
Medium General Service	71.7
Large General Service	40.7
Large General Service II	4.1
Subtotal	135.1
<u>NP-1 NGS Supplied Customers</u>	
Residential	0.0
Small General Service	18.6
Medium General Service	78.6
Large General Service	167.2
Large General Service II	20.3
Subtotal	284.7
Company Use	7.4
Unaccounted	79.2
Subtotal	86.5
<u>TOTAL REQUIREMENTS</u>	1,473.4
<u>SUPPLY ASSETS</u>	
<u>2025</u>	
<u>Peoples' Supply Assets</u>	
Local Purchases	10.4
On-System Storage	55.3
Columbia FSS Storage	1.9
Columbia FT Capacity	3.8
EGTS FT	9.5
EGTS FT/FTNN GSS Storage	66.4
Tennessee Delivered Supply	33.8
TETCO - Delivered Supply M2	9.5
TETCO - Delivered Supply M3	29.5
TETCO - FT	24.4
National Fuel EFT	5.4
National Fuel ESS Storage	9.4
Tennessee - Columbia of PA	2.9
Equitrans AVC Storage	193.8
Equitrans Sunrise/AVC FT	232.8
Equitrans 60ss Storage	202.0
Equitrans 115ss Storage	48.7
Equitrans FT	159.1
Equitrans NOFT	76.7
Subtotal	1,175.2
NP-1 Customer Supply Assets	298.2
<u>TOTAL SUPPLIES</u>	1,473.4
Supply (Deficiency) / Surplus	0.02

**Peoples Natural Gas Company LLC
Peoples Natural Gas Division and Peoples Gas Division
Docket No. R-2024-3045945
1307(f)-2024**

For the Twelve Months Ending December 31, 2023

Section 53.64(c)(4):

An annotated listing of Federal Energy Regulatory Commission or other relevant non-Commission proceedings, including legal action necessary to relieve the utility from existing contract terms which are or may be adverse to the interests of its ratepayers, which affect the cost of the utility's gas supply, transportation, or storage or which might have an impact on the utility's efforts to provide its customers with reasonable gas service at the lowest price possible. This list shall include docket numbers and shall summarize what has transpired in the cases, and the degree of participation, if any, which the utility has had in the cases. The initial list filed under this paragraph shall include cases for the past three years. Subsequent lists need only update prior lists and add new cases.

* * * * *

Overview

Peoples Natural Gas Company LLC ("Peoples") monitored proceedings before the Federal Energy Regulatory Commission ("FERC") and undertook legal action as necessary to protect the interests of the ratepayers of Peoples during calendar year 2023. Peoples continually assessed strategic and cost-effective means of tracking the rate, tariff, and certificate filings of the interstate pipelines by which they are served, as well as significant generic FERC proceedings which may affect the cost of gas supplies purchased on the interstate system or otherwise affect the services that Peoples provided to their customers. On August 25, 2022, the Pennsylvania Public Utility Commission ("Commission") entered an Order approving the merger of Peoples Gas Company LLC with and into Peoples Natural Gas Company LLC at Docket Nos. A-2021-3029831 and A-2021-3029833. The merger of Peoples Natural Gas Company LLC and Peoples Gas Company LLC into the single surviving entity, Peoples Natural Gas Company LLC, was effectuated on January 1, 2023. The merged entity operates two separately tariffed rate divisions at the state level: Peoples Natural Gas Company LLC – Peoples Natural Gas Division and Peoples Natural Gas Company LLC – Peoples Gas Division.

For calendar year 2023, Peoples monitored proceedings before the FERC on behalf of both of its state rate divisions and at times, its affiliate, Peoples WV. This Exhibit contains an annotated listing of FERC proceedings affecting Peoples and/or its affiliates for the period January 1, 2023 through December 31, 2023, including what has transpired in each case, and the degree of Peoples' participation, if any.

Representatives for Peoples will continue to participate in pertinent customer meetings, conference calls, webcasts and seminars sponsored by the interstate pipeline companies through which

they are served. Historically, participation in these meetings and seminars and other industry programs has helped Peoples to remain informed about pending cases and current issues that could affect the cost and availability of their gas supplies on the interstate system.

FERC RULEMAKINGS AND OTHER INQUIRIES

Participation

From time to time, the FERC issues a notice of proposed rulemaking (“NOPR”), a notice of inquiry (“NOI”), or a policy statement on topics of interest to the natural gas industry. These notices are reviewed, and an assessment is made of Peoples’ interest in the subject matter. Peoples monitors the progress of all such proceedings of interest and will participate in a significant generic FERC proceeding if its interests are not covered by others.

In addition, Peoples’ personnel participate in certain industry organizations, which were formed to advance the collective interest of their members. These organizations often offer members access to full-time consultants without payroll expenses. Given the short lead times allowed for preparation of comments, associations can channel resources, information, and ideas into the federal rulemaking process with efficiency and at little cost.

The American Gas Association (“AGA”) is a group representing more than 200 local energy companies that deliver clean natural gas throughout the United States. The AGA reports that there are more than 74 million residential, commercial, and industrial natural gas customers in the U.S., of which 95 percent – more than 71 million customers – receive their gas from AGA members. The AGA acts as an advocate for local natural gas utility companies who take service from virtually every interstate natural gas pipeline regulated by the FERC under the Natural Gas Act and participates in rulemakings and other generic policy dockets that affect its members’ interests. The AGA also monitors and participates from time to time in issues at other agencies and commissions (e.g., the Commodities Futures Trading Commission and the Pipeline and Hazardous Materials Safety Administration (“PHMSA”)) that impact gas utilities and energy consumers. Generally, with the active participation of the AGA FERC Regulatory Committee as an advocate for local natural gas utility companies, the need for individual local distribution companies to participate directly in rulemaking proceedings is minimized. Peoples’ representatives participate on AGA committees.

From time to time the AGA also files comments with regard to the FERC’s proposals to incorporate into its regulations business practice and electronic communications standards developed by the North American Energy Standards Board (“NAESB”). The NAESB holds itself out as an industry forum for the development and promotion of standards that will lead to a seamless marketplace for wholesale and retail natural gas and electricity. Formed in January 2002, the NAESB is an independent and voluntary organization that develops and promotes the use of business practices and electronic communications standards for the wholesale and retail natural gas and electricity industries.

For calendar year 2023, Peoples, and its affiliates did not individually participate in FERC Rulemakings but rather participated with other LDCs and interested stakeholders in industry coalitions before FERC and other federal agencies.

PIPELINE PROCEEDINGS

Participation

From time to time, Peoples has intervened in, monitored the progress of and occasionally submitted written comments in FERC proceedings. Currently, Peoples monitors Eastern Gas Transmission and Storage Company (“EGTS”)¹, Equitrans (“Equitrans” or “ETRN”), National Fuel Gas Supply Corporation (“National Fuel” or “NFG”), Texas Eastern Transmission, LP (“Texas Eastern”) and Columbia Gas Transmission, LLC because the outcome of the FERC proceedings of these interstate pipelines may directly affect the services that Peoples Natural Gas provides to its customers.

Typically, the Peoples did not intervene in the FERC proceedings of an interstate pipeline when they were not a customer of that pipeline or do not have a significant or direct interest in the outcome of that proceeding. Nonetheless, from time to time Peoples also monitored the rates and, on a more limited basis, reviewed the FERC proceedings of other interstate pipelines where they had a continuing interest due to historical relationships or potential interest in receiving service in the future (e.g., Tennessee Gas Pipeline Company, LLC (“Tennessee” or “TGP”)). In addition, Peoples reviewed FERC orders on non-supplier pipelines that may have precedential value.

Annotated Listings of Proceedings

Schedule A includes an annotated listing of pipeline proceedings, including docket numbers, a summary of what has transpired in the case and its status, and the degree of participation for Peoples. The listing covers pipeline filings submitted during the period January 1, 2023, through December 31, 2023.

¹ EGTS was formerly known as Dominion Energy Transmission, Inc. (“DETI”). DETI changed its name to EGTS in late 2020.

SCHEDULE A

PIPELINE PROCEEDINGS

Calendar Year 2023

53.64(c)(4) Annotated Listings of FERC Proceedings

COLUMBIA GAS TRANSMISSION, LLC

Prior Notification of Natural Gas Facilities Replacement

CP23-8

Summary:

On October 31, 2022, Columbia submitted a prior notice request requesting authorization to replace a segment of its existing Line 1360 and related facilities, located in Beaver County, Pennsylvania.

On January 12, 2023, Peoples intervened.

On June 9, 2023, Columbia filed a Request for Alternative Measures for the Line 1360 Project. Columbia's request was for the use of an additional 0.27 acres of temporary workspace at the Monaca Compressor Station, the installation of valve actuators on Line 1360N, and for installation of an emergency shut off valve on the temporary bypass.

On June 15, 2023, the FERC granted Columbia's June 9, 2023 request via Letter Order.

Columbia continues to submit weekly construction status reports.

To date, construction is still under way. Peoples will continue to participate as necessary to protect the interests of its customers.

Notification of Replacement

CP23-9

Summary:

On November 2, 2022, Columbia submitted information regarding the replacement of natural gas compressor facilities at its Artemas Compressor Station, located in Bedford County, Pennsylvania.

On January 13, 2023, Peoples intervened.

To date, there is no report of construction beginning. Peoples will continue to participate as necessary to protect the interests of its customers.

Prior Notice Request Authorization

CP23-10

Summary:

On November 3, 2022, Columbia submitted a prior notice request, requesting authorization to install facilities and appurtenances, to abandon a storage pipeline, and to make other modifications in its existing Pavonia Storage Field, located in Ashland County, Ohio, in order to create compression for counter storage at the Pavonia Storage Field.

On January 13, 2023, Peoples intervened.

On May 12, 2023, Columbia filed a Request for Alternative Measures to modify workspace and a temporary access road for the Pavonia Counter Storage Project.

On May 24, 2023, the FERC granted Columbia's May 12, 2023 request via Letter Order.

On December 20, 2023, Columbia submitted its Final Weekly Construction Status Report.

Peoples will continue to participate as necessary to protect the interests of its customers.

Prior Notice Request Authorization

CP23-13

Summary:

On November 7, 2022, Columbia submitted a prior notice request, requesting authorization to replace 1.2 miles of 18-inch steel pipeline and related facilities on its existing Line R300 lateral pipeline and reduce the maximum allowable operating pressure from 200 pounds per square inch gauge (psig) to 125 psig on the subject section of pipeline located in Lawrence County, Ohio.

On January 13, 2022, Peoples intervened.

Columbia continues to submit weekly construction status reports.

Peoples will continue to participate as necessary to protect the interests of its customers.

Operational Transactions Annual Report

RP23-456

Summary:

On February 23, 2023, Columbia submitted their tariff and the annual report of its operational transactions (purchases, sales, borrows or tenders of natural gas) for the twelve months ended December 31, 2022.

On March 2, 2023, Peoples intervened.

To date, no resolution in this proceeding has been reached. Peoples will continue to participate as necessary to protect the interests of their customers.

Electric Power Costs Adjustment

RP23-501

Summary:

On February 28, 2023, Columbia submitted certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1. Pursuant to Section 44 of Columbia's Tariff, the tariff sections are being submitted to set Columbia's Electric Power Costs Adjustment (EPCA) for the annual period beginning April 1, 2023. Columbia proposed to collect \$29,275,900 in annual electricity costs, compared to \$27,953,763 in annual Electric Power Costs that were proposed to be collected in the prior year's EPCA filing.

On March 13, 2023, Peoples intervened.

On March 23, 2023, the FERC accepted the filing via Letter Order.

Transportation Cost Rate Adjustment

RP23-502

Summary:

On February 28, 2023, Columbia submitted certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1. Pursuant to Section 36 of Columbia's Tariff, the tariff sections are being submitted to set Columbia's Transportation Cost Rate Adjustment (TCRA) for the annual period beginning April 1, 2023. For the purposes of its TCRA, such costs include both those amounts paid to upstream pipelines for contracts retained as a result of Columbia's Order No. 636 restructuring and contracts utilized in Columbia's post-restructuring operations (collectively, "Operational 858 Costs"). Columbia's estimated prospective Operational 858 Costs for the twelve-month period commencing April 1, 2023 total \$76,399,304 compared to \$75,399,304 of estimated prospective Operational 858 Costs included in Columbia's 2022 TCRA Filing.

On March 13, 2023, Peoples intervened.

On March 23, 2023, the FERC accepted the filing via Letter Order.

Retainage Adjustment Mechanism

RP23-503

Summary:

On February 28, 2023, Columbia submitted proposed revisions to Section 17 of the Currently Effective Rates set forth in Columbia's FERC Gas Tariff, Fourth Revised Volume No. 1. Revised Section 17 was submitted to adjust Columbia's retainage percentage consistent with Columbia's Retainage Adjustment Mechanism (RAM). Columbia is allowed to adjust its Retainage Percentages through its RAM to consider both prospective changes in Retainage requirements and unrecovered Retainage quantities from the preceding period.

On March 13, 2023, Peoples intervened.

On March 31, 2023, the FERC accepted the filing via Letter Order.

Modernization Cost Recovery Mechanism

RP23-524

Summary:

On March 1, 2023, Columbia submitted certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1. Revised tariff sections were submitted to implement Section 52, Capital Cost Recover Mechanism (CCRM) of the General Terms and Conditions of Columbia's tariff. Through the CCRM, Columbia is permitted to recover its revenue requirements for both transmission and storage projects specifically identified as Eligible Facilities. Columbia filed to revise its CCRM Rates to consider both changes in the Revenue Requirements and over/under-recovered Revenue Requirements from the preceding periods.

On March 13, 2023, Peoples intervened.

On March 31, 2023, the FERC accepted the filing via Letter Order.

Operational Transaction Rate Adjustment

RP23-662

Summary:

On March 31, 2023, Columbia submitted certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1. Columbia submitted the tariff sections to adjust Columbia's Operational Transaction Rate Adjustment (OTRA) for the 2023 summer season, pursuant to Part

VII.49.4 of Columbia's tariff. Columbia's OTRA mechanism allows Columbia to adjust its OTRA rates for both a summer season and a winter season each year. Columbia proposed an OTRA monthly reservation rate for 2023 summer season of \$0.107 per Dth compared to \$0.206 per Dth for 2022 winter season.

On April 13, 2023, Peoples intervened.

On April 14, 2023, the FERC accepted the filing via Letter Order.

Operational Transaction Rate Adjustment

RP23-766

Summary:

On May 9, 2023, Columbia submitted an amended filing to correct a minor error in the proposed tariff sections submitted as part of the Operational Transaction Rate Adjustment filing in Docket No. RP23-662. In the original filing, the proposed OTRA surcharge was not converted correctly and reflected an incorrect rate. Accordingly, Columbia submitted a revised filing reflecting the correct OTRA Rate, Total Effective Rate, and Daily Rate for Rate Schedule GTS.

On May 22, 2023, Peoples intervened.

On May 23, 2023, the FERC accepted the filing via Letter Order.

Transportation Cost Rate Adjustment

RP23-824

Summary:

On June 1, 2023, Columbia submitted certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1. Columbia submitted the tariff sections to adjust its Transportation Cost Rate Adjustment (TCRA) for known and measurable changes subsequent to the filing of Columbia's Annual TCRA Filing on February 28, 2023 in Docket No. RP23-502. The submitted sections provide for the recovery of costs incurred by Columbia for the transmission and compression of gas by others. Columbia has recalculated the Current Operational TCRA Rate by updating the estimated Operational 858 costs for the 12-month period commencing April 1, 2023, considering the refund adjustments pursuant to the Texas Eastern filings.

On June 7, 2023, Peoples intervened.

On June 30, 2023, the FERC accepted the filing via Letter Order.

Creditworthiness

RP23-949

On August 1, 2023, Columbia filed revised tariff records to modify the creditworthiness provisions and credit-related language set forth in the General Terms and Conditions of its FERC Gas Tariff.

On August 18, 2023, Peoples intervened.

On August 31, 2023, FERC accepted the proposed tariff records without modification.

Abbreviated Application for Amendment to Order Issuing Certificate and Authorizing Abandonment

CP24-3

On October 10, 2023, Columbia and Columbia Gulf filed a joint application pursuant to section 7 of the Natural Gas Act and Part 157 of the Commission's regulations requesting authorization for Columbia to abandon 13,470 DTH/day of leased capacity and authorization for Columbia Gulf to reacquire this leased capacity. They also sought authorization to reflect changes to the rate and term of the existing capacity lease agreement for the remaining 532,165 Dth/day of leased capacity.

On October 31, 2023, Peoples intervened.

As of the end of calendar year 2023, FERC has not issued a resolution in this matter. Peoples will continue to monitor the proceeding and participate as necessary to protect the interests of its customers.

Operational Transaction Rate Adjustment - Winter

RP24-121

Summary:

On November 1, 2023, Columbia submitted its tariff filing to adjust its Operational Transaction Rate Adjustment ("OTRA") for the 2023-2024 winter season. Through this filing, Columbia proposed an OTRA monthly reservation rate for Rate Schedules FTS/NTS, TPS, and SST service for the 2023 winter season of \$0.091 per dekatherm.

On November 17, 2023, Peoples intervened.

On November 20, 2023, the FERC accepted the filing via Letter Order.

EASTERN GAS TRANSMISSION AND STORAGE COMPANY

Tariff Filing - Operational Gas Sales Report

RP23-627 – Fuel Retention Percentages

Summary:

On March 31, 2023, Eastern Gas Transmission and Storage, Inc. (EGTS) submitted certain tariff sections to be included in its FERC Gas Tariff, Sixth Revised Volume No. 1. The purpose of this filing was to submit EGTS's initial interim filing to revise its effective Fuel Retention Percentages (FRPs) in accordance with the Section 16 mechanism in the General Terms and Conditions of its FERC Tariff. The interim filing is submitted to reflect the activity during the twelve-month period ending November 30, 2022 and is not to reflect any over- or under-retained balances.

On April 13, 2023, Peoples intervened.

On April 19, 2023, the FERC accepted the filing via Letter Order.

Tariff Filing – Overrun and Penalty Revenue Distribution

RP23-860

Summary:

On June 30, 2023, Eastern Gas Transmission and Storage, Inc. (EGTS) submitted its annual report of overrun/penalty revenue distribution pursuant to its FERC Gas Tariff. The purpose of this filing is to report the annual revenue distribution and billing adjustments resulting from EGTS' collection of unauthorized overrun charges and penalty revenues for the twelve-month period ending March 31, 2023. EGTS has not reduced the collected unauthorized overrun charged and penalty revenues by any related costs.

On July 12, 2023, Peoples intervened.

To date, no resolution in this proceeding has been reached. Peoples will continue to monitor the proceeding and participate as necessary to protect the interests of its customers.

Electric Power Costs Adjustment

RP23-1094

Summary:

On September 29, 2023, EGTS submitted certain tariff sections to be part of its FERC Gas Tariff, Sixth Revised Volume No. 1. Pursuant to Section 17 of the EGTS Tariff, the tariff sections are being submitted to set EGTS's Electric Power Costs Adjustment (EPCA) for the annual period beginning November 1, 2023.

On October 11, 2023, Peoples intervened.

On October 19, 2023, the FERC accepted the filing via Letter Order for EGTS' EPCA and TCRA.

Transportation Cost Rate Adjustment

RP23-1095

Summary:

On September 29, 2023, EGTS submitted certain tariff sections to be part of its FERC Gas Tariff, Sixth Revised Volume No. 1. Pursuant to Section 15 of the EGTS Tariff, the tariff sections are being submitted to set EGTS's Transportation Cost Rate Adjustment (TCRA) for the annual period beginning November 1, 2023.

On October 11, 2023, Peoples intervened.

On October 19, 2023, the FERC accepted the filing via Letter Order for EGTS' EPCA and TCRA.

EQUITRANS, L.P.

Abandonment Application – Gathering System

CP20-312

Summary:

On April 30, 2020, Equitrans filed to abandon, either by sale or in place, gathering assets that it alleged were no longer economically practical. Unusually, Equitrans requested approval for abandonment in one year's time after FERC approval. The proposed abandonment would affect customers of several utilities in West Virginia (including Peoples Gas WV) and Peoples Natural Gas Company in Pennsylvania.

On May 19, 2020, the Public Service Commission of West Virginia ("PSCWV") filed a motion for extension of time, stating that it required an additional 30 days to file comments. The PSCWV noted that 3,500 utility customers were affected in West Virginia and FERC staff was not equipped to evaluate the filing by the May 28, 2020, deadline due to the Covid-19 related "Stay-At-Home" Order. Equitrans responded on May 20, 2020, asking that FERC grant only a 14-day extension.

On May 22, 2020, the WV Consumer Advocate Division ("CAD") filed comments focused on the Crawford Affidavit, agreed to by Equitable Resources in the 2008 Base Rate Gas of Equitable Gas Company (predecessor of Peoples Gas WV). Equitable Resources was, at that time, the parent company of Equitable and Equitrans. The affidavit acknowledges authority over abandonment of gathering systems to the PSCWV when utility customers are affected.

On May 28, 2020, Peoples Natural Gas and Peoples Gas WV filed a protest. The service to 2,500 Peoples Gas WV customers and 1,000 Peoples Natural Gas customers would be affected by the proposed abandonment, with many customers potentially losing service altogether. Peoples argued that Equitrans has provided service to these customers for decades, by both local supplies and interstate flows on the gathering system, and cannot simply abandon that obligation. Peoples further argued that the issue of Equitrans' obligation to serve customers was already under review in a PSCWV proceeding and Equitrans should be subject to that proceeding rather than undermining it by seeking FERC approval.

On June 12, 2020, Equitrans argued that it had given ample time to find a solution, including an offer for Peoples LDCs or other utilities to acquire the assets, despite their poor condition, to continue to serve customers. Equitrans argued that, to avoid taking responsibility for its customers, Peoples was using delay tactics. Equitrans also argued that the Crawford Affidavit did not apply once the Company reorganized and that the act of reorganization voided the Crawford Affidavit.

On June 29, 2020, Peoples LDCs clarified that rather than delaying, it believed that the PSCWV holds jurisdiction in West Virginia and that the FERC cannot issue a filing prior to an order from the state regulatory body. Peoples LDCs further argued that Equitrans' claim that the FERC does

not have jurisdiction over gathering assets was not germane to the situation and that the FERC cannot supersede the PSCWV when it doesn't have jurisdiction.

The PSCWV argued on June 29, 2020, that the PSCWV jurisdiction rested in the Crawford Affidavit and did not accept Equitrans' argument that it was invalidated by the Equitrans' reorganization.

The Peoples LDCs filed a number of other pleadings in this proceeding, including an Answer filed on December 9, 2020, to Equitrans, L.P.'s December 7, 2020 Request For Expedited Consideration, where the Peoples LDCs filed with the FERC to state that, in the PSCWV case, the PSCWV ruled that Equitrans does need approval by the state authority to abandon facilities that affect customers and asked the FERC not to give Equitrans fuel to challenge the PSCWV order by continuing to use jurisdictional uncertainty.

On August 19, 2020, the PSCWV issued an order in the pending Peoples Gas WV proceeding discussed at length in the Peoples LDCs protest in this proceeding.

Additionally, on June 14, 2021, the Peoples LDCs filed an Answer to the June 1 pleading of Equitrans LP, noting their support of abandonment of the M-73 Line, but argued that the sale of such system does not support expedited issuance of an order approving the entire Equitrans application.

The Peoples LDCs filed six (6) Motions to Lodge that Order into the record in this proceeding.

On June 17, 2022, the FERC issued an Order granting the requested abandonment, in part, and accepting notice of termination of non-jurisdictional gathering service.

On August 2, 2022, Peoples Gas WV and Peoples Natural Gas filed a Motion for Leave to File an Answer and Answer to the request of Equitrans for Rehearing and Clarification.

On December 16, 2022, the FERC issued an Order granting Equitrans permission and approval to abandon its Taylor County Field facilities by sale to Big Dog Midstream, LLC or another holder of a limited jurisdiction certificate for ancillary interstate transportation service on the facilities. As part of that Order, Big Dog Midstream, LLC was issued a limited jurisdiction certificate under section 7(c) of the Natural Gas Act and Part 157 of the FERC's regulations to operate the Taylor County Field facilities. As such, the Peoples LDCs consider their participation in this matter concluded.

On June 16, 2023, Equitrans filed its Notice of Abandonment with FERC, pursuant to the FERC's June 17, 2022 Order granting Equitrans' request to abandon certificated and non-certificated gathering facilities (other than Taylor County Facilities) and a December 16, 2022 FERC Order authorizing Equitrans to abandon by sale its Taylor County Facilities.

Termination of Gathering Service

RP21-882

Summary:

On June 1, 2021, Equitrans filed notice of its intent to terminate gathering service on several non-certificated gathering facilities located in Wetzel County, West Virginia, citing long-wall mining impacts in the area of the affected lines. Peoples Natural Gas and Peoples Gas West Virginia filed a Joint Motion to intervene on June 11, 2021. On June 14, 2021, Peoples Gas West Virginia submitted a formal protest to the filing, citing the disputed matters already at issue for these facilities in the Docket No. CP20-312 proceeding. On June 17, 2022, the FERC issued an order granting the requested abandonment, in part, and accepting notice of termination of non-jurisdictional gathering service. On August 2, 2022, Peoples Gas West Virginia filed a Motion for Leave to File an Answer and Answer to the request for rehearing and clarification under RP-22-882.

On August 18, 2022, the FERC issued a Notice of Denial of Rehearing by Operation of Law and Providing for Further Consideration. On December 16, 2022, the FERC issued an Order Addressing Arguments Raised on Rehearing and Setting Aside Prior Order, In Part, Granting Abandonment, and Issuing Limited Jurisdiction Certificate.

On June 16, 2023, Equitrans filed its Notice of Abandonment with FERC, pursuant to the FERC's June 17, 2022 Order granting Equitrans' request to abandon certificated and non-certificated gathering facilities (other than Taylor County Facilities) and a December 16, 2022 FERC Order authorizing Equitrans to abandon by sale its Taylor County Facilities.

Penalty Credit Report

RP23-420

Summary:

On February 3, 2023, Equitrans submitted its penalty credit report for calendar year 2022 pursuant to Section 6.33 of its tariff.

On February 15, 2023, Peoples intervened.

On February 22, 2023, the FERC accepted the filing via Letter Order.

AVC Storage Loss Retainage Factor

RP23-490

Summary:

On February 28, 2023, Equitrans submitted certain tariff sections to be included in the First Revised Volume No. 1 of its FERC Gas Tariff. Pursuant to Section 6.31(5) of the General Terms

and Conditions of Equitrans' Tariff, Equitrans tracked the actual fuel and unaccounted for gas experienced to operate the storage facilities on Equitrans' Allegheny Valley Connector (AVC) system. Equitrans submitted a revised AVC Storage Loss Retainage Factor had been calculated at 5.81% for 2022.

On March 13, 2023, Peoples intervened.

On March 23, 2023, the FERC accepted the filing via Letter Order.

Tariff Revisions

RP23-693

Summary:

On April 20, 2023, Equitrans submitted certain tariff sections to be included in the First Revised Volume No. 1 of its FERC Gas Tariff. Equitrans proposed to implement the revisions in its tariff to remove confusion to customers and subsequently "clean-up" the tariff.

On May 1, 2023, Peoples intervened.

On May 3, 2023, the FERC accepted the filing via Letter Order.

Tariff Revisions

RP23-694

Summary:

On April 20, 2023, Equitrans submitted certain tariff sections to be included in the First Revised Volume No. 1 of its FERC Gas Tariff. Equitrans proposed to add a clause that reflects that the negotiated rate agreed upon by Equitrans and its Customers is necessary to meet competition. To accomplish this, Equitrans proposed to add the Discount-Type Adjustment provision to the Negotiated Rates Section within the General Terms and Conditions of its tariff. This provision placed the burden on the pipeline to demonstrate that the negotiated rates were required to meet competition and that the adjustment does not have an adverse impact on recourse rate shippers. Equitrans also proposed to add the ability to enter into multiple rate agreements within a single agreement pursuant to Commission policy requirements. Finally, Equitrans proposed to clarify the Recovery of Carbon Tax or Greenhouse Gas Costs within the Negotiated Rate Agreement to reflect rate schedules.

On May 1, 2023, Peoples intervened.

On May 19, 2023, the FERC accepted Equitrans' proposal to add the Discount-Type Adjustment provision to the General Terms and Conditions of its tariff. The FERC also accepted Equitrans' proposal to enter into multiple rate agreements within a single agreement. The FERC, however,

rejected Equitrans' proposal pursuant to the competition clause as the language was unjust and unreasonable.

On May 26, 2023, Equitrans filed amended tariff records to remove the competition clause in its form of service agreements.

On June 8, 2023, the FERC accepted Equitrans' amended filing via Letter Order.

Gathering Service Termination

RP23-829

Summary:

On June 1, 2023, Equitrans submitted notice that it is terminating gather service on its non-certificated gather facilities located in Pennsylvania and West Virginia as early as June 1, 2023. Equitrans will not be ceasing to provide a tariff service due to the abandonments by sale alone.

On June 7, 2023, Peoples intervened.

On June 16, 2023, Equitrans submitted notice that it had abandoned all certificated gathering facilities by sale on June 15, 2023.

On July 5, 2023, the FERC accepted the filing via Letter Order.

Termination of Rate Schedule AGS

RP23-839

Summary:

On June 16, 2023, Equitrans submitted certain sections to be included in the First Revised Volume No. 1 of its FERC Gas Tariff. On April 30, 2023, Equitrans filed an application to abandon all existing certified and non-certified gathering facilities and requested the removal of Rate Schedule AGS from its Tariff. Equitrans submitted relevant tariff sections to reflect the removal of Rate Schedule AGS from its Tariff.

On June 29, 2023, Peoples intervened.

On July 18, 2023, the FERC accepted the filing via Letter Order.

Certificate of Public Convenience and Necessity and Other Authorizations

CP23-507

On June 30, 2023, Equitrans submitted an application requesting a certificate of public convenience and necessity and other authorizations to (a) abandon by sale injection / withdrawal

wells in the existing Hunters Cave Storage Field, (b) construct two horizontal wells – one in the Hunters Cave Field and one in the Swarts Complex to replace the capacity and capabilities of the storage fields, (c) acquire pipelines and related equipment to serve as well lines and auxiliary facilities, and (d) sell base gas.

On August 16, 2023, Peoples intervened.

On January 31, 2024, FERC issued an order granting the requested authorizations, subject to certain conditions.

Negotiated Rate Agreements

RP23-1092

On September 29, 2023, Equitrans filed tariff records to reflect negotiated rate agreements with various shippers.

On October 11, 2023, Peoples intervened.

On October 20, 2023, the FERC accepted the filing via Letter Order.

TEXAS EASTERN TRANSMISSION, L.P.

Penalty Disbursement Report

RP23-451

Summary:

On February 21, 2023, Texas Eastern submitted its penalty disbursement report pursuant to Section 4.3(A)(7) of the General Terms and Conditions of its FERC Gas Tariff. The penalty disbursement report set forth the total of the penalties collected and the proposed credits for each non-offending customer. Penalty amount was collected for production months of October 2021 through November 2022.

On March 2, 2023, Peoples intervened.

On March 7, 2023, the FERC accepted the filing via Letter Order.

RP23-664

Summary:

On March 31, 2023, Texas Eastern submitted its penalty disbursement report pursuant to Section 4.3(A)(7) of the General Terms and Conditions of its FERC Gas Tariff. The penalty disbursement report set forth the total of the penalties collected and the proposed credits for each non-offending customer. Penalty amount was collected for production months of August 2022 through January 2023.

On April 13, 2023, Peoples intervened.

On April 18, 2023, the FERC accepted the filing via Letter Order.

EPC Surcharge

RP23-862

Summary:

On June 30, 2023, Texas Eastern submitted certain sections to be included in its FERC Gas Tariff. Texas Eastern files revised rates on a semi-annual basis for each applicable zone path, rate schedule, and incremental service and to reflect the EPC Surcharge for each applicable zone path, rate schedule, and incremental service, which is designed to clear the balance in the Deferred EPC Account. The purpose of this filing is to include the revised Current Unit EPC Changes and revised EPC Surcharge.

On July 12, 2023, Peoples intervened.

On July 24, 2023, the FERC accepted the filing via Letter Order.

Termination of Rate Schedules

RP23-977

On August 24, 2023, Texas Eastern filed tariff records to comply with an order in CP23-495, to remove references to Rate Schedules X-6, X-57, and X-75 from its tariff.

On September 5, 2023, Peoples intervened.

On September 11, 2023, the FERC accepted the filing via Letter Order.

Penalty Provisions Modification

RP23-1091

On September 28, 2023, Texas Eastern filed a tariff record to revise its provisions with respect to the amounts assessed for action alert penalties.

On October 10, 2023, Peoples intervened.

On October 31, 2023, the FERC accepted the tariff record to be effective November 1, 2023 via Letter Order.

On November 2, 2023, FERC amended paragraph 18 and issued an Errata Order with the corrected paragraph.

Penalty Disbursement Report

RP24-68

On October 27, 2023, Texas Eastern submitted its penalty disbursement report pursuant to Section 4.3(A)(7) of the General Terms and Conditions of its FERC Gas Tariff. The penalty disbursement report set forth the total of the penalties collected and the proposed credits for each non-offending customer. Penalty amount was collected for production months of May 2023 through August 2023.

On November 6, 2023, Peoples intervened.

On November 15, 2023, the FERC accepted the filing via Letter Order.

Applicable Shrinkage Adjustment

RP24-102

On October 31, 2023, Texas Eastern filed tariff records to reflect changes to its Applicable Shrinkage Adjustment percentages and surcharges, as well as the lost and unaccounted for percentages, for system customers and various incremental projects. In addition, Texas Eastern submitted its annual Interruptible Revenue Reconciliation Report for the 12 months ended June 30, 2023, under Rate Schedules IT-1, LLIT, ISS-1, and PAL, as well as separate reconciliation for Rate Schedule VKIT and interruptible revenues under Rate Schedule MLS-1.

On November 17, 2023 Peoples intervened.

On November 20, 2023 the FERC accepted the filing via Letter Order.

NATIONAL FUEL GAS SUPPLY CORPORATION

2023 Rate Case

RP23-929

On July 31, 2023, NFGS filed for a general rate increase at Docket No. RP23-929. Various parties filed Motions to Intervene, and/or Protests. On August 14, 2023, Peoples filed a Motion to Intervene, protest, and Request for Investigation of the proposed rate increase.

Since the initial filing and Peoples's subsequent Intervention and Protest, Peoples has joined an informal local distribution company customer group ("NFLDC") for purposes of consultant retention, settlement discussions, and potential litigation.

Peoples, as part of the NFLDC group, has participated in the proceeding at RP23-929 in an effort to protect the interests of its customers. As part of that proceeding, the NFLDC group has substantively participated in settlement negotiations with NFGS, and has been working with various other intervenors and FERC Staff in an effort to parse NFGS's various requests as part of the general rate increase filing. To date, several settlement conferences have been held between NFGS, FERC Staff, and the various intervenors (including the NFLDC group of which Peoples is a member of). As of the date of this filing, the proceeding remains ongoing and has not been resolved. Peoples, as part of the NFLDC group, will continue to participate as necessary to protect the interests of its customers, which includes, if necessary, testimony development and submission on behalf of the NFLDC group should the matter not be settled.

Pipeline Safety and Greenhouse Gas Cost Adjustment Mechanism

RP23-1097

On September 29, 2023, NFGS submitted a tariff filing reflecting the recovery of pipeline safety and greenhouse gas cost surcharges pursuant to section 42 of the General Terms and Conditions of its tariff. The filing reflected proposed recovery of certain costs for the period of November 1, 2023, through January 31, 2024, effective November 1, 2023.

On October 19, 2023, Peoples intervened.

On October 24, 2023, the FERC issued a Letter Order accepting the filing.

TENNESSEE GAS PIPELINE COMPANY, LLC

Pipeline Safety and Greenhouse Gas Cost Adjustment Mechanism

RP23-1103

Summary:

On September 29, 2023, Tennessee submitted a tariff filing proposing to implement an updated pipeline safety and greenhouse gas cost adjustment mechanism. The filing reflected Tennessee's proposed recovery of certain costs for the period of November 1, 2023, through October 31, 2024, as well as costs incurred through October 31, 2023, the end of the immediately preceding Annual Period.

On October 11, 2023, Peoples intervened.

On October 25, 2023, the FERC issued a Letter Order accepting Tennessee's filing.

Peoples Natural Gas Division & Peoples Gas Division
Combined Calculation of Retainage

<u>Line No.</u>	<u>Description</u>	<u>12 Mths Ended August 31, 2021</u>	<u>12 Mths Ended August 31, 2022</u>	<u>12 Mths Ended August 31, 2023</u>	<u>3-Year Average</u>
	Volumes in MCF				
1	<u>Overall System - Retainage Recovery Requirement</u>				
2	Unaccounted for Gas	6,649,102	7,396,720	8,158,973	7,401,598
3	Company Use	<u>773,985</u>	<u>774,400</u>	<u>817,868</u>	<u>788,751</u>
4	Recovery Requirement	7,423,087	8,171,120	8,976,841	8,190,349
5	Total System Supplies 1/	144,353,595	145,112,847	139,796,475	143,087,639
6	Unaccounted for Gas Percentage	4.6%	5.1%	5.8%	5.2%
7	Company Use Percentage	0.5%	0.5%	0.6%	0.6%
8	Percent to Recover	5.1%	5.6%	6.4%	5.7%
9	2024 Proposed Retainage Rate				
10	Target Retainage to be Recovered	141,942,683	5.7%	8,124,812	
11	less: Retainage from Discounted Transport			(306,412)	
12	less: Retainage from Producers			(913,137)	
13	less: Retainage from Goodwin/Tombaugh 2/			(54,100)	
14	less: Imputed Retainage on Storage Gas			<u>(84,223)</u>	
15	Net Retainage to be Recovered			6,766,940	
16	Proposed Retainage Rate	116,184,517	5.8%		

1/ *Historical intercompany volumes removed*

2/ *Adjusted for new Goodwin retainage rate effective October 1, 2024. Further explanation can be found in Statement 4 - Direct Testimony of Lynda Petrichevich.*

PNGD and PGD Combined Btu Calculation

		<u>Dth</u>	<u>Mcf</u>	<u>MMBtu</u>
January	2023	18,110,884	17,437,933	1.039
February	2023	15,864,358	15,264,585	1.039
March	2023	16,239,846	15,616,684	1.040
April	2023	10,036,117	9,651,480	1.040
May	2023	7,661,910	7,368,910	1.040
June	2023	6,592,567	6,333,374	1.041
July	2023	6,436,567	6,191,299	1.040
August	2023	6,626,365	6,379,115	1.039
September	2023	6,230,227	5,984,080	1.041
October	2023	8,782,014	8,460,328	1.038
November	2023	14,516,612	13,987,762	1.038
December	2023	15,160,492	14,615,184	1.037
Weighted Average		132,257,959	127,290,733	1.039

**PRO FORMA TO
GAS — PA PUC No. 47**

**PEOPLES NATURAL GAS COMPANY LLC —
PEOPLES NATURAL GAS DIVISION**

**RATES AND RULES
GOVERNING THE
FURNISHING OF
NATURAL GAS SERVICE
TO RETAIL
GAS CUSTOMERS**

1307(f)-2024 ANNUAL GAS COST FILING

ISSUED: _____

EFFECTIVE: _____

**BY: Michael Huwar
President
375 North Shore Drive
Pittsburgh, PA 15212**

NOTICE

This tariff makes changes to existing rates.
(See page 2)

PEOPLES NATURAL GAS COMPANY LLC -
PEOPLES NATURAL GAS DIVISION

PRO FORMA TO GAS—PA PUC NO. 47
REVISÉ PAGE NO. 2
CANCELLING _____ REVISÉ PAGE NO. 2

LIST OF CHANGES

	<u>Current</u>	<u>Proposed</u>	<u>Increase/ (Decrease)</u>
<u>Rate GS-SB</u>			
Rate RS, SGS, MGS, LGS	\$1.0391	\$1.1556	\$0.1165
<u>Rider PGC</u>			
<u>Rate RS, SGS, MGS, LGS, NGPV</u>			
Capacity Charge	\$1.0391	\$1.1556	\$0.1165
Gas Cost Adjustment Charge	\$0.0103	\$(0.0905)	\$(0.1008)
Natural Gas Supply Charge	\$2.3664	\$2.1995	\$(0.1669)
Rate RS, GS-T (Residential) AVC Capacity Charge	\$0.7515	\$0.6836	\$(0.0679)
Rate SGS, GS-T (SGS) AVC Capacity Charge	\$0.7172	\$0.6191	\$(0.0981)
Rate MGS, GS-T (MGS) AVC Capacity Charge	\$0.4543	\$0.3886	\$(0.0657)
Rate LGS, GS-T (LGS) AVC Capacity Charge	\$0.2550	\$0.1283	\$(0.1267)
<u>Rider MFC – Merchant Function Charge</u>			
RS	\$0.0836	\$0.0799	\$(0.0037)
SGS, MGS, LGS	\$0.0071	\$0.0069	\$(0.0002)
RS-T	\$0.0254	\$0.0283	\$0.0029
<u>Balancing Charges</u>			
SGS	\$0.4468	\$0.4157	\$(0.0311)
MGS, LGS	\$0.1165	\$0.1037	\$(0.0128)
<u>Retainage Charges</u>			
	5.9%	5.8%	(0.1)%

ISSUED: _____

EFFECTIVE: _____

	Rider Purchased Gas Costs				Base Rate Charges (5)	Rider STAS (6)	Rider MFC (7)	Rider Supplier Choice (8)	Rider USR (9)	Rider GPC (10)	Rider DSIC Charge (11)	Rider TRS (12)	Total Rate (13=SUM 1 to 12)
	Capacity (1)	AVC Capacity (2)	GCA (3)	Commodity (4)									
Residential Sales						0.07%					5.00%	-6.8414%	
Customer Charge					\$ 14.5000		\$ 0.0042				\$ 0.7250	\$ (0.9920)	\$ 14.2372
Capacity	\$ 1.1556	\$ 0.6836					\$ 0.0283						\$ 1.8675
Price to Compare - PTC			\$ (0.0905)	\$ 2.1995			\$ 0.0516			\$ 0.0865			\$ 2.2471
Delivery Charge					\$ 3.9608			\$ 0.2712			\$ 0.2199	\$ (0.2710)	\$ 4.1809
State Tax Surcharge						\$ 0.0028							\$ 0.0028
Total per MCF							\$ 0.0799						\$ 8.2983
Small General Service (SGS)													
Customer Charge													
0 to 499 MCF/Yr					\$ 20.0000		\$ 0.0042				\$ 1.0000	\$ (1.3683)	\$ 19.6359
500 to 999 MCF/Yr					\$ 40.0000		\$ 0.0042				\$ 2.0000	\$ (2.7366)	\$ 39.2676
1/ Capacity	\$ 0.4157	\$ 0.6191											\$ 1.0348
Price to Compare - PTC	\$ 0.7399		\$ (0.0905)	\$ 2.1995			\$ 0.0069			\$ 0.0865			\$ 2.9423
Delivery Charge					\$ 2.7000						\$ 0.1397	\$ (0.1847)	\$ 2.6550
State Tax Surcharge						\$ 0.0019							\$ 0.0019
Total per MCF	\$ 1.1556												\$ 6.6340
Medium General Service (MGS)													
Customer Charge													
1,000 to 2,499 MCF/Yr					\$ 85.0000						\$ 4.2500	\$ (5.8152)	\$ 83.4348
2,500 to 24,999 MCF/Yr					\$ 130.0000						\$ 6.5000	\$ (8.8938)	\$ 127.6062
1/ Capacity	\$ 0.4157	\$ 0.3886											\$ 0.8043
Price to Compare - PTC	\$ 0.7399		\$ (0.0905)	\$ 2.1995			\$ 0.0069			\$ 0.0865			\$ 2.9423
Delivery Charge					\$ 2.6914						\$ 0.1392	\$ (0.1841)	\$ 2.6465
State Tax Surcharge						\$ 0.0019							\$ 0.0019
Total per MCF	\$ 1.1556												\$ 6.3950
Large General Service (LGS)													
Customer Charge													
25,000 to 49,999 MCF/Yr					\$ 575.0000						\$ 28.7500	\$ (39.3381)	\$ 564.4120
50,000 to 99,999 MCF/Yr					\$ 750.0000						\$ 37.5000	\$ (51.3105)	\$ 736.1895
100,000 to 199,999 MCF/Yr					\$ 1,400.0000						\$ 70.0000	\$ (95.7796)	\$ 1,374.2204
Over 200,000 MCF/Yr					\$ 1,600.0000						\$ 80.0000	\$ (109.4624)	\$ 1,570.5376
1/ Capacity	\$ 0.1037	\$ 0.1283											\$ 0.2320
Price to Compare - PTC	\$ 1.0519		\$ (0.0905)	\$ 2.1995			\$ 0.0069			\$ 0.0865			\$ 3.2543
Delivery Charge													
25,000 - 49,999 MCF/Yr					\$ 2.6411	\$ 0.0018					\$ 0.1367	\$ (0.1807)	\$ 2.5990
50,000 - 99,999 MCF/Yr					\$ 2.5773	\$ 0.0018					\$ 0.1335	\$ (0.1763)	\$ 2.5363
100,000 - 199,999 MCF/Yr					\$ 2.5694	\$ 0.0018					\$ 0.1331	\$ (0.1758)	\$ 2.5286
200,000 to 749,999 MCF/Yr					\$ 2.4999	\$ 0.0017					\$ 0.1297	\$ (0.1710)	\$ 2.4603
750,000 to 1,999,999 MCF/Yr					\$ 2.1327	\$ 0.0015					\$ 0.1113	\$ (0.1459)	\$ 2.0996
Over 2,000,000 MCF/Yr					\$ 1.6445	\$ 0.0012					\$ 0.0869	\$ (0.1125)	\$ 1.6200
2/ Total per MCF	\$ 1.1556												\$ 6.0853

1/ The Price-to-Compare format as shown is applicable to a Non-Priority One customer; the Price-to-Compare Charge for a Priority One customer would not include the Capacity Charge
See the Residential - Sales section above as an example of Priority One.
2/ The Total per MCF displayed for Retail LGS is representative of the 25,000 - 49,999 MCF/Yr delivery charge tier only.
3/ The above rates are for non-transitional customers. For transitional customer rates, refer to the corresponding rate schedule found in the Company's retail tariff.

PEOPLES NATURAL GAS COMPANY LLC -
PEOPLES NATURAL GAS DIVISION

SUPPLEMENT NO. ___ TO GAS—PA PUC NO. 47
REVISED PAGE NO. 4
CANCELLING _____ REVISED PAGE NO. 4

	Base Rate	Rider	Rider	Rider	Rider Purchased Gas Costs		Balancing	Rider Supplier	Rider	Rider	Total Rate
	Charges	STAS	MFC	USR	Capacity	AVC Capacity	Charge	Choice	DSIC Charge	TRS	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11=SUM 1 to 10)
Rate GS-T Residential		0.07%							5.00%	-6.8414%	
Customer Charge	\$ 14.5000							\$ 0.0042	\$ 0.7250	\$ (0.9920)	\$ 14.2372
Capacity			\$ 0.0283		\$ 1.1556	\$ 0.6836					\$ 1.8675
Delivery Charge	\$ 3.9608			\$ 0.2712					\$ 0.2130	\$ (0.2710)	\$ 4.1740
State Tax Surcharge		\$ 0.0028									\$ 0.0028
Total per MCF											\$ 6.0443
Rate GS-Transportation SGS											
Customer Charge											
0 to 499 MCF/Yr	\$ 20.0000							\$ 0.0042	\$ 1.0000	\$ (1.3683)	\$ 19.6359
500 to 999 MCF/Yr	\$ 40.0000							\$ 0.0042	\$ 2.0000	\$ (2.7366)	\$ 39.2676
1/ Capacity/BB&A					\$ 0.6191	\$ 0.4157					\$ 1.0348
Delivery Charge	\$ 2.7000								\$ 0.1350	\$ (0.1847)	\$ 2.6503
State Tax Surcharge		\$ 0.0019									\$ 0.0019
Total per MCF											\$ 3.6870
Rate GS-Transportation MGS											
Customer Charge											
1,000 to 2,499 MCF/Yr	\$ 85.0000								\$ 4.2500	\$ (5.8152)	\$ 83.4348
2,500 to 24,999 MCF/Yr	\$ 130.0000								\$ 6.5000	\$ (8.8938)	\$ 127.6062
1/ Capacity/BB&A					\$ 0.3886	\$ 0.4157					\$ 0.8043
Delivery Charge	\$ 2.6914								\$ 0.1346	\$ (0.1841)	\$ 2.6418
State Tax Surcharge		\$ 0.0019									\$ 0.0019
Total per MCF											\$ 3.4480
Rate GS-Transportation LGS											
Customer Charge											
25,000 to 49,999 MCF/Yr	\$ 575.0000								\$ 28.7500	\$ (39.3381)	\$ 564.4120
50,000 to 99,999 MCF/Yr	\$ 750.0000								\$ 37.5000	\$ (51.3105)	\$ 736.1895
100,000 to 199,999 MCF/Yr	\$ 1,400.0000								\$ 70.0000	\$ (95.7796)	\$ 1,374.2204
Over 200,000 MCF/Yr	\$ 1,600.0000								\$ 80.0000	\$ (109.4624)	\$ 1,570.5376
1/ Capacity/BB&A					\$ 0.1283	\$ 0.1037					\$ 0.2320
Delivery Charge											
25,000 - 49,999 MCF/Yr	\$ 2.6411	\$ 0.0018							\$ 0.1321	\$ (0.1807)	\$ 2.5943
50,000 - 99,999 MCF/Yr	\$ 2.5773	\$ 0.0018							\$ 0.1289	\$ (0.1763)	\$ 2.5316
100,000 - 199,999 MCF/Yr	\$ 2.5694	\$ 0.0018							\$ 0.1285	\$ (0.1758)	\$ 2.5239
200,000 to 749,999 MCF/Yr	\$ 2.4999	\$ 0.0017							\$ 0.1250	\$ (0.1710)	\$ 2.4556
750,000 to 1,999,999 MCF/Yr	\$ 2.1327	\$ 0.0015							\$ 0.1066	\$ (0.1459)	\$ 2.0949
Over 2,000,000 MCF/Yr	\$ 1.6445	\$ 0.0012							\$ 0.0822	\$ (0.1125)	\$ 1.6154
2/ Total per MCF											\$ 2.8263

1/ The Capacity Charge applies to Priority 1 ratepayers when electing transport service. All other Ratepayers are billed the Balancing Charge.
2/ The Total per MCF displayed for Transport LGS is representative of the 25,000 - 49,999 MCF/Yr delivery charge tier only.
3/ The above rates are for non-transitional customers. For transitional customer rates, refer to the corresponding rate schedule found in the Company's retail tariff.

ISSUED:

EFFECTIVE: October 1, 2024

PEOPLES NATURAL GAS COMPANY LLC
PEOPLES NATURAL GAS DIVISION

PRO FORMA TO GAS—PA PUC NO. 47
REVISÉ PAGE NO. 47
CANCELLING _____ REVISÉ PAGE NO. 47

RATE GS-T
GENERAL SERVICE - TRANSPORTATION

RULES AND DELIVERY TERMS (Continued)

- 2) All standby volumes contracted for the month by the customer.

Transportation customers whose nominated daily volume are received in whole by the Company shall not be affected by the provisions in this subparagraph No. 8.

At least six hours prior to the beginning of an "upset day," the utility will provide notice to any one of three persons designated by the customer. After contact is attempted by the Company with the three persons designated by the customer, the Company will be deemed to have satisfied its notice obligations.

- (9) Unless otherwise agreed under paragraph (17) below, the Company will arrange its utilization of available capacity by endeavoring to fairly accommodate, to the extent practicable, the interests of its retail and transportation customers.
- a. Available System Capacity for Transportation Service: Capacity for the transportation of customer-owned gas is available on the Company's system to the same extent as capacity is available for the general system supplies that the Company acquires for its retail customers, except where operational constraints may require otherwise. Those operational constraints can include the safety of persons or property and the displacement of locally produced or purchased retail gas supplies.
 - b. Actual Unavailability of or Restrictions on Capacity: In the event that capacity on the Company's system either is unavailable for the transportation of customer-owned gas or is available but restricted, the Company will provide its transportation customer or the customer's designated representative with a written explanation of why capacity is unavailable or restricted and the steps examined by the Company to alleviate the unavailability or restriction. Where capacity is restricted, the Company will allocate capacity to its transportation customers without regard to the sources of the customers' natural gas supplies.
 - c. Anticipated Unavailability of or Restrictions on Capacity: Whenever the Company anticipates that an extraordinary activity or occurrence will make capacity either unavailable or available but restricted, the Company will provide written notice to Pennsylvania producers, as early as possible, of the specific portions of the Company's system on which capacity may be unavailable or available but restricted and of the length of time that the unavailability or restriction likely will last.
- (10) As soon as practical after the customer learns of any disruption or interruption in its supply of gas, the customer shall notify the Company.
- (11) The measurements at the point of receipt and delivery shall be the responsibility of the Company. All quantities of gas received, transported, and delivered shall be expressed in terms of "Mcf." A customer's gas received by the Company in Btus will be converted to Mcf using the current applicable conversion factor as determined annually in the Company's 1307(f) proceeding.
- (12) The Company shall retain 5.8 percent of the total volume of gas received into its system on behalf of all (D) customers as gas used in Company operations and for unaccounted-for gas under Transportation Agreements that have been or are entered into pursuant to this rate, except in the following circumstances, where the Company may exercise its discretion to waive retainage in conjunction with a positive cost/benefit analysis:

(D) Indicates Decrease.

ISSUED: _____

EFFECTIVE: _____

PEOPLES NATURAL GAS COMPANY LLC
PEOPLES NATURAL GAS DIVISION

PRO FORMA TO GAS—PA PUC NO. 47
REVISÉD PAGE NO. 53
CANCELLING _____ REVISÉD PAGE NO. 53

RATE GS-SB
GENERAL SERVICE - STANDBY

AVAILABILITY

This service is available to transportation service customers served under Rate GS-T and/or customers who need or use the Company as backup service to service from an alternate supplier.

RULES AND DELIVERY TERMS

Priority-One Transportation Customers

Priority One customers must pay for standby service through a transportation standby charge applicable to all volumes transported under Rate Schedule GS-T. Backup service for Priority-One customers shall be provided pursuant to the applicable retail rate schedules.

Non-Priority-One Transportation Customers

The customer may execute a Standby Contract for a specified monthly volume. The term of the Standby Contract will be a minimum period of not less than one year. Customers that execute a Standby Contract will pay for standby service through a capacity charge applicable to contracted for monthly volumes and through a standby commodity charge applicable to all standby volumes actually purchased under Rate Schedule GS-SB.

Back-up Standby Service

If a customer is using the Company as back-up service to service from an alternative supplier, the Company shall charge the customer the standby service fees set forth in the rate table below. The Company reserves the right to determine when and the level to which a customer is using the Company as a backup supplier. In situations where the alternative supply is from local well production and before the Company provides backup standby service under the terms of this rate schedule, the Company shall have the right to inspect the pipeline and related facilities of the customer and require that the customer install, at its own expense, any necessary equipment to protect the integrity and safe operation of the Company's system.

RATE TABLE

Capacity Charges Applicable under the Rate Schedule:

RS Capacity Charge per Mcf	\$1.1556	(I)
SGS Capacity Charge per Mcf	\$1.1556	(I)
MGS Capacity Charge per Mcf	\$1.1556	(I)
LGS Capacity Charge per Mcf	\$1.1556	(I)

Standby Charges for Priority One Transportation Customers

For customers that pay the capacity charge, the Company may release pipeline capacity, the terms of which will be pursuant to the capacity-release terms of the Company's Supplier tariff and this rate schedule.

Priority-One customers who take service under this rate schedule, or their agents, must take assignment of a pro-rata or other agreed upon share of the pipeline and storage capacity and Pennsylvania produced gas supplies ("assigned capacity") that would otherwise be utilized by the Company to meet the customer's service requirements. Assigned capacity shall be subject to recall pursuant to the conditions described in the Company's Supplier Tariff, in which case the Company will provide for the delivery of necessary gas supplies pursuant to the terms of this rate schedule. More specific terms with respect to capacity assignment requirements may be set forth in the Company's Supplier Tariff and in its contracts with Priority One NGSs. However, such additional terms with respect to capacity assignment requirements shall be subject to review in the Company's annual Section 1307(f) proceeding.

(I) Indicates Increase.

ISSUED: _____

EFFECTIVE: _____

PEOPLES NATURAL GAS COMPANY LLC – PEOPLES GAS DIVISION

RATES, RULES AND REGULATIONS
FOR NATURAL GAS SERVICE
IN TERRITORY DESCRIBED HEREIN

ISSUED: _____

EFFECTIVE: _____

1307(f)-2024 ANNUAL GAS COST FILING

ISSUED BY:

MICHAEL HUWAR
PRESIDENT
PEOPLES NATURAL GAS COMPANY LLC
205 NORTH MAIN STREET
BUTLER, PENNSYLVANIA 16001

This tariff makes changes to existing rates.
(See page 2)

PEOPLES NATURAL GAS COMPANY LLC –
PEOPLES GAS DIVISION

PRO FORMA
TO TARIFF GAS – PA PUC NO. 8
REVISÉD PAGE NO.1
CANCELING PAGE NO.1

LIST OF CHANGES MADE BY THIS TARIFF

	<u>Current</u>	<u>Proposed</u>	<u>Increase/ (Decrease)</u>
<u>Rate GS-SB</u>			
Rate RS, SGS, MGS, LGS	\$1.0391	\$1.1556	\$0.1165
<u>Rider PGC</u>			
<u>Rate RS, SGS, MGS, LGS, NGPV</u>			
Capacity Charge	\$1.0391	\$1.1556	\$0.1165
Gas Cost Adjustment Charge	\$0.0103	\$(0.0905)	\$(0.1008)
Natural Gas Supply Charge	\$2.3664	\$2.1995	\$(0.1669)
Rate RS, GS-T (Residential) AVC Capacity Charge	\$0.7515	\$0.6836	\$(0.0679)
Rate SGS, GS-T (SGS) AVC Capacity Charge	\$0.7172	\$0.6191	\$(0.0981)
Rate MGS, GS-T (MGS) AVC Capacity Charge	\$0.4543	\$0.3886	\$(0.0657)
Rate LGS, GS-T (LGS) AVC Capacity Charge	\$0.2550	\$0.1283	\$(0.1267)
<u>Rider MFC – Merchant Function Charge</u>			
RS	\$0.0836	\$0.0799	\$(0.0037)
SGS, MGS, LGS	\$0.0071	\$0.0069	\$(0.0002)
RS-T	\$0.0254	\$0.0283	\$0.0029
<u>Balancing Charges</u>			
SGS	\$0.4468	\$0.4157	\$(0.0311)
MGS, LGS	\$0.1165	\$0.1037	\$(0.0128)
<u>Retainage Charges</u>			
	5.9%	5.8%	(0.1)%

ISSUED: _____

EFFECTIVE: _____

INDEX (continued)

Rate Schedule RS/RS-T – Residential Sales and Transportation Services.....	75
Rate Schedule RUS – Residential Universal Service	76 (C)
Pilot Extended Customer Assistance Program (E-CAP)	77 (C)
Rate Schedule SGS – Small General Service.....	78
Rate Schedule MGS – Medium General Service	79
Rate Schedule LGS – Large General Service	80
Rate Schedule SGS-T – Small General Service Transportation Service	81
Rate Schedule MGS-T – Medium General Service Transportation Service	82
Rate Schedule LGS-T – Large General Service Transportation Service	83
Rate Schedule FTS – Field Transportation Service	84
Rate Schedule GS – Gathering Service	84A
Rate NGPV – Natural Gas Powered Vehicles.....	85
Rider PGC – Section 1307(f) Purchased Gas Costs	86
Rider PGC – Section 1307(f) Purchased Gas Costs (Continued).....	87
Rider PGC – Section 1307(f) Purchased Gas Costs (Continued).....	88
Rider PGC – Section 1307(f) Purchased Gas Costs (Continued).....	89
Rider AVC Capacity Charge.....	89A (C)
Rider Supplier Choice.....	90
Rider STA – State Tax Adjustment Surcharge	91
Rider CRA – Commodity Rate Adjustment.....	92
Rider CRAI – Commodity Rate Adjustment Interruptible.....	93
Rider TCS – Transition Costs Surcharge.....	94
Rider USP – Universal Service Program	95-96
Rider MFC – Merchant Function Charge	97
Rider GPC – Gas Procurement Charge.....	98
Rider DSIC – Distribution System Improvement Charge.....	99-101
Rider ARC – Acquisition Rate Credit.....	102
Rider SET – Service Expansion Tariff.....	103-104
Rider TCJA – TCJA Temporary Surcharge.....	105

(C) Indicates Change.

PEOPLES NATURAL GAS COMPANY LLC
PEOPLES GAS DIVISION

SUPPLEMENT NO. ___ TO GAS—PA PUC NO. 8
REVISOR: _____ REVISED PAGE NO. 12
CANCELLING _____ REVISED PAGE NO. 12

Rider PGC - Gas Cost Charges													
Capacity	Capacity E Factor	AVC Capacity	GCA	Commodity	Base Rate Charges	Rider STA	Rider MFC	Rider USP	Rider GPC	Rider Supplier Choice	Rider DSIC	Rider TCJA	Bill Display Total Rate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13=SUM 1 to 12)	
Residential - Sales													
Customer Charge					\$ 15.7500					\$ (0.0012)	0.00%	\$ 1.0354	\$ 16.7842
Capacity	\$ 1.0777	\$ 0.0779	\$ 0.6836				\$ 0.0283			\$ -			\$ 1.8675
PTC - Commodity Charge			\$ (0.0905)	\$ 2.1995			\$ 0.0516	\$ 0.0865		\$ -			\$ 2.2471
Delivery Charge					\$ 6.7743	\$ 0.0039	\$ 0.1697			\$ -	\$ 0.4453		\$ 7.3932
Total per MCF													\$ 11.5078
SGS - Sales													
Customer Charge													
0 to 499 MCF/Yr					\$ 35.0000					\$ (0.0012)	\$ -	\$ 2.3008	\$ 37.2996
500 to 999 MCF/Yr					\$ 65.0000					\$ (0.0012)	\$ -	\$ 4.2729	\$ 69.2717
Capacity 1/	\$ 0.4157									\$ -	\$ -		\$ 0.4157
Price-to-Compare Charge 1/	\$ 0.6620	\$ 0.0779	\$ 0.6191	\$ (0.0905)	\$ 2.1995		\$ 0.0069	\$ 0.0865		\$ -			\$ 3.5614
Delivery Charge					\$ 5.1008	\$ 0.0039				\$ -	\$ 0.3353		\$ 5.4400
Total per MCF													\$ 9.4171
MGS - Sales													
Customer Charge													
1,000 to 2,499 MCF/Yr					\$ 75.0000					\$ -	\$ 4.9302		\$ 79.9302
2,500 to 24,999 MCF/Yr					\$ 175.0000					\$ -	\$ 11.5039		\$ 186.5039
Capacity 1/	\$ 0.4157									\$ -	\$ -		\$ 0.4157
Price-to-Compare Charge 1/	\$ 0.6620	\$ 0.0779	\$ 0.3886	\$ (0.0905)	\$ 2.1995		\$ 0.0069	\$ 0.0865		\$ -			\$ 3.3309
Delivery Charge					\$ 4.8604	\$ 0.0039				\$ -	\$ 0.3195		\$ 5.1838
Total per MCF													\$ 8.9304
LGS - Sales < 100,000 Mcf/yr													
Customer Charge													
25,000 to 49,999 MCF/Yr					\$ 800.0000					\$ -	\$ 52.5893		\$ 852.5893
50,000 to 99,999 MCF/Yr					\$ 1,500.0000					\$ -	\$ 98.6049		\$ 1,598.6049
Capacity 1/	\$ 0.1037									\$ -	\$ -		\$ 0.1037
Price-to-Compare Charge 1/	\$ 0.9740	\$ 0.0779	\$ 0.1283	\$ (0.0905)	\$ 2.1995		\$ 0.0069	\$ 0.0865		\$ -			\$ 3.3826
Delivery Charge					\$ 3.7500	\$ 0.0039				\$ -	\$ 0.2465		\$ 4.0004
Total per MCF													\$ 7.4867
LGS - Sales > 100,000 Mcf/yr													
Customer Charge													
100,000 to 199,999 MCF/Yr					\$ 5,000.0000					\$ -	\$ 328.6830		\$ 5,328.6830
Over 200,000 MCF/Yr					\$ 7,500.0000					\$ -	\$ 493.0245		\$ 7,993.0245
Capacity 1/	\$ 0.1037									\$ -	\$ -		\$ 0.1037
Price-to-Compare Charge 1/	\$ 0.9740	\$ 0.0779	\$ 0.1283	\$ (0.0905)	\$ 2.1995		\$ 0.0069	\$ 0.0865		\$ -			\$ 3.3826
Delivery Charge					\$ 0.9988	\$ 0.0039				\$ -	\$ 0.0657		\$ 1.0684
Total per MCF													\$ 4.5547

1/ The Price-to-Compare format as shown is applicable to a Non-Priority One customer; the Price-to-Compare Charge for a Priority One customer would not include the Demand/Capacity charge. See the Residential - Sales section above as an example of Priority One.

ISSUED:

EFFECTIVE: October 2024

PEOPLES NATURAL GAS COMPANY LLC
PEOPLES GAS DIVISION

SUPPLEMENT NO. __ TO GAS—PA PUC NO. 8
REVISED PAGE NO. 13
CANCELLING _____ REVISED PAGE NO. 13

	Base Rate Charges	Rider STA	Rider MFC	Rider USR	Rider PGC Capacity Capacity	Capacity E Factor	AVC Capacity	Balancing Charge	Rider Supplier Choice	Rider DSIC	Rider TCJA	Bill Display Total Rate (11=SUM 1 to 10)	Retainage Charge
	(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)	(9)	(10)		
Rate RS-T (Transportation Service)													
Customer Charge	\$ 15.7500								\$ (0.0012)	\$ 0.00%	\$ 1.0354	\$ 16.7842	
Capacity			\$ 0.0283		\$ 1.0777	\$ 0.0779	\$ 0.6836					\$ 1.8675	
Delivery Charge	\$ 6.7743	\$ 0.0039		\$ 0.1697						\$ -	\$ 0.4453	\$ 7.3932	5.80%
Total per MCF												\$ 9.2607	
Rate SGS-T (Transportation Service)													
Customer Charge													
0 to 499 MCF/Yr	\$ 35.0000								\$ (0.0012)	\$ -	\$ 2.3008	\$ 37.2996	
500 to 999 MCF/Yr	\$ 65.0000								\$ (0.0012)	\$ -	\$ 4.2729	\$ 69.2717	
Capacity/Balancing Charge 1/							\$ 0.6191	\$ 0.4157				\$ 1.0348	
Delivery Charge	\$ 5.1008	\$ 0.0039								\$ -	\$ 0.3353	\$ 5.4400	5.80%
Total per MCF												\$ 6.4748	
Rate MGS-T (Transportation Service)													
Customer Charge													
1,000 to 2,499 MCF/Yr	\$ 75.0000									\$ -	\$ 4.9302	\$ 79.9302	
2,500 to 24,999 MCF/Yr	\$ 175.0000									\$ -	\$ 11.5039	\$ 186.5039	
Capacity/Balancing Charge 1/							\$ 0.3886	\$ 0.4157				\$ 0.8043	
Delivery Charge	\$ 4.8604	\$ 0.0039								\$ -	\$ 0.3195	\$ 5.1838	5.80%
Total per MCF												\$ 5.9881	
Rate LGS-T (Transportation Service)													
Customer Charge													
25,000 to 49,999 MCF/Yr	\$ 800.0000									\$ -	\$ 52.5893	\$ 852.5893	
50,000 to 99,999 MCF/Yr	\$ 1,500.0000									\$ -	\$ 98.6049	\$ 1,598.6049	
Capacity/Balancing Charge 1/							\$ 0.1283	\$ 0.1037				\$ 0.2320	
Delivery Charge	\$ 3.7500	\$ 0.0039								\$ -	\$ 0.2465	\$ 4.0004	5.80%
Total per MCF												\$ 4.2324	
Rate LGS-T (Transportation Service)													
Customer Charge													
100,000 to 199,999 MCF/Yr	\$ 5,000.0000									\$ -	\$ 328.6830	\$ 5,328.6830	
Over 200,000 MCF/Yr	\$ 7,500.0000									\$ -	\$ 493.0245	\$ 7,993.0245	
Capacity/Balancing Charge 1/							\$ 0.1283	\$ 0.1037				\$ 0.2320	
Delivery Charge	\$ 0.9988	\$ 0.0039								\$ -	\$ 0.0657	\$ 1.0684	5.80%
Total per MCF												\$ 1.3004	

1/ The Demand/Capacity Charge applies to Priority 1 ratepayers when electing transport service. All other Ratepayers are billed the Balancing Charge.

ISSUED:

EFFECTIVE: October 2024

RIDER
AVC CAPACITY CHARGE (C)

The AVC Capacity Charge is applicable to all customers with the exceptions of certain negotiated rate customers and relates to the recovery of capacity costs incurred by the Company for firm transportation and storage service provided on the Allegheny Valley Connector (“AVC”) System. The AVC system represents certain transmission and storage assets formerly owned and operated by the Company that are necessary to provide services by the Company to its customers.

The AVC Capacity Charge shall recover fixed demand charges and applicable surcharges assessed to the Company under the FERC Gas Tariff for firm transportation and storage services on the AVC System. The AVC Capacity Charge shall be adjusted to reflect ongoing changes in charges assessed to the Company. The AVC Capacity Charge shall not recover fixed demand charges related to storage capacity on the AVC system that is released to and paid for by Non-Priority One customers or suppliers. Applicable volumetric and fuel charges for service on the AVC System shall not be recovered through the AVC charge and such charges shall be paid for by the shipper utilizing the AVC capacity.

RATES

Refer to Tariff Page Nos. 12 and 13 for the currently effective AVC Capacity Charge rates.

These rates will be recalculated on an annual basis in conjunction with the other Rider Purchase Gas costs and reported on as applicable in the annual filing as required in the regulations implementing Section 1307(f) of the Public Utility Code. The rates shall be calculated by customer class based on the results of the allocation factors set forth below and applicable billing determinants for each class.

ALLOCATION OF AVC CAPACITY COSTS

The fixed demand and applicable surcharges assessed to the Company for services on the AVC system shall be allocated to customer classes based on the allocation factors below.

The AVC Capacity Charge allocation factors are as follows:

<u>Rate Class</u>	<u>Allocation</u>
Residential	66.25%
SGS	11.94%
MGS	12.99%
LGS	8.82%

The Company will review the appropriateness of the AVC Capacity Charge allocation factors on an annual basis and such factors will be subject to review in the Company's 1307(f) gas cost proceeding.

ANNUAL RECONCILIATION

The AVC Capacity Charge costs will be subject to over/undercollection tracking and reconciled annually.

C) Indicates Change.

Peoples Natural Gas Company LLC - Peoples Natural Gas Division
Actual Purchased Gas Costs
1307(f)-2024

	2023 February ACTUAL	2023 March ACTUAL	2023 April ACTUAL	2023 May ACTUAL	2023 June ACTUAL	2023 July ACTUAL	2023 August ACTUAL	2023 September ACTUAL	2023 October ACTUAL	2023 November ACTUAL	2023 December ACTUAL	2024 January ACTUAL	12-Mth Total
Local / Gathered Purchases													
Quantity - Mcf	275,625	290,174	275,590	293,131	269,874	297,779	297,121	275,133	272,676	219,154	259,149	204,148	3,229,554
Rate per Mcf	\$2.5002	\$2.0757	\$1.6941	\$1.6036	\$1.1296	\$1.3239	\$1.2394	\$1.0557	\$1.3163	\$1.7639	\$2.0426	\$2.0535	\$1.6350
Cost	\$689,118	\$602,317	\$466,885	\$470,052	\$304,860	\$394,227	\$368,241	\$290,450	\$358,912	\$386,570	\$529,337	\$419,221	\$ 5,280,190
Interstate Pipeline Purchases													
Quantity - Mcf	3,419,513	4,011,379	4,696,518	4,360,599	4,109,975	4,241,132	2,553,682	3,969,325	4,556,903	4,970,080	4,089,401	5,159,356	50,137,863
Rate per Mcf	\$2.3051	\$2.2782	\$1.9621	\$1.5811	\$1.3356	\$1.3776	\$1.2056	\$1.1908	\$1.3228	\$2.0923	\$1.9271	\$3.7448	\$1.9126
Cost	\$7,882,463	\$9,138,757	\$9,215,144	\$6,894,657	\$5,489,287	\$5,842,374	\$3,078,841	\$4,726,492	\$6,027,657	\$10,399,004	\$7,880,586	\$19,320,557	\$ 95,895,820
Total Commodity Purchases													
Quantity - Mcf	3,695,138	4,301,553	4,972,108	4,653,730	4,379,849	4,538,911	2,850,803	4,244,458	4,829,579	5,189,234	4,348,550	5,363,504	53,367,417
Rate per Mcf	\$2.3197	\$2.2645	\$1.9473	\$1.5825	\$1.3229	\$1.3740	\$1.2092	\$1.1820	\$1.3224	\$2.0785	\$1.9340	\$3.6804	\$1.8958
Cost	\$8,571,581	\$9,741,074	\$9,682,029	\$7,364,709	\$5,794,147	\$6,236,601	\$3,447,082.93	\$5,016,942	\$6,386,569	\$10,785,574	\$8,409,923	\$19,739,778	\$ 101,176,010
Storage (Injection)/Withdrawals - WACCOG													
Quantity - Mcf	2,841,672	3,607,485	(1,020,990)	(2,508,142)	(3,290,871)	(3,382,816)	(1,353,435)	(2,380,674)	(2,243,789)	1,564,639	2,231,226	4,983,443	(952,252)
WACCOG Rate per Mcf	\$6.1509	\$6.1509	\$1.9890	\$1.6903	\$1.4159	\$1.4832	\$1.2754	\$1.2549	\$1.4118	\$2.9972	\$2.9972	\$2.9972	\$1.9126
Cost	\$17,478,840	\$22,189,280	(\$2,030,727)	(\$4,239,426)	(\$4,659,667)	(\$5,017,232)	(\$1,726,214)	(\$2,987,422)	(\$3,167,823)	\$4,689,536	\$6,687,431	\$14,936,375	\$ 42,152,951
Injection/Withdrawal Costs	\$45,262	\$37,650	\$26,083	\$43,926	\$35,147	\$44,203	\$26,167	\$36,155	\$26,552	\$24,375	\$38,726	\$61,661	\$ 445,906
Pipeline Transportation Charges	\$413,374	\$474,111	\$439,932	\$434,432	\$400,308	\$467,833	\$193,219	\$370,259	\$376,098	\$277,266	\$299,184	\$393,420	\$ 4,539,434
Other Purchased Gas Costs													
Other Gas Costs - Mcf	(51,180)	266,601	206,050	61,543	85,889	23,161	128,900	107,359	182,595	85,032	46,194	220,066	1,362,210
Gas Admin Costs	\$11,570	\$11,570	\$11,570	\$11,709	\$11,570	\$11,570	\$11,570	\$10,917	\$13,739	\$12,526	\$12,526	\$12,535	\$ 143,375
Imbalance Buyback Costs	\$1,074,588	\$764,940	\$5,186	\$36,486	\$107,446	\$113,682	\$147,213	\$109,872	\$225,047	\$180,158	\$25,204	(\$166,616)	\$ 2,623,205
Exchange Costs	(\$691,182)	\$69,620	\$351,759	\$79,925	\$10,704	(\$58,366)	\$37,540	\$23,272	(\$4,353)	(\$73,710)	\$93,719	\$776,299	\$ 615,228
Compressed Natural Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -
Subtotal	\$394,977	\$846,130	\$368,516	\$128,120	\$129,721	\$66,886	196,323	144,061	\$234,433	118,974	131,449	622,218	\$ 3,381,807
Capacity Costs - Firm Transportation	\$7,115,506	\$6,668,247	\$2,772,156	\$2,772,603	\$2,728,503	\$2,776,183	\$2,775,659	\$2,789,821	\$2,777,336	\$7,534,580	\$7,604,249	\$7,598,483	\$ 55,913,327
Capacity Costs - Firm Storage	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,114	\$1,318,114	\$1,318,114	\$ 15,818,622
AVC Capacity Costs	\$6,563,906	\$6,591,566	\$2,941,316	\$2,941,316	\$2,941,316	\$2,941,316	\$2,941,316	\$2,941,316	\$2,941,316	\$6,591,566	\$6,591,566	\$6,591,566	\$ 53,519,384
	\$14,997,666	\$14,578,067	\$7,031,725	\$7,032,172	\$6,988,072	\$7,035,752	\$7,035,229	\$7,049,391	\$7,036,905	\$15,444,260	\$15,513,930	\$15,508,164	\$ 125,251,333
Total 1307(f) Gas Costs	\$ 41,901,699	\$ 47,866,312	\$ 15,517,558	\$ 10,763,933	\$ 8,687,728	\$ 8,834,044	\$ 9,171,807	\$ 9,629,384	\$ 10,892,734	\$ 31,339,984	\$ 31,080,643	\$ 51,261,615	\$ 276,947,442
Total - w/o AVC	\$ 35,337,793	\$ 41,274,746	\$ 12,576,242	\$ 7,822,617	\$ 5,746,412	\$ 5,892,728	\$ 6,230,491	\$ 6,688,068	\$24,673,376	\$43,199,823	\$60,815,940	\$49,103,888	\$ 299,362,123
Capacity	\$ 8,433,759	\$ 7,986,501	\$ 4,090,409	\$ 4,090,856	\$ 4,046,756	\$ 4,094,436	\$ 4,093,913	\$ 4,108,075	\$4,744,923	\$8,827,103	\$8,792,846	\$8,555,471	\$ 71,865,048
Commodity	\$ 26,904,034	\$ 33,288,245	\$ 8,485,833	\$ 3,731,760	\$ 1,699,655	\$ 1,798,291	\$ 2,136,579	\$ 2,579,994	\$19,928,453	\$34,372,720	\$52,023,094	\$40,548,417	\$ 227,497,074
1307(f) Mcf	6,485,630	8,175,639	4,157,168	2,207,131	1,174,867	1,179,256	1,626,268	1,971,143	2,768,385	6,838,905	6,625,970	10,567,013	53,777,375

Peoples Natural Gas Company LLC - Peoples Gas Division
Actual Purchased Gas Costs
1307(f)-2024

	2023 February ACTUAL	2023 March ACTUAL	2023 April ACTUAL	2023 May ACTUAL	2023 June ACTUAL	2023 July ACTUAL	2023 August ACTUAL	2023 September ACTUAL	2023 October ACTUAL	2023 November ACTUAL	2023 December ACTUAL	2024 January ACTUAL	TOTAL
Local PA Purchases													
Quantity - Mcf	179,277	193,438	174,561	183,787	194,309	202,190	214,861	196,851	200,595	175,658	157,338	191,760	2,264,625
Rate per Mcf	\$2.5978	\$2.1464	\$1.8044	\$1.7364	\$1.4975	\$1.5860	\$1.4964	\$1.3424	\$1.5762	\$2.0162	\$2.1840	\$2.1726	\$1.8295
Cost	\$465,729	\$415,193	\$314,980	\$319,123	\$290,973	\$320,672	\$321,512	\$264,262	\$316,181	\$354,155	\$343,623	\$416,618	\$ 4,143,020
Interstate Pipeline Purchases													
Quantity - Mcf	0	0	340,016	874,265	1,169,470	1,226,539	1,124,195	67,864	398,316	0	0	35,054	5,235,719
Rate per Mcf	\$0.0000	\$0.0000	\$1.7232	\$1.6595	\$1.2488	\$1.3216	\$1.1420	\$1.4382	\$1.3140	\$0.0000	\$0.0000	\$0.0000	\$1.3862
Cost	\$0	\$0	\$585,913	\$1,450,882	\$1,460,377	\$1,621,048	\$1,283,869	\$97,605	\$523,407	\$0	\$0	\$234,638	\$ 7,257,738
Total Commodity Purchases													
Quantity - Mcf	179,277	193,438	514,577	1,058,052	1,363,779	1,428,729	1,339,056	264,715	598,911	175,658	157,338	226,814	7,500,344
Rate per Mcf	\$2.5978	\$2.1464	\$1.7507	\$1.6729	\$1.2842	\$1.3591	\$1.1989	\$1.3670	\$1.4019	\$2.0162	\$2.1840	\$2.8713	\$1.5200
Cost	\$465,729	\$415,193	\$900,892	\$1,770,006	\$1,751,350	\$1,941,720	\$1,605,381	\$361,867	\$839,588	\$354,155	\$343,623	\$651,256	\$ 11,400,758
Storage (Injection)/Withdrawals													
Quantity - Mcf	797,422	731,223	(22,838)	(498,734)	(811,043)	(1,113,155)	(1,041,904)	(526,997)	(358,934)	567,071	588,254	1,025,131	(664,504)
WACCOG Rate per Mcf	\$6.1922	\$6.1922	\$1.7577	\$1.6814	\$1.5562	\$1.6182	\$1.5114	\$1.3727	\$1.4911	\$2.1368	\$2.1368	\$2.1368	\$2.1368
Cost	\$4,937,791	\$4,527,879	(\$40,141)	(\$838,590)	(\$1,262,168)	(\$1,801,262)	(\$1,574,777)	(\$723,404)	(\$535,205)	\$1,211,717	\$1,256,981	\$2,190,500	\$ 7,349,322
Injection/Withdrawal Costs	\$15,148	\$13,940	\$483	\$15,429	\$31,166	\$31,794	\$28,904	\$13,275	\$8,895	\$11,911	\$12,331	\$19,388	\$ 202,666
Pipeline Transportation Charges	\$182,909	\$169,976	\$118,079	\$186,240	\$227,978	\$244,901	\$231,208	\$118,569	\$109,158	\$169,977	\$169,927	\$175,494	\$ 2,104,415
Other Purchased Gas Costs													
Other Purchased Gas Costs - Mcf	66,230	63,772	(60,031)	(4,827)	(20,760)	8,909	29,500	(53,315)	51,939	325,678	(46,317)	93,742	454,520
Gas Administrative Costs	\$1,700	\$1,700	\$1,700	\$1,721	\$1,700	\$1,700	\$1,700	\$1,629	\$2,097	\$1,910	\$1,910	\$1,911	\$ 21,376
Imbalance Buyback Costs	\$38,636	\$6,994	\$1,147	\$0	\$6	\$0	\$25,666	\$230	\$35,381	\$401,382	(\$196,662)	\$13,734	\$ 326,513
Exchange Costs	\$149,784	\$96,796	(\$102,310)	(\$5,410)	(\$27,278)	\$14,884	\$15,385	(\$71,072)	\$18,788	\$202,395	\$104,073	\$177,295	\$ 573,330
Subtotal	\$190,120	\$105,489	(\$99,463)	(\$3,689)	(\$25,573)	\$16,584	\$42,751	(\$69,213)	\$56,266	\$605,687	(\$90,680)	\$192,939	\$ 921,218
Capacity Costs - Firm Transportation	\$147,314	\$271,916	\$246,189	\$236,368	\$236,566	\$244,713	\$261,702	\$269,730	\$263,578	\$267,602	\$273,910	\$273,910	\$ 2,993,497
Capacity Costs - Firm Storage	\$303,630	\$303,630	\$305,611	\$304,611	\$304,611	\$304,611	\$304,611	\$304,611	\$304,611	\$304,576	\$304,576	\$304,576	\$ 3,654,267
	\$450,944	\$575,546	\$551,800	\$540,979	\$541,177	\$549,324	\$566,313	\$574,341	\$568,189	\$572,179	\$578,486	\$578,486	\$ 6,647,763
	\$ 6,242,641	\$ 5,808,023	\$ 1,431,651	\$ 1,670,374	\$ 1,263,930	\$ 983,059	\$ 899,780	\$ 275,435	\$ 1,046,891	\$ 2,925,626	\$ 2,270,669	\$ 3,808,063	\$ 28,626,143
Total 1307(f) Gas Costs													
Commodity	\$ 5,791,697	\$ 5,232,477	\$ 879,851	\$ 1,129,395	\$ 722,752	\$ 433,735	\$ 333,467	\$ (298,905)	\$ 478,702	\$ 2,353,447	\$ 1,692,183	\$ 3,229,577	\$ 21,978,380
Capacity	\$ 450,944	\$ 575,546	\$ 551,800	\$ 540,979	\$ 541,177	\$ 549,324	\$ 566,313	\$ 574,341	\$ 568,189	\$ 572,179	\$ 578,486	\$ 578,486	\$ 6,647,763
Total 1307(f) Purchases	1,042,929	988,433	431,708	554,491	531,976	324,483	326,652	(315,597)	291,916	1,068,407	699,275	1,345,687	7,290,360

Peoples Natural Gas Company - Peoples Natural Gas and Peoples Gas Divisions
Annual 1307(f)-2024
Interim Period Projected Gas Costs - COMBINED

SUMMARY

	2024 <u>February</u>	2024 <u>March</u>	2024 <u>April</u>	2024 <u>May</u>	2024 <u>June</u>	2024 <u>July</u>	2024 <u>August</u>	2024 <u>September</u>	
<u>Local / Gathered Purchases</u>									
Quantity - Mcf	440,898	437,356	433,914	430,453	426,958	423,438	419,930	416,377	
Rate per Mcf	\$1.7792	\$1.2922	\$1.3511	\$1.3814	\$1.4948	\$1.5856	\$1.5558	\$1.3165	
Cost	\$784,451	\$565,155	\$586,262	\$594,633	\$638,237	\$671,414	\$653,329	\$548,174	
<u>Interstate Pipeline Purchases</u>									
Quantity - Mcf	3,027,084	3,508,803	5,927,091	5,397,562	4,268,066	4,352,303	4,263,702	4,998,212	
Rate per Mcf	\$2.0149	\$1.3569	\$1.4116	\$1.4374	\$1.5266	\$1.5935	\$1.5695	\$1.3170	
Cost	\$6,099,402	\$4,761,218	\$8,366,645	\$7,758,463	\$6,515,674	\$6,935,545	\$6,692,049	\$6,582,798	
<u>Total Commodity Purchases</u>									
Quantity - Mcf	3,467,982	3,946,159	6,361,005	5,828,015	4,695,024	4,775,741	4,683,632	5,414,589	
Rate per Mcf	\$1.9850	\$1.3498	\$1.4075	\$1.4333	\$1.5237	\$1.5928	\$1.5683	\$1.3170	
Cost	\$6,883,853	\$5,326,373	\$8,952,907	\$8,353,096	\$7,153,911	\$7,606,959	\$7,345,379	\$7,130,972	
<u>Storage (Injection)/Withdrawals</u>									
Quantity - Mcf	5,249,000	4,806,925	(1,945,000)	(3,342,000)	(3,514,000)	(3,592,000)	(3,592,000)	(3,451,500)	
WACCOG Rate per Mcf	\$2.9972	\$2.9972	\$1.4246	\$1.4581	\$1.5563	\$1.6263	\$1.6020	\$1.3418	
Cost	\$15,732,303	\$14,407,316	(\$2,770,895)	(\$4,872,945)	(\$5,468,788)	(\$5,841,638)	(\$5,754,355)	(\$4,631,378)	
Injection/Withdrawal Costs	\$48,830	\$32,267	\$96,344	\$131,896	\$140,094	\$146,993	\$144,969	\$121,775	
<u>Other Purchased Gas Costs</u>									
Other Gas Costs - Mcf	0	0	0	0	0	0	0	0	
Risk Mgmt / Gas Admin Costs	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	
Imbalance Buyback Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Exchange Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Subtotal	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	
Capacity Costs - Firm Transportation	\$6,398,851	\$6,617,084	\$2,749,614	\$2,749,614	\$2,749,614	\$2,749,614	\$2,749,614	\$2,749,614	
Capacity Costs - Firm Storage	\$2,850,177	\$2,850,177	\$2,264,807	\$2,264,807	\$2,264,807	\$2,264,807	\$2,264,807	\$2,274,857	
AVC Capacity Costs	<u>\$6,591,566</u>	<u>\$6,608,366</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	
	\$15,840,594	\$16,075,628	\$7,972,537	\$7,972,537	\$7,972,537	\$7,972,537	\$7,972,537	\$7,982,587	
<u>Total 1307(f) Gas Costs</u>	<u>\$ 38,518,373</u>	<u>\$ 35,854,376</u>	<u>\$ 14,263,686</u>	<u>\$ 11,597,377</u>	<u>\$ 9,810,548</u>	<u>\$ 9,897,645</u>	<u>\$ 9,721,323</u>	<u>\$ 10,616,748</u>	<u>\$ 140,280,076</u>
Total - no AVC	\$31,926,807	\$29,246,010	\$11,305,570	\$8,639,261	\$6,852,432	\$6,939,529	\$6,763,207	\$7,658,632	\$109,331,447
Commodity	\$22,677,779	\$19,778,748	\$6,291,150	\$3,624,840	\$1,838,011	\$1,925,108	\$1,748,786	\$2,634,161	\$60,518,583
Capacity (excludes AVC)	\$9,249,028	\$9,467,261	\$5,014,421	\$5,014,421	\$5,014,421	\$5,014,421	\$5,014,421	\$5,024,471	\$48,812,865
1307(f) Mcf	8,716,982	8,753,084	4,416,005	2,486,015	1,181,024	1,183,741	1,091,632	1,963,089	

Peoples Natural Gas Company - Peoples Natural Gas and Peoples Gas Divisions
Annual 1307(f)-2024
Interim Period Projected Gas Costs - COMBINED

Local Purchases

	2024 <u>February</u>	2024 <u>March</u>	2024 <u>April</u>	2024 <u>May</u>	2024 <u>June</u>	2024 <u>July</u>	2024 <u>August</u>	2024 <u>September</u>	<u>Total</u>
<u>Local / Gathered Purchases</u>									
Quantity - Mcf	440,898	437,356	433,914	430,453	426,958	423,438	419,930	416,377	3,429,324
Rate per Mcf	\$ 1.779	\$ 1.292	\$ 1.351	\$ 1.381	\$ 1.495	\$ 1.586	\$ 1.556	\$ 1.317	\$ 1.470
Cost	\$ 784,451	\$ 565,155	\$ 586,262	\$ 594,633	\$ 638,237	\$ 671,414	\$ 653,329	\$ 548,174	\$ 5,041,655

Peoples Natural Gas Company - Peoples Natural Gas and Peoples Gas Divisions
Annual 1307(f)-2024

Interim Period Projected Gas Costs - COMBINED

Interstate Pipeline Purchases

	2024 <u>February</u>	2024 <u>March</u>	2024 <u>April</u>	2024 <u>May</u>	2024 <u>June</u>	2024 <u>July</u>	2024 <u>August</u>	2024 <u>September</u>	<u>TOTAL</u>
<u>City-Gate Mcf</u>									
EQT - NAESB	2,480,984	3,132,803	5,517,591	4,827,062	3,553,066	3,631,203	3,547,602	4,350,712	31,041,024
EGT&S SP	0	0	100,000	357,000	404,000	404,000	399,000	342,000	2,006,000
Tennessee Gas Pipeline	281,600	155,000	30,000	15,500	15,000	15,500	15,500	15,000	543,100
Texas Eastern Transmission	165,000	130,000	120,000	6,000	90,000	90,000	90,000	90,000	781,000
National Fuel Gas Supply	14,500	0	102,000	155,000	168,000	173,600	173,600	168,000	954,700
Columbia Gas Transmission	29,000	31,000	12,500	17,000	18,000	18,000	18,000	12,500	156,000
Tennessee into Columbia	<u>56,000</u>	<u>60,000</u>	<u>45,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>261,000</u>
TOTAL MCF	3,027,084	3,508,803	5,927,091	5,397,562	4,268,066	4,352,303	4,263,702	4,998,212	35,742,824

Interstate Pricing

EQT - NAESB	\$1.8334	\$1.3102	\$1.4042	\$1.4394	\$1.5260	\$1.5812	\$1.5563	\$1.3145
EGT&S SP	\$1.8113	\$1.2907	\$1.3539	\$1.3865	\$1.5081	\$1.6055	\$1.5739	\$1.3186
Tennessee Gas Pipeline	\$2.4024	\$1.6411	\$1.6281	\$1.7592	\$1.7805	\$1.9209	\$1.9235	\$1.7259
Texas Eastern Transmission	\$3.7856	\$1.6047	\$1.4357	\$1.4290	\$1.5439	\$1.9131	\$1.9235	\$1.3333
National Fuel Gas Supply	\$1.8096	\$1.2912	\$1.3541	\$1.3866	\$1.5077	\$1.6046	\$1.5732	\$1.3189
Columbia Gas Transmission	\$2.1770	\$1.4993	\$1.5390	\$1.6090	\$1.6996	\$1.7897	\$1.7738	\$1.5433
Tennessee into Columbia	\$2.4024	\$1.6411	\$1.6281	\$1.7592	\$1.7805	\$1.9209	\$1.9235	\$1.7259

Interstate Purchase Cost

EQT - NAESB	\$4,548,745	\$4,104,484	\$7,747,593	\$6,947,948	\$5,422,101	\$5,741,690	\$5,521,015	\$5,718,933	\$45,752,508
EGT&S SP	0	0	135,390	494,991	609,281	648,622	627,993	450,971	2,967,248
Tennessee Gas Pipeline	676,516	254,374	48,844	27,267	26,707	29,774	29,814	25,888	1,119,183
Texas Eastern Transmission	624,624	208,614	172,286	8,574	138,949	172,177	173,113	119,995	1,618,333
National Fuel Gas Supply	26,239	0	138,115	214,918	253,286	278,564	273,104	221,583	1,405,808
Columbia Gas Transmission	63,133	46,479	19,238	27,353	30,593	32,214	31,928	19,291	270,228
EQT NOFT Delivery Costs	25,611	48,801	31,914	2,230	(853)	(5,913)	(3,387)	(8,381)	90,022
Tennessee into Columbia	<u>134,534</u>	<u>98,467</u>	<u>73,265</u>	<u>35,183</u>	<u>35,610</u>	<u>38,418</u>	<u>38,470</u>	<u>34,518</u>	<u>488,465</u>
TOTAL COST	\$6,099,402	\$4,761,218	\$8,366,645	\$7,758,463	\$6,515,674	\$6,935,545	\$6,692,049	\$6,582,798	\$53,711,794

Peoples Natural Gas Company
Annual 1307(f)-2024
Interim Period Projected Gas Costs - COMBINED
WACCOG Storage Inventory Pricing

	2024 <u>February</u>	2024 <u>March</u>	2024 <u>April</u>	2024 <u>May</u>	2024 <u>June</u>	2024 <u>July</u>	2024 <u>August</u>	2024 <u>September</u>	<u>Total</u>
<u>WACCOG Storage Inventory Pricing</u>									
(Injection)/Withdrawal Mcf									
60SS/115SS - 863/865	1,820,000	1,725,000	(1,300,000)	(1,475,000)	(1,425,000)	(1,475,000)	(1,475,000)	(1,425,000)	(5,030,000)
EGT&S GSS - 300196	500,000	175,000	(275,000)	(305,000)	(300,000)	(300,000)	(300,000)	(300,000)	(1,105,000)
EQT AVC GSS	1,370,000	1,674,000	(475,000)	(525,000)	(525,000)	(525,000)	(525,000)	(525,000)	(56,000)
EGT&S GSS - PNG	302,000	155,000	125,000	(235,000)	(235,000)	(235,000)	(235,000)	(235,000)	(593,000)
NFGS ESS	145,000	110,000	(40,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(285,000)
On-System - PNG	250,000	245,000	125,000	(195,000)	(230,000)	(230,000)	(230,000)	(230,000)	(495,000)
Columbia Gas - PG	17,000	15,500	(5,000)	(12,000)	(17,000)	(17,000)	(17,000)	(11,500)	(47,000)
EGT&S - PG	75,000	60,000	-	(35,000)	(85,000)	(85,000)	(85,000)	(65,000)	(220,000)
EQT - PG	650,000	537,425	(200,000)	(460,000)	(525,000)	(525,000)	(525,000)	(460,000)	(1,507,575)
On-System - PG	120,000	110,000	100,000	-	(72,000)	(100,000)	(100,000)	(100,000)	(42,000)
TOTAL	5,249,000	4,806,925	(1,945,000)	(3,342,000)	(3,514,000)	(3,592,000)	(3,592,000)	(3,451,500)	(9,380,575)
WACCOG Storage Inventory Rate	\$ 2.9972	\$ 2.9972	\$ 1.4246	\$ 1.4581	\$ 1.5563	\$ 1.6263	\$ 1.6020	\$ 1.3418	
WACCOG Storage Inventory Cost	\$ 15,732,303	\$ 14,407,316	\$ (2,770,895)	\$ (4,872,945)	\$ (5,468,788)	\$ (5,841,638)	\$ (5,754,355)	\$ (4,631,378)	\$ 799,620
	2024 <u>April</u>	2024 <u>May</u>	2024 <u>June</u>	2024 <u>July</u>	2024 <u>August</u>	2024 <u>September</u>	2024 <u>October</u>		
Local Purchases - Mcf	433,914	430,453	426,958	423,438	419,930	416,377	412,799		
Interstate Purchases - Mcf	<u>5,927,091</u>	<u>5,397,562</u>	<u>4,268,066</u>	<u>4,352,303</u>	<u>4,263,702</u>	<u>4,998,212</u>	<u>6,611,829</u>		
	6,361,005	5,828,015	4,695,024	4,775,741	4,683,632	5,414,589	7,024,628	38,782,635	
Local Purchases - Cost	\$586,262	\$594,633	\$638,237	\$671,414	\$653,329	\$548,174	\$506,644		
Interstate Purchases - Cost	\$8,366,645	\$7,758,463	\$6,515,674	\$6,935,545	\$6,692,049	\$6,582,798	\$8,348,351		
Injection/Withdrawal Costs	\$96,344	\$131,896	\$140,094	\$146,993	\$144,969	\$121,775	\$107,037		
Other Purchased Gas Costs	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>		
	\$9,062,044	\$8,497,785	\$7,306,798	\$7,766,746	\$7,503,141	\$7,265,540	\$8,974,826	\$56,376,880	
WACCOG Inventory Pricing	\$ 1.4246	\$ 1.4581	\$ 1.5563	\$ 1.6263	\$ 1.6020	\$ 1.3418	\$ 1.2776	\$ 1.4537	

Peoples Natural Gas Company
Annual 1307(F)-2024
Interim Period Projected Gas Costs - COMBINED
Storage Injection / Withdrawal Costs

		2024	2024	2024	2024	2024	2024	2024	2024	Total
		February	March	April	May	June	July	August	September	
Storage Injection/Withdrawal Costs										
<u>EQT AVC GSS</u>										
(Injection)/Withdrawal Mcf		1,370,000	1,674,000	(475,000)	(525,000)	(525,000)	(525,000)	(525,000)	(525,000)	(56,000)
Fuel on Injection	5.67%	\$ -	\$ -	\$ 0.0780	\$ 0.0798	\$ 0.0867	\$ 0.0923	\$ 0.0905	\$ 0.0759	
Injection Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Withdrawal Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ -	\$ -	\$ 0.0780	\$ 0.0798	\$ 0.0867	\$ 0.0923	\$ 0.0905	\$ 0.0759	
EQT AVC GSS Cost		\$ -	\$ -	\$ 37,027	\$ 41,902	\$ 45,543	\$ 48,459	\$ 47,513	\$ 39,868	\$ 260,313
<u>EQT 60SS/115SS</u>										
(Injection)/Withdrawal Mcf		1,820,000	1,725,000	(1,300,000)	(1,475,000)	(1,425,000)	(1,475,000)	(1,475,000)	(1,425,000)	(5,030,000)
Fuel on Injection	1.88%	\$ -	\$ -	\$ 0.0283	\$ 0.0290	\$ 0.0313	\$ 0.0331	\$ 0.0325	\$ 0.0277	
Injection Charge		\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0069	\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0069	\$ 0.0069	\$ 0.0352	\$ 0.0359	\$ 0.0382	\$ 0.0400	\$ 0.0394	\$ 0.0346	
EQT 60SS/115SS Cost		\$ 12,558	\$ 11,903	\$ 45,812	\$ 52,891	\$ 54,381	\$ 59,010	\$ 58,128	\$ 49,265	\$ 343,947
<u>EGT&S GSS - PNG</u>										
(Injection)/Withdrawal Mcf		302,000	155,000	125,000	(235,000)	(235,000)	(235,000)	(235,000)	(235,000)	(593,000)
Fuel on Injection	1.46%	\$ -	\$ -	\$ 0.0198	\$ 0.0203	\$ 0.0220	\$ 0.0235	\$ 0.0230	\$ 0.0193	
Injection Charge		\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0270	\$ 0.0270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0270	\$ 0.0270	\$ 0.0267	\$ 0.0272	\$ 0.0289	\$ 0.0304	\$ 0.0299	\$ 0.0262	
DTI GSS COSTS - PNG		\$ 8,154	\$ 4,185	\$ (3,335)	\$ 6,382	\$ 6,800	\$ 7,134	\$ 7,025	\$ 6,149	\$ 42,494
<u>EGT&S GSS - EGC</u>										
(Injection)/Withdrawal Mcf		500,000	175,000	(275,000)	(305,000)	(300,000)	(300,000)	(300,000)	(300,000)	(1,105,000)
Fuel on Injection	1.46%	\$ -	\$ -	\$ 0.0198	\$ 0.0203	\$ 0.0220	\$ 0.0235	\$ 0.0230	\$ 0.0193	
Injection Charge		\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0270	\$ 0.0270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0270	\$ 0.0270	\$ 0.0267	\$ 0.0272	\$ 0.0289	\$ 0.0304	\$ 0.0299	\$ 0.0262	
DTI GSS COSTS - EGC		\$ 13,500	\$ 4,725	\$ 7,337	\$ 8,283	\$ 8,680	\$ 9,107	\$ 8,969	\$ 7,850	\$ 68,451
<u>NFGS ESS</u>										
(Injection)/Withdrawal Mcf		145,000	110,000	(40,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(285,000)
Fuel on Injection	0.45%	\$ -	\$ -	\$ 0.0061	\$ 0.0063	\$ 0.0068	\$ 0.0073	\$ 0.0071	\$ 0.0060	
Injection Charge		\$ -	\$ -	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	
Withdrawal Charge		\$ 0.0472	\$ 0.0472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0472	\$ 0.0472	\$ 0.0533	\$ 0.0535	\$ 0.0540	\$ 0.0545	\$ 0.0543	\$ 0.0532	
NFGS ESS Cost		\$ 6,844	\$ 5,192	\$ 2,133	\$ 5,347	\$ 5,402	\$ 5,445	\$ 5,431	\$ 5,316	\$ 41,110
Peoples Gas										
<u>Storage Injection/Withdrawal Costs</u>										
		2024	2024	2024	2024	2024	2024	2024	2024	
		February	March	April	May	June	July	August	September	
<u>Columbia Gas Transmission - FSS</u>										
(Injection)/Withdrawal Mcf		17,000	15,500	(5,000)	(12,000)	(17,000)	(17,000)	(17,000)	(11,500)	(47,000)
SST Delivery to FSS Charge		\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	
SST Fuel Charge	2.15%	\$0.0440	\$0.0303	\$0.0311	\$0.0325	\$0.0344	\$0.0362	\$0.0359	\$0.0312	
FSS Injection Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
FSS Fuel Charge	0.40%	\$0.0085	\$0.0059	\$0.0060	\$0.0063	\$0.0066	\$0.0070	\$0.0069	\$0.0060	
FSS Withdrawal Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
SST Fuel Charge to City-Gate	2.15%	\$0.0458	\$0.0318	\$0.0326	\$0.0340	\$0.0359	\$0.0378	\$0.0375	\$0.0327	
SST Delivery to City-Gate		\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	
		\$0.0743	\$0.0603	\$0.0656	\$0.0673	\$0.0695	\$0.0717	\$0.0713	\$0.0657	
CGT FSS Cost		\$ 1,264	\$ 934	\$ 328	\$ 808	\$ 1,182	\$ 1,219	\$ 1,212	\$ 756	\$ 7,702
<u>Eastern Gas Storage and Transmission GSS</u>										
(Injection)/Withdrawal Mcf		75,000	60,000	-	(35,000)	(85,000)	(85,000)	(85,000)	(65,000)	(220,000)
Fuel on Injection	1.46%	\$ 0.0250	\$ 0.0178	\$ 0.0186	\$ 0.0191	\$ 0.0208	\$ 0.0221	\$ 0.0217	\$ 0.0181	
Injection Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	
		\$ 0.0270	\$ 0.0270	\$ 0.0255	\$ 0.0260	\$ 0.0277	\$ 0.0290	\$ 0.0286	\$ 0.0250	
DTI GSS Cost		\$ 2,025	\$ 1,620	\$ -	\$ 910	\$ 2,352	\$ 2,467	\$ 2,430	\$ 1,628	\$ 13,432
<u>Equitrans, LP 60SS</u>										
(Injection)/Withdrawal Mcf		650,000	537,425	(200,000)	(460,000)	(525,000)	(525,000)	(525,000)	(460,000)	(1,507,575)
Fuel on Injection	1.88%	\$ 0.0322	\$ 0.0229	\$ 0.0283	\$ 0.0265	\$ 0.0231	\$ 0.0201	\$ 0.0203	\$ 0.0169	
Injection Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
		\$ 0.0069	\$ 0.0069	\$ 0.0352	\$ 0.0334	\$ 0.0300	\$ 0.0270	\$ 0.0272	\$ 0.0238	
EQT 60SS Cost		\$ 4,485	\$ 3,708	\$ 7,042	\$ 15,373	\$ 15,754	\$ 14,151	\$ 14,260	\$ 10,943	\$ 85,717
TOTAL STORAGE INJ/WD COST		\$ 48,830	\$ 32,267	\$ 96,344	\$ 131,896	\$ 140,094	\$ 146,993	\$ 144,969	\$ 121,775	\$ 863,167

Peoples Natural Gas Company
Annual 1307(f)-2024
Interim Period Projected Gas Costs - COMBINED
Interstate Pipeline Demand and Capacity Costs

	2024 February	2024 March	2024 April	2024 May	2024 June	2024 July	2024 August	2024 September	Total
Interstate Transportation									
<u>Equitrans</u>									
EFT - 1565									
Demand Determinant - Dth	251,700	251,700	62,000	62,000	62,000	62,000	62,000	62,000	
Demand Rate - \$/Dth	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	
Demand Cost - \$	\$ 1,934,315	\$ 1,934,315	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 6,727,449
<u>Equitrans</u>									
NOFT - 860									
Demand Determinant - Dth	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	
Demand Rate - \$/Dth	\$ 8.291	\$ 8.291	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	
Demand Cost - \$	\$ 659,500	\$ 659,500	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 4,907,545
<u>Equitrans</u>									
EFT - 1559									
Demand Determinant - Dth	164,935	164,935	164,935	164,935	164,935	164,935	164,935	164,935	
Demand Rate - \$/Dth	\$ 6.121	\$ 6.121	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	
Demand Cost - \$	\$ 1,009,501	\$ 1,009,501	\$ 916,362	\$ 916,362	\$ 916,362	\$ 916,362	\$ 916,362	\$ 916,362	\$ 7,517,177
<u>Eastern GT&S</u>									
FTNN - 100119									
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 1,938,943
<u>Eastern GT&S</u>									
FT - 200654									
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 1,903,776
<u>Texas Eastern Transmission</u>									
FT-1									
Demand Determinant - Dth	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	
Demand Rate - \$/Dth	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	
Demand Cost - \$	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 2,082,577
<u>National Fuel Gas Supply</u>									
EFT									
Demand Determinant - Dth	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	
Demand Rate - \$/Dth	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	
Demand Cost - \$	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 637,760
<u>Columbia Gas Transmission</u>									
FTS - 133308									
Demand Determinant - Dth	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	
Demand Rate - \$/Dth	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	
Demand Cost - \$	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 325,408
<u>Texas Eastern Transmission</u>									
FT - 911299									
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	
Demand Cost - \$	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 753,184
<u>Eastern GT&S</u>									
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	
Demand Cost - \$	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 475,944
Equitable Energy - NAESB									
Demand Determinant - Dth	11,665,780	12,915,685	-	-	-	-	-	-	
Demand Rate - \$/Dth	\$ 0.1746	\$ 0.1746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Demand Cost - \$	\$ 2,036,845	\$ 2,255,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,291,924
TGP Winter Reservation - Z4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TETCO Winter Reservation - M3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TETCO - AMA	\$ (256,009)	\$ (256,009)	\$ (256,009)	\$ (256,009)	\$ (256,009)	\$ (256,009)	\$ (256,009)	\$ (256,009)	\$ (2,048,070)
Total Demand and Capacity Costs									
Demand Determinant - Dth	621,306	621,306	431,606	431,606	431,606	431,606	431,606	431,606	
Demand Cost - \$	\$ 6,398,851	\$ 6,617,084	\$ 2,749,614	\$ 2,749,614	\$ 2,749,614	\$ 2,749,614	\$ 2,749,614	\$ 2,749,614	\$ 29,513,616

1/ EGT&S Contract 100119 Capacity Charges include additional costs for HUB III project.

2/ Reflects 75% of the AMA capacity release revenues.

Peoples Natural Gas Company
Annual 1307(f)-2024
Interim Period Projected Gas Costs - COMBINED
Interstate Pipeline Demand and Capacity Costs

	2024 <u>February</u>	2024 <u>March</u>	2024 <u>April</u>	2024 <u>May</u>	2024 <u>June</u>	2024 <u>July</u>	2024 <u>August</u>	2024 <u>September</u>	<u>Total</u>
<u>Interstate Storage Transportation</u>									
<u>Equitrans</u>									
EFT - 1560									
Demand Determinant - Dth	137,010	137,010	76,142	76,142	76,142	76,142	76,142	76,142	
Demand Rate - \$/Dth	\$ 6.1206	\$ 6.1206	\$ 5.5559	\$ 5.5559	\$ 5.5559	\$ 5.5559	\$ 5.5559	\$ 5.5559	
Demand Cost - \$	\$ 838,583	\$ 838,583	\$ 423,037	\$ 423,037	\$ 423,037	\$ 423,037	\$ 423,037	\$ 423,037	\$ 4,215,391
 <u>Equitrans</u>									
EFT - 1561									
Demand Determinant - Dth	50,536	50,536	26,915	26,915	26,915	26,915	26,915	26,915	
Demand Rate - \$/Dth	\$ 6.1206	\$ 6.1206	\$ 5.5559	\$ 5.5559	\$ 5.5559	\$ 5.5559	\$ 5.5559	\$ 5.5559	
Demand Cost - \$	\$ 309,311	\$ 309,311	\$ 149,537	\$ 149,537	\$ 149,537	\$ 149,537	\$ 149,537	\$ 149,537	\$ 1,515,844
 <u>Columbia Gas Transmission</u>									
SST - 38091/50113									
Demand Determinant - Dth	2,000	2,000	1,000	1,000	1,000	1,000	1,000	2,000	
Demand Rate - \$/Dth	\$ 10.0500	\$ 10.0500	\$ 10.0500	\$ 10.0500	\$ 10.0500	\$ 10.0500	\$ 10.0500	\$ 10.0500	
Demand Cost - \$	\$ 20,100	\$ 20,100	\$ 10,050	\$ 10,050	\$ 10,050	\$ 10,050	\$ 10,050	\$ 20,100	
 <u>Eastern Gas Transmission and Storage</u>									
FTGSS - 700037/700039/700042									
Demand Determinant - Dth	-	-	-	-	-	-	-	-	
Demand Rate - \$/Dth	\$ -	\$ -							
Demand Cost - \$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
 <u>Eastern Gas Transmission and Storage</u>									
FT - 200623									
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	
Demand Cost - \$	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	
 <u>Total Demand and Capacity Costs</u>									
Demand Determinant - Dth	199,546	199,546	114,057	114,057	114,057	114,057	114,057	115,057	
Demand Cost - \$	\$ 1,227,487	\$ 1,227,487	\$ 642,117	\$ 642,117	\$ 642,117	\$ 642,117	\$ 642,117	\$ 652,167	\$ 6,317,728

Peoples Natural Gas Company - Peoples Natural Gas and Peoples Gas Divisions
Annual 1307(f)-2024
Projected Period Gas Costs - COMBINED
SUMMARY

	2024 October	2024 November	2024 December	2025 January	2025 February	2025 March	2025 April	2025 May	2025 June	2025 July	2025 August	2025 September	12-Mth Total
Local / Gathered Purchases													
Quantity - Mcf	412,799	409,213	405,695	402,212	398,679	395,139	391,697	388,235	384,740	381,219	377,713	374,160	4,721,501
Rate per Mcf	\$1.2273	\$1.7947	\$2.5064	\$2.8055	\$2.7419	\$2.4917	\$2.2345	\$2.1410	\$2.2356	\$2.3050	\$2.2574	\$1.9055	\$2.2186
Cost	\$506,644	\$734,402	\$1,016,826	\$1,128,413	\$1,093,126	\$984,576	\$875,238	\$831,221	\$860,117	\$878,707	\$852,652	\$712,965	\$10,474,886
Interstate Pipeline Purchases													
Quantity - Mcf	6,611,829	3,979,359	7,049,882	4,439,387	3,249,980	3,790,749	5,607,551	5,368,013	4,398,403	4,432,633	4,344,018	5,133,603	58,405,407
Rate per Mcf	\$1.2626	\$1.9038	\$2.6870	\$3.1487	\$3.0275	\$2.6341	\$2.3473	\$2.2447	\$2.3500	\$2.4266	\$2.3782	\$1.9968	\$2.3210
Cost	\$8,348,351	\$7,576,077	\$18,943,049	\$13,978,433	\$9,839,447	\$9,985,200	\$13,162,680	\$12,049,721	\$10,336,338	\$10,756,123	\$10,331,141	\$10,250,906	\$135,557,466
Total Commodity Purchases													
Quantity - Mcf	7,024,628	4,388,572	7,455,577	4,841,599	3,648,659	4,185,888	5,999,248	5,756,248	4,783,143	4,813,852	4,721,731	5,507,763	63,126,908
Rate per Mcf	\$1.2606	\$1.8937	\$2.6772	\$3.1202	\$2.9963	\$2.6207	\$2.3399	\$2.2377	\$2.3408	\$2.4169	\$2.3686	\$1.9906	\$2.3133
Cost	\$8,854,995	\$8,310,479	\$19,959,874	\$15,106,846	\$10,932,572	\$10,969,776	\$14,037,917	\$12,880,942	\$11,196,455	\$11,634,830	\$11,183,793	\$10,963,871	\$146,032,352
Storage (Injection)/Withdrawals - WACCOG													
Quantity - Mcf	(2,871,200)	2,366,891	4,181,987	5,715,969	5,069,090	4,568,000	(1,582,818)	(3,270,000)	(3,602,000)	(3,630,000)	(3,630,000)	(3,544,500)	(228,581)
WACCOG Rate per Mcf	\$1.2776	\$1.4537	\$1.4537	\$1.4537	\$1.4537	\$1.4537	\$2.3557	\$2.2702	\$2.3838	\$2.4610	\$2.4128	\$2.0229	
Cost	(\$3,668,311)	\$3,440,662	\$6,079,199	\$8,309,093	\$7,368,748	\$6,640,332	(\$3,728,703)	(\$7,423,514)	(\$8,586,428)	(\$8,933,539)	(\$8,758,359)	(\$7,170,121)	(\$16,430,939)
Injection/Withdrawal Costs	\$107,037	\$28,307	\$50,899	\$65,176	\$46,440	\$31,711	\$81,940	\$174,028	\$192,783	\$199,411	\$195,868	\$164,913	\$1,338,513
Pipeline Transportation Charges													\$0
Other Purchased Gas Costs													
Other Gas Costs - Mcf	-	-	-	-	-	-	-	-	-	-	-	-	0
Risk Mgmt / Gas Admin Costs	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$153,520
Imbalance Buyback Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Exchange Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Compressed Natural Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$153,520
Capacity Costs - Firm Transportation	\$2,749,614	\$6,701,756	\$6,774,500	\$6,774,500	\$6,556,267	\$6,774,500	\$2,907,030	\$2,907,030	\$2,907,030	\$2,907,030	\$2,907,030	\$2,907,030	\$53,773,314
Capacity Costs - Firm Storage	\$2,264,807	\$2,850,177	\$2,850,177	\$2,850,177	\$2,850,177	\$2,850,177	\$2,264,807	\$2,264,807	\$2,264,807	\$2,264,807	\$2,264,807	\$2,264,807	\$30,104,538
AVC Capacity Costs	\$2,958,116	\$6,608,366	\$6,608,366	\$6,608,366	\$6,608,366	\$6,608,366	\$2,958,116	\$2,958,116	\$2,958,116	\$2,958,116	\$2,958,116	\$2,958,116	\$53,748,644
	\$7,972,537	\$16,160,299	\$16,233,044	\$16,233,044	\$16,014,810	\$16,233,044	\$8,129,953	\$8,129,953	\$8,129,953	\$8,129,953	\$8,129,953	\$8,129,953	\$137,626,495
Total 1307(f) Gas Costs													
	\$ 13,279,052	\$ 27,952,540	\$ 42,335,809	\$ 39,726,952	\$ 34,375,364	\$ 33,887,656	\$ 18,533,901	\$ 13,774,202	\$ 10,945,556	\$ 11,043,448	\$ 10,764,049	\$ 12,101,410	\$ 268,719,941
Total - w/o AVC	\$ 10,320,936	\$ 21,344,174	\$ 35,727,443	\$ 33,118,586	\$ 27,766,997	\$ 27,279,290	\$ 15,575,785	\$ 10,816,086	\$ 7,987,440	\$ 8,085,332	\$ 7,805,933	\$ 9,143,294	\$ 214,971,297
Capacity (excludes AVC)	\$ 5,014,421	\$ 9,551,933	\$ 9,624,677	\$ 9,624,677	\$ 9,406,444	\$ 9,624,677	\$ 5,171,837	\$ 5,171,837	\$ 5,171,837	\$ 5,171,837	\$ 5,171,837	\$ 5,171,837	\$ 83,877,851
Commodity	\$ 5,306,515	\$ 11,792,241	\$ 26,102,766	\$ 23,493,909	\$ 18,360,553	\$ 17,654,612	\$ 10,403,948	\$ 5,644,249	\$ 2,815,603	\$ 2,913,495	\$ 2,634,096	\$ 3,971,457	\$ 131,093,446
1307(f) Mcf	4,153,428	6,755,463	11,637,564	10,557,568	8,717,749	8,753,888	4,416,430	2,486,248	1,181,143	1,183,852	1,091,731	1,963,263	62,898,327

Peoples Natural Gas Company - Peoples Natural Gas and Peoples Gas Divisions
Annual 1307(f)-2024
Projected Period Gas Costs - COMBINED

Local Purchases

	2024 <u>October</u>	2024 <u>November</u>	2024 <u>December</u>	2025 <u>January</u>	2025 <u>February</u>	2025 <u>March</u>	2025 <u>April</u>	2025 <u>May</u>	2025 <u>June</u>	2025 <u>July</u>	2025 <u>August</u>	2025 <u>September</u>	12-Mth <u>Collection</u>
<u>Local / Gathered Purchases</u>													
Quantity - Mcf	412,799	409,213	405,695	402,212	398,679	395,139	391,697	388,235	384,740	381,219	377,713	374,160	4,721,501
Rate per Mcf	\$ 1.227	\$ 1.795	\$ 2.506	\$ 2.806	\$ 2.742	\$ 2.492	\$ 2.234	\$ 2.141	\$ 2.236	\$ 2.305	\$ 2.257	\$ 1.906	\$ 2.219
Cost	\$ 506,644	\$ 734,402	\$ 1,016,826	\$ 1,128,413	\$ 1,093,126	\$ 984,576	\$ 875,238	\$ 831,221	\$ 860,117	\$ 878,707	\$ 852,652	\$ 712,965	\$ 10,474,886

Peoples Natural Gas Company - Peoples Natural Gas and Peoples Gas Divisions
Annual 1307(f)-2024
Projected Period Gas Costs - COMBINED

Interstate Pipeline Purchases

	2024 <u>October</u>	2024 <u>November</u>	2024 <u>December</u>	2025 <u>January</u>	2025 <u>February</u>	2025 <u>March</u>	2025 <u>April</u>	2025 <u>May</u>	2025 <u>June</u>	2025 <u>July</u>	2025 <u>August</u>	2025 <u>September</u>	12-Mth <u>Collection</u>
<u>City-Gate Mcf</u>													
EQT - NAESB	6,088,829	3,549,359	6,191,382	3,711,887	2,832,480	3,560,749	5,228,051	4,821,013	3,698,403	3,727,033	3,643,418	4,485,103	51,537,707
EGT&S SP	172,000	0	0	0	0	0	100,000	352,000	404,000	404,000	399,000	342,000	2,173,000
Tennessee Gas Pipeline	20,000	150,000	310,000	210,000	150,000	0	0	0	0	0	0	15,000	855,000
Texas Eastern Transmission	90,000	140,000	310,000	325,000	165,000	130,000	120,000	6,000	90,000	90,000	90,000	90,000	1,646,000
National Fuel Gas Supply	186,000	60,000	108,500	77,500	14,500	0	102,000	155,000	168,000	173,600	173,600	168,000	1,386,700
Columbia Gas Transmission	20,000	40,000	55,000	35,000	32,000	40,000	12,500	14,000	18,000	18,000	18,000	13,500	316,000
Tennessee into Columbia	<u>35,000</u>	<u>40,000</u>	<u>75,000</u>	<u>80,000</u>	<u>56,000</u>	<u>60,000</u>	<u>45,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>491,000</u>
TOTAL MCF	6,611,829	3,979,359	7,049,882	4,439,387	3,249,980	3,790,749	5,607,551	5,368,013	4,398,403	4,432,633	4,344,018	5,133,603	58,405,407
<u>Interstate Pricing</u>													
EQT - NAESB	\$1.2591	\$1.8525	\$2.6165	\$2.9377	\$2.8694	\$2.6012	\$2.3414	\$2.2477	\$2.3563	\$2.4320	\$2.3812	\$1.9998	
EGT&S SP	\$1.2239	\$1.8303	\$2.5903	\$2.9098	\$2.8419	\$2.5751	\$2.3008	\$2.2013	\$2.3024	\$2.3766	\$2.3261	\$1.9513	
Tennessee Gas Pipeline	\$1.6531	\$2.3041	\$3.0446	\$3.3446	\$3.2464	\$3.0347	\$2.7508	\$2.6837	\$2.6718	\$2.7945	\$2.7810	\$2.3093	
Texas Eastern Transmission	\$1.3073	\$2.0779	\$3.7180	\$5.6248	\$5.1366	\$2.9047	\$2.3322	\$2.2729	\$2.3494	\$2.5241	\$2.5496	\$2.0857	
National Fuel Gas Supply	\$1.2246	\$1.8285	\$2.5854	\$2.9036	\$2.8360	\$2.5702	\$2.2971	\$2.1980	\$2.2987	\$2.3726	\$2.3223	\$1.9490	
Columbia Gas Transmission	\$1.4400	\$2.0265	\$2.7916	\$3.3543	\$3.2224	\$2.8266	\$2.4843	\$2.4213	\$2.4965	\$2.5871	\$2.5574	\$2.2279	
Tennessee into Columbia	\$1.6531	\$2.3041	\$3.0446	\$3.3446	\$3.2464	\$3.0347	\$2.7508	\$2.6837	\$2.6718	\$2.7945	\$2.7810	\$2.3093	
<u>Interstate Purchase Cost</u>													
EQT - NAESB	\$7,666,213	\$6,575,158	\$16,199,829	\$10,904,323	\$8,127,583	\$9,262,109	\$12,240,828	\$10,836,100	\$8,714,722	\$9,064,068	\$8,675,849	\$8,969,391	\$117,236,175
EGT&S SP	210,508	0	0	0	0	0	230,083	774,875	930,175	960,159	928,114	667,353	4,701,266
Tennessee Gas Pipeline	33,062	345,618	943,826	702,374	486,954	0	0	0	0	0	0	34,640	2,546,474
Texas Eastern Transmission	117,655	290,909	1,152,580	1,732,822	847,532	377,614	279,864	13,638	211,442	227,167	229,460	187,715	5,668,398
National Fuel Gas Supply	227,774	109,708	280,516	225,028	41,121	0	234,303	340,693	386,175	411,879	403,143	327,436	2,987,775
Columbia Gas Transmission	28,799	81,061	153,539	117,402	103,117	113,064	31,054	33,898	44,937	46,568	46,034	30,076	829,548
EQT NOFT Delivery Costs	6,482	81,459	(15,586)	28,913	51,342	50,331	22,761	(3,156)	(4,549)	(9,608)	(7,077)	(11,891)	189,421
Tennessee into Columbia	<u>57,858</u>	<u>92,165</u>	<u>228,345</u>	<u>267,571</u>	<u>181,796</u>	<u>182,083</u>	<u>123,786</u>	<u>53,674</u>	<u>53,435</u>	<u>55,890</u>	<u>55,619</u>	<u>46,186</u>	<u>1,398,409</u>
TOTAL COST	\$8,348,351	\$7,576,077	\$18,943,049	\$13,978,433	\$9,839,447	\$9,985,200	\$13,162,680	\$12,049,721	\$10,336,338	\$10,756,123	\$10,331,141	\$10,250,906	\$135,557,466

Peoples Natural Gas Company
Annual 1307(f)-2024
Projected Period Gas Costs - COMBINED
WACCOG Storage Inventory Pricing

	2024 <u>October</u>	2024 <u>November</u>	2024 <u>December</u>	2025 <u>January</u>	2025 <u>February</u>	2025 <u>March</u>	2025 <u>April</u>	2025 <u>May</u>	2025 <u>June</u>	2025 <u>July</u>	2025 <u>August</u>	2025 <u>September</u>	12-Mth <u>Collection</u>
WACCOG Storage Inventory Pricing													
(Injection)/Withdrawal Mcf													
60SS/115SS - 863/865	(1,425,000)	1,400,000	2,000,000	2,790,000	1,825,000	1,725,000	(1,200,000)	(1,350,000)	(1,455,000)	(1,455,000)	(1,455,000)	(1,455,000)	(55,000)
EGT&S GSS - 300196	(295,000)	250,000	460,000	715,000	495,000	130,000	(275,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(20,000)
EQT AVC GSS	(525,000)	-	-	550,000	1,400,000	1,520,000	(151,818)	(595,000)	(595,000)	(595,000)	(595,000)	(595,000)	(181,818)
EGT&S GSS - PNG	(195,000)	125,000	300,000	350,000	275,000	200,000	95,000	(225,000)	(225,000)	(225,000)	(225,000)	(230,000)	20,000
NFGS ESS	(80,000)	64,000	146,000	165,000	135,000	110,000	(40,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	-
On-System - PNG	(35,000)	25,000	280,000	275,000	225,000	200,000	120,000	(193,000)	(228,000)	(228,000)	(228,000)	(228,000)	(15,000)
Columbia Gas - PG	(4,200)	14,000	16,000	22,000	19,000	13,000	(5,000)	(12,000)	(17,000)	(17,000)	(17,000)	(11,500)	300
EGT&S - PG	(40,000)	70,000	90,000	105,000	75,000	55,000	-	(35,000)	(85,000)	(85,000)	(85,000)	(65,000)	-
EQT - PG	(200,000)	378,891	849,987	633,969	525,090	530,000	(200,000)	(460,000)	(525,000)	(525,000)	(525,000)	(460,000)	22,937
On-System - PG	(72,000)	40,000	40,000	110,000	95,000	85,000	74,000	-	(72,000)	(100,000)	(100,000)	(100,000)	-
TOTAL	(2,871,200)	2,366,891	4,181,987	5,715,969	5,069,090	4,568,000	(1,582,818)	(3,270,000)	(3,602,000)	(3,630,000)	(3,630,000)	(3,544,500)	(228,581)
WACCOG Storage Inventory Rate	\$ 1.2776	\$ 1.4537	\$ 1.4537	\$ 1.4537	\$ 1.4537	\$ 1.4537	\$ 2.3557	\$ 2.2702	\$ 2.3838	\$ 2.4610	\$ 2.4128	\$ 2.0229	
WACCOG Storage Inventory Cost	\$ (3,668,311)	\$ 3,440,662	\$ 6,079,199	\$ 8,309,093	\$ 7,368,748	\$ 6,640,332	\$ (3,728,703)	\$ (7,423,514)	\$ (8,586,428)	\$ (8,933,539)	\$ (8,758,359)	\$ (7,170,121)	\$ (16,430,939)

	2025 <u>April</u>	2025 <u>May</u>	2025 <u>June</u>	2025 <u>July</u>	2025 <u>August</u>	2025 <u>September</u>
Local Purchases - Mcf	391,697	388,235	384,740	381,219	377,713	374,160
Interstate Purchases - Mcf	<u>5,607,551</u>	<u>5,368,013</u>	<u>4,398,403</u>	<u>4,432,633</u>	<u>4,344,018</u>	<u>5,133,603</u>
	5,999,248	5,756,248	4,783,143	4,813,852	4,721,731	5,507,763
Local Purchases - Cost	\$875,238	\$831,221	\$860,117	\$878,707	\$852,652	\$712,965
Interstate Purchases - Cost	\$13,162,680	\$12,049,721	\$10,336,338	\$10,756,123	\$10,331,141	\$10,250,906
Injection/Withdrawal Costs	\$81,940	\$174,028	\$192,783	\$199,411	\$195,868	\$164,913
Other Purchased Gas Costs	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>	<u>\$12,793</u>
	\$14,132,651	\$13,067,763	\$11,402,031	\$11,847,034	\$11,392,454	\$11,141,578
WACCOG Inventory Pricing	\$ 2.3557	\$ 2.2702	\$ 2.3838	\$ 2.4610	\$ 2.4128	\$ 2.0229

Peoples Natural Gas Company
Annual 1307(f)-2024
Projected Period Gas Costs - COMBINED
Storage Injection / Withdrawal Costs

		2024	2024	2024	2025	2025	2025	2025	2025	2025	2025	2025	2025	12-Mth
		October	November	December	January	February	March	April	May	June	July	August	September	Collection
Storage Injection/Withdrawal Costs														
EQT AVC GSS														
(Injection)/Withdrawal Mcf		(525,000)	-	-	550,000	1,400,000	1,520,000	(151,818)	(595,000)	(595,000)	(595,000)	(595,000)	(595,000)	(181,818)
Fuel on Injection	5.67%	\$ 0.0705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1320	\$ 0.1263	\$ 0.1321	\$ 0.1363	\$ 0.1334	\$ 0.1120	
Injection Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Withdrawal Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1320	\$ 0.1263	\$ 0.1321	\$ 0.1363	\$ 0.1334	\$ 0.1120	
EQT AVC GSS Cost		\$ 37,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,035	\$ 75,144	\$ 78,574	\$ 81,093	\$ 79,377	\$ 66,658	\$ 437,911
EQT 60SS/115SS														
(Injection)/Withdrawal Mcf		(1,425,000)	1,400,000	2,000,000	2,790,000	1,825,000	1,725,000	(1,200,000)	(1,350,000)	(1,455,000)	(1,455,000)	(1,455,000)	(1,455,000)	(55,000)
Fuel on Injection	1.88%	\$ 0.0259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0283	\$ 0.0290	\$ 0.0313	\$ 0.0331	\$ 0.0325	\$ 0.0277	
Injection Charge		\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0328	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0352	\$ 0.0359	\$ 0.0382	\$ 0.0400	\$ 0.0394	\$ 0.0346	
EQT 60SS/115SS Cost		\$ 46,707	\$ 9,660	\$ 13,800	\$ 19,251	\$ 12,593	\$ 11,903	\$ 42,288	\$ 48,409	\$ 55,526	\$ 58,210	\$ 57,340	\$ 50,302	\$ 425,987
EGT&S GSS - PNG														
(Injection)/Withdrawal Mcf		(195,000)	125,000	300,000	350,000	275,000	200,000	95,000	(225,000)	(225,000)	(225,000)	(225,000)	(230,000)	20,000
Fuel on Injection	1.46%	\$ 0.0179	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0336	\$ 0.0322	\$ 0.0336	\$ 0.0347	\$ 0.0340	\$ 0.0285	
Injection Charge		\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ -	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0248	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0405	\$ 0.0391	\$ 0.0405	\$ 0.0416	\$ 0.0409	\$ 0.0354	
DTI GSS COSTS - PNG		\$ 4,832	\$ 3,375	\$ 8,100	\$ 9,450	\$ 7,425	\$ 5,400	\$ (3,849)	\$ 8,789	\$ 9,121	\$ 9,365	\$ 9,199	\$ 8,144	\$ 79,352
EGT&S GSS - EGC														
(Injection)/Withdrawal Mcf		(295,000)	250,000	460,000	715,000	495,000	130,000	(275,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(20,000)
Fuel on Injection	1.46%	\$ 0.0179	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0336	\$ 0.0322	\$ 0.0336	\$ 0.0347	\$ 0.0340	\$ 0.0285	
Injection Charge		\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ -	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0248	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0405	\$ 0.0391	\$ 0.0405	\$ 0.0416	\$ 0.0409	\$ 0.0354	
DTI GSS COSTS - EGC		\$ 7,311	\$ 6,750	\$ 12,420	\$ 19,305	\$ 13,365	\$ 3,510	\$ 11,142	\$ 11,719	\$ 12,162	\$ 12,487	\$ 12,266	\$ 10,623	\$ 133,058
NFGS ESS														
(Injection)/Withdrawal Mcf		(80,000)	64,000	146,000	165,000	135,000	110,000	(40,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	-
Fuel on Injection	0.45%	\$ 0.0055	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0104	\$ 0.0099	\$ 0.0104	\$ 0.0107	\$ 0.0105	\$ 0.0088	
Injection Charge		\$ 0.0472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	
Withdrawal Charge		\$ -	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0527	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0472	\$ 0.0576	\$ 0.0571	\$ 0.0576	\$ 0.0579	\$ 0.0577	\$ 0.0560	
NFGS ESS Cost		\$ 4,219	\$ 3,021	\$ 6,891	\$ 7,788	\$ 6,372	\$ 5,192	\$ 2,303	\$ 5,714	\$ 5,759	\$ 5,792	\$ 5,770	\$ 5,601	\$ 64,422
		\$ 100,099	\$ 22,806	\$ 41,211	\$ 55,794	\$ 39,755	\$ 26,005	\$ 71,919	\$ 149,774	\$ 161,141	\$ 166,948	\$ 163,952	\$ 141,328	\$ 1,140,731
Peoples Gas														
Storage Injection/Withdrawal Costs														
		2024	2024	2024	2025	2025	2025	2025	2025	2025	2025	2025	2025	
		October	November	December	January	February	March	April	May	June	July	August	September	
Columbia Gas Transmission - FSS														
(Injection)/Withdrawal Mcf		(4,200)	14,000	16,000	22,000	19,000	13,000	(5,000)	(12,000)	(17,000)	(17,000)	(17,000)	(11,500)	300
SST Delivery to FSS Charge		\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	
SST Fuel Charge	2.15%	\$0.0291	\$0.0410	\$0.0565	\$0.0679	\$0.0652	\$0.0572	\$0.0503	\$0.0490	\$0.0505	\$0.0523	\$0.0517	\$0.0451	
FSS Injection Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
FSS Fuel Charge	0.40%	\$0.0056	\$0.0079	\$0.0109	\$0.0130	\$0.0125	\$0.0110	\$0.0097	\$0.0094	\$0.0097	\$0.0101	\$0.0100	\$0.0087	
FSS Withdrawal Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
SST Fuel Charge to City-Gate	2.15%	\$0.0305	\$0.0427	\$0.0586	\$0.0703	\$0.0675	\$0.0593	\$0.0522	\$0.0509	\$0.0525	\$0.0543	\$0.0537	\$0.0469	
SST Delivery to City-Gate		\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	
		\$0.0633	\$0.0712	\$0.0871	\$0.0988	\$0.0960	\$0.0878	\$0.0884	\$0.0869	\$0.0887	\$0.0909	\$0.0902	\$0.0823	
CGT FSS Cost		\$ 266	\$ 997	\$ 1,393	\$ 2,173	\$ 1,825	\$ 1,142	\$ 442	\$ 1,043	\$ 1,508	\$ 1,546	\$ 1,533	\$ 946	\$ 14,813
Eastern Gas Storage and Transmission GSS														
(Injection)/Withdrawal Mcf		(40,000)	70,000	90,000	105,000	75,000	55,000	-	(35,000)	(85,000)	(85,000)	(85,000)	(65,000)	-
Fuel on Injection	1.46%	\$ 0.0168	\$ 0.0252	\$ 0.0358	\$ 0.0402	\$ 0.0393	\$ 0.0356	\$ 0.0318	\$ 0.0304	\$ 0.0318	\$ 0.0328	\$ 0.0321	\$ 0.0269	
Injection Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	
Withdrawal Charge		\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0270	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	
		\$0.0237	\$0.0270	\$0.0270	\$0.0270	\$0.0165	\$0.0165	\$0.0585	\$0.0571	\$0.0585	\$0.0595	\$0.0588	\$0.0536	
DTI GSS Cost		\$ 949	\$ 1,890	\$ 2,430	\$ 2,835	\$ 1,238	\$ 908	\$ -	\$ 1,998	\$ 4,972	\$ 5,060	\$ 5,000	\$ 3,486	\$ 30,766
Equitrans_LP 60SS														
(Injection)/Withdrawal Mcf		(200,000)	378,891	849,987	633,969	525,090	530,000	(200,000)	(460,000)	(525,000)	(525,000)	(525,000)	(460,000)	22,937
Fuel on Injection	1.88%	\$ 0.0217	\$ 0.0326	\$ 0.0462	\$ 0.0519	\$ 0.0507	\$ 0.0459	\$ 0.0410	\$ 0.0392	\$ 0.0410	\$ 0.0424	\$ 0.0414	\$ 0.0347	
Injection Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
		\$0.0286	\$0.0069	\$0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0479	\$ 0.0461	\$ 0.0479	\$ 0.0493	\$ 0.0483	\$ 0.0416	
EQT 60SS Cost		\$ 5,723	\$ 2,614	\$ 5,865	\$ 4,374	\$ 3,623	\$ 3,657	\$ 9,579	\$ 21,213	\$ 25,160	\$ 25,858	\$ 25,383	\$ 19,154	\$ 152,203
		\$ 6,938	\$ 5,501	\$ 9,688	\$ 9,382	\$ 6,685	\$ 5,706	\$ 10,021	\$ 24,254	\$ 31,641	\$ 32,463	\$ 31,917	\$ 23,585	\$ 197,782
TOTAL STORAGE INI/WD COST		\$ 107,037	\$ 28,307	\$ 50,899	\$ 65,176	\$ 46,440	\$ 31,711	\$ 81,940	\$ 174,028	\$ 192,783	\$ 199,411	\$ 195,868	\$ 164,913	\$ 1,338,513

Peoples Natural Gas Company
Annual 1307(f)-2024
Projected Period Gas Costs - COMBINED

Interstate Pipeline Demand and Capacity Costs

	2024 October	2024 November	2024 December	2025 January	2025 February	2025 March	2025 April	2025 May	2025 June	2025 July	2025 August	2025 September	12-Mth Collection
Interstate Transportation													
Equitrans													
EFT - 1565													
Demand Determinant - Dth	62,000	251,700	251,700	251,700	251,700	251,700	62,000	62,000	62,000	62,000	62,000	62,000	
Demand Rate - \$/Dth	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	
Demand Cost - \$	\$ 476,470	\$ 1,934,315	\$ 1,934,315	\$ 1,934,315	\$ 1,934,315	\$ 1,934,315	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 13,006,863
Equitrans													
NOFT - 860													
Demand Determinant - Dth	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	
Demand Rate - \$/Dth	\$ 7.519	\$ 8.291	\$ 8.291	\$ 8.291	\$ 8.291	\$ 8.291	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	
Demand Cost - \$	\$ 598,091	\$ 659,500	\$ 659,500	\$ 659,500	\$ 659,500	\$ 659,500	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 7,484,135
Equitrans													
EFT - 1559													
Demand Determinant - Dth	164,935	164,935	164,935	164,935	164,935	164,935	164,935	164,935	164,935	164,935	164,935	164,935	
Demand Rate - \$/Dth	\$ 5.556	\$ 6.121	\$ 6.121	\$ 6.121	\$ 6.121	\$ 6.121	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	
Demand Cost - \$	\$ 916,362	\$ 1,009,501	\$ 1,009,501	\$ 1,009,501	\$ 1,009,501	\$ 1,009,501	\$ 916,362	\$ 916,362	\$ 916,362	\$ 916,362	\$ 916,362	\$ 916,362	\$ 11,462,042
Eastern GT&S													
FTNN - 100119													
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 2,908,415
Eastern GT&S													
FT - 200654													
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 2,855,664
Texas Eastern Transmission													
FT-1													
Demand Determinant - Dth	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	
Demand Rate - \$/Dth	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	\$ 16.634	
Demand Cost - \$	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 260,322	\$ 3,123,865
National Fuel Gas Supply													
EFT													
Demand Determinant - Dth	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	
Demand Rate - \$/Dth	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	\$ 5.151	
Demand Cost - \$	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 79,720	\$ 956,640
Columbia Gas Transmission													
FTS - 133308													
Demand Determinant - Dth	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	
Demand Rate - \$/Dth	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	\$ 10.1690	
Demand Cost - \$	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 40,676	\$ 488,112
Texas Eastern Transmission													
FT - 911299													
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	\$ 9.4148	
Demand Cost - \$	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 94,148	\$ 1,129,776
Eastern GT&S													
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 713,916
Equitable Energy - NAESB													
Demand Determinant - Dth	-	12,499,050	12,915,685	12,915,685	11,665,780	12,915,685	-	-	-	-	-	-	
Demand Rate - \$/Dth	\$ -	\$ 0.1746	\$ 0.1746	\$ 0.1746	\$ 0.1746	\$ 0.1746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Demand Cost - \$	\$ -	\$ 2,182,334	\$ 2,255,079	\$ 2,255,079	\$ 2,036,845	\$ 2,255,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,984,415
TGP Winter Reservation - Z4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TETCO Winter Reservation - M3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TETCO - AMA 2/	\$ (256,009)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (98,593)	\$ (1,340,529)
Total Demand and Capacity Costs													
Demand Determinant - Dth	441,606	631,306	631,306	631,306	631,306	631,306	441,606	441,606	441,606	441,606	441,606	441,606	
Demand Cost - \$	\$ 2,749,614	\$ 6,701,756	\$ 6,774,500	\$ 6,774,500	\$ 6,556,267	\$ 6,774,500	\$ 2,907,030	\$ 2,907,030	\$ 2,907,030	\$ 2,907,030	\$ 2,907,030	\$ 2,907,030	\$ 53,773,314

1/ EGT&S Contract 100119 Capacity Charges include additional costs for HUB III project.

2/ Reflects 75% of the AMA capacity release revenues.

Peoples Natural Gas Company LLC - Combined

Annual 1307(f)-2024

'E' Factor Calculation - COMBINED

Line		TOTAL	CAPACITY	COMMODITY
1	Actual Over/ (Under) Balance Through September 30, 2023	\$ 70,220,330	\$ (1,176,971)	\$ 71,397,301
2	PLUS: Over/ (Under) Commodity October 2023 - January 2024	\$ (721,019)		\$ (721,019)
3	PLUS: Over/ (Under) Commodity February 2024 - September 2024 - Combined	\$ 6,362,761		\$ 6,362,761
4	PLUS: Over/ (Under) Capacity October 2023 - January 2024	\$ 4,814,077	\$ 4,814,077	
5	PLUS: Over/ (Under) Capacity February 2024 - September 2024 - Combined	\$ (9,902,764)	\$ (9,902,764)	
6	PLUS: Over/ (Under) Capacity GCA Revenue October 2023 - January 2024	\$ 317,773	\$ 317,773	
7	PLUS: Over/ (Under) Capacity GCA Revenue February 2024 - September 2024 - Combined	\$ 562,227	\$ 562,227	
8	PLUS: Over/ (Under) GCA Revenue October 2023 - January 2024	\$ (68,353,343)		\$ (68,353,343)
9	PLUS: Over/ (Under) GCA Revenue February 2024 - September 2024 - Combined	\$ 291,108		\$ 291,108
10	PLUS: Projected Interest October 2023 - September 2024	\$ 421,384	\$ (12,663)	\$ 434,046
11	PLUS: Proposed Storage Valuation Adjustment plus Interest (Exhibit 15)	\$ (4,018,545)		\$ (4,018,545)
12	Total Projected Prior Period Over/(Under) Collection through September 30, 2024	\$ (6,011)	\$ (5,398,320)	\$ 5,392,308

Peoples Natural Gas Division

'E' Factor Calculation

Line		TOTAL	CAPACITY	COMMODITY
13	Actual Over/ (Under) Balance Through September 30, 2023	\$ 78,914,781	\$ (2,577,395)	\$ 81,492,175
14	PLUS: Over/ (Under) Commodity October 2023 - January 2024	\$ (962,484)		\$ (962,484)
15	PLUS: Over/ (Under) Capacity October 2023 - January 2024	\$ 3,702,915	\$ 3,702,915	
16	PLUS: Over/ (Under) Capacity GCA Revenue October 2023 - January 2024	\$ 291,833	\$ 291,833	
17	PLUS: Over/ (Under) GCA Revenue October 2023 - January 2024	\$ (61,294,974)		\$ (61,294,974)
18	PLUS: Proposed Storage Valuation Adjustment plus Interest (Exhibit 15)	\$ (2,609,653)		\$ (2,609,653)
19	Total Projected Prior Period Over/(Under) Collection through September 30, 2024	\$ 18,042,417	\$ 1,417,354	\$ 16,625,063

Peoples Gas Division

'E' Factor Calculation

Line		TOTAL	CAPACITY	COMMODITY
20	Actual Over/ (Under) Balance Through September 30, 2023	\$ (8,694,451)	\$ 1,400,423	\$ (10,094,875)
21	PLUS: Over/ (Under) Commodity October 2023 - January 2024	\$ 241,465		\$ 241,465
22	PLUS: Over/ (Under) Capacity October 2023 - January 2024	\$ 1,111,162	\$ 1,111,162	
23	PLUS: Over/ (Under) Capacity GCA Revenue October 2023 - January 2024	\$ 25,940	\$ 25,940	
24	PLUS: Over/ (Under) GCA Revenue October 2023 - January 2024	\$ (7,058,369)		\$ (7,058,369)
25	PLUS: Proposed Storage Valuation Adjustment plus Interest (Exhibit 15)	\$ (1,408,891)		\$ (1,408,891)
26	Total Projected Prior Period Over/(Under) Collection through September 30, 2024	\$ (15,783,144)	\$ 2,537,525	\$ (18,320,670)

Peoples Natural Gas Division
Actual and Projected Gas Costs
for the Period October 2022 through September 2023

**Annual 1307(f)
October 1, 2024**

	2022 <u>October</u> ACT	2022 <u>November</u> ACT	2022 <u>December</u> ACT	2023 <u>January</u> ACT	2023 <u>February</u> ACT	2023 <u>March</u> ACT	2023 <u>April</u> ACT	2023 <u>May</u> ACT	2023 <u>June</u> ACT	2023 <u>July</u> ACT	2023 <u>August</u> ACT	2023 <u>September</u> ACT	12-Mth <u>Total</u>
<u>Local / Gathered Purchases</u>													
Quantity - Mcf	318,935	313,205	295,294	249,541	275,625	290,174	275,590	293,131	269,874	297,779	297,121	275,133	3,451,402
Rate per Mcf	\$4.5976	\$3.8143	\$5.7772	\$3.5109	\$2.5002	\$2.0757	\$1.6941	\$1.6036	\$1.1296	\$1.3239	\$1.2394	\$1.0557	\$2.5582
Cost	\$1,466,340	\$1,194,646	\$1,705,966	\$876,105	\$689,118	\$602,317	\$466,885	\$470,052	\$304,860	\$394,227	\$368,241	\$290,450	\$ 8,829,207
<u>Interstate Pipeline Purchases</u>													
Quantity - Mcf	6,159,153	4,552,561	6,716,876	2,944,774	3,419,513	4,011,379	4,696,518	4,360,599	4,109,975	4,241,132	2,553,682	3,969,325	51,735,487
Rate per Mcf	\$4.7896	\$4.7655	\$5.1850	\$2.8324	\$2.3051	\$2.2782	\$1.9621	\$1.5811	\$1.3356	\$1.3776	\$1.2056	\$1.1908	\$2.8342
Cost	\$29,500,021	\$21,695,017	\$34,826,972	\$8,340,724	\$7,882,463	\$9,138,757	\$9,215,144	\$6,894,657	\$5,489,287	\$5,842,374	\$ 3,078,841	\$ 4,726,492	\$ 146,630,750
<u>Total Commodity Purchases</u>													
Quantity - Mcf	6,478,088	4,865,766	7,012,170	3,194,315	3,695,138	4,301,553	4,972,108	4,653,730	4,379,849	4,538,911	2,850,803	4,244,458	55,186,889
Rate per Mcf	\$4.7802	\$4.7042	\$5.2099	\$2.8854	\$2.3197	\$2.2645	\$1.9473	\$1.5825	\$1.3229	\$1.3740	\$1.2092	\$1.1820	\$2.8170
Cost	\$30,966,361	\$22,889,663	\$36,532,938	\$9,216,829	\$8,571,581	\$9,741,074	\$9,682,029	\$7,364,709	\$5,794,147	\$6,236,601	\$3,447,082.93	\$5,016,942	\$ 155,459,957
<u>Storage (Injection)/Withdrawals - WACCOG</u>													
Quantity - Mcf	(2,440,781)	1,466,216	2,567,850	4,464,679	2,841,672	3,607,485	(1,020,990)	(2,508,142)	(3,290,871)	(3,382,816)	(1,353,435)	(2,380,674)	(1,429,807)
WACCOG Rate per Mcf	\$4.8208	\$5.9877	\$6.1509	\$6.1509	\$6.1509	\$6.1509	\$1.9890	\$1.6903	\$1.4159	\$1.4832	\$1.2754	\$1.2549	\$1.2549
Cost	(\$11,766,512)	\$8,779,275	\$15,794,589	\$27,461,794	\$17,478,840	\$22,189,280	(\$2,030,727)	\$ (4,239,426)	(\$4,659,667)	(\$5,017,232)	(\$1,726,214)	(\$2,987,422)	\$ 59,276,578
Injection/Withdrawal Costs	\$30,037	\$24,868	\$45,032	\$59,168	\$45,262	\$37,650	\$26,083	\$43,926	\$35,147	\$44,203	\$26,167	\$36,155	\$ 453,698
Pipeline Transportation Charges	\$657,166	\$397,558	\$642,544	\$424,589	\$413,374	\$474,111	\$439,932	\$434,432	\$400,308	\$467,833	\$193,219	\$370,259	\$ 5,315,324
<u>Other Purchased Gas Costs</u>													
Other Gas Costs - Mcf	11,243	375,400	(102,073)	101,781	(51,180)	266,601	206,050	61,543	85,889	23,161	128,900	107,359	1,214,674
Gas Admin Costs	\$10,358	\$12,783	\$11,570	\$11,570	\$11,570	\$11,570	\$11,709	\$11,709	\$11,570	\$11,570	\$11,570	\$10,917	\$ 138,330
Imbalance Buyback Costs	\$3,661	\$77,749	\$1,046,123	\$505,960	\$1,074,588	\$764,940	\$5,186	\$36,486	\$107,446	\$113,682	\$147,213	\$109,872	\$ 3,992,906
Exchange Costs	\$24,929	\$2,190,824	(\$2,049,704)	(\$116,369)	(\$691,182)	\$69,620	\$351,759	\$79,925	\$10,704	(\$58,366)	\$37,540	\$23,272	\$ (127,047)
Compressed Natural Gas	<u>\$2,454</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ 2,454</u>
Subtotal	\$41,401	\$2,281,356	(\$992,010)	\$401,162	\$394,977	\$846,130	\$368,516	\$128,120	\$129,721	\$66,886	196,323	144,061	\$ 4,006,643
Capacity Costs - Firm Transportation	\$3,376,279	\$7,457,681	\$7,423,425	\$6,532,388	\$7,115,506	\$6,668,247	\$2,772,156	\$2,772,603	\$2,728,503	\$2,776,183	\$2,775,659	\$2,789,821	\$ 55,188,451
Capacity Costs - Firm Storage	\$1,368,644	\$1,369,421	\$1,369,421	\$857,742	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$1,318,253	\$ 15,511,256
AVC Capacity Costs	<u>\$2,913,656</u>	<u>\$6,563,906</u>	<u>\$6,563,906</u>	<u>\$6,563,906</u>	<u>\$6,563,906</u>	<u>\$6,591,566</u>	<u>\$2,941,316</u>	<u>\$2,941,316</u>	<u>\$2,941,316</u>	<u>\$2,941,316</u>	<u>\$2,941,316</u>	<u>\$2,941,316</u>	<u>\$ 53,408,744</u>
	\$7,658,579	\$15,391,009	\$15,356,752	\$13,954,035	\$14,997,666	\$14,578,067	\$7,031,725	\$7,032,172	\$6,988,072	\$7,035,752	\$7,035,229	\$7,049,391	\$ 124,108,450
<u>Total 1307(f) Gas Costs</u>	<u>\$ 27,587,032</u>	<u>\$ 49,763,729</u>	<u>\$ 67,379,846</u>	<u>\$ 51,517,578</u>	<u>\$ 41,901,699</u>	<u>\$ 47,866,312</u>	<u>\$ 15,517,558</u>	<u>\$ 10,763,933</u>	<u>\$ 8,687,728</u>	<u>\$ 8,834,044</u>	<u>\$ 9,171,807</u>	<u>\$ 9,629,384</u>	<u>\$ 348,620,649</u>
Total - w/o AVC	\$ 24,673,376	\$ 43,199,823	\$ 60,815,940	\$ 44,953,671	\$ 35,337,793	\$ 41,274,746	\$ 12,576,242	\$ 7,822,617	\$ 5,746,412	\$ 5,892,728	\$ 6,230,491	\$ 6,688,068	\$ 295,211,906
Capacity	\$ 4,744,923	\$ 8,827,103	\$ 8,792,846	\$ 7,390,129	\$ 8,433,759	\$ 7,986,501	\$ 4,090,409	\$ 4,090,856	\$ 4,046,756	\$ 4,094,436	\$ 4,093,913	\$ 4,108,075	\$ 70,699,706
Commodity	\$ 19,928,453	\$ 34,372,720	\$ 52,023,094	\$ 37,563,542	\$ 26,904,034	\$ 33,288,245	\$ 8,485,833	\$ 3,731,760	\$ 1,699,655	\$ 1,798,291	\$ 2,136,579	\$ 2,579,994	\$ 224,512,199
1307(f) Mcf	4,048,550	6,707,382	9,477,947	7,760,775	6,485,630	8,175,639	4,157,168	2,207,131	1,174,867	1,179,256	1,626,268	1,971,143	54,971,756

Peoples Gas Division
Actual and Projected Purchased Gas Costs
for the Period October 2022 through September 2023

**Annual 1307(f)
October 1, 2024**

	2022 October ACT	2022 November ACT	2022 December ACT	2023 January ACT	2023 February ACT	2023 March ACT	2023 April ACT	2023 May ACT	2023 June ACT	2023 July ACT	2023 August ACT	2023 September ACT	TOTAL
Local PA Purchases													
Quantity - Mcf	299,948	270,723	179,010	198,056	179,277	193,438	174,561	183,787	194,309	202,190	214,861	196,851	2,487,011
Rate per Mcf	\$4.9511	\$4.0205	\$6.0793	\$3.8673	\$2.5978	\$2.1464	\$1.8044	\$1.7364	\$1.4975	\$1.5860	\$1.4964	\$1.3424	\$2.8710
Cost	\$1,485,083	\$1,088,444	\$1,088,255	\$765,943	\$465,729	\$415,193	\$314,980	\$319,123	\$290,973	\$320,672	\$321,512	\$264,262	\$ 7,140,169
Interstate Pipeline Purchases													
Quantity - Mcf	820,799	0	19,361	0	0	0	340,016	874,265	1,169,470	1,226,539	1,124,195	67,864	5,642,509
Rate per Mcf	\$4.7521	\$0.0000	\$6.3426	\$0.0000	\$0.0000	\$0.0000	\$1.7232	\$1.6595	\$1.2488	\$1.3216	\$1.1420	\$1.4382	\$1.8650
Cost	\$3,900,529	\$0	\$122,800	\$0	\$0	\$0	\$585,913	\$1,450,882	\$1,460,377	\$1,621,048	\$1,283,869	\$97,605	\$ 10,523,022
Total Commodity Purchases													
Quantity - Mcf	1,120,747	270,723	198,371	198,056	179,277	193,438	514,577	1,058,052	1,363,779	1,428,729	1,339,056	264,715	8,129,520
Rate per Mcf	\$4.8054	\$4.0205	\$6.1050	\$3.8673	\$2.5978	\$2.1464	\$1.7507	\$1.6729	\$1.2842	\$1.3591	\$1.1989	\$1.3670	\$2.1727
Cost	\$5,385,612	\$1,088,444	\$1,211,055	\$765,943	\$465,729	\$415,193	\$900,892	\$1,770,006	\$1,751,350	\$1,941,720	\$1,605,381	\$361,867	\$ 17,663,191
Storage (Injection)/Withdrawals													
Quantity - Mcf	(461,295)	680,731	1,168,521	815,458	797,422	731,223	(22,838)	(498,734)	(811,043)	(1,113,155)	(1,041,904)	(526,997)	(282,611)
WACCOG Rate per Mcf	\$4.8913	\$6.1922	\$6.1922	\$6.1922	\$6.1922	\$6.1922	\$1.7577	\$1.6814	\$1.5562	\$1.6182	\$1.5114	\$1.3727	
Cost	(\$2,256,323)	\$4,215,208	\$7,235,716	\$5,049,479	\$4,937,791	\$4,527,879	(\$40,141)	(\$838,590)	(\$1,262,168)	(\$1,801,262)	(\$1,574,777)	(\$723,404)	\$ 17,469,408
Injection/Withdrawal Costs	\$11,569	\$14,290	\$23,615	\$16,563	\$15,148	\$13,940	\$483	\$15,429	\$31,166	\$31,794	\$28,904	\$13,275	\$ 216,177
Pipeline Transportation Charges	\$186,245	\$177,551	\$197,694	\$176,420	\$182,909	\$169,976	\$118,079	\$186,240	\$227,978	\$244,901	\$231,208	\$118,569	\$ 2,217,769
Other Purchased Gas Costs													
Other Purchased Gas Costs - Mcf	98,413	(81,015)	122,350	(13,389)	66,230	63,772	(60,031)	(4,827)	(20,760)	8,909	29,500	(53,315)	155,837
Gas Administrative Costs	\$1,512	\$1,887	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,721	\$1,700	\$1,700	\$1,700	\$1,629	\$ 20,347
Imbalance Buyback Costs	\$25,362	\$9	\$42	\$27,035	\$38,636	\$6,994	\$1,147	\$0	\$6	\$0	\$25,666	\$230	\$ 125,127
Exchange Costs	\$522,909	(\$680,345)	\$852,356	\$8,983	\$149,784	\$96,796	(\$102,310)	(\$5,410)	(\$27,278)	\$14,884	\$15,385	(\$71,072)	\$ 774,682
Subtotal	\$549,783	(\$678,449)	\$854,098	\$37,717	\$190,120	\$105,489	(\$99,463)	(\$3,689)	(\$25,573)	\$16,584	\$42,751	(\$69,213)	\$ 920,156
Capacity Costs - Firm Transportation	\$221,646	\$282,843	\$289,276	\$284,388	\$147,314	\$271,916	\$246,189	\$236,368	\$236,566	\$244,713	\$261,702	\$269,730	\$ 2,992,649
Capacity Costs - Firm Storage	\$303,502	\$303,186	\$303,630	\$303,630	\$303,630	\$303,630	\$305,611	\$304,611	\$304,611	\$304,611	\$304,611	\$304,611	\$ 3,649,875
	\$525,148	\$586,029	\$592,906	\$588,018	\$450,944	\$575,546	\$551,800	\$540,979	\$541,177	\$549,324	\$566,313	\$574,341	\$ 6,642,524
Total 1307(f) Gas Costs	\$ 4,402,034	\$ 5,403,074	\$ 10,115,083	\$ 6,634,140	\$ 6,242,641	\$ 5,808,023	\$ 1,431,651	\$ 1,670,374	\$ 1,263,930	\$ 983,059	\$ 899,780	\$ 275,435	\$ 45,129,224
Commodity	\$ 3,876,886	\$ 4,817,045	\$ 9,522,177	\$ 6,046,122	\$ 5,791,697	\$ 5,232,477	\$ 879,851	\$ 1,129,395	\$ 722,752	\$ 433,735	\$ 333,467	\$ (298,905)	\$ 38,486,700
Capacity	\$ 525,148	\$ 586,029	\$ 592,906	\$ 588,018	\$ 450,944	\$ 575,546	\$ 551,800	\$ 540,979	\$ 541,177	\$ 549,324	\$ 566,313	\$ 574,341	\$ 6,642,524
Total 1307(f) Purchases	757,865	870,439	1,489,242	1,000,125	1,042,929	988,433	431,708	554,491	531,976	324,483	326,652	(315,597)	8,002,746

Peoples Natural Gas Company LLC - Combined
COMBINED Actual and Projected Gas Costs
for the Period October 2023 through September 2024

**Annual 1307(f)
October 1, 2024**

	2023 October ACT	2023 November ACT	2023 December ACT	2024 January ACT	2024 February PROJECTED	2024 March PROJECTED	2024 April PROJECTED	2024 May PROJECTED	2024 June PROJECTED	2024 July PROJECTED	2024 August PROJECTED	2024 September PROJECTED	TOTAL
Local / Gathered Purchases													
Quantity - Mcf	473,271	394,812	416,487	395,908	440,898	437,356	433,914	430,453	426,958	423,438	419,930	416,377	5,109,802
Rate per Mcf	\$1.4264	\$1.8761	\$2.0960	\$2.1112	\$1.7792	\$1.2922	\$1.3511	\$1.3814	\$1.4948	\$1.5856	\$1.5558	\$1.3165	\$1.5982
Cost	675,093	740,725	872,960	835,838	\$784,451	\$565,155	\$586,262	\$594,633	\$638,237	\$671,414	\$653,329	\$548,174	\$8,166,271
Interstate Pipeline Purchases													
Quantity - Mcf	4,955,219	4,970,080	4,089,401	5,194,410	3,027,084	3,508,803	5,927,091	5,397,562	4,268,066	4,352,303	4,263,702	4,998,212	54,951,934
Rate per Mcf	\$1.3221	\$2.0923	\$1.9271	\$3.7647	\$2.0149	\$1.3569	\$1.4116	\$1.4374	\$1.5266	\$1.5935	\$1.5695	\$1.3170	\$1.7852
Cost	6,551,064	10,399,004	7,880,586	19,555,196	\$6,099,402	\$4,761,218	\$8,366,645	\$7,758,463	\$6,515,674	\$6,935,545	\$6,692,049	\$6,582,798	\$98,097,644
Total Commodity Purchases													
Quantity - Mcf	5,428,490	5,364,892	4,505,888	5,590,318	3,467,982	3,946,159	6,361,005	5,828,015	4,695,024	4,775,741	4,683,632	5,414,589	60,061,736
Rate per Mcf	\$1.3312	\$2.0764	\$1.9427	\$3.6476	\$1.9850	\$1.3498	\$1.4075	\$1.4333	\$1.5237	\$1.5928	\$1.5683	\$1.3170	\$1.7692
Cost	7,226,157	11,139,728	8,753,546	20,391,034	\$6,883,853	\$5,326,373	\$8,952,907	\$8,353,096	\$7,153,911	\$7,606,959	\$7,345,379	\$7,130,972	\$106,263,915
Storage (Injection)/Withdrawals - WACCOG													
Quantity - Mcf	(2,602,723)	2,131,710	2,819,480	6,008,574	5,249,000	4,806,925	(1,945,000)	(3,342,000)	(3,514,000)	(3,592,000)	(3,592,000)	(3,451,500)	(1,023,534)
WACCOG Rate per Mcf	\$1.4228	\$2.7683	\$2.8177	\$2.8504	\$2.9972	\$2.9972	\$1.4246	\$1.4581	\$1.5563	\$1.6263	\$1.6020	\$1.3418	
Cost	(3,703,028)	5,901,253	7,944,412	17,126,875	\$15,732,303	\$14,407,316	(\$2,770,895)	(\$4,872,945)	(\$5,468,788)	(\$5,841,638)	(\$5,754,355)	(\$4,631,378)	\$28,069,132
Injection/Withdrawal Costs	35,447	36,286	51,057	81,049	\$48,830	\$32,267	\$96,344	\$131,896	\$140,094	\$146,993	\$144,969	\$121,775	\$1,067,006
Pipeline Transportation Charges	485,256	447,243	469,111	568,914									\$1,970,524
Other Purchased Gas Costs													
Other Gas Costs - Mcf	234,534	410,710	(123)	313,808	-	-	-	-	-	-	-	-	958,929
Gas Admin Costs	15,836	14,436	14,436	14,446	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$161,501
Imbalance Buyback Costs	260,428	581,540	(171,459)	(152,883)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$517,626
Exchange Costs	14,434	128,685	197,792	953,594	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,294,506
Compressed Natural Gas	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$290,698	\$724,661	\$40,770	\$815,157	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$12,793	\$1,973,633
Capacity Costs - Firm Transportation	3,040,914	7,802,182	7,878,159	7,872,393	\$6,398,851	\$6,617,084	\$2,749,614	\$2,749,614	\$2,749,614	\$2,749,614	\$2,749,614	\$2,749,614	\$56,107,265
Capacity Costs - Firm Storage	1,622,865	1,622,690	1,622,690	1,622,690	\$2,850,177	\$2,850,177	\$2,264,807	\$2,264,807	\$2,264,807	\$2,264,807	\$2,264,807	\$2,274,857	\$25,790,184
AVC Capacity Costs	<u>2,941,316</u>	<u>6,591,566</u>	<u>6,591,566</u>	<u>6,591,566</u>	\$6,591,566	\$6,608,366	\$2,958,116	\$2,958,116	\$2,958,116	\$2,958,116	\$2,958,116	\$2,958,116	<u>\$53,664,644</u>
	\$7,605,094	\$16,016,439	\$16,092,416	\$16,086,650	\$15,840,594	\$16,075,628	\$7,972,537	\$7,972,537	\$7,972,537	\$7,972,537	\$7,972,537	\$7,982,587	\$135,562,092
Total 1307(f) Gas Costs	<u>\$ 11,939,625</u>	<u>\$ 34,265,610</u>	<u>\$ 33,351,312</u>	<u>\$ 55,069,679</u>	<u>\$ 38,518,373</u>	<u>\$ 35,854,376</u>	<u>\$ 14,263,686</u>	<u>\$ 11,597,377</u>	<u>\$ 9,810,548</u>	<u>\$ 9,897,645</u>	<u>\$ 9,721,323</u>	<u>\$ 10,616,748</u>	<u>\$ 274,906,303</u>
Total - w/o AVC	\$8,998,309	\$27,674,044	\$26,759,746	\$48,478,112	\$31,926,807	\$29,246,010	\$11,305,570	\$8,639,261	\$6,852,432	\$6,939,529	\$6,763,207	\$7,658,632	\$221,241,659
Capacity	\$4,663,778	\$9,424,873	\$9,500,849	\$9,495,083	\$9,249,028	\$9,467,261	\$5,014,421	\$5,014,421	\$5,014,421	\$5,014,421	\$5,014,421	\$5,024,471	\$81,897,449
Commodity	\$4,334,531	\$18,249,172	\$17,258,897	\$38,983,029	\$22,677,779	\$19,778,748	\$6,291,150	\$3,624,840	\$1,838,011	\$1,925,108	\$1,748,786	\$2,634,161	\$139,344,211
1307(f) Mcf	3,060,301	7,907,312	7,325,245	11,912,700	8,716,982	8,753,084	4,416,005	2,486,015	1,181,024	1,183,741	1,091,632	1,963,089	59,997,131

Peoples Natural Gas Company LLC - Combined
Calculation of Commodity Over/(Under) Collections
*Actuals

Line No.	Description	Sales (1) Mcf	Revenue (2) \$	Purchased Gas Cost (3) \$	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 2022 *	3,815,677	\$29,599,951	\$23,805,339	\$ 5,794,612
2	November 2022 *	6,157,694	\$47,179,630	\$39,189,765	\$ 7,989,865
3	December 2022 *	10,592,133	\$79,830,960	\$61,545,271	\$ 18,285,689
4	January 2023 *	9,574,453	\$58,357,924	\$43,609,664	\$ 14,748,260
5	February 2023 *	7,908,803	\$49,448,555	\$32,695,731	\$ 16,752,824
6	March 2023 *	7,948,641	\$48,770,303	\$38,520,722	\$ 10,249,581
7	April 2023 *	4,012,648	\$7,486,065	\$9,365,684	\$ (1,879,619)
8	May 2023*	2,262,560	\$5,252,001	\$4,861,156	\$ 390,846
9	June 2023*	1,101,420	\$2,597,204	\$2,422,408	\$ 174,796
10	July 2023*	1,102,735	\$1,159,398	\$2,232,027	\$ (1,072,629)
11	August 2023 *	1,009,878	\$912,471	\$2,470,046	\$ (1,557,575)
12	September 2023 *	1,139,763	\$1,025,329	\$2,281,088	\$ (1,255,760)
		<u>56,626,404</u>	<u>\$ 331,619,790</u>	<u>\$ 262,998,899</u>	<u>\$ 68,620,891</u>

Peoples Natural Gas Division
Calculation of Commodity Over/(Under) Collections
*Actuals

Line No.	Description	Sales (1) Mcf Page 7	Revenue (2) \$ Page 7	Purchased Gas Cost (3) \$ Page 2	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 2022 *	3,414,534	\$26,522,914	\$19,928,453	\$ 6,594,461
2	November 2022 *	5,507,358	\$42,299,881	\$34,372,720	\$ 7,927,161
3	December 2022 *	9,468,021	\$71,404,033	\$52,023,094	\$ 19,380,940
4	January 2023 *	8,573,266	\$52,257,767	\$37,563,542	\$ 14,694,224
5	February 2023 *	7,086,127	\$44,431,178	\$26,904,034	\$ 17,527,145
6	March 2023 *	7,102,274	\$43,618,614	\$33,288,245	\$ 10,330,369
7	April 2023 *	3,573,434	\$6,626,221	\$8,485,833	\$ (1,859,612)
8	May 2023*	2,013,121	\$4,730,804	\$3,731,760	\$ 999,043
9	June 2023*	971,607	\$2,335,787	\$1,699,655	\$ 636,132
10	July 2023*	981,061	\$1,037,624	\$1,798,291	\$ (760,668)
11	August 2023 *	896,739	\$809,127	\$2,136,579	\$ (1,327,452)
12	September 2023 *	1,028,982	\$944,990	\$2,579,994	\$ (1,635,004)
		<u>50,616,525</u>	<u>\$ 297,018,939</u>	<u>\$ 224,512,199</u>	<u>\$ 72,506,739</u>

Peoples Gas Division
Calculation of Commodity Over/(Under) Collections
*Actuals

Line No.	Description	Sales (1) Mcf Page 8	Revenue (2) \$ Page 8	Purchased Gas Cost (3) \$ Page 3	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 2022 *	401,143	\$3,077,036	\$3,876,886	\$ (799,849)
2	November 2022 *	650,336	\$4,879,749	\$4,817,045	\$ 62,704
3	December 2022 *	1,124,112	\$8,426,926	\$9,522,177	\$ (1,095,251)
4	January 2023 *	1,001,187	\$6,100,158	\$6,046,122	\$ 54,036
5	February 2023 *	822,676	\$5,017,377	\$5,791,697	\$ (774,320)
6	March 2023 *	846,367	\$5,151,689	\$5,232,477	\$ (80,788)
7	April 2023 *	439,214	\$859,844	\$879,851	\$ (20,007)
8	May 2023*	249,439	\$521,198	\$1,129,395	\$ (608,198)
9	June 2023*	129,813	\$261,417	\$722,752	\$ (461,336)
10	July 2023*	121,673	\$121,774	\$433,735	\$ (311,961)
11	August 2023 *	113,138	\$103,344	\$333,467	\$ (230,123)
12	September 2023 *	110,781	\$80,339	(\$298,905)	\$ 379,245
		<u>6,009,879</u>	<u>\$ 34,600,852</u>	<u>\$ 38,486,700</u>	<u>\$ (3,885,848)</u>

Peoples Natural Gas Company LLC - Combined
Calculation of Commodity Over/(Under) Collections
*Actuals

Line No.	Description	Sales (1) Mcf	Revenue (2) \$	Purchased Gas Cost (3) \$	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 2023 *	2,886,449	\$8,104,642	\$4,334,531	\$ 3,770,111
2	November 2023*	6,507,536	\$19,195,213	\$18,249,172	\$ 946,042
3	December 2023*	8,090,558	\$23,959,763	\$17,258,897	\$ 6,700,866
4	January 2024*	10,938,657	\$26,844,991	\$38,983,029	\$ (12,138,038)
5	February 2024	-	\$0	\$0	\$ -
6	March 2024	-	\$0	\$0	\$ -
7	April 2024	-	\$0	\$0	\$ -
8	May 2024	-	\$0	\$0	\$ -
9	June 2024	-	\$0	\$0	\$ -
10	July 2024	-	\$0	\$0	\$ -
11	August 2024	-	\$0	\$0	\$ -
12	September 2024	-	\$0	\$0	\$ -
		<u>28,423,200</u>	<u>\$ 78,104,609</u>	<u>\$ 78,825,628</u>	<u>\$ (721,019)</u>

Peoples Natural Gas Division
Calculation of Commodity Over/(Under) Collections
*Actuals

Line No.	Description	Sales (1) Mcf Page 7	Revenue (2) \$ Page 7	Purchased Gas Cost (3) \$ Page 2	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 2023 *	2,533,500	\$7,208,345	\$3,855,829	\$ 3,352,516
2	November 2023*	5,834,369	\$17,235,847	\$15,895,724	\$ 1,340,122
3	December 2023*	7,254,765	\$21,519,261	\$15,566,714	\$ 5,952,548
4	January 2024*	9,818,076	\$24,145,782	\$35,753,452	\$ (11,607,670)
5	February 2024			\$0	\$ -
6	March 2024			\$0	\$ -
7	April 2024			\$0	\$ -
8	May 2024			\$0	\$ -
9	June 2024			\$0	\$ -
10	July 2024			\$0	\$ -
11	August 2024			\$0	\$ -
12	September 2024			\$0	\$ -
		<u>25,440,708</u>	<u>\$ 70,109,234</u>	<u>\$ 71,071,719</u>	<u>\$ (962,484)</u>

Peoples Gas Division
Calculation of Commodity Over/(Under) Collections
*Actuals

Line No.	Description	Sales (1) Mcf Page 8	Revenue (2) \$ Page 8	Purchased Gas Cost (3) \$ Page 3	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 2023 *	352,950	\$896,296	\$478,702	\$ 417,594
2	November 2023*	673,167	\$1,959,367	\$2,353,447	\$ (394,081)
3	December 2023*	835,794	\$2,440,502	\$1,692,183	\$ 748,319
4	January 2024*	1,120,581	\$2,699,209	\$3,229,577	\$ (530,368)
5	February 2024			\$0	\$ -
6	March 2024			\$0	\$ -
7	April 2024			\$0	\$ -
8	May 2024			\$0	\$ -
9	June 2024			\$0	\$ -
10	July 2024			\$0	\$ -
11	August 2024			\$0	\$ -
12	September 2024			\$0	\$ -
		<u>2,982,492</u>	<u>\$ 7,995,374</u>	<u>\$ 7,753,909</u>	<u>\$ 241,465</u>

Peoples Natural Gas Division
PURCHASED GAS COST REVENUE - COMMODITY
*Actuals

Month	Sales MCF	Average Gas Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
October 2022 *			
October 2022 Quarterly 1307(f) Rate	2,452,794	\$7.5072	\$18,413,615
Prior Quarters and Adjustments	961,740		\$7,433,257
Imbalance Sales			\$587,427
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$88,615
Rider H- Ratepayer Credit			\$0
Total	<u>3,414,534</u>		<u>\$26,522,914</u>
November 2022 *			
October 2022 Quarterly 1307(f) Rate	5,545,362	\$7.5072	\$41,630,142
Prior Quarters and Adjustments	(38,004)		(\$164,467)
Imbalance Sales			\$802,889
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$31,317
Rider H- Ratepayer Credit			\$0
Total	<u>5,507,358</u>		<u>\$42,299,881</u>
December 2022 *			
October 2022 Quarterly 1307(f) Rate	9,462,600	\$7.5072	\$71,037,631
Prior Quarters and Adjustments	5,421		\$26,862
Imbalance Sales			\$333,582
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$5,958
Rider H- Ratepayer Credit			\$0
Total	<u>9,468,021</u>		<u>\$71,404,033</u>
January 2023 *			
January 2023 Quarterly 1307(f) Rate	3,379,207	\$6.0939	\$20,592,550
Prior Quarters and Adjustments	5,194,059		\$31,244,191
Imbalance Sales			\$415,813
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$5,213
Rider H- Ratepayer Credit			\$0
Total	<u>8,573,266</u>		<u>\$52,257,767</u>
February 2023 *			
January 2023 Quarterly 1307(f) Rate	7,036,736	\$6.0939	\$42,881,166
Prior Quarters and Adjustments	49,391		\$368,306
Imbalance Sales			\$1,181,706
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$0
Rider H- Ratepayer Credit			\$0
Total	<u>7,086,127</u>		<u>\$44,431,178</u>

Peoples Natural Gas Division
PURCHASED GAS COST REVENUE - COMMODITY
*Actuals

Month	Sales MCF	Average Gas Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
March 2023 *			
January 2023 Quarterly 1307(f) Rate	7,090,043	\$6.0939	\$43,206,013
Prior Quarters and Adjustments	12,231		\$59,487
Imbalance Sales			\$348,328
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$4,786
Rider H- Ratepayer Credit			\$0
Total	<u>7,102,274</u>		<u>\$43,618,614</u>
April 2023 *			
April 2023 Quarterly 1307(f) Rate	712,071	\$1.9745	\$1,405,984
Prior Quarters and Adjustments	2,861,363		\$4,922,217
Imbalance Sales			\$295,400
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$2,620
Rider H- Ratepayer Credit			\$0
Total	<u>3,573,434</u>		<u>\$6,626,221</u>
May 2023 *			
April 2023 Quarterly 1307(f) Rate	2,002,115	\$1.9745	\$3,953,176
Prior Quarters and Adjustments	11,006		\$66,363
Imbalance Sales			\$708,694
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$2,571
Rider H- Ratepayer Credit			\$0
Total	<u>2,013,121</u>		<u>\$4,730,804</u>
June 2023 *			
April 2023 Quarterly 1307(f) Rate	968,100	\$1.9745	\$1,911,513
Prior Quarters and Adjustments	3,507		\$92,303
Imbalance Sales			\$327,563
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$4,408
Rider H- Ratepayer Credit			\$0
Total	<u>971,607</u>		<u>\$2,335,787</u>
July 2023 *			
July 2023 Quarterly 1307(f) Rate	482,977	\$0.7262	\$350,738
Prior Quarters and Adjustments	498,084		\$476,506
Imbalance Sales			\$204,373
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$6,007
Rider H- Ratepayer Credit			\$0
Total	<u>981,061</u>		<u>\$1,037,624</u>
August 2023 *			
July 2023 Quarterly 1307(f) Rate	900,810	\$0.7262	\$654,169
Prior Quarters and Adjustments	(4,071)		(\$5,064)
Imbalance Sales			\$156,548
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$3,474
Rider H- Ratepayer Credit			\$0
Total	<u>896,739</u>		<u>\$809,127</u>
September 2023 *			
July 2023 Quarterly 1307(f) Rate	1,026,857	\$0.7262	\$745,703
Prior Quarters and Adjustments	2,125		\$6,858
Imbalance Sales			\$185,830
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$6,599
Rider H- Ratepayer Credit			\$0
Total	<u>1,028,982</u>		<u>\$944,990</u>

Peoples Natural Gas Division
PURCHASED GAS COST REVENUE - COMMODITY

*Actuals

Month	Sales MCF	Average Gas Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
October 2023 *			
Oct 2023 Quarterly 1307(f) Rate	1,831,527	\$2.9220	\$5,351,721
Prior Quarters and Adjustments	701,973		\$1,655,074
Imbalance Sales			\$199,099
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$2,452
Rider H- Ratepayer Credit			\$0
Total	<u>2,533,500</u>		<u>\$7,208,345</u>
November 2023 *			
Oct 2023 Quarterly 1307(f) Rate	5,804,056	\$2.9220	\$16,959,451
Prior Quarters and Adjustments	30,313		\$108,636
Imbalance Sales			\$165,850
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$1,910
Rider H- Ratepayer Credit			\$0
Total	<u>5,834,369</u>		<u>\$17,235,847</u>
December 2023 *			
Oct 2023 Quarterly 1307(f) Rate	7,253,953	\$2.9220	\$21,196,049
Prior Quarters and Adjustments	812		\$935
Imbalance Sales			\$321,260
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$1,018
Rider H- Ratepayer Credit			\$0
Total	<u>7,254,765</u>		<u>\$21,519,261</u>
January 2024 *			
Jan 2024 Quarterly 1307(f) Rate	5,177,598	\$2.4567	\$12,719,804
Prior Quarters and Adjustments	4,640,478		\$10,964,116
Imbalance Sales			\$461,089
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$772
Rider H- Ratepayer Credit			\$0
Total	<u>9,818,076</u>		<u>\$24,145,782</u>

PEOPLES GAS DIVISION
PURCHASED GAS COST REVENUE - COMMODITY

* Actuals

Month	Sales	Commodity	Gas Cost
(1)	<u>MCF</u>	<u>Cost Rate</u>	<u>Revenue</u>
	(2)	(3)	(4)
October 2022 *			
October 2022 Quarterly 1307(f) Rate	288,859	\$7.5072	\$2,168,522
Prior Quarters and Adjustments	108,216		\$861,387
Imbalance Sales	4,068		\$37,211
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$9,915</u>
	<u>401,143</u>		<u>\$3,077,036</u>
November 2022 *			
October 2022 Quarterly 1307(f) Rate	649,670	\$7.5072	\$4,877,203
Prior Quarters and Adjustments	109		(\$2,097)
Imbalance Sales	557		\$3,686
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$957</u>
	<u>650,336</u>		<u>\$4,879,749</u>
December 2022 *			
October 2022 Quarterly 1307(f) Rate	1,116,428	\$7.5072	\$8,381,248
Prior Quarters and Adjustments	64		\$3,501
Imbalance Sales	7,620		\$40,405
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$1,772</u>
	<u>1,124,112</u>		<u>\$8,426,926</u>
January 2023 *			
January 2023 Quarterly 1307(f) Rate	374,309	\$6.0939	\$2,281,002
Prior Quarters and Adjustments	625,929		\$3,813,399
Imbalance Sales	949		\$5,757
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$0</u>
	<u>1,001,187</u>		<u>\$6,100,158</u>
February 2023 *			
January 2023 Quarterly 1307(f) Rate	818,772	\$6.0939	\$4,989,515
Prior Quarters and Adjustments	3,248		\$23,462
Imbalance Sales	656		\$4,400
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$0</u>
	<u>822,676</u>		<u>\$5,017,377</u>

PEOPLES GAS DIVISION
PURCHASED GAS COST REVENUE - COMMODITY

* Actuals

Month	Sales MCF	Commodity Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
March 2023 *			
January 2023 Quarterly 1307(f) Rate	845,640	\$6.0939	\$5,153,246
Prior Quarters and Adjustments	(89)		(\$4,431)
Imbalance Sales	816		\$2,875
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$0</u>
	<u>846,367</u>		<u>\$5,151,689</u>
April 2023 *			
April 2023 Quarterly 1307(f) Rate	67,611	\$1.9745	\$133,498
Prior Quarters and Adjustments	363,125		\$705,533
Imbalance Sales	8,478		\$20,812
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$0</u>
	<u>439,214</u>		<u>\$859,844</u>
May 2023 *			
April 2023 Quarterly 1307(f) Rate	248,517	\$1.9745	\$490,697
Prior Quarters and Adjustments	920		\$5,559
Imbalance Sales	2		\$24,921
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$21</u>
	<u>249,439</u>		<u>\$521,198</u>
June 2023 *			
April 2023 Quarterly 1307(f) Rate	113,077	\$1.9745	\$223,270
Prior Quarters and Adjustments	(40)		\$4,618
Imbalance Sales	16,776		\$32,824
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$705</u>
	<u>129,813</u>		<u>\$261,417</u>
July 2023 *			
July 2023 Quarterly 1307(f) Rate	49,071	\$0.7262	\$35,635
Prior Quarters and Adjustments	61,322		\$63,289
Imbalance Sales	11,281		\$22,844
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$5</u>
	<u>121,673</u>		<u>\$121,774</u>
August 2023 *			
July 2023 Quarterly 1307(f) Rate	97,750	\$0.7262	\$70,986
Prior Quarters and Adjustments	324		(\$1,155)
Imbalance Sales	15,064		\$33,255
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$259</u>
	<u>113,138</u>		<u>\$103,344</u>
September 2023 *			
July 2023 Quarterly 1307(f) Rate	110,116	\$0.7262	\$79,966
Prior Quarters and Adjustments	(81)		(\$788)
Imbalance Sales	746		\$1,083
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	<u>0</u>		<u>\$78</u>
	<u>110,781</u>		<u>\$80,339</u>

PEOPLES GAS DIVISION
PURCHASED GAS COST REVENUE - COMMODITY

* Actuals

Month	Sales MCF	Commodity Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
October 2023 *			
Oct 2023 Quarterly 1307(f) Rate	118,023	\$2.9220	\$344,862
Prior Quarters and Adjustments	179,494		\$475,058
Imbalance Sales	55,433		\$76,378
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	0		(\$2)
	<u>352,950</u>		<u>\$896,296</u>
November 2023 *			
Oct 2023 Quarterly 1307(f) Rate	672,376	\$2.9220	\$1,964,683
Prior Quarters and Adjustments	148		\$232
Imbalance Sales	643		\$944
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	0		(\$6,492)
	<u>673,167</u>		<u>\$1,959,367</u>
December 2023 *			
Oct 2023 Quarterly 1307(f) Rate	833,812	\$2.9220	\$2,436,398
Prior Quarters and Adjustments	55		\$162
Imbalance Sales	1,927		\$3,744
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	0		\$198
	<u>835,794</u>		<u>\$2,440,502</u>
Januray 2024*			
Jan 2024 Quarterly 1307(f) Rate	600,868	\$2.4567	\$1,476,152
Prior Quarters and Adjustments	516,737		\$1,216,221
Imbalance Sales	2,976		\$6,815
Off-System Sales, Parks & Loans	0		\$0
Gas Sale-in-Place	0		\$0
Line Hit Recoveries	0		\$21
	<u>1,120,581</u>		<u>\$2,699,209</u>

Peoples Natural Gas Company LLC - Combined
Calculation of Capacity Over/(Under) Collections
*Actuals

Line No.	Description	Sales	Sales	Balancing	Capacity	Capacity
		(1)	Revenue	Revenue	Cost	Over/(Under)
		Mcf	\$	\$	\$	\$
						(5)=(2)+(3)-(4)
1	October 2022 *	3,811,609	\$4,488,502	\$744,257	\$5,270,071	\$ (37,313)
2	November 2022 *	6,157,137	\$7,155,360	\$937,467	\$9,413,132	\$ (1,320,304)
3	December 2022 *	10,584,513	\$12,392,180	\$1,352,484	\$9,385,752	\$ 4,358,912
4	January 2023 *	9,573,504	\$11,266,958	\$1,252,563	\$7,978,147	\$ 4,541,374
5	February 2023 *	7,908,147	\$9,388,066	\$1,009,550	\$8,884,703	\$ 1,512,912
6	March 2023 *	7,947,825	\$9,366,463	\$1,102,019	\$8,562,046	\$ 1,906,436
7	April 2023 *	4,004,170	\$4,803,498	\$714,236	\$4,642,209	\$ 875,525
8	May 2023 *	2,262,558	\$2,761,342	\$554,642	\$4,631,835	\$ (1,315,851)
9	June 2023 *	1,084,644	\$1,343,874	\$432,486	\$4,587,934	\$ (2,811,574)
10	July 2023 *	1,091,454	\$1,315,232	\$422,566	\$4,643,760	\$ (2,905,963)
11	August 2023 *	994,814	\$1,213,903	\$439,027	\$4,660,226	\$ (3,007,295)
12	September 2023 *	1,139,017	\$1,356,791	\$432,487	\$4,682,415	\$ (2,893,137)
		56,559,391	\$ 66,852,169	\$ 9,393,783	\$ 77,342,230	\$ (1,096,278)

Peoples Natural Gas Division
Calculation of Capacity Over/(Under) Collections
*Actuals

Line No.	Description	Sales	Sales	Balancing	Capacity	Capacity
		(1)	Revenue	Revenue	Cost	Over/(Under)
		Mcf	\$	\$	\$	\$
						(5)=(2)+(3)-(4)
		Page 10	Page 10	Page 10	Page 2	
1	October 2022 *	3,414,534	\$4,081,591	\$666,728	\$4,744,923	\$ 3,396
2	November 2022 *	5,507,358	\$6,485,769	\$845,025	\$8,827,103	\$ (1,496,309)
3	December 2022 *	9,468,021	\$11,229,347	\$1,256,435	\$8,792,846	\$ 3,692,936
4	January 2023 *	8,573,266	\$10,253,333	\$1,132,003	\$7,390,129	\$ 3,995,207
5	February 2023 *	7,086,127	\$8,523,581	\$939,033	\$8,433,759	\$ 1,028,854
6	March 2023 *	7,102,274	\$8,494,626	\$994,751	\$7,986,501	\$ 1,502,876
7	April 2023 *	3,573,434	\$4,357,326	\$627,035	\$4,090,409	\$ 893,951
8	May 2023 *	2,013,121	\$2,497,653	\$481,387	\$4,090,856	\$ (1,111,816)
9	June 2023 *	971,607	\$1,218,340	\$374,461	\$4,046,756	\$ (2,453,956)
10	July 2023 *	981,061	\$1,194,272	\$361,239	\$4,094,436	\$ (2,538,925)
11	August 2023 *	896,739	\$1,105,867	\$373,692	\$4,093,913	\$ (2,614,354)
12	September 2023 *	1,028,982	\$1,242,185	\$366,097	\$4,108,075	\$ (2,499,793)
		50,616,525	\$ 60,683,889	\$ 8,417,886	\$ 70,699,706	\$ (1,597,932)

Peoples Gas Division
Calculation of Capacity Over/(Under) Collections
*Actuals

Line No.	Description	Sales	Sales	Balancing	Capacity	Capacity
		(1)	Revenue	Revenue	Cost	Over/(Under)
		Mcf	\$	\$	\$	\$
						(5)=(2)+(3)-(4)
		Page 11	Page 11	Page 11	Page 3	
1	October 2022 *	397,075	\$406,911	\$77,529	\$525,148	\$ (40,708)
2	November 2022 *	649,779	\$669,592	\$92,442	\$586,029	\$ 176,005
3	December 2022 *	1,116,492	\$1,162,833	\$96,049	\$592,906	\$ 665,976
4	January 2023 *	1,000,238	\$1,013,625	\$120,560	\$588,018	\$ 546,167
5	February 2023 *	822,020	\$864,485	\$70,517	\$450,944	\$ 484,058
6	March 2023 *	845,551	\$871,838	\$107,268	\$575,546	\$ 403,560
7	April 2023 *	430,736	\$446,172	\$87,201	\$551,800	\$ (18,427)
8	May 2023 *	249,437	\$263,689	\$73,255	\$540,979	\$ (204,035)
9	June 2023 *	113,037	\$125,534	\$58,026	\$541,177	\$ (357,618)
10	July 2023 *	110,393	\$120,960	\$61,327	\$549,324	\$ (367,037)
11	August 2023 *	98,074	\$108,037	\$65,335	\$566,313	\$ (392,942)
12	September 2023 *	110,035	\$114,607	\$66,390	\$574,341	\$ (393,345)
		5,942,867	\$ 6,168,280	\$ 975,897	\$ 6,642,524	\$ 501,654

Peoples Natural Gas Company LLC - Combined
Calculation of Capacity Over/(Under) Collections
*Actuals

Line No.	Description	Sales	Sales Revenue	Balancing Revenue	Capacity Cost	Capacity Over/(Under) Collection
		(1) Mcf	(2) \$	(3) \$	(4) \$	(5)=(2)+(3)-(4) \$
1	October 2023 *	2,831,016	\$3,363,618	\$639,207	\$4,663,778	\$ (660,953)
2	November 2023*	6,506,893	\$7,654,153	\$1,112,433	\$9,424,873	\$ (658,287)
3	December 2023*	8,088,631	\$9,613,309	\$1,129,613	\$9,500,849	\$ 1,242,073
4	January 2024*	10,935,681	\$12,926,008	\$1,460,319	\$9,495,083	\$ 4,891,244
5	February 2024	-	\$0	\$0	\$0	\$ -
6	March 2024	-	\$0	\$0	\$0	\$ -
7	April 2024	-	\$0	\$0	\$0	\$ -
8	May 2024	-	\$0	\$0	\$0	\$ -
9	June 2024	-	\$0	\$0	\$0	\$ -
10	July 2024	-	\$0	\$0	\$0	\$ -
11	August 2024	-	\$0	\$0	\$0	\$ -
12	September 2024	-	\$0	\$0	\$0	\$ -
		28,362,221	\$ 33,557,089	\$ 4,341,572	\$ 33,084,584	\$ 4,814,077

Peoples Natural Gas Division
Calculation of Capacity Over/(Under) Collections
*Actuals

Line No.	Description	Sales	Sales Revenue	Balancing Revenue	Capacity Cost	Capacity Over/(Under) Collection
		(1) Mcf Page 10	(2) \$ Page 10	(3) \$ Page 10	(4) \$ Page 2	(5)=(2)+(3)-(4) \$
1	October 2023 *	2,533,500	\$3,047,420	\$574,429	\$4,095,589	\$ (473,740)
2	November 2023*	5,834,369	\$6,950,298	\$1,025,074	\$8,852,694	\$ (877,321)
3	December 2023*	7,254,765	\$8,747,254	\$1,034,139	\$8,922,363	\$ 859,030
4	January 2024*	9,818,076	\$11,762,556	\$1,348,988	\$8,916,597	\$ 4,194,947
5	February 2024				\$0	\$ -
6	March 2024				\$0	\$ -
7	April 2024				\$0	\$ -
8	May 2024				\$0	\$ -
9	June 2024				\$0	\$ -
10	July 2024				\$0	\$ -
11	August 2024				\$0	\$ -
12	September 2024				\$0	\$ -
		25,440,708	\$ 30,507,528	\$ 3,982,631	\$ 30,787,244	\$ 3,702,915

Peoples Gas Division
Calculation of Capacity Over/(Under) Collections
*Actuals

Line No.	Description	Sales	Sales Revenue	Balancing Revenue	Capacity Cost	Capacity Over/(Under) Collection
		(1) Mcf Page 11	(2) \$ Page 11	(3) \$ Page 11	(4) \$ Page 3	(5)=(2)+(3)-(4) \$
1	October 2023 *	297,517	\$316,199	\$64,778	\$568,189	\$ (187,212)
2	November 2023*	672,524	\$703,855	\$87,358	\$572,179	\$ 219,034
3	December 2023*	833,867	\$866,055	\$95,474	\$578,486	\$ 383,043
4	January 2024*	1,117,605	\$1,163,452	\$111,331	\$578,486	\$ 696,296
5	February 2024				\$0	\$ -
6	March 2024				\$0	\$ -
7	April 2024				\$0	\$ -
8	May 2024				\$0	\$ -
9	June 2024				\$0	\$ -
10	July 2024				\$0	\$ -
11	August 2024				\$0	\$ -
12	September 2024				\$0	\$ -
		2,921,513	\$ 3,049,561	\$ 358,941	\$ 2,297,340	\$ 1,111,162

Peoples Natural Gas Division
PURCHASED GAS COST REVENUE - CAPACITY

* Actuals

Month	Sales MCF	Average Gas Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
<u>October 2022 *</u>			
October 2022 Quarterly 1307(f) Rate	2,452,794	\$1.0067	\$2,469,228
Prior Quarters and Adjustments	961,740		\$970,455
Priority One Standby			\$638,272
Standby Service			\$3,637
Balancing			\$666,728
Total	<u>3,414,534</u>		<u>\$4,748,319</u>
<u>November 2022 *</u>			
October 2022 Quarterly 1307(f) Rate	5,545,362	\$1.0067	\$5,582,516
Prior Quarters and Adjustments	(38,004)		(\$73,327)
Priority One Standby			\$973,469
Standby Service			\$3,110
Balancing			\$845,025
Total	<u>5,507,358</u>		<u>\$7,330,794</u>
<u>December 2022 *</u>			
October 2022 Quarterly 1307(f) Rate	9,462,600	\$1.0067	\$9,525,999
Prior Quarters and Adjustments	5,421		\$3,988
Priority One Standby			\$1,696,111
Standby Service			\$3,249
Balancing			\$1,256,435
Total	<u>9,468,021</u>		<u>\$12,485,782</u>
<u>January 2023 *</u>			
January 2023 Quarterly 1307(f) Rate	3,379,207	\$1.0067	\$3,401,848
Prior Quarters and Adjustments	5,194,059		\$5,229,008
Priority One Standby			\$1,619,291
Standby Service			\$3,186
Balancing			\$1,132,003
Total	<u>8,573,266</u>		<u>\$11,385,336</u>
<u>February 2023 *</u>			
January 2023 Quarterly 1307(f) Rate	7,036,736	\$1.0067	\$7,083,882
Prior Quarters and Adjustments	49,391		\$47,932
Priority One Standby			\$1,388,455
Standby Service			\$3,312
Balancing			\$939,033
Total	<u>7,086,127</u>		<u>\$9,462,614</u>

Peoples Natural Gas Division
PURCHASED GAS COST REVENUE - CAPACITY

Month	* Actuals		
	Sales <u>MCF</u>	Average Gas <u>Cost Rate</u>	Gas Cost <u>Revenue</u>
(1)	(2)	(3)	(4)
<u>March 2023 *</u>			
January 2023 Quarterly 1307(f) Rate	7,090,043	\$1.0067	\$7,137,546
Prior Quarters and Adjustments	12,231		\$10,999
Priority One Standby			\$1,342,147
Standby Service			\$3,934
Balancing			<u>\$994,751</u>
Total	<u>7,102,274</u>		<u>\$9,489,377</u>
<u>April 2023 *</u>			
April 2023 Quarterly 1307(f) Rate	712,071	\$1.0067	\$716,842
Prior Quarters and Adjustments	2,861,363		\$2,880,164
Priority One Standby			\$757,465
Standby Service			\$2,855
Balancing			<u>\$627,035</u>
Total	<u>3,573,434</u>		<u>\$4,984,361</u>
<u>May 2023 *</u>			
April 2023 Quarterly 1307(f) Rate	2,002,115	\$1.0067	\$2,015,529
Prior Quarters and Adjustments	11,006		\$10,856
Priority One Standby			\$467,833
Standby Service			\$3,436
Balancing			<u>\$481,387</u>
Total	<u>2,013,121</u>		<u>\$2,979,041</u>
<u>June 2023 *</u>			
April 2023 Quarterly 1307(f) Rate	968,100	\$1.0067	\$974,586
Prior Quarters and Adjustments	3,507		\$14,608
Priority One Standby			\$225,487
Standby Service			\$3,658
Balancing			<u>\$374,461</u>
Total	<u>971,607</u>		<u>\$1,592,801</u>
<u>July 2023 *</u>			
July 2023 Quarterly 1307(f) Rate	482,977	\$1.0067	\$486,213
Prior Quarters and Adjustments	498,084		\$501,270
Priority One Standby			\$203,460
Standby Service			\$3,328
Balancing			<u>\$361,239</u>
Total	<u>981,061</u>		<u>\$1,555,511</u>
<u>August 2023 *</u>			
July 2023 Quarterly 1307(f) Rate	900,810	\$1.0067	\$906,846
Prior Quarters and Adjustments	(4,071)		(\$4,261)
Priority One Standby			\$199,604
Standby Service			\$3,678
Balancing			<u>\$373,692</u>
Total	<u>896,739</u>		<u>\$1,479,559</u>
<u>September 2023 *</u>			
July 2023 Quarterly 1307(f) Rate	1,026,857	\$1.0067	\$1,033,737
Prior Quarters and Adjustments	2,125		\$1,966
Priority One Standby			\$203,354
Standby Service			\$3,127
Balancing			<u>\$366,097</u>
Total	<u>1,028,982</u>		<u>\$1,608,282</u>

Peoples Natural Gas Division
PURCHASED GAS COST REVENUE - CAPACITY

<u>Month</u> (1)	<u>* Actuals</u>		<u>Gas Cost Revenue</u> (4)
	<u>Sales MCF</u> (2)	<u>Average Gas Cost Rate</u> (3)	
<u>October 2023 *</u>			
Oct 2023 Quarterly 1307(f) Rate	1,831,527	\$1.0221	\$1,872,003
Prior Quarters and Adjustments	701,973		\$717,549
Priority One Standby			\$454,191
Standby Service			\$3,676
Balancing			\$574,429
Total	<u>2,533,500</u>		<u>\$3,621,849</u>
<u>November 2023 *</u>			
Oct 2023 Quarterly 1307(f) Rate	5,804,056	\$1.0221	\$5,932,325
Prior Quarters and Adjustments	30,313		\$31,050
Priority One Standby			\$984,087
Standby Service			\$2,836
Balancing			\$1,025,074
Total	<u>5,834,369</u>		<u>\$7,975,372</u>
<u>December 2023 *</u>			
Oct 2023 Quarterly 1307(f) Rate	7,253,953	\$1.0221	\$7,414,265
Prior Quarters and Adjustments	812		(\$575)
Priority One Standby			\$1,330,222
Standby Service			\$3,341
Balancing			\$1,034,139
Total	<u>7,254,765</u>		<u>\$9,781,393</u>
<u>January 2024 *</u>			
Jan 2024 Quarterly 1307(f) Rate	5,177,598	\$1.0221	\$5,292,022
Prior Quarters and Adjustments	4,640,478		\$4,733,867
Priority One Standby			\$1,733,254
Standby Service			\$3,413
Balancing			\$1,348,988
Total	<u>9,818,076</u>		<u>\$13,111,544</u>

PEOPLES GAS DIVISION
PURCHASED GAS COST REVENUE - CAPACITY

* Actuals

Month	Sales MCF	Capacity Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
October 2022 *			
October 2022 Quarterly 1307(f) Rate	288,859	\$1.0067	\$290,794
Prior Quarters and Adjustments	108,216		\$105,679
Priority One Standby			\$10,437
Standby Service			\$0
Balancing			\$77,529
Total	<u>397,075</u>		<u>\$484,440</u>
November 2022 *			
October 2022 Quarterly 1307(f) Rate	649,670	\$1.0067	\$654,023
Prior Quarters and Adjustments	109		(\$315)
Priority One Standby			\$15,884
Standby Service			\$0
Balancing			\$92,442
Total	<u>649,779</u>		<u>\$762,034</u>
December 2022 *			
October 2022 Quarterly 1307(f) Rate	1,116,428	\$1.0067	\$1,123,908
Prior Quarters and Adjustments	64		\$454
Priority One Standby			\$38,471
Standby Service			\$0
Balancing			\$96,049
Total	<u>1,116,492</u>		<u>\$1,258,881</u>
January 2023 *			
January 2023 Quarterly 1307(f) Rate	374,309	\$1.0067	\$376,817
Prior Quarters and Adjustments	625,929		\$629,784
Priority One Standby			\$7,024
Standby Service			\$0
Balancing			\$120,560
Total	<u>1,000,238</u>		<u>\$1,134,185</u>
February 2023 *			
January 2023 Quarterly 1307(f) Rate	818,772	\$1.0067	\$824,258
Prior Quarters and Adjustments	3,248		\$3,291
Priority One Standby			\$36,937
Standby Service			\$0
Balancing			\$70,517
Total	<u>822,020</u>		<u>\$935,002</u>

PEOPLES GAS DIVISION
PURCHASED GAS COST REVENUE - CAPACITY

* Actuals

Month	Sales MCF	Capacity Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
March 2023 *			
January 2023 Quarterly 1307(f) Rate	845,640	\$1.0067	\$851,306
Prior Quarters and Adjustments	(89)		(\$124)
Priority One Standby			\$20,656
Standby Service			\$0
Balancing			\$107,268
Total	845,551		\$979,105
April 2023 *			
April 2023 Quarterly 1307(f) Rate	67,611	\$1.0067	\$68,064
Prior Quarters and Adjustments	363,125		\$364,976
Priority One Standby			\$13,132
Standby Service			\$0
Balancing			\$87,201
Total	430,736		\$533,373
May 2023 *			
April 2023 Quarterly 1307(f) Rate	248,517	\$1.0067	\$250,182
Prior Quarters and Adjustments	920		\$835
Priority One Standby			\$12,672
Standby Service			\$0
Balancing			\$73,255
Total	249,437		\$336,944
June 2023 *			
April 2023 Quarterly 1307(f) Rate	113,077	\$1.0067	\$113,834
Prior Quarters and Adjustments	(40)		\$797
Priority One Standby			\$10,902
Standby Service			\$0
Balancing			\$58,026
Total	113,037		\$183,559
July 2023 *			
July 2023 Quarterly 1307(f) Rate	49,071	\$1.0067	\$49,399
Prior Quarters and Adjustments	61,322		\$61,720
Priority One Standby			\$9,840
Standby Service			\$0
Balancing			\$61,327
Total	110,393		\$182,287
August 2023 *			
July 2023 Quarterly 1307(f) Rate	97,750	\$1.0067	\$98,405
Prior Quarters and Adjustments	324		\$331
Priority One Standby			\$9,300
Standby Service			\$0
Balancing			\$65,335
Total	98,074		\$173,372
September 2023 *			
July 2023 Quarterly 1307(f) Rate	110,116	\$1.0067	\$110,854
Prior Quarters and Adjustments	(81)		(\$79)
Priority One Standby			\$3,832
Standby Service			\$0
Balancing			\$66,390
Total	110,035		\$180,996

PEOPLES GAS DIVISION
PURCHASED GAS COST REVENUE - CAPACITY

* Actuals

Month	Sales MCF	Capacity Cost Rate	Gas Cost Revenue
(1)	(2)	(3)	(4)
October 2023 *			
Oct 2023 Quarterly 1307(f) Rate	118,023	\$1.0221	\$120,631
Prior Quarters and Adjustments	179,494		\$183,043
Priority One Standby			\$12,525
Standby Service			\$0
Balancing			\$64,778
Total	<u>297,517</u>		<u>\$380,977</u>
November 2023 *			
Oct 2023 Quarterly 1307(f) Rate	672,376	\$1.0221	\$687,236
Prior Quarters and Adjustments	148		\$133
Priority One Standby			\$16,486
Standby Service			\$0
Balancing			\$87,358
Total	<u>672,524</u>		<u>\$791,213</u>
December 2023 *			
Oct 2023 Quarterly 1307(f) Rate	833,812	\$1.0221	\$852,239
Prior Quarters and Adjustments	55		\$89
Priority One Standby			\$13,728
Standby Service			\$0
Balancing			\$95,474
Total	<u>833,867</u>		<u>\$961,529</u>
Januray 2024*			
Jan 2024 Quarterly 1307(f) Rate	600,868	\$1.0221	\$614,147
Prior Quarters and Adjustments	516,737		\$528,155
Priority One Standby			\$21,150
Standby Service			\$0
Balancing			\$111,331
Total	<u>1,117,605</u>		<u>\$1,274,783</u>

Peoples Natural Gas Company LLC - Combined

"E" FACTOR REVENUE

(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u>	<u>GCA</u>
(1)	(2)
October 2022 *	\$ 1,264,740
November 2022 *	\$ 2,171,695
December 2022 *	\$ 3,684,654
January 2023 *	\$ 3,780,453
February 2023 *	\$ 3,110,311
March 2023 *	\$ 3,125,428
April 2023 *	\$ 1,573,318
May 2023 *	\$ 890,542
June 2023 *	\$ 431,045
July 2023 *	\$ 429,607
August 2023 *	\$ 391,005
September 2023 *	\$ 447,623
	<u>\$ 21,300,421</u>

Peoples Natural Gas Division

"E" FACTOR REVENUE

(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u>	<u>GCA</u>
(1)	(2)
October 2022 *	\$ 1,130,779
November 2022 *	\$ 1,945,594
December 2022 *	\$ 3,295,749
January 2023 *	\$ 3,386,886
February 2023 *	\$ 2,786,927
March 2023 *	\$ 2,792,752
April 2023 *	\$ 1,403,846
May 2023 *	\$ 792,393
June 2023 *	\$ 386,232
July 2023 *	\$ 386,172
August 2023 *	\$ 352,402
September 2023 *	\$ 404,307
	<u>\$ 19,064,040</u>

Peoples Gas Division

"E" FACTOR REVENUE

(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u>	<u>GCA</u>
(1)	(2)
October 2022 *	\$ 133,962
November 2022 *	\$ 226,101
December 2022 *	\$ 388,904
January 2023 *	\$ 393,568
February 2023 *	\$ 323,384
March 2023 *	\$ 332,676
April 2023 *	\$ 169,472
May 2023 *	\$ 98,149
June 2023 *	\$ 44,813
July 2023 *	\$ 43,436
August 2023 *	\$ 38,602
September 2023 *	\$ 43,315
	<u>\$ 2,236,381</u>

Peoples Natural Gas Company LLC - Combined

"E" FACTOR REVENUE

(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u>	<u>GCA</u>
(1)	(2)
October 2023 *	\$ (9,882,005)
November 2023 *	\$ (24,536,584)
December 2023*	\$ (30,655,524)
January 2024*	\$ (3,279,230)
February 2024	\$ -
March 2024	\$ -
April 2024	\$ -
May 2024	\$ -
June 2024	\$ -
July 2024	\$ -
August 2024	\$ -
September 2024	\$ -
	<u>\$ (68,353,343)</u>

Peoples Natural Gas Division

"E" FACTOR REVENUE

(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u>	<u>GCA</u>
(1)	(2)
October 2023 *	\$ (8,848,154)
November 2023 *	\$ (21,987,807)
December 2023*	\$ (27,494,947)
January 2024*	\$ (2,964,066)
February 2024	
March 2024	
April 2024	
May 2024	
June 2024	
July 2024	
August 2024	
September 2024	
	<u>\$ (61,294,974)</u>

Peoples Gas Division

"E" FACTOR REVENUE

(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u>	<u>GCA</u>
(1)	(2)
October 2023 *	\$ (1,033,851)
November 2023 *	\$ (2,548,777)
December 2023*	\$ (3,160,577)
January 2024*	\$ (315,164)
February 2024	
March 2024	
April 2024	
May 2024	
June 2024	
July 2024	
August 2024	
September 2024	
	<u>\$ (7,058,369)</u>

Peoples Natural Gas Company LLC - Combined
CAPACITY "E" FACTOR REVENUE
FOR THE PERIOD OCTOBER 2022 THROUGH SEPTEMBER 2023
(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Amount</u> (2)
October 2022 *	\$66,471
November 2022 *	\$110,468
December 2022 *	\$193,803
January 2023 *	\$230,713
February 2023 *	\$197,370
March 2023 *	\$193,022
April 2023 *	\$101,243
May 2023 *	\$57,547
June 2023 *	\$27,220
July 2023 *	\$26,541
August 2023 *	\$23,484
September 2023 *	<u>\$27,391</u>
Total	<u>\$1,255,272</u>

Peoples Natural Gas Division
CAPACITY "E" FACTOR REVENUE
FOR THE PERIOD OCTOBER 2022 THROUGH SEPTEMBER 2023
(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Mcf</u> (2)	<u>Rate</u> (3)	<u>Amount</u> (4)
October 2022 *	3,414,539	\$0.0186	\$63,510
November 2022 *	5,529,589	\$0.0186	\$102,850
December 2022 *	9,467,527	\$0.0186	\$176,096
January 2023 *	8,572,909	\$0.0243	\$208,322
February 2023 *	7,086,150	\$0.0243	\$172,193
March 2023 *	7,100,635	\$0.0243	\$172,545
April 2023 *	3,569,498	\$0.0243	\$86,739
May 2023 *	2,013,122	\$0.0243	\$48,919
June 2023 *	971,622	\$0.0243	\$23,610
July 2023 *	981,060	\$0.0243	\$23,840
August 2023 *	895,977	\$0.0243	\$21,772
September 2023 *	1,028,413	\$0.0243	<u>\$24,990</u>
Total			<u>\$1,125,388</u>

Peoples Gas Division
CAPACITY "E" FACTOR REVENUE
FOR THE PERIOD OCTOBER 2022 THROUGH SEPTEMBER 2023
(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Amount</u> (2)
October 2022 *	\$2,960
November 2022 *	\$7,617
December 2022 *	17,707
January 2023 *	22,391
February 2023 *	25,176
March 2023 *	20,477
April 2023 *	14,504
May 2023 *	8,628
June 2023 *	3,610
July 2023 *	2,702
August 2023 *	1,711
September 2023 *	2,400
Total	<u>\$129,885</u>

Peoples Natural Gas Company LLC
CAPACITY "E" FACTOR REVENUE
FOR THE PERIOD OCTOBER 2023 THROUGH SEPTEMBER 2024
(* Actuals)

P

Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Amount</u> (2)
October 2023 *	\$22,914
November 2023 *	\$50,255
December 2023*	\$64,604
January 2024*	\$180,000
February 2024	\$0
March 2024	\$0
April 2024	\$0
May 2024	\$0
June 2024	\$0
July 2024	\$0
August 2024	\$0
September 2024	<u>\$0</u>
Total	<u>\$317,773</u>

Peoples Natural Gas Division
CAPACITY "E" FACTOR REVENUE
FOR THE PERIOD OCTOBER 2023 THROUGH SEPTEMBER 2024
(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Mcf</u> (2)	<u>Rate</u> (3)	<u>Amount</u> (4)
October 2023 *	2,533,508	\$0.0080	\$20,268
November 2023 *	5,827,422	\$0.0080	\$46,619
December 2023*	7,254,811	\$0.0080	\$58,038
January 2024*	9,818,075	\$0.0170	\$166,907
February 2024	-		\$0
March 2024	-		\$0
April 2024	-		\$0
May 2024	-		\$0
June 2024	-		\$0
July 2024	-		\$0
August 2024	-		\$0
September 2024	-		<u>\$0</u>
Total			<u>\$291,833</u>

Peoples Gas Division
CAPACITY "E" FACTOR REVENUE
FOR THE PERIOD OCTOBER 2023 THROUGH SEPTEMBER 2024
(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Amount</u> (2)
October 2023 *	\$2,646
November 2023 *	\$3,636
December 2023*	\$6,566
January 2024*	13,093
February 2024	
March 2024	
April 2024	
May 2024	
June 2024	
July 2024	
August 2024	
September 2024	
Total	<u>\$25,940</u>

Peoples Natural Gas Company LLC - COMBINED

Interim Period Projections for Over/ (Under)

Commodity					
	Projected Volumes	Commodity Rate	Projected Commodity Revenue	Projected Commodity Cost	Projected Commodity Over/(Under)
Feb 2024	8,252,491	\$2.3664	\$19,528,694	\$22,677,779	(\$3,149,085)
Mar	8,287,289	\$2.3664	\$19,611,040	\$19,778,748	(\$167,709)
Apr	4,188,926	\$2.3664	\$9,912,674	\$6,291,150	\$3,621,524
May	2,363,627	\$2.3664	\$5,593,287	\$3,624,840	\$1,968,447
Jun	1,129,146	\$2.3664	\$2,672,010	\$1,838,011	\$834,000
Jul	1,129,579	\$2.3664	\$2,673,035	\$1,925,108	\$747,927
Aug	1,044,451	\$2.3664	\$2,471,589	\$1,748,786	\$722,804
Sep 2024	1,867,400	\$2.3664	\$4,419,015	\$2,634,161	\$1,784,853
	28,262,907		\$66,881,343	\$60,518,583	\$6,362,761

Capacity						
	Projected Volumes	Capacity Rate	Projected Capacity Revenue	Projected BB&A Capacity Revenue	Projected Capacity Cost	Projected Capacity Over/(Under)
Feb 2024	9,562,934	\$1.0221	\$9,774,275	\$1,009,550	\$9,249,028	\$1,534,797
Mar	9,599,412	\$1.0221	\$9,811,559	\$1,102,019	\$9,467,261	\$1,446,316
Apr	4,893,043	\$1.0221	\$5,001,179	\$714,236	\$5,014,421	\$700,994
May	2,828,832	\$1.0221	\$2,891,349	\$554,642	\$5,014,421	(\$1,568,430)
Jun	1,367,739	\$1.0221	\$1,397,966	\$432,486	\$5,014,421	(\$3,183,969)
Jul	1,345,722	\$1.0221	\$1,375,463	\$422,566	\$5,014,421	(\$3,216,393)
Aug	1,259,231	\$1.0221	\$1,287,060	\$439,027	\$5,014,421	(\$3,288,334)
Sep 2024	2,215,281	\$1.0221	\$2,264,238	\$432,487	\$5,024,471	(\$2,327,746)
	33,072,193		\$33,803,089	\$5,107,012	\$48,812,865	(\$9,902,764)

Gas Cost Adjustment			
	Projected Volumes	Gas Cost Adjustment Rate	Projected Gas Cost Adjustment Revenue
Feb 2024	8,252,491	\$0.0103	\$85,001
Mar	8,287,289	\$0.0103	\$85,359
Apr	4,188,926	\$0.0103	\$43,146
May	2,363,627	\$0.0103	\$24,345
Jun	1,129,146	\$0.0103	\$11,630
Jul	1,129,579	\$0.0103	\$11,635
Aug	1,044,451	\$0.0103	\$10,758
Sep 2024	1,867,400	\$0.0103	\$19,234
	28,262,907		\$291,108

Capacity E-Factor			
	Projected Volumes	Capacity E-Factor	Projected Capacity E-Factor Revenue
Feb 2024	9,562,934	\$0.0170	\$162,570
Mar	9,599,412	\$0.0170	\$163,190
Apr	4,893,043	\$0.0170	\$83,182
May	2,828,832	\$0.0170	\$48,090
Jun	1,367,739	\$0.0170	\$23,252
Jul	1,345,722	\$0.0170	\$22,877
Aug	1,259,231	\$0.0170	\$21,407
Sep 2024	2,215,281	\$0.0170	\$37,660
	33,072,193		\$562,227

Peoples Natural Gas Company LLC - Combined

Calculation of Interest on Commodity and Capacity Over/Under Collections
(*Actual)

Line No.	Description	Over/(Under) Collection (1)	Time Period Years (2)	Interest Rate (3) 1/	TOTAL Actual Interest (4)=(1)x(2)x(3)	Line No.	Description	Capacity Over/(Under) Collection (1)	Time Period Years (2) Years	Interest Rate (3)	Actual Interest (4)=(1)x(2)x(3)	Line No.	Description	Commodity Over/(Under) Collection (1)	Time Period Years (2) Years	Interest Rate (3)	Actual Interest (4)=(1)x(2)x(3)
1	October 2023	\$ 3,109,158	1.5000	8.50%	\$ 396,418	1	October 2023	\$ (660,953)	1.5000	8.50%	\$ (84,271)	1	October 2023	\$ 3,770,111	1.5000	8.50%	\$ 480,689
2	November 2023	\$ 287,755	1.4167	8.50%	\$ 34,650	2	November 2023	\$ (658,287)	1.4167	8.50%	\$ (79,269)	2	November 2023	\$ 946,042	1.4167	8.50%	\$ 113,919
3	December 2023	\$ 7,942,939	1.3333	8.50%	\$ 900,177	3	December 2023	\$ 1,242,073	1.3333	8.50%	\$ 140,765	3	December 2023	\$ 6,700,866	1.3333	8.50%	\$ 759,413
4	January 2024	\$ (7,246,794)	1.2500	8.50%	\$ (769,972)	4	January 2024	\$ 4,891,244	1.2500	8.50%	\$ 519,695	4	January 2024	\$ (12,138,038)	1.2500	8.50%	\$ (1,289,667)
5	Total	\$ 4,093,058			\$ 561,273	5	Total	\$ 4,814,077			\$ 496,919	5	Total	\$ (721,019)			\$ 64,354
Interim Period						Interim Period						Interim Period					
6	February 2024	\$ (1,614,288)	1.1667	8.50%	\$ (160,084)	6	February 2024	\$ 1,534,797	1.1667	8.50%	\$ 152,201	6	February 2024	\$ (3,149,085)	1.1667	8.50%	\$ (312,284)
7	March 2024	\$ 1,278,607	1.0833	8.50%	\$ 117,738	7	March 2024	\$ 1,446,316	1.0833	8.50%	\$ 133,182	7	March 2024	\$ (167,709)	1.0833	8.50%	\$ (15,443)
8	April 2024	\$ 4,322,518	1.0000	8.50%	\$ 367,414	8	April 2024	\$ 700,994	1.0000	8.50%	\$ 59,584	8	April 2024	\$ 3,621,524	1.0000	8.50%	\$ 307,830
9	May 2024	\$ 400,017	0.9167	8.50%	\$ 31,168	9	May 2024	\$ (1,568,430)	0.9167	8.50%	\$ (122,207)	9	May 2024	\$ 1,968,447	0.9167	8.50%	\$ 153,375
10	June 2024	\$ (2,349,969)	0.8333	8.50%	\$ (166,456)	10	June 2024	\$ (3,183,969)	0.8333	8.50%	\$ (225,531)	10	June 2024	\$ 834,000	0.8333	8.50%	\$ 59,075
11	July 2024	\$ (2,468,466)	0.7500	8.50%	\$ (157,365)	11	July 2024	\$ (3,216,393)	0.7500	8.50%	\$ (205,045)	11	July 2024	\$ 747,927	0.7500	8.50%	\$ 47,680
12	August 2024	\$ (2,565,531)	0.6667	8.50%	\$ (145,387)	12	August 2024	\$ (3,288,334)	0.6667	8.50%	\$ (186,348)	12	August 2024	\$ 722,804	0.6667	8.50%	\$ 40,961
13	September 2024	\$ (542,893)	0.5833	8.50%	\$ (26,918)	13	September 2024	\$ (2,327,746)	0.5833	8.50%	\$ (115,417)	13	September 2024	\$ 1,784,853	0.5833	8.50%	\$ 88,499
14	Total Interim	(3,540,003)			\$ (139,890)	14	Total Interim	(9,902,764)			\$ (509,582)	14	Total Interim	6,362,761			\$ 369,692
15	Total Interest Due (PNG) or Customer				\$ 421,384	15	Total Interest				\$ (12,663)	15	Total Interest				\$ 434,046

Peoples Natural Gas Company LLC - Combined

Projected Throughput - Mcf

		<u>Sales</u>	<u>P-1 Transport</u>	<u>Total</u>
October	2024	3,935,360	664,235	4,599,595
November		6,396,029	1,040,777	7,436,806
December		11,011,245	1,719,666	12,730,912
January	2025	9,993,797	1,502,369	11,496,165
February		8,253,199	1,305,454	9,558,652
March		8,288,031	1,307,167	9,595,198
April		4,189,319	701,594	4,890,913
May		2,363,843	463,739	2,827,582
June		1,129,256	237,941	1,367,197
July		1,129,681	215,499	1,345,181
August		1,044,541	214,189	1,258,731
September		<u>1,867,561</u>	<u>346,754</u>	<u>2,214,315</u>
TOTAL		59,601,862	9,719,385	69,321,247

Peoples Natural Gas Division

Projected Throughput - Mcf

		<u>Sales</u>	<u>P-1 Transport</u>	<u>Total</u>
October	2024	3,525,773	651,449	3,186,647
November		5,726,278	1,022,368	6,504,314
December		9,862,796	1,698,984	10,539,878
January	2025	8,945,978	1,486,971	11,924,956
February		7,395,239	1,278,914	10,876,265
March		7,406,472	1,292,966	8,219,091
April		3,739,135	687,408	4,208,924
May		2,105,972	443,605	2,320,442
June		1,008,864	228,879	1,341,423
July		1,014,147	198,540	1,104,904
August		941,913	200,610	1,100,225
September		<u>1,683,563</u>	<u>335,548</u>	<u>1,312,963</u>
TOTAL		53,356,130	9,526,243	62,640,030

Peoples Gas Division

Projected Throughput - Mcf

		<u>Sales</u>	<u>P-1 Transport</u>	<u>Total</u>
October	2024	409,587	12,786	329,220
November		669,751	18,408	692,608
December		1,148,450	20,683	1,069,283
January	2025	1,047,818	15,398	1,239,598
February		857,960	26,539	1,126,135
March		881,559	14,202	858,060
April		450,184	14,186	449,333
May		257,871	20,133	247,059
June		120,392	9,062	136,769
July		115,535	16,959	110,645
August		102,628	13,579	110,397
September		<u>183,998</u>	<u>11,206</u>	<u>115,979</u>
TOTAL		6,245,732	193,141	6,485,086

Peoples Natural Gas Company LLC
AVC Capacity (Over)/Under Collection

	Balance at September 30, 2023	October <u>2023</u> act	November <u>2023</u> act	December <u>2023</u> act	January <u>2024</u> act	February <u>2024</u>	March <u>2024</u>	April <u>2024</u>	May <u>2024</u>	June <u>2024</u>	July <u>2024</u>	August <u>2024</u>	September <u>2024</u>
Total AVC Capacity Costs		\$ 2,941,316	\$ 6,591,566	\$ 6,591,566	\$ 6,591,566	\$ 6,591,566	\$ 6,608,366	\$ 2,958,116	\$ 2,958,116	\$ 2,958,116	\$ 2,958,116	\$ 2,958,116	\$ 2,958,116
Total AVC Revenues		\$ 2,944,622	\$ 6,336,116	\$ 7,528,616	\$ 10,108,227	\$ 7,890,416	\$ 7,658,812	\$ 4,224,835	\$ 2,654,991	\$ 1,526,271	\$ 1,338,081	\$ 1,429,441	\$ 2,168,407
RS Costs (66.25%)		\$ 1,948,622	\$ 4,366,913	\$ 4,366,913	\$ 4,366,913	\$ 4,366,913	\$ 4,378,043	\$ 1,959,752	\$ 1,959,752	\$ 1,959,752	\$ 1,959,752	\$ 1,959,752	\$ 1,959,752
RS Revenues		\$ 1,780,755	\$ 4,129,279	\$ 5,149,523	\$ 6,945,495	\$ 5,397,476	\$ 5,271,814	\$ 2,631,680	\$ 1,539,977	\$ 693,490	\$ 695,514	\$ 640,849	\$ 1,161,603
Over/(Under)		\$ (167,866)	\$ (237,634)	\$ 782,611	\$ 2,578,582	\$ 1,030,563	\$ 893,771	\$ 671,928	\$ (419,775)	\$ (1,266,261)	\$ (1,264,238)	\$ (1,318,903)	\$ (798,149)
SGS Costs (11.94%)		\$ 351,193	\$ 787,033	\$ 787,033	\$ 787,033	\$ 787,033	\$ 789,039	\$ 353,199	\$ 353,199	\$ 353,199	\$ 353,199	\$ 353,199	\$ 353,199
SGS Revenues		\$ 322,931	\$ 757,584	\$ 943,109	\$ 1,321,542	\$ 1,030,636	\$ 981,020	\$ 535,527	\$ 260,801	\$ 148,920	\$ 128,626	\$ 127,893	\$ 194,386
Over/(Under)		\$ (28,262)	\$ (29,449)	\$ 156,076	\$ 534,509	\$ 243,603	\$ 191,981	\$ 182,328	\$ (92,399)	\$ (204,279)	\$ (224,573)	\$ (225,307)	\$ (158,813)
MGS Costs (12.99%)		\$ 382,077	\$ 856,244	\$ 856,244	\$ 856,244	\$ 856,244	\$ 858,427	\$ 384,259	\$ 384,259	\$ 384,259	\$ 384,259	\$ 384,259	\$ 384,259
MGS Revenues		\$ 404,938	\$ 792,309	\$ 924,531	\$ 1,185,590	\$ 942,926	\$ 945,659	\$ 607,578	\$ 398,033	\$ 252,906	\$ 213,501	\$ 211,870	\$ 293,913
Over/(Under)		\$ 22,861	\$ (63,936)	\$ 68,287	\$ 329,345	\$ 86,682	\$ 87,232	\$ 223,318	\$ 13,774	\$ (131,353)	\$ (170,758)	\$ (172,390)	\$ (90,346)
LGS Costs (8.82%)		\$ 259,424	\$ 581,376	\$ 581,376	\$ 581,376	\$ 581,376	\$ 582,858	\$ 260,906	\$ 260,906	\$ 260,906	\$ 260,906	\$ 260,906	\$ 260,906
LGS Revenues		\$ 435,997	\$ 656,943	\$ 511,453	\$ 655,600	\$ 519,378	\$ 460,320	\$ 450,051	\$ 456,180	\$ 430,954	\$ 300,440	\$ 448,830	\$ 518,504
Over/(Under)		\$ 176,573	\$ 75,567	\$ (69,923)	\$ 74,224	\$ (61,998)	\$ (122,538)	\$ 189,145	\$ 195,274	\$ 170,048	\$ 39,534	\$ 187,925	\$ 257,599
Cumulative Over/(Under)													
RS	\$ (2,644,858)	\$ (2,864,010)	\$ (3,176,278)	\$ (2,378,966)	\$ 411,343	\$ 1,495,880	\$ 2,427,038	\$ 3,135,451	\$ 2,671,905	\$ 1,311,423	\$ (37,499)	\$ (1,434,488)	\$ (2,275,571)
SGS	\$ (426,464)	\$ (462,710)	\$ (502,647)	\$ (340,552)	\$ 240,527	\$ 500,470	\$ 702,985	\$ 897,386	\$ 796,411	\$ 576,945	\$ 337,402	\$ 98,752	\$ (68,531)
MGS	\$ (106,631)	\$ (83,813)	\$ (159,105)	\$ (88,886)	\$ 270,555	\$ 361,992	\$ 453,614	\$ 693,992	\$ 707,645	\$ 566,299	\$ 384,085	\$ 201,425	\$ 106,124
LGS	\$ 55,447	\$ 253,790	\$ 337,685	\$ 258,966	\$ 340,248	\$ 271,468	\$ 137,012	\$ 341,745	\$ 551,838	\$ 733,596	\$ 775,352	\$ 973,651	\$ 1,243,810
	\$ (3,122,506)	\$ (3,156,743)	\$ (3,500,345)	\$ (2,549,438)	\$ 1,262,673	\$ 2,629,809	\$ 3,720,648	\$ 5,068,573	\$ 4,727,799	\$ 3,188,263	\$ 1,459,339	\$ (160,660)	\$ (994,167)

Peoples Natural Gas Company LLC
ANNUAL 1307(f) Rate Calculation
Effective: OCTOBER 1, 2024

Annual 1307(f)
October 1, 2024

Line No.		Costs and Volumes	\$/Mcf Rates
1	DC = Projected Annual Capacity Costs (excluding AVC Capacity)	\$83,877,851	
2	MINUS: Projected Balancing Revenue Credits	<u>\$9,170,148</u>	
3	Projected Annual "Current" Period Capacity Costs (line 1 - line 2)	\$74,707,703	
4	S + SBAC = Projected Annual Sales and Standby Volumes - October 2024 through September 2025 (Mcf)	<u>69,321,247</u>	
5	Projected "Current" Period Capacity Costs per Mcf (line 3 / line 4)		\$1.0777
6	Capacity Over/(Under) "E-Factor" Collection	(\$5,398,320)	
7	S + SBAC = Projected Annual Sales and Standby Volumes - October 2024 through September 2025 (Mcf)	<u>69,321,247</u>	
8	Capacity "E-Factor" Cost per Mcf (line 6 / line 7)		(\$0.0779)
9	Projected Total Capacity Cost of Gas per Mcf (line 5 - line 8)		\$1.1556
10	CC = Projected Commodity Costs	\$131,093,446	
11	S = Projected Sales Volumes October 2024 through September 2025 (Mcf)	<u>59,601,862</u>	
12	Projected Commodity Cost of Gas per Mcf (line 10 / line 11)		\$2.1995
13	MINUS: Current Commodity Over/(Under) Collection	\$0	
14	S = Projected Annual Sales Volumes (Mcf)	<u>59,601,862</u>	
15	Current Commodity Over/(Under) Collection Commodity Cost of Gas per Mcf (line 13 / line 14)		<u>\$0.0000</u>
16	Projected Commodity Cost of Gas per Mcf (line 12 - line 15)		\$2.1995
17	Total Projected Cost of Gas per Mcf (line 9 + line 16)		\$3.3551
18	Total Prior Period Over/(Under) Collection Balance	<u>\$5,392,308</u>	
19	Projected Sales Volumes October 2024 through September 2025 (Mcf)	<u>59,601,862</u>	
20	MINUS: E = Prior Period Over/(Under) Collection Rate per Mcf (line 18 / line 19)		\$0.0905
21	Overall Gas Cost Rate per Mcf (line 17 - line 20 - line 21)		\$3.2646

Peoples Natural Gas Company

Annual 1307(f)
October 1, 2024

AVC Capacity Charge Rate Calculation for October 1, 2024

	<u>Total</u>	<u>RS</u>	<u>RS Rate</u>	<u>SGS</u>	<u>SGS Rate</u>	<u>MGS</u>	<u>MGS Rate</u>	<u>LGS</u>	<u>LGS Rate</u>
Oct 24 - Sept 25 Projected AVC Capacity Costs	\$53,748,644	\$35,608,476		\$6,417,588		\$6,981,949		\$4,740,630	
Less: Competitive Contribution		<u>\$0</u>		<u>\$1,156</u>		<u>\$63,360</u>		<u>\$624,893</u>	
Subtotal	\$53,059,235	\$35,608,476	\$0.6425	\$6,416,432	\$0.6125	\$6,918,589	\$0.3946	\$4,115,737	\$0.1839
Over/(Under) Collection through September 2024	<u>(\$994,167)</u>	<u>(\$2,275,571)</u>	<u>\$0.0411</u>	<u>(\$68,531)</u>	<u>\$0.0065</u>	<u>\$106,124</u>	<u>(\$0.0061)</u>	<u>\$1,243,810</u>	<u>(\$0.0556)</u>
Net AVC to be Recovered	\$54,053,402	\$37,884,047		\$6,484,963		\$6,812,464		\$2,871,926	
Volumes to be Charged AVC Capacity Cost	105,803,407	<u>55,420,200</u>		<u>10,475,430</u>		<u>17,531,927</u>		<u>22,375,850</u>	
Projected AVC Rate to be effective October 1, 2024			\$ 0.6836		\$ 0.6191		\$ 0.3886		\$ 0.1283

COMBINED			
Calculation Of Balancing Charge			
I. Balancing Recoverable Costs			
<u>A. Total Storage Costs</u>	Annual Amount		
EGTS GSS	\$8,885,928		
EGTS FTNN	\$6,477,995		
NFG ESS & EFT	\$1,732,452		
EQT 60SS/115SS	\$7,375,042		
EQT FSS	\$12,045,761		
EQT NOFT	\$7,484,135		
GSS Variable Charges	\$1,338,513		
TCO FS	\$137,229		
TCO SST	<u>\$170,850</u>		
Total	\$45,647,904		
Annualized Storage Demand (Mcf)	5,096,835		
Average Storage Charge (\$/Mcf)	\$8.9561		
<u>B. PNGD & PGD System Storage/Contract Storage Split</u>	MDWQ Volumes (Mcf)	Percent To Total	
PNG On-System Storage	32,000	4.76%	
PG On-System Storage	23,300	3.47%	
AVC Storage	192,493	28.62%	
EGTS GSS Storage	86,622	12.88%	
National Fuel ESS Storage	9,425	1.40%	
ETRN 60SS/115SS	250,205	37.20%	
Equitrans NOFT	76,559	11.38%	
TCO FSS	1,925	0.29%	
Total	<u>672,529</u>	<u>100.00%</u>	
<u>C. Balancing Recovery Of Contract Storage Costs</u>			
Balancing Peak Day Requirements (Mcf)		135,104	
Contract Storage Percentage		<u>63.16%</u>	
Contract Storage Related Balancing Requirements (Mcf)		85,325	
Average Storage Charge (\$/Mcf)		<u>\$8.9561</u>	
Monthly Balancing Storage Cost Recovery		\$764,179	
Annual Balancing Storage Cost Recovery		<u>\$9,170,148</u>	
II. Balancing Peak Day Requirements/Balancing Charge Development			
<u>A. Balancing Peak Day Requirements</u>		Volumes (Mcf)	
SGS & MGS		90,309	
LGS		<u>44,796</u>	
Total Balancing Peak Day Requirements		<u>135,104</u>	
<u>B. Balancing Peak Day Requirements Allocated To Customer Classes</u>			
	Balancing Requirements (Mcf)	Percent To Total	
<u>NGS Supplied Customer Class</u>			
SGS & MGS	90,309	66.84%	
LGS	<u>44,796</u>	<u>33.16%</u>	
Total	<u>135,104</u>	<u>100.00%</u>	
<u>C. Balancing Charge Development</u>		NGS Supplied Volumes (Mcf)	Balancing Unit Rate (\$/Mcf)
<u>NGS Supplied Customer Class</u>	Contract Storage Costs		
SGS & MGS	\$6,129,647	14,744,468	\$0.4157
LGS	<u>\$3,018,062</u>	<u>29,090,669</u>	<u>\$0.1037</u>
Total	<u>\$9,147,709</u>	<u>43,835,137</u>	<u>\$0.2087</u>

PEOPLES NATURAL GAS DIVISION
Gas Cost Revenues and Expenses
February 2023 through January 2024

		<u>Purchased Gas Revenues 1/</u>	<u>Purchased Gas Expenses 1/</u>	<u>Over / (Under) Collections</u>
February	2023	\$60,406,264	\$41,901,699	\$18,504,564
March		\$59,783,562	\$47,866,312	\$11,917,250
April		\$15,102,929	\$15,517,558	(\$414,629)
May		\$9,885,920	\$10,763,933	(\$878,013)
June		\$5,151,193	\$8,687,728	(\$3,536,535)
July		\$3,801,039	\$8,834,044	(\$5,033,005)
August		\$3,455,227	\$9,171,807	(\$5,716,580)
September		\$3,789,451	\$9,629,384	(\$5,839,933)
October		\$13,477,056	\$10,892,734	\$2,584,321
November		\$31,070,737	\$31,339,984	(\$269,248)
December		\$38,014,480	\$31,080,643	\$6,933,837
January	2024	<u>\$46,629,605</u>	<u>\$51,261,615</u>	<u>(\$4,632,010)</u>
		<u>\$290,567,463</u>	<u>\$276,947,442</u>	<u>\$13,620,021</u>

PEOPLES GAS DIVISION
Gas Cost Revenues and Expenses
February 2023 through January 2024

		<u>Purchased Gas Revenues 1/</u>	<u>Purchased Gas Expenses</u>	<u>Over / (Under) Collections</u>
February	2023	\$5,952,379	\$6,242,641	(\$290,262)
March		\$6,130,795	\$5,808,023	\$322,772
April		\$1,393,217	\$1,431,651	(\$38,434)
May		\$858,142	\$1,670,374	(\$812,233)
June		\$444,976	\$1,263,930	(\$818,953)
July		\$304,061	\$983,059	(\$678,999)
August		\$276,716	\$899,780	(\$623,065)
September		\$261,335	\$275,435	(\$14,100)
October		\$1,277,273	\$1,046,891	\$230,382
November		\$2,750,580	\$2,925,626	(\$175,046)
December		\$3,402,031	\$2,270,669	\$1,131,362
January	2024	<u>\$3,973,992</u>	<u>\$3,808,063</u>	<u>\$165,929</u>
		<u>\$27,025,496</u>	<u>\$28,626,143</u>	<u>(\$1,600,647)</u>

1/ Purchased gas revenues include AVC revenues (PNG) and do not include GCA or Capacity "E" factor revenues; purchased gas expenses include AVC expenses.

PEOPLES' UFG MITIGATION PLAN

Activity and Cost Data Related to Removal and Replacement of Gathering Lines

January 1, 2018 through December 31, 2023

	<u>Historic Performance</u>		2022 Actual	2023 Actual
	Actual Performance to Date (2018- 2021)	Original 4 year Plan		
<u>Gathering Lines - Miles Abandoned</u>				
Total	122.1	115.2	36.5	18.5
<u>Gathering Lines - Miles Repaired/Replaced</u>				
Total	50.7	20.0	12.2	10.8
<hr/>				
<u>Gathering Lines (Abandoned)- \$millions</u>				
Total	\$ 1.08	\$ 3.77	\$ 0.17	\$ 0.19
<u>Gathering Lines (Repaired/Replaced) - \$millions</u>				
Total	\$ 16.48	\$ 16.15	\$ 5.13	\$ 4.83
<u>Gathering Lines - TOTAL - \$millions</u>				
Total	\$ 17.55	\$ 19.92	\$ 5.30	\$ 5.02

Row	1307(f) Reporting Year	2022	2023	2024
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A. Gas Received

1	From Production Facilities	36,730,148	34,735,324	32,703,916
2	From Transmission Facilities	-	-	-
3	From Storage Facilities	1,669,332	1,570,566	1,497,678
4	From Interstate Pipeline directly into the Distribution System	105,317,338	108,170,909	104,939,692
5	From Other Sources (i.e. propane etc.)	636,777	636,048	655,189
6	Total Gas Received	144,353,595	145,112,847	139,796,475

B. Gas Delivered

7	To Customers (i.e. transportation, residential, commercial, industrial etc.)			
7	Total To Customers	132,676,442	133,136,713	126,547,322
8	To Storage			
9	Storage injection	1,874,821	1,719,255	1,445,136
10	Total To Storage			
11	Total To Transmission system/Off system	910,986	863,125	1,742,567
12	Other exchanges	264,011	289,353	351,979
13	Total Gas Delivered	135,726,260	136,008,446	130,087,004

C. Adjustments

14	Company use	821,199	774,400	817,868
15	Storage loss	131,509	141,131	141,810
16	Other Adjustments	2,795,935	2,531,989	2,693,115
17	Total Adjustments	3,748,643	3,447,520	3,652,793

D. Total UFG (= A-B-C)

18	Total	4,878,691	5,656,881	6,056,678
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E. Total Percent UFG (= D/A)

19	Percentage	3.38%	3.90%	4.33%
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Time Period	PNGD	PGD	Total
Principal			
01/01/2020 - 12/31/2023	\$ (2,020,833)		\$ (2,020,833)
10/01/2022 - 12/31/2023		\$ (1,228,594)	\$ (1,228,594)
			<u>\$ (3,249,426)</u>
Associated Interest			
01/01/2020 - 12/31/2023	\$ (588,821)		\$ (588,821)
10/01/2022 - 12/31/2023		\$ (180,297)	\$ (180,297)
			<u>\$ (769,118)</u>
Total Adjustment Principal and Interest 1/			\$ (4,018,545)

1/ Adjustment amount estimated through December 31, 2023. Refer to the direct testimony of Carol Scanlon at Peoples Statement No. 1 for more information.

PNGD Storage Expense Change				PNGD Interest Calculation		Time	Interest		
	2020	2021	2022	2023	Principal	Factor	Rate	Interest	
JAN		\$ 134,797.96	\$ (512,335.23)	\$ (767,071.17)	Jan	2020			
FEB		\$ 36,691.98	\$ (429,006.82)	\$ (396,890.52)	Feb				
MAR		\$ 150,928.79	\$ (368,766.99)	\$ 196,702.18	Mar				
APR	\$ (461,903.26)	\$ 571,810.62	\$ 1,698,203.77	\$ (1,749,465.54)	Apr		5.000	4.750%	(\$109,702)
MAY	\$ (13,039.41)	\$ 256,103.55	\$ 69,657.71	\$ (1,370,137.82)	May		4.917	4.750%	(\$3,045)
JUN	\$ (2,955.96)	\$ (28,895.06)	\$ 122,223.98	\$ 183,210.38	Jun		4.833	4.750%	(\$679)
JUL	\$ (3,782.48)	\$ (11,603.18)	\$ (10,263.35)	\$ (159,224.27)	Jul		4.750	4.750%	(\$853)
AUG	\$ (2,312.36)	\$ 23,171.99	\$ 19,309.55	\$ (129,598.58)	Aug		4.667	4.750%	(\$513)
SEP	\$ (7,704.93)	\$ (7,818.36)	\$ 25,741.34	\$ (92,200.01)	Sep		4.583	4.750%	(\$1,677)
OCT	\$ (76,217.71)	\$ 402,026.04	\$ (619,393.64)	\$ (42,618.37)	Oct		4.500	3.250%	(\$11,147)
NOV	\$ 35,321.31	\$ 831,416.78	\$ (807,931.49)	\$ (177,940.14)	Nov		4.417	3.250%	\$5,070
DEC	\$ 317,497.37	\$ (24,819.48)	\$ (705,977.17)	\$ 1,884,225.40	Dec		4.333	3.250%	\$44,714
	\$ (215,097.44)	\$ 2,333,811.64	\$ (1,518,538.34)	\$ (2,621,008.48)	Jan	2021	4.250	3.250%	\$18,619
Total Change April 2020 thru December 2023 \$ (2,020,833)					Feb		4.167	3.250%	\$4,969
					Mar		4.083	3.250%	\$20,030
					Apr		4.000	3.250%	\$74,335
					May		3.917	3.250%	\$32,600
					Jun		3.833	3.250%	(\$3,600)
					Jul		3.750	3.250%	(\$1,414)
					Aug		3.667	3.250%	\$2,761
					Sep		3.583	3.250%	(\$911)
					Oct		3.500	3.250%	\$45,730
					Nov		3.417	3.250%	\$92,322
					Dec		3.333	3.250%	(\$2,689)
					Jan	2022	3.250	3.250%	(\$54,115)
					Feb		3.167	3.250%	(\$44,152)
					Mar		3.083	3.250%	(\$36,954)
					Apr		3.000	3.250%	\$165,575
					May		2.917	3.250%	\$6,603
					Jun		2.833	3.250%	\$11,255
					Jul		2.750	3.250%	(\$917)
					Aug		2.667	3.250%	\$1,673
					Sep		2.583	3.250%	\$2,161
					Oct		2.500	7.500%	(\$116,136)
					Nov		2.417	7.500%	(\$146,438)
					Dec		2.333	7.500%	(\$123,546)
					Jan	2023	2.250	7.500%	(\$129,443)
					Feb		2.167	7.500%	(\$64,495)
					Mar		2.083	7.500%	\$30,735
					Apr		2.000	7.500%	(\$262,420)
					May		1.917	7.500%	(\$196,957)
					Jun		1.833	7.500%	\$25,191
					Jul		1.750	7.500%	(\$20,898)
					Aug		1.667	7.500%	(\$16,200)
					Sep		1.583	7.500%	(\$10,949)
					Oct		1.500	8.500%	(\$5,434)
					Nov		1.417	8.500%	(\$21,427)
					Dec		1.333	8.500%	\$213,546
					Jan	2024			
					Feb				
					Mar				
					Apr				
					May				
					Jun				
					Jul				
					Aug				
					Sep				
					Oct				
					Nov				
					Dec				
					Jan	2025			
					Feb				
					Mar				
						\$ (2,020,833)			\$ (588,821)

PGD Storage Expense Change		
	2022	2023
JAN		\$ (20,071.39)
FEB		\$ 32,756.74
MAR		\$ 34,879.31
APR		\$ (51,255.99)
MAY		\$ (501,269.95)
JUN		\$ (451,340.42)
JUL		\$ (295,068.02)
AUG		\$ (326,546.73)
SEP		\$ 143.98
OCT	\$ (24,124.51)	\$ (47,706.26)
NOV	\$ (115,897.52)	\$ 196,547.42
DEC	\$ 48,998.43	\$ 291,361.08
	\$ (91,023.59)	\$ (1,137,570.23)

Total Storage Valuation Change	\$ (1,228,594)
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PGD Interest Calculation

	Principal	Time Factor	Interest Rate	Interest
Jan	2020			
Feb				
Mar				
Apr		5.000	4.750%	\$0
May		4.917	4.750%	\$0
Jun		4.833	4.750%	\$0
Jul		4.750	4.750%	\$0
Aug		4.667	4.750%	\$0
Sep		4.583	4.750%	\$0
Oct		4.500	3.250%	\$0
Nov		4.417	3.250%	\$0
Dec		4.333	3.250%	\$0
Jan	2021	4.250	3.250%	\$0
Feb		4.167	3.250%	\$0
Mar		4.083	3.250%	\$0
Apr		4.000	3.250%	\$0
May		3.917	3.250%	\$0
Jun		3.833	3.250%	\$0
Jul		3.750	3.250%	\$0
Aug		3.667	3.250%	\$0
Sep		3.583	3.250%	\$0
Oct		3.500	3.250%	\$0
Nov		3.417	3.250%	\$0
Dec		3.333	3.250%	\$0
Jan	2022	3.250	3.250%	\$0
Feb		3.167	3.250%	\$0
Mar		3.083	3.250%	\$0
Apr		3.000	3.250%	\$0
May		2.917	3.250%	\$0
Jun		2.833	3.250%	\$0
Jul		2.750	3.250%	\$0
Aug		2.667	3.250%	\$0
Sep		2.583	3.250%	\$0
Oct		(\$24,125)	7.500%	(\$4,523)
Nov		(\$115,898)	7.500%	(\$21,006)
Dec		\$48,998	7.500%	\$8,575
Jan	2023	(\$20,071)	7.500%	(\$3,387)
Feb		\$32,757	7.500%	\$5,323
Mar		\$34,879	7.500%	\$5,450
Apr		(\$51,256)	7.500%	(\$7,688)
May		(\$501,270)	7.500%	(\$72,058)
Jun		(\$451,340)	7.500%	(\$62,059)
Jul		(\$295,068)	7.500%	(\$38,728)
Aug		(\$326,547)	7.500%	(\$40,818)
Sep		\$144	7.500%	\$17
Oct		(\$47,706)	8.500%	(\$6,083)
Nov		\$196,547	8.500%	\$23,668
Dec		\$291,361	8.500%	\$33,021
Jan	2024			
Feb				
Mar				
Apr				
May				
Jun				
Jul				
Aug				
Sep				
Oct				
Nov				
Dec				
Jan	2025			
Feb				
Mar				
		\$ (1,228,594)		\$ (180,297)