
Michael W. Hassell

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File #: 167888

July 2, 2024

VIA ELECTRONIC FILING

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

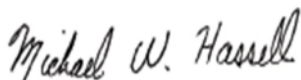
**Re: Securities Certificate Registration and Affiliated Interest Agreement Filing of Peoples Natural Gas Company LLC for authorization to Issue Tranches of Debt Under an Intercompany Promissory Note to PNG Companies LLC in the Aggregate Principal Amount of Not More Than \$950 Million
Docket Nos. S-2024- and G-2024-**

Dear Secretary Chiavetta:

Attached please find the Securities Certificate Registration and Affiliated Interest Agreement Filing of Peoples Natural Gas Company LLC in the above-referenced proceeding. Copies will be provided as indicated on the Certificate of Service.

If you have any questions, please let me know.

Respectfully submitted,



Michael W. Hassell

MWH/kl
Attachment

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).

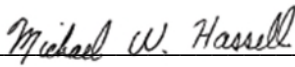
VIA E-MAIL

NazAarah Sabree
Small Business Advocate
Office of Small Business Advocate
555 Walnut Street
Forum Place, 1st Floor
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Allison Kaster, Director
Bureau of Investigation & Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
P.O. Box 3265
Harrisburg, PA 17105-3265
akaster@pa.gov

Date: July 2, 2024



Michael W. Hassell

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Re: Securities Certificate Registration and :
Affiliated Interest Agreement Filing of Peoples : Docket Nos. S-2024-_____
Natural Gas Company LLC for authorization to : G-2024-_____
Issue Tranches of Debt Under an Intercompany :
Promissory Note to PNG Companies LLC in the :
Aggregate Principal Amount of Not More Than ::
\$950 million

**SECURITIES CERTIFICATE REGISTRATION AND
AFFILIATED INTEREST AGREEMENT FILING
OF PEOPLES NATURAL GAS COMPANY LLC**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Peoples Natural Gas Company LLC (“Peoples Natural Gas” or the “Company”), by and through its legal counsel, hereby files this Securities Certificate and underlying affiliated interest agreement, and requests that the Pennsylvania Public Utility Commission (“Commission”) register the Securities Certificate pursuant to Chapter 19 of the Pennsylvania Public Utility Code (“Code”), 66 Pa. C.S. §§ 1901 *et seq.*, and approve the associated form of Intercompany Promissory Note between Peoples Natural Gas and PNG Companies LLC (“PNG Promissory Note”) as an affiliated interest agreement pursuant to Chapter 21 of the Code, *id.* § 2101 *et seq.* In support thereof, Peoples Natural Gas represents as follows:

1. This Securities Certificate Registration and affiliated interest agreement are filed by Peoples Natural Gas, which is a public utility that provides natural gas distribution and supplier of last resort services in Pennsylvania subject to the regulatory jurisdiction of the Commission.
2. Peoples Natural Gas’s address is:

375 North Shore Drive
Pittsburgh, PA 15212

3. The attorneys for Peoples Natural Gas in this matter are:

Meagan Moore (PA Bar I.D. # 317975)
PNG Companies LLC
375 North Shore Drive
Pittsburgh, PA 15212
Voice: 412-208-6527
Email: Meagan.moore@peoples-gas.com

Michael W. Hassell (PA Bar I.D. #34851)
Nicholas A. Stobbe (PA Bar I.D. # 329583)
Post & Schell, P.C.
17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
Voice: 717-612-6032
Fax: 717-731-1985
E-mail: mhassell@postschell.com
E-mail: nstobbe@postschell.com

Peoples Natural Gas's attorneys are authorized to receive all notices and communications regarding this Securities Certificate Registration and affiliated interest agreement filing.

4. Peoples Natural Gas is a Pennsylvania Limited Liability Company, validly formed and existing and in good standing under the law of the Commonwealth of Pennsylvania. Peoples Natural Gas is a "public utility" and a "natural gas distribution company" as those terms are defined in Sections 102 and 2202 of the Code, 66 Pa.C.S. §§ 102, 2202.

5. Peoples Natural Gas operates two divisions: Peoples Natural Gas Division ("PNGD"), and Peoples Gas Division ("PGD"). This structure was formed on January 1, 2023 after the Commission approved the merger of Peoples Gas Company LLC ("Peoples Gas") with and into Peoples Natural Gas at Docket Nos. A-2021-3029831 and A-2021-3029833, *et al.*, on August 25, 2022. Effective October 1, 2022, the purchased gas cost rates of Peoples Natural Gas and Peoples Gas were merged, with the exception of the Allegheny Valley Connector ("AVC") capacity charge.

6. Peoples Natural Gas provides natural gas services to approximately 700,000 customers throughout its certificated territory, which includes all or a portion of the following Pennsylvania counties: Allegheny, Armstrong, Beaver, Blair, Butler, Cambria, Clarion, Clearfield, Fayette, Greene, Indiana, Jefferson, Lawrence, Mercer, Somerset, Venango, Washington, and Westmoreland.

7. Peoples Natural Gas is a wholly-owned subsidiary of PNG Companies LLC (“PNG”).

8. PNG is a wholly-owned, indirect subsidiary of Essential Utilities, Inc. (“Essential”), f/k/a Aqua America, Inc. Essential acquired PNG effective March 16, 2020. By Final Order entered January 24, 2020, at Docket No. A-2018-3006061, *et al.*, the Commission approved the transfer of indirect ownership of Peoples Natural Gas to Aqua America, Inc., now Essential (the “Aqua Acquisition Proceeding”). A corporate organization chart, demonstrating the direct and indirect ownership of Peoples Natural Gas, is attached hereto as **Appendix A**.

9. The purpose of this Securities Certificate Registration and affiliated interest agreement filing is to seek approval from the Commission for Peoples Natural Gas to issue up to \$950 million of new long-term financing to support Peoples Natural Gas’s capital needs. Specifically, the debt will be used to refinance a portion of Peoples Natural Gas’s short-term debt which has been borrowed to finance capital expenditures on a temporary basis, to rebalance Peoples Natural Gas’s capital structure to be in line with other utilities, and to refinance Peoples Natural Gas’s debt maturing through December 31, 2026. The new long-term debt will be issued through a series of tranches to be issued under the PNG Promissory Note. All of the debt is expected to be

issued on or before December 31, 2026 . The form of the PNG Promissory Note is attached hereto as **Appendix B**.¹

10. Under the terms of the form of the PNG Promissory Note, attached hereto as **Appendix B**, Peoples Natural Gas agrees to pay PNG the aggregate principal sum not to exceed \$950 million.

11. The debt will be issued in a series of tranches, each bearing its own issue date, maturity date and interest rate. The tranches will bear interest at the rates per annum as will ultimately be set forth in **Exhibit A** to the PNG Promissory Note.

12. PNG will obtain the funds to be lent to Peoples Natural Gas from Essential, pursuant to a Promissory Note between PNG and Essential (the “Essential Promissory Note”). The full terms and conditions of the Essential Promissory Note are expected to be similar to the form of the PNG Promissory Note provided as **Appendix B**. Essential will periodically issue the underlying debt supporting the tranches in the external debt markets at competitive market rates and prices. The interest rates and maturity dates of long-term debt issued by Essential shall form the basis for the interest rates and maturity dates under the Essential Promissory Note, which in turn will establish the interest rates and maturity dates for the PNG Promissory Note. Essential is following generally accepted debt placement procedures to ensure market-based interest rates and terms in the tranches to be issued pursuant to the Essential Promissory Note. Therefore, the interest rates associated with the PNG Promissory Note will be reasonable in light of the market coupon rates.

¹ This is Peoples Natural Gas’s first request for the Commission to register a Securities Certificate for debt pursuant to Chapter 19 of the Code and approve the associated form of Intercompany Promissory since Peoples Gas and Peoples Natural Gas were merged at Docket Nos. A-2021-3029831 and A-2021-3029833, *et al.* The most recent pre-merger Securities Certificate filings for debt by Peoples Gas and Peoples Natural Gas, respectively, were docketed at Docket Nos. S-2021-3025759 and G-2021-3025760 (Peoples Gas) and Docket Nos. S-2021-3025756 and G-2021-3025757 (Peoples Natural Gas). The authorized term for issuing debt pursuant to each of those Securities Certificates expired December 31, 2023.

13. A portion of the unamortized debt issuance expenses incurred by Essential will be allocated each time additional debt is allocated to Peoples Natural Gas. The issuance costs that will be allocated to Peoples Natural Gas are expected to be approximately 1% of the principal allocation amount and will not exceed 2% of the principal allocation. Peoples Natural Gas is not, through this Securities Certificate Registration and approval of affiliated interest agreement, seeking to recover the costs associated with the PNG Promissory Note in rates. The recovery of costs associated with the PNG Promissory Note will be determined in a base rate case proceeding. Peoples Natural Gas's base rates shall be determined in its next base rate case.² As required by 52 Pa. Code § 3.601 and to assist in the Commission's evaluation of this Securities Certificate, the following Appendices, containing additional information in support of this Securities Certificate Registration, are attached hereto:

- **Appendix A:** Corporate Organization Chart.
- **Appendix B:** Intercompany PNG Promissory Note.
- **Appendix C:** Essential Promissory Note between PNG, as borrower, and Essential, to be provided when available.
- **Appendix D:** The form of the Resolution of Peoples Natural Gas's Board of Directors authorizing the officers of Peoples Natural Gas to do or take all actions required to consummate the financing described herein, to be provided when available.
- **Appendix E:** Peoples Natural Gas's unaudited balance sheets as of March 31, 2024.
- **Appendix F:** Peoples Natural Gas's unaudited income statement for the twelve months ended March 31, 2024.
- **Appendix G:** Statement with respect to Peoples Natural Gas's plant accounts as of March 31, 2024.

² The next Peoples Natural Gas base rate case will be made on a consolidated basis inclusive of both PGD and PNGD operating divisions.

- **Appendix H:** Statements showing the status of Peoples Natural Gas’s funded debt outstanding as of Peoples Natural Gas’s unaudited March 31, 2024 balance sheet.
- **Appendix I:** Statement showing, in journal entry form, the charges and credits to be made on Peoples Natural Gas’s books of account as a result of the securities issuance.
- **Appendix J:** Responses to Standard Data Requests and Amplified Financial Data.

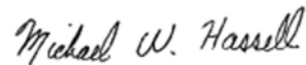
14. No registrations with the United States Securities and Exchange Commission are required for either the PNG Promissory Note or the Essential Promissory Note.

15. The issuance of the PNG Promissory Note will not result in Peoples Natural Gas’s capital structure exceeding 50% debt measured at an annual level, consistent with the Commission-approved Joint Petition for Settlement in the Aqua Acquisition Proceeding.

16. Approval of this Securities Certificate Registration is “necessary or proper,” as required under Section 1903(a) of the Public Utility Code, 66 Pa.C.S. §1903(a). The issuance of the tranches under the PNG Promissory Note will be utilized to finance or support the capital expenditures and permanent borrowing needs of Peoples Natural Gas. Peoples Natural Gas will continue to maintain a reasonable capital structure ratio in line with other utilities.

WHEREFORE, Peoples Natural Gas Company LLC respectfully requests that the Pennsylvania Public Utility Commission register the Securities Certificate pursuant to Chapter 19 of the Public Utility Code, 66 Pa. C.S. §§ 1901 *et seq.*, approve the PNG Promissory Note as an affiliated interest agreement pursuant to Chapter 21 of the Public Utility Code, *id.* § 2101 *et seq.*, and grant all other approvals as may be necessary or appropriate.

Respectfully submitted,



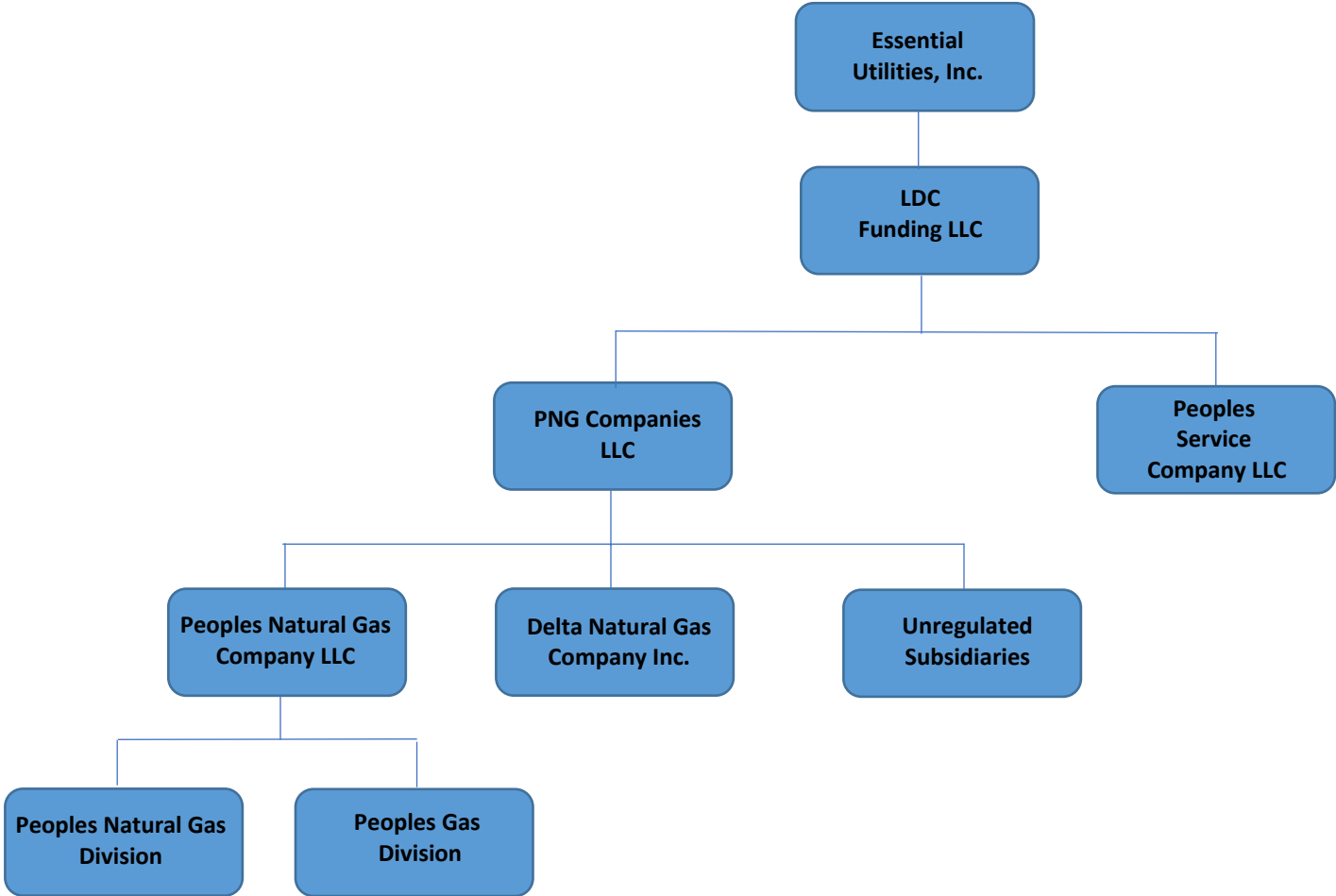
Meagan Moore (PA Bar I.D. # 317975)
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Nicholas A. Stobbe (PA Bar I.D. # 329583)
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E-mail: nstobbe@postschell.com

Date: June 28, 2024 *Counsel for Peoples Natural Gas Company LLC*

Appendix A

Appendix A



Appendix B

INTERCOMPANY PROMISSORY NOTE

No. 202X-

XXX__, 202X

\$ _____

For Value Received, PEOPLES NATURAL GAS COMPANY LLC, a limited liability company formed under the laws of the Commonwealth of Pennsylvania (the “Borrower”), hereby promises to pay to the order of PNG COMPANIES LLC or registered assigns (the “Lender”), a limited liability company formed under the laws of the State of Delaware, the principal sum of XXX MILLION DOLLARS (\$ _____), together with interest (computed on the basis of a 360 day year of twelve 30-day months) on the unpaid balance thereof at the rate per annum from the date hereof as noted on Exhibit A.

Payments of principal of and interest on this Note are to be made in lawful money of the United States of America at the principal office of the Lender in Pittsburgh, Pennsylvania or at such other place as the Lender shall have designated by written notice to the Borrower.

This Note is subject to optional prepayment, in whole or in part, from time to time, at a redemption price of 100% or the principal amount prepaid, plus accrued interest thereon. Prepayments of this Note shall be noted on Exhibit B. attached hereto and made a part hereof; provided that the failure of the Lender to make any such recordation shall not limit or otherwise affect the obligations of the Borrower hereunder.

The Borrower represents that (a) it has full power and authority, not restricted by any law or governmental regulation, to execute and deliver this Note and to perform hereunder; (b) this Note evidences its valid and legally binding obligation, enforceable in accordance with its terms; and (c) its execution, delivery and performance of this Note do not and will not contravene any bylaw or contractual restriction binding on or affecting it.

This Note may not be changed or modified orally, nor any right or provision hereof be waived orally, but in each instance only by an instrument in writing signed by the party against which enforcement of such change, modification or waiver is sought.

No failure on the part of the Lender to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the Lender of any right, remedy or power hereunder preclude any other or future exercise thereof or the exercise of any other right, remedy or power.

Each and every right, remedy and power hereby granted to the Lender or allowed it by law or other agreement shall be cumulative and not exclusive the one of any other and may be exercised by the Lender from time to time.

Every provision of this note is intended to be severable; if any term or provision of this note shall be invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

This Note shall be construed and enforced in accordance with, and the rights of the issuer and holder hereof shall be governed by, the law of the Commonwealth of Pennsylvania excluding choice-of-law principles of the law such Commonwealth that would require the application of the laws of a jurisdiction other than such Commonwealth.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the day and year first above written

ATTEST:
By: _____

Name:
Title:

PEOPLES NATURAL GAS COMPANY LLC
By: _____

Name:
Title:

ATTEST:
By: _____
Name:
Title:

PNG COMPANIES LLC.
By: _____
Name:
Title:

PNG COMPANIES LLC

EXHIBIT A

LONG TERM DEBT SCHEDULE

Structure	Interest Rate	Issue Date	Maturity Date	Amount
Total				

Appendix C

(to be provided when available)

Appendix D

(to be provided when available)

Appendix E

Company Code	Account Number	Text for B/S P&L Item	(03.2024-03.2024)
		ASSETS & OTHER DEBITS:	
		UTILITY PLANT:	
1000	9101000	Plant in Service	4,142,431,172.24
1000	9101100	Property Under Capital Leases	24,018,068.37
1000	9105000	Plant Held for Future Use	4,939.68
1000	9106000	Completed Construction not Classified-G	186,313,273.28
		Utility Plant (101,-106,114)	4,352,767,453.57
1000	9107000	Construction Work in Progress	94,697,455.68
		Construction Work in Progress (107)	94,697,455.68
		Total Utility Plant (Gross)	4,447,464,909.25
1000	9108000	Accumulated Depreciation-Utility Plant	(1,184,938,228.24)
		Accum Prov for Depr & Amort (108,111,115)	(1,184,938,228.24)
		Net Utility Plant	3,262,526,681.01
		Total Net Utility Plant	3,262,526,681.01
		TOTAL UTILITY PLANT	3,262,526,681.01
		OTHER PROPERTY & INVESTMENTS:	
1000	9121000	Non-Utility Property	17,171.56
		Nonutility Property (121)	17,171.56
1000	9122000	Accumulated Depreciation-Non-Utility Pr	(9,321.87)
		Accum Depr & Amort Nonutil Prop (122)	(9,321.87)
1000	9124000	Other Investments	(58,681,879.36)
		Other Investments (124)	(58,681,879.36)
1000	9128000	Other Special Funds	229,200.00
		Other Special Funds (128)	229,200.00
		TOTAL OTHER PROPERTY & INVESTMENTS	(58,444,829.67)
		CURRENT & ACCRUED ASSETS:	
1000	9131000	Cash	2,604,863.21
		Cash (131)	2,604,863.21
1000	9134000	Other Special Deposits	1,391,065.81
		Special Deposits (132-134)	1,391,065.81
1000	9141000	Notes Receivable	63,181,881.36
		Notes Receivable (141)	63,181,881.36
1000	9142000	Customer Accounts Receivable	106,644,144.91
		Customer Accounts Receivable (142)	106,644,144.91
1000	9143000	Other Accounts Receivable	3,408,281.62
		Other Accounts Receivable (143)	3,408,281.62
1000	9144000	Accumulated Provision for Uncollectible	(43,122,371.43)
		Accum Prov - Uncollectible Accts (144)	(43,122,371.43)
1000	9145000	Accounts Receivable from Associated Com	64,746,685.20
		Accts Receivable from Assoc. Co.'s (145)	64,746,685.20
1000	9146000	Accounts Receivable from Associated Com	29,795,171.98
		Accts Receivable from Assoc. Co.'s (146)	29,795,171.98
1000	9154000	Plant Materials & Operating Supplies	5,080,915.97
		Plant Materials & Operating Supplies (154)	5,080,915.97
1000	9164100	Gas Stored - Current	13,691,917.06
		Gas Stored Underground - Current (164.1)	13,691,917.06
1000	9165000	Prepayments	6,519,837.00
		Prepayments (165)	6,519,837.00
1000	9173000	Accrued Utility Revenues	33,590,137.91

Company Code	Account Number	Text for B/S P&L Item	(03.2024-03.2024)
		Accrued Utility Revenues (173)	33,590,137.91
1000	9174000	Miscellaneous Current & Accrued Assets	90,769.48
		Misc. Current & Accrued Assets (174)	90,769.48
		TOTAL CURRENT & ACCRUED ASSETS	287,623,300.08
		DEFERRED DEBITS:	
1000	9181000	Unamortized Debt Expense	9,412,828.69
		Unamortized Debt Expenses (181)	9,412,828.69
1000	9182300	Other Regulatory Assets	759,368,331.50
		Other Regulatory Assets (182.3)	759,368,331.50
1000	9186000	Miscellaneous Deferred Debits	7,933,037.72
		Miscellaneous Deferred Debits (186)	7,933,037.72
1000	9190000	Accumulated Deferred Income Taxes	(4,370,025.98)
		Accumulated Deferred Income Taxes (190)	(4,370,025.98)
1000	9191000	Unrecovered Purchased Gas Costs	(25,123,441.09)
		Unrecovered Purchased Gas Costs (191)	(25,123,441.09)
		TOTAL DEFERRED DEBITS	747,220,730.84
		TOTAL ASSETS & OTHER DEBITS	4,238,925,882.26
		LIABILITIES & OTHER CREDITS:	
		PROPRIETARY CAPITAL:	
1000	9211000	Miscellaneous Paid-In Capital	(1,042,803,985.17)
		Other Paid-In-Capital (208-211)	(1,042,803,985.17)
1000	9216000	Unappropriated Retained Earnings	(631,720,554.83)
		Retained Earnings - Prior Year Balance	(631,720,554.83)
		Current Year Profit	(136,732,903.07)
		Retained Earnings (215, 215.1, 216)	(768,453,457.90)
		TOTAL PROPRIETARY CAPITAL	(1,811,257,443.07)
		LONG TERM DEBT:	
1000	9223000	Advances from Associated Companies	(1,360,829,200.00)
		Advances From Associated Companies (223)	(1,360,829,200.00)
1000	9225000	Unamortized premium on long-term debt.	(104,054.32)
		Unamort Premium on Long-Term Debt (225)	(104,054.32)
		TOTAL LONG TERM DEBT	(1,360,933,254.32)
		OTHER NON-CURRENT LIABILITIES:	
1000	9227000	Obligations under Capital Lease-Noncurr	(21,749,232.43)
		Obligations Undr Cap Lease - Non-curr (227)	(21,749,232.43)
1000	9228200	Accumulated Provision for Injuries and	(1,000,000.00)
		Accum Prov for Injuries and Damages (228.2)	(1,000,000.00)
1000	9228300	Accumulated Provision for Pensions & Be	1,658,930.37
		Accum Prov for Pensions & Benefits (228.3)	1,658,930.37
1000	9228400	Accumulated Miscellaneous Operating Pro	(95,894.38)
		Accum Misc Operating Provisions (228.4)	(95,894.38)
1000	9230000	Asset Retirement Obligation	-
		Asset Retirement Obligation (230)	-
		TOTAL OTHER NON-CURRENT LIABILITIES	(21,186,196.44)
		CURRENT & ACCRUED LIABILITIES:	
1000	9232000	Accounts Payable	(93,041,165.97)

Company Code	Account Number	Text for B/S P&L Item	(03.2024-03.2024)
		Accounts Payable (232)	(93,041,165.97)
1000	9233000	Notes Payable to Associated Companies	-
		Notes Payable to Assoc Companies (233)	-
1000	9234000	Accounts Payable to Associated Companie	(131,278,565.60)
		Accounts Payable to Assoc Companies (234)	(131,278,565.60)
1000	9235000	Customer Deposits	(2,842,466.33)
		Customer Deposits (235)	(2,842,466.33)
1000	9236000	Taxes Accrued	31,764,538.10
		Taxes Accrued (236)	31,764,538.10
1000	9237000	Interest Accrued	(44,359.89)
		Interest Accrued (237)	(44,359.89)
1000	9241000	Tax Collections Payable	(291,065.64)
		Tax Collections payable (241)	(291,065.64)
1000	9242000	Miscellaneous Current & Accrued Liabili	(34,914,826.44)
		Misc Current & Accrued Liabilities (242)	(34,914,826.44)
1000	9243000	Obligations under Capital Lease-Current	(6,416,989.39)
		Obligations Under Cap Lease - Current (243)	(6,416,989.39)
		TOTAL CURRENT & ACCRUED LIABILITIES	(237,064,901.16)
		DEFERRED CREDITS:	
1000	9252000	Customer Advances for Construction	(204,316.81)
		Customer Advances for Construction (252)	(204,316.81)
1000	9253000	Other Deferred Credits	(8,370,950.43)
		Other Deferred Credits (253)	(8,370,950.43)
1000	9254000	Other Regulatory Liabilities	(218,741,344.89)
		Other Regulatory Liabilities (254)	(218,741,344.89)
1000	9282000	Accumulated Deferred Income Taxes-Other	(685,627,533.40)
1000	9283000	Accumulated Deferred Income Taxes-Other	104,460,058.26
		Accum Deferred Income Taxes (281-283)	(581,167,475.14)
		TOTAL DEFERRED CREDITS	(808,484,087.27)

Appendix F

Company Code	Account Number	Text for I/S P&L Item	(04.2023-03.2024)
		ASSETS & OTHER DEBITS:	
		INCOME STATEMENT	
		INCOME BEFORE EXTRAORDINARY INCOME	
		UTILITY OPERATING INCOME	
		Operating Revenues (400)	
1000	9480000	Residential Sales	(354,527,128.15)
1000	9481000	Commercial and Industrial Sales	(61,091,363.76)
1000	9483000	Sales for Resale	(3,691,700.74)
		Sales of Gas (480-484)	(419,310,192.65)
1000	9487000	Forfeited Discounts	(4,952,609.57)
1000	9488000	Miscellaneous Service Revenues	(957,526.17)
1000	9489100	Revs from Transp of Gas of Others thru	(7,162,457.91)
1000	9489300	Revs from Transp of Gas of Others thru	(163,793,256.40)
1000	9493000	Rent from Gas Property	(194,394.08)
1000	9495000	Other Gas Revenues	(1,487,360.02)
		Other Operating Revenues (485-496)	(178,547,604.15)
		Total Operating Revenues (400)	(597,857,796.80)
		Operating Expenses:	
		Operation Expenses (401)	
		Gas Production Operating Expense:	
		Natural Gas Production Oper Exp:	
1000	9753000	Nat Gas Prod/Gath Op - Field Lines Expe	1,299,235.67
1000	9754000	Nat Gas Prod/Gath Op - Field Compressor	2,362,495.38
1000	9755000	Nat Gas Prod/Gath Op - Field Compr Sta	1,340,310.82
1000	9756000	Nat Gas Prod/Gath Op - Field Meas/Reg S	346,244.73
1000	9759000	Nat Gas Prod/Gath Op - Other Expenses	65,287.70
1000	9760000	Nat Gas Prod/Gath Op - Rents	15,083.11
		Natural Gas Prod & Gath Operation Exp	5,428,657.41
		Total Natural Gas Production Oper Exp	5,428,657.41
1000	9801000	Oth Gas Supply Op - Nat Gas Field Line	4,630,757.33
1000	9803000	Oth Gas Supply Op - Nat Gas Transm Line	122,182,362.59
1000	9804000	Oth Gas Supply Op - Nat Gas City Gate P	3,123,484.27
1000	9805100	Oth Gas Supply Op - Pur Gas Cost Adjust	(68,346,657.91)
1000	9806000	Oth Gas Supply Op - Exchange Gas	476,010.17
1000	9808100	Oth Gas Supply Op - Gas Withdr from Sto	53,549,195.81
1000	9808200	Oth Gas Supply Op - Gas Deliv to Storag	(29,646,238.58)
1000	9810000	Oth Gas Supply Op - Gas Used Compr Sta	(2,248,535.96)
1000	9812000	Oth Gas Supply Op - Gas Used Other Util	(939,209.00)
1000	9813000	Oth Gas Supply Op - Other Gas Suppl	1,074,502.63
		Other Gas Supply Operation Expenses	83,855,671.35
		Total Gas Production Operating Exp	89,284,328.76
		Nat Gas Storage, Term & Proc Oper Exp:	
1000	9817000	UG Storage Op - Lines Expenses	1,743.14
1000	9818000	UG Storage Op - Compressor Station Expe	707,831.78
1000	9819000	UG Storage Op - Compressor Station Fuel	72,148.31
1000	9820000	UG Storage Op - Meas/Reg Station Expens	438.93
1000	9824000	UG Storage Op - Other Expenses	288.47
1000	9825000	UG Storage Op - Storage Well Royalties	7,292.27
		Underground Storage Operation Expense	789,742.90
		Ttl Nat Gas Strg, Term & Proc Oper Exp	789,742.90
1000	9854000	Gas Transmission Op - Compressor Sta Fu	836,076.83

Company Code	Account Number	Text for I/S P&L Item	(04.2023-03.2024)
1000	9856000	Gas Transmission Op - Mains Expenses	972,078.83
1000	9857000	Gas Transmission Op - Meas/Reg Sta Exps	283,845.35
1000	9858000	Gas Transmission Op - Transm/Compres Ga	95,148,001.36
1000	9859000	Gas Transmission Op - Other Expenses	41,285.70
1000	9860000	Gas Transmission Op - Rents	31,194.84
		Gas Transmission Operations Exp	97,312,482.91
1000	9870000	Gas Distribution Op - Supervision and E	(3,073,478.83)
1000	9874000	Gas Distribution Op - Mains and Service	13,937,962.81
1000	9875000	Gas Distribution Op - Meas/Reg Sta Exps	3,208,230.41
1000	9878000	Gas Distribution Op - Meter/House Reg E	6,820,668.10
1000	9879000	Gas Distribution Op - Customer Installa	5,043,092.33
1000	9880000	Gas Distribution Op - Other Expenses	3,213,300.98
1000	9881000	Gas Distribution Op - Rents	402,441.93
		Gas Distribution Operations Exp	29,552,217.73
1000	9902000	Customer Accounts - Meter Reading Expen	2,371,692.47
1000	9903000	Customer Accounts - Customer Records &	17,648,564.91
1000	9904000	Customer Accounts - Uncollectible Accou	14,217,944.06
		Customer Accounts Expense	34,238,201.44
1000	9907000	Customer Service/Info - Supervision	839.97
1000	9908000	Customer Service/Info - Customer Assist	(5,977,003.46)
1000	9909000	Customer Service/Info - Info & Instruct	
		Customer Service and Informational Expen	(5,976,163.49)
1000	9912000	Sales Expense - Demonstrating & Selling	589,243.00
		Sales Expense	589,243.00
1000	9920000	Admin & General - Salaries	11,316,127.11
1000	9921000	Admin & General - Office Supplies & Exp	19,187,442.19
1000	9922000	Admin & General - Admin Exp Transferred	(49,150,378.65)
1000	9923000	Admin & General - Outside Services Empl	28,035,710.75
1000	9924000	Admin & General - Property Insurance	1,008,104.54
1000	9925000	Admin & General - Injuries & Damages	8,378,029.38
1000	9926000	Admin & General - Employee Benefits	17,894,494.69
1000	9928000	Admin & General - Regulatory Commission	(225,578.00)
1000	9930100	Admin & General - General Advertising E	1,899,528.27
1000	9930200	Admin & General - Miscellaneous Expense	853,648.15
1000	9931000	Admin & General - Rents	3,450,237.65
		Administrative & General Operations Exp	42,647,366.08
		Total Operation Expenses (401)	288,437,419.33
		Maintenance Expenses (402)	
		Gas Production Maintenance Expenses	
1000	9762000	Nat Gas Prod/Gath Maint - Structures/Im	43,176.80
1000	9763000	Nat Gas Prod/Gath Maint - Producing Gas	23,496.38
1000	9764000	Nat Gas Prod/Gath Maint - Field Lines	3,961,980.32
1000	9765000	Nat Gas Prod/Gath Maint - Fld Compres S	1,967,445.16
1000	9766000	Nat Gas Prod/Gath Maint - Fld Meas/Reg	144,048.92
1000	9769000	Nat Gas Prod/Gath Maint - Other Equipme	25,449.50
		Natural Gas Prod & Gath Maint Exp	6,165,597.08
		Total Nat Gas Production Maint Exp	6,165,597.08
		Total Gas Production Maintenance Exp	6,165,597.08
		Nat Gas Storage, Term & Proc Maint Exp	
1000	9831000	UG Storage Maint - Structures/Improveme	423.98
1000	9833000	UG Storage Maint - Lines	24,281.63
1000	9834000	UG Storage Maint - Compressor Station E	799,844.15

Company Code	Account Number	Text for I/S P&L Item	(04.2023-03.2024)
1000	9835000	UG Storage Maint - Meas/Reg Station Equ	265.43
1000	9837000	UG Storage Maint - Other Equipment	89.71
		Underground Storage Maintenance Exp	824,904.90
		Ttl Nat Gas Stor, Term & Proc Maint	824,904.90
1000	9862000	Gas Transmission Maint - Structures/Imp	39,560.89
1000	9863000	Gas Transmission Maint - Mains	1,879,066.82
1000	9864000	Gas Transmission Maint - Compressor Sta	562.89
1000	9865000	Gas Transmission Maint - Meas/Reg Sta E	1,327,138.93
1000	9866000	Gas Transmission Maint - Communication	140,793.08
1000	9867000	Gas Transmission Maint - Other Equipmen	7,384.21
		Gas Transmission Maintenance Expense	3,394,506.82
1000	9886000	Gas Distribution Maint - Structures/Imp	6,528,969.47
1000	9887000	Gas Distribution Maint - Mains	32,446,035.42
1000	9889000	Gas Distribution Maint - Meas/Reg Sta E	1,692,032.11
1000	9892000	Gas Distribution Maint - Services	2,879,082.92
1000	9893000	Gas Distribution Maint - Meters/House R	320,453.80
1000	9894000	Gas Distribution Maint - Other Equipmen	425,642.54
		Gas Distribution Maintenance Expense	44,292,216.26
1000	9932000	Admin & General Maint -Other General PI	246,189.10
		Administrative & General Maintenance Exp	246,189.10
		Total Maintenance Expenses (402)	54,923,414.16
1000	9403000	Depreciation Expense - Utility Plant	103,091,810.72
		Depreciation Expense (403)	103,091,810.72
1000	9408100	Taxes Other than Income Taxes - Utility	12,451,470.34
		Taxes Other than Income Taxes (408.1)	12,451,470.34
1000	9409100	Income Taxes - Utility Operating Income	(37,780,173.01)
		Income Taxes (409.1)	(37,780,173.01)
1000	9410100	Provision for Deferred Income Taxes - U	410,846,388.17
		Prov for Deferred Income Taxes (410.1)	410,846,388.17
1000	9411100	Prov for Deferred Income Taxes-Credit,	(503,362,006.84)
		Prov for Def'd Income Taxes - Cr. (411.1)	(503,362,006.84)
		Total Operating Expenses	328,608,322.87
		NET UTILITY OPERATING INCOME	(269,249,473.93)
		OTHER INCOME & DEDUCTIONS	
		Other Income:	
1000	9415000	Revenues from Merchandising,Jobbing & C	(6,692,946.95)
		Rev - Mrchndsng/Jobbng/Contrct Wrk (415)	(6,692,946.95)
1000	9416000	Costs & Expenses of Merchandising, Jobb	1,918,156.16
		Cst - Mrchndsng/Jobbng/Contrct Wrk (416)	1,918,156.16
1000	9417000	Nonutility Operations - Revenue	(12,527,415.51)
		Rev from Nonutility Operations (417)	(12,527,415.51)
1000	9417100	Nonutility Operations - Expenses	10,920,810.19
		Exp of Nonutility Operations (417.1)	10,920,810.19
1000	9419000	Interest & Dividend Income	(2,125,358.70)
		Interest and Dividend Income (419)	(2,125,358.70)
1000	9419100	Allowance for Other Funds Used During C	(1,404,068.30)
		Allow fr Oth Fnds Usd Durng Constr(419.1)	(1,404,068.30)
1000	9421000	Miscellaneous Nonoperating Income	(272,660.92)
		Miscellaneous Nonoperating Income (421)	(272,660.92)
		Total Other Income	(427,683.43)
		Other Income Deductions:	(427,683.43)
1000	9421200	Loss on Disposition of Property	(10,611,167.46)

Company Code	Account Number	Text for I/S P&L Item	(04.2023-03.2024)
		Loss on Disp of Property (421.2)	
1000	9426100	Other Income Deductions - Donations	18,805.09
		Donations (426.1)	18,805.09
1000	9426300	Other Income Deductions - Penalties	76,763.07
		Penalties (426.3)	76,763.07
1000	9426400	Other Income Deductions - Civic/Politic	9,450.00
		Exp Certain Civic, Pol & Rel Activ(426.4)	9,450.00
1000	9426500	Other Income Deductions	397,709.79
		Other Deductions (426.5)	397,709.79
		Total Other Income Deductions	502,727.95
		Taxes Applicable to Other Inc & Deduct:	
1000	9409200	Income Taxes - Other Income & Deduction	645,703.53
		Income Taxes (409.2)	645,703.53
1000	9410200	Provision for Deferred Income Taxes - O	2,706,005.52
		Prov for Deferred Income Taxes (410.2)	2,706,005.52
		Total Txs Appl to Other Inc/Deduct	3,351,709.05
		NET OTHER INCOME & DEDUCTIONS	(6,756,730.46)
		INTEREST CHARGES	
1000	9428000	Amortization of Debt Discount & Exp	797,770.16
		Amort of Debt Discount & Expense (428)	797,770.16
1000	9430000	Interest on Debt to Associated Companie	36,460,594.02
		Interest on Debt to Assoc. Companies (430)	36,460,594.02
1000	9431000	Other Interest Expense	(2,102,936.03)
		Other Interest Expense (431)	(2,102,936.03)
1000	9432000	Allowance Borrowed Funds Used During Co	(862,007.92)
		Allow-Brrwed Fnds Usd Durng Const-Cr (432)	(862,007.92)
		NET INTEREST CHARGES	34,293,420.23
		TOTAL INC. BEFORE EXTRAORDINARY INC.	(241,712,784.16)
		NET INCOME	(241,712,784.16)

Appendix G

UTILITY PLANT IN SERVICE - Account No. 101
and
COMPLETED CONSTRUCTION NOT CLASSIFIED - Account No. 106

Line No.	Account Number and Title	Plant Statement 3/31/2024
1	INTANGIBLE PLANT	
2	301 Organization	49,770
3	302 Franchises & Consents	
4	303 Other Plant and Miscellaneous Equipment	109,100,982
5	Total Intangible Plant	109,150,753
6	MANUFACTURED GAS PRODUCTION PLANT	
7	304 Land and Land Rights	
8	305 Structures and Improvements	
9	306 Boiler Plant Equipment	
10	307 Other Power Equipment	
11	308 Coke Ovens	
12	309 Infiltration Galleries and Tunnels	
13	310 Producer Gas Equipment	
14	311 Liquefied Petroleum Gas Equipment	
15	312 Oil Gas Generating Equipment	
16	313 Generating Equipment-Other Processes	
17	314 Coal, Coke and Ash Handling Equipment	
18	315 Catalytic Cracking Equipment	
19	316 Other Reforming Equipment	
20	317 Purification Equipment	
21	318 Residential Refining Equipment	
22	319 Gas Mixing Equipment	
23	320 Other Equipment	
23	Total Gas Manufacturing Plant	-
24	NATURAL GAS PRODUCTION & GATHERING PLANT	
25	325.1 Producing Lands	139,440
26	325.2 Producing Leaseholds	14,481
27	325.3 Gas Rights	20,984
28	325.4 Rights of Way	1,628,000
29	325.5 Other Land and Land Rights	47,095
30	326 Other Plant and Miscellaneous Equipment	
31	327 Field Compressor Station Structures	12,307,786
32	328 Field Measuring & Regulating Station Structures	51,358
33	329 Other Structures	1,926,214
34	330 Producing Gas Wells-Well Construction	9,221
35	331 Producing Gas Wells-Well Equipment	2,984
36	332 Field Lines	79,015,398
37	333 Field Compressor Station Equipment	48,898,232
38	334 Field Measuring & Regulating Station Equipment	3,493,081
39	335 Drilling & Cleaning Equipment	
40	336 Purification Equipment	
41	337 Other Equipment	66,192
42	338 Unsuccessful Exploration & Development Costs	
43	Total Natural Gas Production & Gathering Plant	147,620,467

UTILITY PLANT IN SERVICE - Account No. 101
and
COMPLETED CONSTRUCTION NOT CLASSIFIED - Account No. 106

44	PRODUCTS EXTRACTION PLANT		
45	340	Land and Land Rights	
46	341	Other Plant and Miscellaneous Equipment	
47	342	Extraction & Refining Equipment	
48	343	Pipe Lines	
49	344	Extracted Product Storage Equipment	
50	345	Compressor Equipment	
51	346	Gas Measuring and Regulating Equipment	
52	347	Other Equipment	
	Total Products Extraction Plant		-
53	NATURAL GAS PRODUCTION & PROCESSING PLANT		
54	350.1	Land	16,824
55	350.2	Rights of Way	46,800
56	351	Structures and Improvements	1,800,679
57	352	Wells	1,085,824
58	352.1	Storage Leaseholds and Rights	182,671
59	352.2	Reservoirs	433,139
60	352.3	Nonrecoverable Natural Gas	205,251
61	353	Lines	2,243,723
62	354	Compressor Station Equipment	7,879,175
63	355	Measuring and Regulating Equipment	75,749
64	356	Purification Equipment	
65	357	Other Equipment	30,184
66	Total Natural Gas Production and Processing Plant		14,000,018
67	OTHER STORAGE PLANT		
68	360	Land & Land Rights	
69	361	Structures and Improvements	
70	362	Gas Holders	
71	363	Purification Equipment	
72	363.1	Liquefaction Equipment	
73	363.2	Vaporizing Equipment	
74	363.3	Compressor Equipment	
75	363.4	Measuring and Regulating Equipment	
76	363.5	Other Equipment	
77	Total Other Storage Plant		-

UTILITY PLANT IN SERVICE - Account No. 101
and
COMPLETED CONSTRUCTION NOT CLASSIFIED - Account No. 106

78	BASE LOAD LIQUEFIED NATURAL GAS		
79	TERMINATING AND PROCESSING PLANT		
80	364.1	Land and Land Rights	
81	364.2	Structures and Improvements	
82	364.3	LNG Processing Terminal Equipment	
83	364.4	LNG Transportation Equipment	
84	364.5	Measuring and Regulating Equipment	
85	364.6	Compressor Station Equipment	
86	364.7	Communication Equipment	
87	364.8	Other Equipment	
88	Total Base Load Liquefied Natural Gas Term. & Proc. Plant		-
89	TRANSMISSION PLANT		
90	365.1	Land and Land Rights	261,389
91	365.2	Rights of Way	2,777,501
92	366	Structures and Improvements	3,153,954
93	367	Mains	195,861,878
94	368	Compressor Station Equipment	14,088,846
95	369	Measuring and Regulating Station Equipment	38,611,814
96	370	Communication Equipment	
97	371	Other Equipment	2,650,785
98	Total Transmission Plant		257,406,167
99	DISTRIBUTION PLANT		
100	374	Land & Land Rights	6,782,857
101	375	Structures and Improvements	28,955,508
102	376	Mains	2,488,811,560
103	377	Compressor Station Equipment	
104	378	Measuring & Regulating Station Equipment-General	87,571,448
105	379	Measuring & Regulating Station Equipment-City Gate C. St.	
106	380	Services	770,838,443
107	381	Meters	121,122,901
108	382	Meter Installations	90,077,513
109	383	House Regulators	
110	384	House Regulatory Installations	
111	385	Industrial Measuring and Regulating Station Equipment	12,775,222
112	386	Other Property on Customers' Premises	14,644,532
113	387	Other Equipment	15,731,173
114	Total Distribution Plant		3,637,311,158
115	GENERAL PLANT		
116	389	Land & Land Rights	312,212
117	390	Structures and Improvements	21,896,546
118	391	Office Furniture & Equipment	11,682,276
119	392	Transportation Equipment	71,234,972
120	393	Stores Equipment	
121	394	Tools & Garage Equipment	5,709,640
122	395	Laboratory Equipment	
123	396	Power Operated Equipment	14,512,100
124	397	Communication Equipment	37,964,341
125	398	Miscellaneous Equipment	54,886
126	399	Other Tangible Property	
127	Total General Plant		163,366,974
128	Total Plant		4,328,855,536

Appendix H

Peoples Natural Gas Company LLC
Registration Details
as of March 31, 2024

Docket No.	Initial Amount	Issuance Date	Maturity Date	Issuance Type	April 2024 Remaining Bal
S-2013-2389730	\$ 110,007,200	December 31, 2013	December 19, 2025	4.25% Notes	\$ 110,007,200
S-2017-2626432	\$ 178,911,000	December 17, 2017	December 18, 2027	3.38% Notes	\$ 178,911,000
S-2017-2626432	\$ 178,911,000	December 17, 2017	December 18, 2032	3.63% Notes	\$ 178,911,000
S-2021-3025756, G-2021-3025757, S-2021-3025759 and G-2021-3025760	\$ 99,090,909	October 31, 2021	April 15, 2030	2.704% Notes	\$ 99,090,909
	\$ 118,909,091	October 31, 2021	April 15, 2050	3.351% Notes	\$ 118,909,091
	\$ 82,727,273	December 31, 2023	April 15, 2030	2.704% Notes	\$ 82,727,273
	\$ 99,272,727	December 31, 2023	April 15, 2050	3.351% Notes	\$ 99,272,727
	\$ 39,968,036	October 31, 2021	April 15, 2030	2.704% Notes	\$ 39,968,036
	\$ 47,961,645	October 31, 2021	April 15, 2050	3.351% Notes	\$ 47,961,645
	\$ 65,364,587	December 31, 2021	May 1, 2031	2.4% Notes	\$ 65,364,587
	\$ 81,705,732	December 31, 2021	May 1, 2052	5.3% Notes	\$ 81,705,732
	\$ 152,444,444	December 31, 2023	May 1, 2031	2.4% Notes	\$ 152,444,444
	\$ 190,555,556	December 31, 2023	May 1, 2052	5.3% Notes	\$ 190,555,556
Total					<u>\$ 1,445,829,200</u>

Appendix I

**Peoples Natural Gas Company LLC
Journal Entries**

	DR Long-Term Debt	\$ XXXXXXXXX	
	CR Short-Term Debt – Demand Note OR		\$ XXXXXXXXX
CR	Equity		\$ XXXXXXXXX
	Total	\$ XXXXXXXXX	\$ XXXXXXXXX

Appendix J

Peoples Natural Gas Company (“Peoples”)
Securities Certificate Filing Responses to Standard Data Requests

1. Previous registration balances. Provide docket numbers, initial registration amount, issuances by type, amount and date and current remaining balance. Plan for these balances vis-à-vis the current registration.

RESPONSE: Refer to the attached Appendix H of the Securities Certificate filing.

2. What effect will this issuance have upon the capital structure of the utility? Show calculations.

RESPONSE: Refer to the Securities Certificate filing, Appendix I and Exhibit 3 to this appendix J.

3. Current and three year projections for; (provide details of calculation)

- a. Sources and Uses of Funds

RESPONSE: Refer to the attached Exhibit 1

- b. Capital Expenditures

RESPONSE: Refer to the attached Exhibit 1

- c. Ratio of Capital Expenditures to Depreciation and Amortization

RESPONSE: Refer to the attached Exhibit 1

- d. Dividend Payout Ratio

RESPONSE: Refer to the attached Exhibit 1

- e. Interest Coverage Ratios – both SEC and indenture basis

RESPONSE: Refer to the attached Exhibit 2

4. Three year history of credit ratings – by credit rating agency and class

RESPONSE: Peoples does not have a credit rating. Peoples’ parent, PNG Companies LLC has credit ratings from Standard and Poor’s Ratings Group and Moody’s Investor

Peoples Natural Gas Company (“Peoples”)
Securities Certificate Filing Responses to Standard Data Requests

Service, Inc. The bond ratings for PNG Companies (Parent of Peoples) from 2021 to 2023 were as follows:

Agency	2021	2022	2023
Standard & Poor’s	A/Stable	A/Stable	A/Negative
Moody’s	Baa1	Baa1	Baa1

5. Projected refinancing savings or costs, if applicable.

RESPONSE: Refer to the Securities Certificate filing.

6. Affiliated interest agreement applicable to instant registration, if financing involves on affiliate.

RESPONSE: Refer to the Securities Certificate Filing.

7. List all unregulated affiliates of the applicant.

RESPONSE: Refer to Securities Certificate Filing, Appendix A.

8. List all debt for which the applicant is a guarantor of affiliated company debt instruments.

RESPONSE: None.

9. For any corporate money pool from which applicant may potentially borrow, lend, or deposit excess cash, to provide:

- a. Commission order reporting requirements
- b. Current balance of borrowed funds and lent funds
- c. Eligible borrowing and lending entities
- d. Accounting for money pool transactions

RESPONSE: The Company does not have a corporate money pool.

Peoples Natural Gas Company (“Peoples”)
Securities Certificate Filing Responses to Standard Data Requests

10. Describe historical reliance by type of both corporate internal and external sources of financing.

RESPONSE: Peoples targets a permanent debt to capitalization capital structure that maintains Peoples’ capital structure within the range of capital structures employed by comparable gas distribution companies. Capital expenditures are typically funded with internally generated cash, capital contributions from parent and borrowings from parent.

11. Where current dividend payout ratio exceeds 75%, provide three year history and plan for future dividend payouts.

RESPONSE: Dividend Payout Ratio does not exceed 75% in three year history of future plans.

12. Where debt to total capital ratio exceeds 55% provide plan for managing future debt to capital levels.

RESPONSE: Not applicable.

13. With respect to the purpose for which you propose to issue or assume securities;

- a. If the purpose is to refund obligations, describe obligations in detail.
 - i. Explain the purpose of which obligations were issued, or refer to the number of securities certificate in which the purpose appears.
 - ii. State whether refunding is to meet maturity, or to effect saving in interest or other annual charges; If to effect savings, state date when, and at price which obligations are to be called, and submit statement showing savings to be effected as a results of refunding.

RESPONSE: Refer to the Securities Certificate Filing

Peoples Natural Gas Company (“Peoples”)
Securities Certificate Filing Responses to Standard Data Requests

14. Reconcile total capitalization with total rate base for ratemaking purposes.

RESPONSE: Refer to the attached Exhibit 3.

15. Three year history and three year projections for ratio of capital expenditures to depreciation expense. Show Calculations.

RESPONSE: Refer to the attached Exhibit 1.

Peoples Natural Gas Company LLC
Interest Coverage Ratios
Twelve Months Ended
(amounts in millions)

	Projected Dec-24	Projected Dec-25	Projected Dec-26
Net Income	\$ 246.5	\$ 238.5	\$ 281.2
Add: Interest Expense	\$ 58.8	\$ 76.1	\$ 92.8
Add: Income Tax Expense	\$ (92.3)	\$ (58.1)	\$ (52.6)
Add: Depreciation Expense	\$ 122.4	\$ 126.2	\$ 134.2
EBITDA	\$ 335.4	\$ 382.6	\$ 455.6
Interest Coverage Ratio	571%	503%	491%

Peoples Natural Gas Company LLC
Reconciliation of Total Capitalization to Rate Base for Ratemaking
As of March 31, 2024
(amounts in millions)

	<u>Capitalization</u>	
Short-Term Debt	\$	-
Long-Term Debt	\$	1,445.8
Equity	\$	2,019.6
Total Capitalization	\$	3,465.4

	<u>Rate Base</u>	
Net Utility Plant	\$	3,548.8
Working Capital Items	\$	76.0
Deferred Income Taxes	\$	(171.0)
Total Rate Base	\$	3,453.7

VERIFICATION

I, Andrew P. Wachter, being Director, Finance and Regulation and PNG Companies LLC, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: June 28, 2024



Andrew P. Wachter