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File #: 214812

October 7, 2025

VIA ELECTRONIC FILING

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

**Re: Joint Application of National Fuel Gas Distribution Corporation and North East Heat & Light Company, under Sections 1102(a)(1)-(3) of the Public Utility Code for approval: (1) of the right for North East Hearing & Light Company to transfer certain natural gas distribution facilities and rights to National Fuel Gas Distribution Corporation; (2) for North East Heat & Light Company to abandon the provision of natural gas service to the public in its service territory in the Borough of North East Township, Erie County, Pennsylvania; and (3) for National Fuel Gas Distribution Corporation to expand its service territory to begin to offer, render, furnish or supply natural gas service to the public in the Borough of North East, Erie County, Pennsylvania.
Docket No. A-2025-**

Dear Secretary Homsher:

Enclosed for filing is the above-captioned Joint Application of National Fuel Gas Distribution Corporation (“National Fuel”) and North East Heat & Light Company (“NEHL”) in the above-referenced proceeding. National Fuel notes that the filing fee in the amount of \$350.00 will be provided at the time of the e-filing.

Additionally, under separate cover, National Fuel is sending the Commission a CD containing a PDF copy of the Application.

Copies will be provided per the attached Certificate of Service.

Matthew L. Homsher, Secretary
October 7, 2025
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Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Anthony D. Kanagy". The signature is fluid and cursive, with a large initial "A" and "K".

Anthony D. Kanagy

ADK/dmc
Enclosure

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 CERTIFIED MAIL: RETURN RECEIPT REQUESTED

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Borough of North East
ATTN: Patrick Gerlein, Borough Manager
31 West Main Street
North East, PA 16428

North East Township
ATTN: Russell LaFuria, Supervisor
10300 West Main Road
North East, PA 16428

Date: October 7, 2025



Anthony D. Kanagy

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of National Fuel Gas :
Distribution Corporation and North East Heat :
& Light Company, under Sections :
1102(a)(1)-(3) of the Public Utility Code, for : Docket Nos. A-2025-_____
approval: (1) of the right for North East Heat : A-2025-_____
& Light Company to transfer certain natural :
gas distribution facilities and rights to :
National Fuel Gas Distribution Corporation; :
(2) for North East Heat & Light Company to :
abandon the provision of natural gas service :
to the public in its service territory in the :
Borough of North East, Erie County, :
Pennsylvania and North East Township, Erie :
County, Pennsylvania; and (3) for National :
Fuel Gas Distribution Corporation to expand :
its service territory to begin to offer, render, :
furnish or supply natural gas service to the :
public in the Borough of North East, Erie :
County, Pennsylvania. :

JOINT APPLICATION

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Pursuant to Sections 1102(a)(1)-(3) of the Public Utility Code, 66 Pa.C.S. §§ 1102(a)(1)-(3), National Fuel Gas Distribution Corporation (“National Fuel” or “Company”) and North East Heat & Light Company (“NEHL”) (collectively, the “Applicants” or “Joint Applicants”) hereby file this Application requesting that the Pennsylvania Public Utility Commission (“Commission”) issue certificates of public convenience evidencing the Commission’s approval for: (1) National Fuel to acquire certain natural gas distribution facilities and rights from NEHL; (2) NEHL to abandon natural gas service to the public in its service territory in the Borough of North East, Erie County, Pennsylvania and North East Township, Erie County, Pennsylvania; and (3) National Fuel to expand its service territory to begin to offer, render, furnish or supply natural gas service to the

public in the Borough of North East, Erie County, Pennsylvania and to serve the customers formerly served by NEHL. The Applicants also seek all other approvals or certificates that are appropriate, customary, or necessary under the Public Utility Code to carry out the transactions contemplated in this Application in a lawful manner.

If all necessary approvals are obtained from the Commission via the instant Application, NEHL will abandon natural gas service to the public in Pennsylvania, and National Fuel will: (a) acquire substantially all assets of NEHL, (b) integrate the acquired NEHL assets into National Fuel, and (c) as more fully described herein, offer natural gas service to current NEHL customers pursuant to the rules and regulations found in National Fuel's Commission-approved tariff, with separate base rates from the other customers in National Fuel's Pennsylvania service territory.

In support thereof, the Applicants provide the following:

I. INTRODUCTION

1. The name and address of the Applicants are:

National Fuel Gas Distribution Corporation
1100 State Street
Erie, PA 16501

North East Heat & Light Company
10700 West Main Road
North East, PA 16428

2. The attorneys for the Applicants are:

For National Fuel:
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Megan E. Rulli (PA ID No. 331981)
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Dominick A. Sisinni (PA ID No. 322523)
National Fuel Gas Distribution Corporation
1100 State Street
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For North East Heat & Light Co:

Kevin J. McKeon (PA ID No. 30428)
Melissa A. Chapaska (PA ID No. 319449)
HMS Legal LLP
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machapaska@hmslegal.com

The Applicants' attorneys are authorized to receive all notices and communications regarding this Application.

3. The proposed transaction will be carried out pursuant to the Asset Purchase Agreement and related ancillary documents thereto ("APA") executed by National Fuel and NEHL, which is attached hereto as **Appendix A**. The transactions contemplated by the Agreement are described in Section III of this Application and are hereinafter collectively referred to as the "Proposed Transaction."

4. The remainder of this Application is organized as follows:
- (a) Section II provides a description of the Applicants;
 - (b) Section III provides a description of the Proposed Transaction;
 - (c) Section IV sets forth the legal standards required for Commission approval of the Proposed Transaction;
 - (d) Section V addresses the effect of the Proposed Transaction on rates;
 - (e) Section VI addresses the effect of the Proposed Transaction on competition;

- (f) Section VII describes post-merger operations of NEHL;
- (g) Section VIII demonstrates that National Fuel has the requisite technical, legal, and financial fitness to own and operate the merged companies;
- (h) Section IX demonstrates that the Proposed Transaction will promote the public interest by producing significant benefits for the customers and communities served;
- (i) Section X sets forth the other regulatory and shareholder approvals required;
- (j) Section XI sets forth additional supporting data;
- (k) Section XII sets forth notice provisions; and
- (l) Section XIII sets forth the conclusion.

5. The Applicants submit, as explained in more detail below, that all criteria necessary for approval of the Proposed Transaction pursuant to the Public Utility Code have been met, and that the Proposed Transaction will benefit both National Fuel's and NEHL's customers and the communities they serve. The Applicants therefore request that the Application be approved without condition to or modification of the Proposed Transaction.

II. THE JOINT APPLICANTS

A. JOINT APPLICANTS

National Fuel Gas Distribution Corporation

6. National Fuel is a corporation formed under the laws of the State of New York for the purpose of providing natural gas transmission, distribution, and supplier of last resort services subject to the Commission's regulatory jurisdiction. National Fuel's certificate of incorporation was filed April 11, 1973, and National Fuel was qualified to conduct business in Pennsylvania on December 26, 1973.

7. National Fuel is a “public utility” and a “natural gas distribution company” as those terms are defined in Sections 102 and 2202 of the Public Utility Code, 66 Pa.C.S. §§ 102, 2202. National Fuel provides natural gas service to approximately 214,000 customers throughout its Pennsylvania service territory, which includes all or portions of the following counties: Armstrong, Butler, Cameron, Clarion, Clearfield, Crawford, Elk, Erie, Forest, Jefferson, McKean, Mercer, Venango, and Warren.¹ National Fuel’s existing service territory is shown on the map attached as **Appendix B**. National Fuel’s customers receive natural gas service pursuant to the rules, requirements, terms, rates, and provisions specified in National Fuel’s current Commission-approved Tariff (Tariff Gas – Pa.P.U.C. No. 9) (“Tariff”).

8. National Fuel is currently certificated to provide natural gas service to North East Township in Erie County, Pennsylvania. However, National Fuel is not currently certificated to provide natural gas service to the Borough of North East, Erie County, Pennsylvania.

9. National Fuel is a wholly owned subsidiary of National Fuel Gas Company (“NFGC”). NFGC is a public utility holding company registered with the Federal Energy Regulatory Commission (“FERC”) under the Public Utility Holding Company Act of 2005. NFGC was organized under the laws of the State of New Jersey on December 8, 1902. Its principal office is located at 6363 Main Street, Williamsville, New York 14221.

10. National Fuel’s current base rates were most recently set by Order of the Commission dated June 15, 2023, which approved the Joint Petition for Settlement filed on April 13, 2023 by National Fuel, the Commission’s Bureau of Investigation and Enforcement, the Office of Consumer Advocate, the Office of Small Business Advocate, the Coalition for

¹ National Fuel operates as two separate divisions: (1) the Pennsylvania Division which provides natural gas service in Northwestern Pennsylvania under the regulatory oversight of the Commission; and (2) the New York Division, which provides natural gas service in Western New York under the regulatory oversight of the New York Public Service Commission.

Affordable Utility Service and Energy Efficiency in Pennsylvania, and the Pennsylvania Weatherization Providers Task Force at Docket No. R-2022-3035730.

11. All of the annual reports, tariffs, certificates, applications, and other documents filed with the Commission by National Fuel are made a part hereof by reference. National Fuel has paid all special and general assessments made against it pursuant to Section 510 of the Public Utility Code, 66 Pa.C.S. § 510.

North East Heat & Light Co.

12. NEHL is a corporation formed under the laws of the Commonwealth of Pennsylvania for the purpose of providing natural gas transmission, distribution, and supplier of last resort services subject to the Commission’s regulatory jurisdiction.

13. NEHL is a “public utility” and a “natural gas distribution company” as those terms are defined in Sections 102 and 2202 of the Public Utility Code, 66 Pa.C.S. §§ 102, 2202. NEHL provides natural gas service to approximately 2,900 customers, with approximately 2,600 residential customer meters, 200 commercial/public building meters, 70 large commercial meters, two (2) industrial customer meters, and six (6) large industrial customer meters. NEHL also provides transportation service to eight (8) customers. NEHL’s customers are located within the following two municipalities in Erie County: (1) North East Township; and (2) the Borough of North East.

14. All of the annual reports, tariffs, certificates, applications, and other documents filed with the Commission by NEHL are made a part hereof by reference. NEHL has paid all special and general assessments made against it pursuant to Section 510 of the Public Utility Code, 66 Pa.C.S. § 510.

B. CORPORATE ORGANIZATIONAL CHART

15. Attached as **Appendix C** hereto is a chart showing the corporate structure of NFGC and its relationship to National Fuel as it exists today. The corporate structure will not change as a result of the acquisition.

III. DESCRIPTION OF THE PROPOSED TRANSACTION AND EXPANSION OF SERVICE TERRITORY

A. PROPOSED TRANSACTION

16. As more thoroughly documented in the APA, under the Proposed Transaction National Fuel will acquire substantially all of the assets of NEHL, including without limitation all of NEHL's utility plant in service and service rights, except certain furniture, fixtures, equipment, and real property which National Fuel has deemed to be obsolete (the "Assets"), in exchange for the total purchase price of \$1,310,000, subject to post-closing adjustment to account for items such as working capital.² The APA (**Appendix A**) contains a more complete description of the Assets that National Fuel will acquire.

17. Per the APA, the Parties intend to close on the Proposed Transaction on a date after the Commission approvals requested per the instant Application are received (the "Closing Date").

18. Per the APA, National Fuel also has the ability to enter into a temporary transition services agreement ("TSA") with NEHL to provide post-closing transition services. The Applicants will execute the TSA only if the Company, in its sole discretion, deems it necessary to receive certain services necessary for the continued furnishing of utility service to customers

² The adjustment amount and methodology used to arrive at the purchase price is specified in Exhibit B of the APA.

currently served by NEHL for a finite period of time following the Closing Date. For example, the Company may elect to receive billing and operational services on a temporary basis from NEHL under the TSA if the Closing Date occurs prior to the Company's completion of all integration-related activities. A copy of the TSA is attached as Exhibit E to the APA (**Appendix A**).

19. Per the APA, on the Closing Date, National Fuel will also enter into a consulting agreement with Samuel Miller, the current Majority Shareholder and President of NEHL ("Consulting Agreement"). Per the terms of the Consulting Agreement, National Fuel will receive consulting services related to the transition of ownership and operations of the Assets solely on an "as needed" basis. A copy of the Consulting Agreement is attached as Exhibit C to the APA (**Appendix A**).

20. The APA also contains certain ancillary documents and agreements incidental to the effectuation of the Proposed Transaction (the "Ancillary Agreements"). Collectively, the APA, the TSA, the Consulting Agreement, and the Ancillary Agreements are hereafter referred to as the "Agreement."

21. The Proposed Transaction will be funded through cash on hand and short-term borrowings, as needed. National Fuel and NEHL are not affiliated, and the purchase price is based on arm's length negotiations.

22. The net book value of the NEHL Assets, as of June 30, 2025, is \$925,612. The Company is paying a modest premium when considering the purchase price compared to the net book value of the Assets. The Company will record the premium on the Balance Sheet in gross plants FERC account 114000, Gas Plant and Acquisition Adjustment, and will exclude this

premium from rate base in future rate cases. As a result, the Company will not be recovering any acquisition premium related to this transaction.

23. Neither National Fuel nor NEHL are seeking rate recovery for any of the transactional costs or transitional costs associated with the Proposed Transaction.

24. Following the closing of the Proposed Transaction, the Company plans to keep one consolidated set of books for National Fuel's Pennsylvania Division³ with a specific department code to track and identify all costs directly attributable to the ongoing operations of the acquired NEHL facilities.

25. Additional details regarding the Proposed Transaction are explained in the testimony of William F. Snyder, III (Joint Applicants Statement No. 1).

B. PROPOSED SERVICE TERRITORY EXPANSION

26. As noted above, National Fuel currently provides natural gas service to approximately 214,000 customers throughout its Pennsylvania service territory.

27. National Fuel's current service territory is shown on the map attached as **Appendix B**. NEHL's certificated service territory is located in the Borough of North, Erie County, Pennsylvania and North East Township, Erie County, Pennsylvania, and encompasses an area of approximately 43.7 square miles as follows, with 42.4 square miles in North East Township and 1.3 square miles in the Borough of North East. A map of NEHL's service territory is attached hereto as **Appendix D**.

28. As part of this Application, National Fuel is requesting the Commission's approval to expand its service territory to include all of the Borough of North East, Erie County,

³ See, n. 1, above.

Pennsylvania (“Requested Territory”). The Requested Territory is shown on the map attached hereto as **Appendix E**.

29. National Fuel’s existing footprint surrounds the NEHL service territory, providing immediate service efficiencies for its customers, and National Fuel currently is certificated to and provides natural gas service in North East Township. **Appendix F** shows the location of National Fuel’s current service territory surrounding the Requested Territory.

30. NEHL’s ownership has expressed an interest in exiting the utility business while ensuring NEHL’s customers are transitioned into the ownership of a reputable utility company with a focus on customer service and reliability. More information regarding NEHL’s decision to enter into the Proposed Transaction is provided in the Direct Testimony of Samuel Miller, Owner and President of NEHL (Joint Application Statement No. 4). With more than 120 years of experience operating assets across the natural gas value chain, including managing utilities in Northwestern Pennsylvania and Western New York, National Fuel is well suited to successfully acquire, integrate and operate NEHL’s Assets.

31. Attached hereto as **Appendix G** is a *pro forma* tariff supplement containing National Fuel’s proposed tariff revisions that reflect the addition of the Requested Territory.

C. NEHL’S PROPOSED ABANDONMENT OF SERVICE

32. After closing, NEHL will cease providing natural gas service in Pennsylvania. As part of this Application, NEHL is requesting the Commission’s approval to abandon its right and obligation to provide natural gas service in the Borough of North East, Erie County, Pennsylvania and North East Township, which is currently NEHL’s certificated natural gas service territory, pursuant to Section 1102(a)(2) of the Public Utility Code.

IV. LEGAL STANDARDS FOR COMMISSION APPROVAL

A. STANDARD FOR APPROVAL

33. Section 1102(a)(1) of the Public Utility Code, 66 Pa.C.S. § 1102(a)(1) requires public utilities in Pennsylvania to obtain a certificate of public convenience from the Commission “to begin to offer, render, furnish or supply within this Commonwealth service of a different nature or to a different territory.”

34. Section 1102(a)(2) of the Public Utility Code, 66 Pa.C.S. § 1102(a)(2), requires public utilities in Pennsylvania to obtain a certificate of public convenience from the Commission “to abandon or surrender, in whole or in part, any service.”

35. Section 1102(a)(3) of the Public Utility Code, 66 Pa.C.S. § 1102(a)(3), provides, in pertinent part, that the Commission's prior approval, evidenced by a certificate of public convenience, is required:

For any public utility or an affiliated interest of a public utility ... to acquire from, or to transfer to, any person or corporation ... by any method or device whatsoever, including the sale or transfer of stock and including a consolidation, merger, sale or lease, the title to, or the possession or use of, any tangible or intangible property used or useful in the public service.

36. Section 1103 of the Pennsylvania Public Utility Code sets forth the procedure to obtain certificates of public convenience. Under Sections 1102 and 1103 of the Public Utility Code, the Applicants must demonstrate that the party to whom the assets and service obligations are being transferred is legally, technically, and financially fit. *See Seaboard Tank Lines*, 502 A.2d 762, 764 (Pa. Cmwlth. 1985); *Warminster Township Mun. Auth. v. Pa. PUC*, 138 A.2d 240, 243 (Pa. Super. 1958).

37. When an existing public utility seeks a certificate of public convenience, the “existing certificate holder is entitled to a ‘continuing presumption regarding its fitness to

operate,’ which includes a presumption that the certificate holder has a propensity to operate legally.” *Application of Aqua Pa. Wastewater Inc.*, 2025 LEXIS 205 at *12 (Order entered June 18, 2025) (citing *Lehigh Valley Transp. Servs., Inc. v. Pa. PUC*, 56 A.3d 49, 58 (Pa. Cmwlth. 2012); *South Hills Movers, Inc. v. Pa. PUC*, 601 A.2d 1308, 1310 (Pa. Cmwlth. 1992)).

38. The Commission may issue a certificate of public convenience upon a finding that “the granting of such certificate is necessary or proper for the service, accommodation, convenience, or safety of the public.” 66 Pa.C.S. § 1103(a). This standard requires the Commission to find that the Proposed Transaction will “affirmatively promote the service, accommodation, convenience, or safety of the public in some substantial way.” *City of York v. Pa. Pub. Util. Comm’n*, 295 A.2d 825, 828 (Pa. 1972).

B. BURDEN OF PROOF

39. Section 332(a) of the Public Utility Code, 66 Pa.C.S. § 332(a), provides that the party seeking a rule or order from the Commission has the burden of proof in that proceeding. A litigant's burden of proof before the Commission is satisfied by establishing a preponderance of evidence which is substantial and legally credible. *See Samuel J Lansberry, Inc. v. Pa. PUC*, 578 A.2d 600, 602 (Pa. Cmwlth. 1990). The preponderance of evidence standard requires proof by a greater weight of the evidence. *See Cmwlth. v. Williams*, 732 A.2d 1167 (Pa. 1999). Consequently, as the parties seeking relief, the Applicants bear the burden of proving that the Proposed Transaction satisfies the requirements of Sections 1102 and 1103 of the Public Utility Code.

40. The substantial public interest test is satisfied by a simple preponderance of the evidence of benefits, and such burden can be met by showing a likelihood or probability of public benefits that need not be quantified or guaranteed. *See Popowsky v. Pa. PUC*, 937 A.2d 1040,

1057 (Pa. 2007). As the Commonwealth Court has explained: “the affirmative public benefits test does not require the Commission ‘to secure legally binding commitments or to quantify benefits where this may be impractical, burdensome, or impossible.’” *Cicero v. Pa. PUC*, 300 A.3d 1106, 1119 (Pa. Cmwlth. 2023) (internal citations omitted). Further, the substantial public benefit test does not require that every customer receive a benefit from the Proposed Transaction. *Id.* at 1061.

41. Additionally, any finding of fact necessary to support an adjudication of the Commission must be based upon substantial evidence. *See Met-Ed Indus. Users Group v. Pa. PUC*, 960 A.2d 189, 193 n.2 (Pa. Cmwlth. 2008) (citing 2 Pa. C.S. § 704). Substantial evidence is such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. *See Borough of E. McKeesport v. Special/Temporary Civil Serv. Comm'n*, 942 A.2d 274, 281 (Pa. Cmwlth. 2008). The “presence of conflicting evidence in the record does not mean that substantial evidence is lacking.” *Allied Mechanical and Elec., Inc. v. Pa. Prevailing Wage Appeals Bd.*, 923 A.2d 1220, 1228 (Pa. Cmwlth. 2007) (citation omitted).

V. EFFECT OF THE PROPOSED TRANSACTION ON RATES

42. With the exception of the changes described herein, the base tariff distribution rates of NEHL in effect at the time the Proposed Transaction is consummated will remain in full force and effect following the completion of the Proposed Transaction for those who are customers of NEHL on the Closing Date (“Former NEHL Customers”).

43. In this regard, and to effectuate the foregoing, National Fuel will create a temporary tariff schedule for Former NEHL Customers, which shall be maintained until Former NEHL Customers are fully integrated into all of National Fuel’s rates, which will ultimately be

completed through one or more base rate cases (the “NEHL Rate Schedule”). The NEHL Rate Schedule will only apply and be available to Former NEHL Customers at the service location(s) from which they received service from NEHL as of the Closing Date. All new customers/applicants for service located in the former NEHL service territory whose service start date begins after the Closing Date who receive service in the former NEHL service territory, and transfers of service by Former NEHL Customers will not be eligible for service under the NEHL Rate Schedule (*i.e.*, they will receive service as National Fuel customers at National Fuel’s standard full tariff rates). The NEHL Rate Schedule is more fully described in the attached testimony of Donald N. Koch (Joint Applicants Statement No. 3) and is attached in the *pro forma* tariff supplement attached hereto as **Appendix G**.

44. Other than with respect to: (a) the NEHL Rate Schedule; and (b) modifications to Rule No. 5 of the Tariff to account for the Company’s replacement of customer-owned service lines over time as more fully described *infra*, all other rules and conditions of service under National Fuel’s Tariff will apply to the former NEHL Customers.

45. National Fuel is proposing to merge NEHL’s purchased gas cost (“PGC”) rates into National Fuel’s PGC rates as part of this Application. As more fully explained in the attached testimony of Donald N. Koch (Joint Applicants Statement No. 3), merging NEHL’s PGC rates into National Fuel’s PGC rates will offer several benefits to both Former NEHL Customers and to National Fuel. Former NEHL Customers will benefit from National Fuel’s diverse supply portfolio, and National Fuel’s gas procurement practices should offer Former NEHL Customers price stability through its procurement diversity and greater access to suppliers. Merging NEHL’s PGC rates also benefits the Company, as it eliminates the administrative burden of maintaining separate PGC rates and gas supply portfolios.

46. Former NEHL Customers receiving transportation service from NEHL will be migrated to National Fuel's Monthly Metered Transportation service ("MMT"). While these Former NEHL Customers will receive the base delivery rate specified in the NEHL Rate Schedule, they will be subject to the transportation rules and programs in National Fuel's Tariff, as well as balancing charges and other applicable transportation related fees. Further detail regarding the effect of the Proposed Transaction on NEHL transportation customers is provided in the testimony of Donald N. Koch (Joint Applicants Statement No. 3).

47. National Fuel is proposing to apply three additional riders or surcharges to Former NEHL Customers upon closing of the acquisition: (1) Rider B – the State Tax Adjustment Surcharge; (2) Rider E – the Customer Education Charge; and (3) Rider F – the Customer Assistance Program ("CAP") Discount Charge (as described *infra*, this charge will be applicable to residential customers only).

48. National Fuel proposes to apply Rider B, the Company's State Tax Adjustment Surcharge, to Former NEHL Customers as explained in Joint Applicants Statement Number 3. The Company does not anticipate that applying Rider B to Former NEHL Customers' bills will have any noticeable bill impact on Former NEHL Customers.

49. Rider E, the Company's Customer Education Charge, provides for recovery of costs of providing consumer education to inform customers of the changes in the natural gas utility industry. Rider E is a zero rate applicable to residential customers only and is forecasted to remain a zero rate for the foreseeable future. As such, applying Rider E to Former NEHL Customers' bills is not anticipated to have any impact on Former NEHL Customers.

50. Rider F, the Company's CAP Discount Charge, provides for the recovery of costs of projected CAP rate discounts, pre-program arrearage forgiveness, and program costs exclusive

of Company labor. Rider F is applicable to residential customers only. As explained in the attached testimony of Elma Bico (Joint Applicants Statement No. 2), it is appropriate to include these charges upon closing of the acquisition because it will provide Former NEHL Customers with immediate access to the Company's Universal Service programs,⁴ including bill and arrearage assistance through CAP.

51. In addition, National Fuel is requesting Commission approval to begin charging Former NEHL Customers National Fuel's Distribution System Improvement Charge ("DSIC"), subject to incorporation of the NEHL system into the National Fuel's Long-Term Infrastructure Improvement Plan ("LTIIIP").

52. National Fuel proposes to file a modification to its LTIIIP to include the NEHL facilities within 90 days of closing of the transaction.

53. No later than the next quarterly DSIC filing following approval of the amended LTIIIP, the Company proposes to begin applying the DSIC to Former NEHL Customers. National Fuel will not include investments in the NEHL system in its DSIC until the Company starts applying the DSIC to Former NEHL Customers.

54. National Fuel is seeking approval of this DSIC proposal as part of the Application.

55. Attached hereto as **Appendix G** is a *pro forma* tariff supplement containing National Fuel's proposed tariff revisions that reflect the rate proposals describe above, which will be applicable to Former NEHL Customers.

⁴ The Company's currently effective Universal Service and Energy Conservation Plan was approved by the Commission at Docket No. M-2021-3024935.

VI. POST-ACQUISITION OPERATION OF NEHL'S DISTRIBUTION FACILITIES

56. Upon closing, National Fuel will use the NEHL Assets acquired through the APA to provide natural gas service to Former NEHL Customers.

57. National Fuel will operate and manage the provision of natural gas service to Former NEHL Customers, including field operations services and on-ground support, from its nearby Erie Servicenter, which is located approximately 13 miles from the Requested Territory.⁵ In this regard, National Fuel's Erie Servicenter already provides service to National Fuel customers located in North East Township.

58. Over time, National Fuel plans to systematically enhance and improve the overall reliability and efficiency of NEHL's distribution system through infrastructure improvements. National Fuel's long-term plans include tying in NEHL's current systems into National Fuel's distribution system, which surrounds the NEHL system. National Fuel's anticipated infrastructure improvements include, among other things, the replacement of certain mains as well as regulator station upgrades, including the installation of additional relief valves.

59. Currently, all customer service lines in the Requested Territory are customer-owned. As more thoroughly specified in the attached testimony of William F. Snyder, III (Joint Applicants Statement No. 1), over time, National Fuel intends to replace this patchwork of customer-owned service lines with new, National Fuel-owned service lines. To mitigate line strikes, when National Fuel replaces mains and service lines, it will undertake safety measures including installing tracer wire to improve locatability.

60. Additionally, National Fuel's geographic information system ("GIS"), electronic field data systems, and order-routing platforms will be applied, ensuring all NEHL infrastructure

⁵ This is the distance from National Fuel's Erie Servicenter located at 225 Wayne St, Erie, PA 16507 to NEHL's main office at 10700 W Main St, North East, PA 16428.

and work processes are captured and managed within the same enterprise tools used across National Fuel's broader service territory.

61. These anticipated infrastructure improvements will be carried out in line with National Fuel's LTIP, which the Company is proposing to amend to include the Requested Territory, as described in Section V.

VII. EFFECT OF THE PROPOSED TRANSACTION ON COMPETITION

62. Under Section 2210(a)(1) of the Public Utility Code, the Commission, in conjunction with the proper exercise of its authority to approve certain transactions, including the acquisition of a natural gas utility, must consider whether the transaction is likely to result in anticompetitive or discriminatory conduct, including the unlawful exercise of market power, which will prevent retail gas customers from obtaining the benefits of a properly functioning and effectively competitive retail natural gas market. 66 Pa.C.S. § 2210(a)(1).

63. The Proposed Transaction will not result in anti-competitive or discriminatory conduct in the retail market for natural gas in Pennsylvania. The Proposed Transaction will have no adverse effect on the retail natural gas market in Pennsylvania. To the contrary, the Proposed Transaction will enhance retail competition by expanding supply options for NEHL customers and connecting Pennsylvania gas producers with NEHL customers.

64. National Fuel's long-term plans include integrating NEHL's existing system and National Fuel's own distribution system which surrounds NEHL's existing system. When this occurs, Pennsylvania gas producers with interconnects to National Fuel's existing distribution system would stand to gain additional customers on NEHL's system.

65. Currently, NEHL customers have limited options in terms of retail competition. Once the systems are integrated, Former NEHL Customers will have additional options in terms of retail choice, which will also encourage competition.

66. Further, the Proposed Transaction is a certificated entity to certificated entity asset and operations transfer within the Requested Territory. Other than NEHL, which is selling its assets, no corporation, partnership, or individual is now furnishing or has corporate or franchise rights to furnish similar service to that to be rendered by National Fuel in the Requested Territory.

67. No other local distribution companies are providing natural gas services within one mile of the Requested Territory, apart from National Fuel.

68. Thus, no competitive condition will be created by the Proposed Transaction.

VIII. TECHNICAL, LEGAL, AND FINANCIAL FITNESS.

A. NATIONAL FUEL HAS THE NECESSARY TECHNICAL FITNESS

69. National Fuel has the technical expertise necessary to operate NEHL as part of National Fuel.

70. Importantly, there is a presumption of fitness for an existing owner of certificated public utility facilities. *See Lehigh Valley Transp. Servs. v. Pa. PUC*, 56 A.3d 49, 59 (Pa. Cmwlth. 2012); *see also South Hills Movers, Inc. v. Pa. PUC*, 601 A.2d 1308, 1310 (Pa. Cmwlth. 1992).

71. National Fuel has over 120 years of experience managing utilities in Northwestern Pennsylvania and Western New York and is currently certificated to provide natural gas service in North East Township. In addition, National Fuel's certificated service territory surrounds NEHL's service territory, which will allow for seamless integration of NEHL's system into National Fuel's ongoing operations.

72. For these reasons, National Fuel has the managerial and utility experience necessary to acquire NEHL's system in the public interest.

B. NATIONAL FUEL IS LEGALLY FIT

73. National Fuel is legally fit to own and operate the NEHL system. National Fuel is in compliance with all applicable federal and state laws.

74. National Fuel has access to an internal team of legal counsel responsible for ensuring compliance with all applicable laws, and has engaged outside law firms as necessary to handle various specialized matters, including on-going compliance with this Commission's regulations, rules, and orders.

75. For these reasons, National Fuel is legally fit to own and operate NEHL's system.

C. NATIONAL FUEL IS FINANCIALLY FIT

76. National Fuel is particularly well-suited to own and operate the NEHL system.

77. Attached hereto as **Appendix H** are balance sheets for the fiscal year ended September 30, 2023 and September 30, 2024 for National Fuel. Attached hereto as **Appendix I** are income statements for the fiscal years ended September 30, 2023 and September 30, 2024. for National Fuel. All of National Fuel's stock is owned by its parent, NFGC.

78. Further, National Fuel, through its parent, has regular access to the capital markets and a deep bank group with some of the largest financial institutions in North America. This access provides National Fuel the benefit of securing both permanent financing as well as market access for shorter-term unsecured capital to meet day-to-day funding needs to ensure adequate capital to continue to modernize the system and ensure safe and reliable operations for the Company's customers.

79. National Fuel intends to continue these same practices after the Proposed Transaction and proposes to have one set of books and records, including for the acquired NEHL facilities.

80. For these reasons, National Fuel has the required financial fitness.

IX. THE PROPOSED TRANSACTION WILL BENEFIT THE CUSTOMERS AND COMMUNITIES SERVICED

A. AFFIRMATIVE PUBLIC BENEFITS

81. The Proposed Transaction will deliver substantial affirmative benefits to NEHL and National Fuel customers, the public, and the overall reliability of natural gas service in the region.

82. From an operational standpoint, integrating NEHL into National Fuel's system will strengthen safety, reliability, and the efficient delivery of natural gas to end use customers within the Borough of North East and North East Township as National Fuel plans to further modernize and enhance the reliability of the existing NEHL system.

83. National Fuel customers will, over time, experience greater efficiencies by spreading the recovery of fixed costs over a larger customer base. These efficiencies will help offset the investments required to replace aging infrastructure, enhance emergency response, and integrate advanced technologies that will entail incremental capital and operating costs.

84. NEHL customers will also benefit from the introduction of National Fuel's GIS-based flow modeling, enhanced emergency response (leveraging National Fuel's 99.7% response rate within 45 minutes in Pennsylvania), and the support of a Pipeline Safety Management System, dedicated Quality Assurance Department, and comprehensive employee training programs. Although these improvements will require additional investment, they represent prudent, long-term commitments that will enhance safety, compliance, and service quality for both NEHL and existing National Fuel customers.

85. The Proposed Transaction will also provide natural gas supply benefits, as Former NEHL Customers will gain access to National Fuel’s diverse portfolio of firm pipeline and storage assets among various FERC-regulated transmission and storage service providers, larger supplier pool of reliable suppliers, and established gas procurement hedging strategies to mitigate price volatility. In addition, National Fuel’s retail choice program will be extended to Former NEHL Customers, expanding their opportunities to shop for supply. Moreover, from a regulatory perspective, transitioning to National Fuel’s purchased gas cost portfolio, which adheres to the Commission’s least cost procurement policy, will provide Former NEHL Customers with access to a reliable, diverse gas supply network.

86. From a customer affordability perspective, National Fuel will extend eligibility for Former NEHL Customers to participate in its existing Universal Service programs, including: (1) National Fuel’s CAP, which offers a percentage income payment (“PIP”) plan; (2) weatherization assistance through the Low-Income Usage Reduction Program (“LIURP”) and the Low-Consumption Usage Reduction Pilot Program (“LC-LIURP”); and (3) access to grants from its Neighbor for Neighbor Hardship Program (“NHN”). These programs reduce energy burdens for low-income households and provide greater bill stability.

87. Former NEHL Customers will also benefit from National Fuel’s larger, more responsive customer service network, available nearly 33 additional hours per week compared to NEHL’s current service availability.

88. Finally, the Proposed Transaction will produce broader community and ratepayer benefits. Spreading operational costs across a larger customer base will, over time, marginally reduce costs for all Pennsylvania customers. Moreover, the combined footprint will eliminate confusion over providers, reduce duplicative system mileage (National Fuel and NEHL are

currently certificated to serve and do serve customers in North East Township), and increase efficiency, yielding incremental savings and potential rate stabilization.

89. Taken together, the Proposed Transaction will enhance safety, improve customer service, broaden assistance programs, leverage economies of scale, and promote long-term reliability—all of which are clear public benefits in support of Commission approval.

B. EFFECT OF THE PROPOSED TRANSFER ON EMPLOYEES

90. Under Section 2210(a)(2) of the Public Utility Code, in conjunction with its consideration of the disposition of assets of natural gas distribution companies, the Commission is to consider the effects of the Proposed Transaction on employees. 66 Pa.C.S. § 2210(a)(2).

91. As of the date of the filing of this Testimony, NEHL currently employs five full-time employees, including NEHL President Samuel Miller, and three part-time employees. Per the APA, National Fuel has agreed to offer all employees the opportunity to interview for any current job openings at National Fuel.

C. LOCAL COMMUNITY AND NATURAL GAS PRODUCTION

92. The Proposed Transaction will have a positive impact on the local community and the economy of the Commonwealth. National Fuel currently has a substantial number of gas purchase agreements in place with local producers. With interconnection of the NEHL and National Fuel systems, the acquisition will create opportunities for natural gas suppliers (“NGS”) to serve customers on the former NEHL system with local gas supplies produced on National Fuel’s system.

X. OTHER REGULATORY APPROVALS

93. National Fuel and NEHL plan to complete the Proposed Transaction as soon as possible after approval of this Application. No other regulatory approvals are required in order to effectuate the Proposed Transaction.

94. While not a regulatory approval with respect to the instant Application, National Fuel will be filing, on its behalf and that of NEHL, a joint petition seeking temporary waiver of the FERC's capacity release regulations in order to effect the permanent release of NEHL's firm interstate capacity rights on National Fuel Gas Supply Corporation, at maximum tariff rates, to National Fuel.

XI. ADDITIONAL SUPPORTING DATA

95. The following testimony and appendices, containing additional information in support of this Application, are attached hereto:

- **Appendix A:** APA;
- **Appendix B:** National Fuel's Pennsylvania Service Territory;
- **Appendix C:** NFGC Corporate Structure;
- **Appendix D:** NEHL's Current Service Territory;
- **Appendix E:** Map of the Borough of North East;
- **Appendix F:** National Fuel's Service Territory in Relation to NEHL's Current Service Territory;
- **Appendix G:** National Fuel's *Pro Forma* Tariff Supplement;
- **Appendix H:** National Fuel's Balance Sheet;
- **Appendix I:** National Fuel's Income Statement;

- **Appendix J:** NEHL Notice to Customers;
- **Appendix K:** National Fuel Notice to NEHL Customers;
- **Joint Applicants Statement No. 1:** Direct Testimony of William F. Snyder, III;
- **Joint Applicants Statement No. 2:** Direct Testimony of Elma Bico;
- **Joint Applicants Statement No. 3:** Direct Testimony of Donald Koch;
and
- **Joint Applicants Statement No. 4:** Direct Testimony of Samuel Miller.

96. All annual reports, tariffs, certificates of public convenience, applications, securities certificates, and similar documents previously filed by the Applicants are made a part hereof by reference.

XII. NOTICE

97. NEHL and National Fuel will be providing individual notices to NEHL customers regarding the Proposed Transaction and the instant Application within approximately two weeks of the filing of this Application. Copies of these notices are attached hereto as **Appendices J and K**.

98. As described in the notice from National Fuel, the Company intends to hold an open house for NEHL customers in early November 2025 to discuss the acquisition and answer questions.

99. National Fuel has also held a joint meeting with municipal officials from the Borough of North East and North East Township on September 25, 2025 to provide information about the Proposed Transaction.

100. This Application is being served on the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate.

101. National Fuel requests that the Commission publish notice of this Application in the Pennsylvania Bulletin pursuant to 52 Pa. Code § 5.14(a).

102. Pursuant to 52 Pa. Code § 5.14(b), National Fuel will provide additional notice or service of this Application as directed by the Commission.

XIII. CONCLUSION

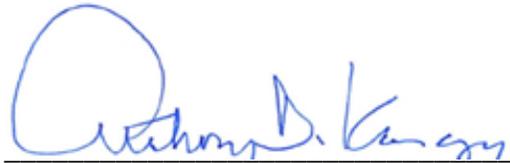
WHEREFORE, for all the foregoing reasons, the Applicants respectfully request that the Pennsylvania Public Utility Commission approve this Application, and:

- a. Issue certificates of public convenience under §1102 of the Pennsylvania Public Utility Code authorizing:
 - (1) National Fuel to acquire certain natural gas distribution facilities and rights from NEHL in the Borough of North East, Erie County, Pennsylvania and North East Township, Erie County, Pennsylvania pursuant to the Agreements; and
 - (2) NEHL to abandon natural gas service to the public in its service territory in the Borough of North East, Erie County, Pennsylvania and North East Township, Erie County, Pennsylvania and for National Fuel to serve these customers; and
 - (3) National Fuel to expand its service territory to begin to offer, render, furnish or supply natural gas service to the public in the Borough of North East, Erie County, Pennsylvania and to provide service to the customers formerly served by NEHL.
- b. Authorize National Fuel to file the *pro forma* tariff supplements attached to the Application as **Appendix G** to become effective upon one day's notice of the closing of the Proposed Transaction;
- c. Authorize National Fuel to begin charging Former NEHL Customers National Fuel's DSIC, subject to incorporation of the NEHL system into the National Fuel's LTIP;

- d. Authorize National Fuel to merge NEHL's PGC rates into National Fuel's PGC rates; and
- e. Grant any other approvals or certificates appropriate, customary, or necessary under the Public Utility Code to carry out the transactions contemplated in this Application in a lawful manner.

Respectfully submitted,

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Date: October 7, 2025

Counsel for National Fuel Gas Distribution Corporation



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E-Mail: machapaska@hmslegal.com

Date: October 7, 2025

Counsel for North East Heat & Light Company

VERIFICATION

I, Brian M. Welsch, being a Vice President at National Fuel Gas Distribution Corporation, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief and that I expect that National Fuel Gas Distribution Corporation 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: 10/7/2025

DocuSigned by:

C406B3AE202B427...
Brian M. Welsch
Vice President
National Fuel Gas Distribution Corp.

Appendix A

Asset Purchase Agreement

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

Appendix A

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "**Agreement**") is made and entered into as of the 10th day of September 2025 ("**Effective Date**") by and among NATIONAL FUEL GAS DISTRIBUTION CORPORATION, a New York corporation (the "**Purchaser**"), and NORTH EAST HEAT & LIGHT CO., a Pennsylvania corporation (the "**Seller**") and SAMUEL MILLER (the "**Shareholder**").

WHEREAS, Seller owns, operates and manages a natural gas distribution business (the "**Business**");

WHEREAS, Purchaser desires to purchase substantially all of the assets of the Seller that are used in the Business, and the Seller desires to sell substantially all of such assets to Purchaser, subject to the terms and conditions of this Agreement; and

WHEREAS, terms capitalized herein, but not otherwise defined, shall have the meaning given to them on Exhibit A attached hereto.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, and intending to be legally bound hereby, the parties agree as follows:

1. Sale and Purchase of Assets.

1.1. Assets. Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will sell, assign, convey, transfer, and deliver (or cause to be sold, assigned, conveyed, transferred, and delivered) to Purchaser, and Purchaser will purchase and acquire from Seller, free and clear of all Encumbrances, all of Seller's right, title, and interest in, to, and under the assets, tangible or intangible, described below, as the same exist at the Effective Time (and, as permitted or contemplated hereby, with such additions and deletions as shall occur from the date hereof through the Effective Time), except to the extent that such assets are Excluded Assets (hereinafter, the "**Assets**");

1.1.1. Fixed Assets. The following real and personal property, plant and equipment and related tangible property:

(a) all fee interests ("**Fee Interests**"), all leasehold interests under the leases described on Schedule 1.1.1(a) (the "**Leases**"); and the easement interests under the easements or right of ways generally described on Schedule 1.1.1(a) (the "**Easements**") together with any other real property rights utilized in the Business (all of the foregoing, together with any and all other real estate interests held by Seller, the "**Real Property**").

(b) all other natural gas distribution utility system assets installed in the Territory and used in the Business, including as generally described on Schedule 1.1.1(b);

(c) the inventory of natural gas commodity used in the Business that are located in pipelines owned, leased or controlled by Seller (the "**Gas Inventory**");

(d) the Neptune Automated Meter Reading System hardware consisting of the Trimble handheld unit and the MRX Collection Unit (the "**IT Assets**") and no other information or technology assets; and

(e) those specific items of equipment identified on Schedule 1.1.1(e).

1.1.2. Business Records. All books, files, lists, records, and other tangible items pertaining to the Business, the Assets or customers of Seller, or any other third party having contracts or other business relationships with Seller ("**Business Records**"). Business Records shall also include all other recorded knowledge, whether in written, electronic, visual or other form, including any and all lists of past, present, and prospective customers, prior plans and proposals, all vendor purchase orders or other requests for services relating to the Business, all general intangible and similar assets, employment records, accounting and tax records, property records, records relating to any matter in any way addressing the Commission or other Governmental Authorities, and other corporate records and files of, or relating to, the Business, except for the Seller's organizational documents. Seller shall be entitled to retain copies of Business Records that would be necessary or appropriate to satisfy future tax or other regulatory reporting requirements or to respond to any tax, regulatory or other business audits that may occur after the Closing Date. After Closing, should the Seller need copies of Business Records in the possession of Purchaser, to which the Seller was entitled to but did not retain copies of, upon Seller's written request, Purchaser shall provide copies of such requested records to Seller at Seller's expense, as soon as reasonably practicable.

1.1.3. Receivables. All accounts receivable, as shown on Exhibit A, which for the avoidance of doubt and notwithstanding any other provision of this Agreement to the contrary, shall constitute current assets for purposes of calculating the Adjustment Amount.

1.1.4. Adjustment Amount. To the extent not specifically identified above, any assets to the extent included in the calculation of the Adjustment Amount in accordance with Exhibit B.

1.1.5. Cost Adjustments. The assets of Seller with respect to over-recovered or under-recovered purchased gas cost adjustment charges, and all prepayments, deferred charges, regulatory liabilities and other similar items, to the extent included in the calculation of the Adjustment Amount.

1.1.6. Contract Rights. All rights and benefits of the Seller under such contracts, leases, agreements, arrangements, purchase orders, sales orders and commitments related to the Business in effect on the Closing Date (the "**Assumed Contracts**"), as listed on Schedule 1.1.6. Schedule 1.1.6 shall indicate if any of the Assumed Contracts has a consent or notification requirement related to the transfer or assignment.

1.1.7. Claims. All Claims against third parties and defenses of Seller to the extent, but only to the extent, such Claims or defenses relate to the Business, Assets or Assumed Contracts, provided such Claims and defenses will be assigned by Seller to Purchaser without warranty or recourse; provided, however, that if such transfer would prejudice any such Claims or defenses, the Parties shall cooperate in good faith to avoid such prejudice.

1.1.8. Intangible Property Rights. The name "North East Heat & Light Co.", as previously used by Seller, and any derivative or acronym thereof, telephone numbers, domain names used in connection with the Business, copyrights, trademarks, patents, and other intangible assets of the Business to the extent assignable by Seller to Purchaser, and such other assets all as identified on Schedule 1.1.8, including any trade name or fictitious name used by the Seller in connection with the Business (the "**Intangible Assets**").

1.1.9. Goodwill. All goodwill and going concern value related to Seller's Business.

1.1.10. Insurance. All rights to proceeds under insurance policies maintained by Seller as set forth on Schedule 1.1.10 (the "**Insurance Policies**").

1.1.11. Permits, Licenses and Authorizations. All Permits and Environmental Permits used or held by Seller primarily in connection with the Business or the ownership or operation of any of the Assets, except to the extent that, notwithstanding compliance by Seller with its obligations hereunder, any such Permits or Environmental Permits are prohibited by applicable Law or, by the terms of such Permits or Environmental Permits, from being assigned to Purchaser in connection with the transactions contemplated hereby, as set forth on Schedule 1.1.11 (the "**Transferable Permits**").

1.2. Excluded Assets. Notwithstanding the foregoing or anything else herein to the contrary, Seller is retaining and the Assets shall not include any assets or properties of any kind or nature, wherever located and whether real, personal or mixed, tangible or intangible, in electronic form or otherwise listed on Schedule 1.2, or as follows (collectively, the "**Excluded Assets**"):

1.2.1. Cash. Cash, cash equivalents, and bank deposits except as included in the calculation of the Adjustment Amount.

1.2.2. Liquid Assets. Certificates of deposit, shares of stock, securities, bonds, debentures, evidences of Indebtedness, and any other debt or equity interest in any Person.

1.2.2. Excluded Contracts. All contracts that are not Assumed Contracts (the "**Excluded Contracts**").

1.2.3. Benefit Plans. All pension, retirement, savings, profit sharing, deferred compensation, disability, medical, dental, health, life, vacation, death benefit, group insurance, tuition or scholarship, stock-based, equity-based, stock purchase, incentive, bonus, executive compensation, termination or severance, or change of control plan, contract, agreement, arrangement or policy (including, without limitation, any "employee pension benefit plan" as

defined in ERISA Section 3(2), and any "employee welfare benefit plan" as defined in ERISA Section 3(1)), whether or not any of the foregoing is written or unwritten, funded, unfunded or insured, (i) that provides benefits to current or former employees of Seller, with respect to the Business; and (ii) to which Seller or the Business is a party or by which Seller or the Business is bound (the "**Benefit Plans**"), as listed on Schedule 1.2.3.

1.2.4. Transaction Documents. All books, records, and other documents prepared in connection with the sale of the Business and the transactions contemplated by this Agreement, including analysis relating to the Business, and all rights of Seller under this Agreement.

1.2.5. Certain Contracts. (i) All contracts set forth on Schedule 1.2.5., (ii) all Material Contracts existing as of the date hereof that are not set forth on Schedule 4.9 as of the date hereof, unless otherwise elected by Purchaser to include as an Asset, and (iii) unless otherwise elected by Purchaser to be included in the Assets, any Business Agreement that is entered into after the date hereof that, if existing on the date hereof, would be required to be set forth on Schedule 4.9 as a Material Contract (all of the foregoing, the "**Retained Agreements**").

1.2.6. Disposed Assets. Any assets that have been disposed of by Seller in compliance with this Agreement after the date hereof and prior to the Effective Time.

1.2.7. Certain Permits. All rights in, to and under all Permits and other rights under any Law, other than the Transferrable Permits.

1.2.8. Shareholder Receivables. All amounts due to or from the Shareholder or an affiliate of the Shareholder.

1.2.9. Other Inventory. All tools, regulators, spare parts, etc. used in the Business, not otherwise specifically identified as an Asset.

1.2.10. COVID Relief. Any Claims relating in any way to the PPP Loan and/or ERTC.

1.2.11. Other Assets. All other assets of the Seller that are not Assets.

1.3. Assumed Liabilities. On the Closing Date, Seller will deliver to Purchaser a Bill of Sale and Assignment and Assumption Agreement pursuant to which Purchaser will specifically assume, as of the Effective Time, and become responsible for the following liabilities and obligations of Seller without recourse to Seller, and thereafter pay, perform and discharge when due, the following (the "**Assumed Liabilities**"):

1.3.1. Any accounts payable or other accrued and unpaid current expenses to the extent included in the calculation of the Adjustment Amount in accordance with Exhibit B.

1.3.2. All liabilities and obligations of Seller with respect to over-recovered purchased gas cost adjustment charges, and all customer deposits, customer advances, deferred credits, regulatory liabilities and other similar items, to the extent included in the calculation of the Adjustment Amount in accordance with Exhibit B;

1.3.3. All liabilities and obligations of Seller under any Regulatory Order applicable to the Business or Assets, other than (i) payment obligations of Seller arising in respect of periods prior to the Effective Time, except to the extent included in the calculation of the Adjustment Amount in accordance with Exhibit B; and (ii) obligations imposed on Seller (rather than on Purchaser as Seller's successor with respect to the Business) under any Regulatory Order issued specifically with respect to the transactions contemplated by this Agreement;

1.3.4. All liabilities and obligations of Seller arising under the Transferable Permits and any other agreements or contractual rights, in each case to the extent assigned by Seller pursuant to the terms of this Agreement.

1.3.5. Without duplication of any right to recovery herein, Taxes imposed with respect to the ownership of the Assets or the ownership or operation of the Business for a Post-Closing Tax Period.

1.3.6. All liabilities and obligations to any Business Employees relating to their employment with Purchaser, if so employed, to the extent attributable to the period from and after the Effective Time.

1.3.7. To the extent not specifically identified above, any liabilities to the extent included in the calculation of the Adjustment Amount in accordance with Exhibit B.

1.3.8. The specific liabilities, obligations and commitments listed on Schedule 1.3.8.

1.4. Excluded Liabilities. Except for the Assumed Liabilities, Purchaser is acquiring the Assets hereunder without the assumption of any of the Seller's liabilities. Purchaser shall assume no responsibility for the payment or performance of any liability of Seller other than an Assumed Liability. By way of illustration and not limiting the generality of the foregoing, it is expressly agreed by the parties hereto that the Purchaser shall not assume any of the following liabilities or obligations of the Seller (each an "**Excluded Liability**"):

(a) liabilities or obligations of Seller which may arise by reason of this Agreement;

(b) liabilities or obligations for any Federal, state, local or other taxes, or interest, penalties or other assessments associated therewith (including, but not limited to, income, property, sales, withholding, social security, unemployment and workers' compensation taxes)(collectively referred to herein as "**Taxes**");

(c) liabilities and obligations which may arise by reason of, or with respect to, the dissolution or liquidation of the Seller;

(d) liabilities or obligations of the Seller to its shareholders, employees, contractors or any person or entity affiliated therewith, including, but not limited to, under any employment severance, retention or termination agreement, workers' compensation claims that

relate to the period on or before the Closing Date, irrespective of whether such claims are made prior to or after the Closing, any Benefit Plan, payroll, vacation, or sick leave, or any obligation to indemnify, reimburse, or advance amounts to any officer, director, employee or agent of Seller;

(e) liabilities or obligations of the Seller associated with the Seller's operation of the Business prior to the Closing;

(f) any liability for payments, contributions, withdrawal liability, or other funding of any insurance, health, pension, retirement, savings, or other compensation or benefit plan, policy, arrangement or Business maintained by Seller or any other entity;

(g) liabilities or obligations incurred by the Seller after the Closing Date;

(h) liabilities related to the Excluded Assets;

(i) any of Seller's contracts, agreements, understandings, arrangements, commitments, leases, licenses, orders, options, and claims, whether oral or written, including without limitation any termination, assignment or withdrawal fee or other liability associated with any of the foregoing, other than the Assumed Contracts;

(j) liabilities for any services provided by Seller on or before the Closing;

(k) any liabilities arising from an Environmental Claim;

(l) any amounts due to the PUC or other regulatory agency arising from operations of the Business prior to the Closing Date; and

(m) any liabilities or obligations of Seller arising from or any way relating to the PPP Loan and/or ERTC.

Except as otherwise expressly provided herein, Seller shall not represent to any third party, or lead any third party to believe, that Purchaser will assume or has assumed responsibility for any liability or obligation of the Seller other than an Assumed Liability.

2. Purchase Price and Payment; Post-Closing Adjustment.

2.1. Purchase Price. Subject to the terms and conditions of this Agreement, the aggregate purchase price for the Assets shall be an amount equal to One Million Three Hundred Ten Thousand and 00/100 Dollars (\$1,310,000.00) increased by the Adjustment Amount if the Adjustment Amount is a positive number, or decreased by the Adjustment Amount if the Adjustment Amount is a negative number to arrive at the "**Purchase Price**". The Adjustment Amount will be determined in accordance with this Agreement and Exhibit B.

2.2. Determination of Purchase Price.

2.2.1. No later than five (5) Business Days prior to the Closing Date, Seller will prepare and deliver to Purchaser a good faith estimate of the Purchase Price, calculated in good

faith in accordance with this Agreement and Exhibit B, together with reasonable supporting documentation and worksheets. Within two (2) Business Days following receipt by Purchaser of such estimate, Purchaser may in good faith object in writing to Seller's estimate, in which case the Parties shall endeavor to reconcile their differences in good faith by negotiation prior to the Closing Date; provided that, in the event the Parties are unable to reconcile their differences, Seller's estimate of the Purchase Price shall prevail. The amount of Seller's estimate of the Purchase Price (or the estimate of the Purchase Price to which the Parties agree)(the "Closing Payment Amount") shall be paid to Seller at the Closing, pursuant to the terms of Section 2.3 below.

2.2.2. Within ninety (90) days after the Closing Date, Purchaser will prepare and deliver to Seller a revised calculation of the Purchase Price, calculated in good faith in accordance with this Agreement and Exhibit B, together with worksheets and supporting documentation (the "**Post-Closing Adjustment Statement**"). Seller shall have a reasonable right of consultation with Purchaser in connection with Purchaser's preparation of the Post-Closing Adjustment Statement and related information, and will provide Purchaser with reasonable access to its books, records, information and employees as Purchaser may reasonably request. Purchaser shall cause the personnel of Purchaser to cooperate with Seller and its representatives in connection with their review of the Post-Closing Adjustment Statement. In the event Seller raises any objections or disagreements with any methodology used or determination made by Purchaser during the preparation of the Post-Closing Adjustment Statement, the Parties shall endeavor to reconcile their differences in good faith by negotiation prior to delivery of the Post-Closing Adjustment Statement by Purchaser to Seller.

2.2.3. The amounts determined by Purchaser as set forth in the Post-Closing Adjustment Statement will be final, binding, and conclusive for all purposes unless, and only to the extent that, within thirty (30) days after Purchaser has delivered the Post-Closing Adjustment Statement, Seller notifies Purchaser of any dispute with respect to matters set out in the Post-Closing Adjustment Statement. Any such notice of dispute delivered by Purchaser (an "**Adjustment Dispute Notice**") will identify with specificity each item in the Post-Closing Adjustment Statement with respect to which Purchaser disagrees, the basis of such disagreement, and Seller's position with respect to such disputed item, accompanied by reasonably detailed documentation showing Seller's calculation of the disputed amounts; provided that the disagreement may be based for purposes of this Section 2.2.3 only on mathematical errors or amounts reflected in the Post-Closing Adjustment Statement not being calculated in accordance with this Agreement and Exhibit B and the accounting principles specified therein.

2.2.4. If Seller delivers an Adjustment Dispute Notice in compliance with Section 2.2.3 and Seller and Purchaser are unable to reach a resolution with respect to all disputed items within fifteen (15) days of delivery of the Adjustment Dispute Notice, Seller and Purchaser will submit any items remaining in dispute for determination and resolution to the Independent Accounting Firm. The Independent Accounting Firm will be instructed to, and shall, determine and resolve any such remaining disputed items in accordance with this Agreement and the accounting principles described in Exhibit B, as appropriate depending on the item at issue, and report to the Parties, within thirty (30) days after such submission, of the Independent Accounting Firm's determination and resolution. In resolving any disputed items, the Independent Accounting Firm (i) shall limit its review to matters specifically set forth in the Adjustment Dispute Notice,

(ii) shall limit its review to correcting mathematical errors and determining whether disputed items were determined in accordance with this Agreement and accounting principles listed in Exhibit B and shall not make any other determination, including any determination as to whether any estimates on the Post-Closing Adjustment Statement are correct, adequate or sufficient and (iii) may not assign a value to any item greater than the greatest value claimed for such item or less than the smaller value for such item claimed by either Purchaser or Seller; provided, however, that to the extent the determination of the value of any disputed item directly affects any other item used in calculating the Final Purchase Price such direct effect may be taken into account by the Independent Accounting Firm. The report of the Independent Accounting Firm will be final, binding, and conclusive on the Parties for all purposes. The fees and disbursements of the Independent Accounting Firm will be equally shared by the Purchaser and Seller.

2.2.5. Within ten (10) Business Days following the determination of the Purchase Price pursuant to Section 2.2.3 or 2.2.4 (as so determined, the "**Final Purchase Price**"), (i) if the Final Purchase Price is greater than the Closing Payment Amount, Purchaser will pay the difference to the Seller; or (ii) if the Final Purchase Price is less than the Closing Payment Amount, the Seller and Purchaser shall deliver written instructions to the Escrow Agent to pay such difference from the Adjustment Escrow Amount to Purchaser, and if insufficient then the Seller shall pay the difference to Purchaser. Any amount paid under this Section 2.2.5 shall be paid in cash by wire transfer or immediately available funds to the account specified by the Party receiving the payment. Neither the determination of the Final Purchase Price nor any payment thereof shall be deemed to waive or limit in any respect any representation or warranty or rights in respect thereof under this Agreement. The balance of the Adjustment Escrow Amount, if any, after making any payment required herein shall be paid to the Seller.

2.3. Payment of Closing Payment Amount. The Closing Payment Amount shall be payable, by wire transfer of immediately available funds, as follows:

2.3.1. The amounts of Indebtedness for borrowed money in accordance with the Pay-Off Letters required to be delivered by the Seller pursuant to Section 3.2.1(e).

2.3.2. The lesser of: (i) the Purchaser's Regulatory Cost Cap; or (ii) one-half (½) of the Purchaser's Regulatory Costs shall be retained by Purchaser.

2.3.3. The Transaction Costs as certified in writing by the Seller at Closing.

2.3.4. The Adjustment Escrow Amount and the Indemnity Escrow Amount to be managed and paid out by the Escrow Agent pursuant to this Agreement and the Escrow Agreement. All interest on the Adjustment Escrow Amount and Indemnity Escrow Amount shall accrue to the benefit of the Seller. The Adjustment Escrow Amount will be released to the Seller within thirty (30) days of the determination of the Final Purchase Price. The Indemnity Escrow Amount will be released to the Seller at a rate of (a) on the eighteen (18) month anniversary of the Closing Date, Two Hundred Thousand Dollars (\$200,000) less amounts utilized as of the date of such release to pay indemnification claims pursuant to Section 11 of this Agreement; and (b) on the third (3rd) anniversary of the Closing Date, the remaining balance of the Indemnity Escrow Amount; provided, however, if there are any outstanding claims for indemnity, such Indemnity Escrow

Amount shall continue to be held by the Escrow Agent until resolved pursuant to the terms of Section 11.4.

2.3.5. The balance to the Seller pursuant to the wire transfer instructions set forth on Schedule 2.3.5.

2.4 Allocation of Purchase Price. Purchaser and Seller agree to allocate the Purchase Price among the Assets for all purposes (including tax and financial accounting) as agreed to and set forth on Schedule 2.4 attached hereto. After the Closing, Seller and Purchaser shall make consistent use of the agreed upon allocation, fair market value and useful lives for all tax purposes and in all filings, declarations and reports with the Internal Revenue Service ("**IRS**") in respect thereof, including the reports to be filed under Section 1060 of the Internal Revenue Code of 1986, as amended (the "**Code**"). Purchaser shall prepare and deliver IRS Form 8594 to Seller within ninety (90) days after the Closing Date to be filed with the IRS. In any action related to the determination of any tax, neither Purchaser nor Seller shall contend or represent that such allocation is not a correct allocation.

2.5. Unbilled Revenue. Prior to the Closing Date, Seller shall read all customer meters in their normal cycle and in due course render the related bills to its customers served by the Business.

2.6 Withholding. Purchaser shall be entitled to deduct and withhold (or have deducted and withheld) from any amounts payable pursuant to this Agreement such amounts as it reasonably determines are required to be deducted or withheld therefrom or in connection therewith under the Code or any provision of state, or local tax law or under any other applicable Law or Order. To the extent such amounts are so deducted or withheld, such amounts shall be remitted to the applicable Governmental Authority and be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid. Purchaser shall reasonably cooperate with Seller to eliminate or reduce the basis for such deduction or withholding.

3. Closing Matters.

3.1. Closing. Upon the terms and subject to the satisfaction of the conditions contained in Section 8 of this Agreement, the closing of the purchase and sale of the Assets and assumption of the Assumed Liabilities (the "**Closing**") will take place electronically or otherwise at the offices of MacDonald, Illig, Jones & Britton LLP within thirty (30) days following the date on which the Parties receive Commission Approval; provided, the Parties acknowledge and agree that the Closing Date will need to allow for the events described in Section 2.2. The date on which the Closing occurs is referred to herein as the "**Closing Date**." The purchase and sale of the Assets and assumption of the Assumed Liabilities will be effective as of 12:01 a.m. on the Closing Date (the "**Effective Time**").

3.2 Closing Deliverables.

3.2.1. Seller Deliverables. Except as noted below, at the Closing, Seller shall deliver to Purchaser the following:

(a) a Bill of Sale in the form of Exhibit 3.2.1(a) hereto (the "**Bill of Sale**") and duly executed by Seller, transferring the Assets to Purchaser;

(b) an assignment and assumption agreement in the form of Exhibit 3.2.1(b) hereto (the "**Assignment and Assumption Agreement**") and duly executed by Seller, effecting the assignment to and assumption by Purchaser of the Assumed Contracts and the Assumed Liabilities;

(c) to the extent applicable, an assignment, conveyance, and bill of sale of pipelines and facilities, in the form of Exhibit 3.2.1(c) (the "**Assignment and Bill of Sale of Pipelines**") and duly executed by Seller, transferring all of Seller's right, title and interest in and to the Intangible Assets included in the Assets;

(d) an assignment in the form of Exhibit 3.2.1(d) (the "**Intellectual Property Assignment**") and duly executed by Seller, transferring all of Seller's right, title and interest in and to the Intangible Assets included in the Assets;

(e) to the extent applicable, a general warranty deed in form and content reasonably acceptable to Seller and Purchaser (the "**Deed**");

(f) as soon as practicable after the Closing Date, tax clearance certificates from the taxing authorities in the jurisdictions that impose taxes on Seller or where Seller has a duty to file tax returns in connection with the transactions contemplated by this Agreement and evidence of the payment in full or other satisfaction of any Taxes owed by Seller in those jurisdictions; provided, Seller shall give the Pennsylvania Department of Revenue and Pennsylvania Department of Labor and Industry the required ten (10) day notice of the intended transfer of Assets, proof of which shall be provided at Closing;

(g) Pay-off letters and UCC financing statement amendments or termination statements or other instruments satisfactory to Purchaser evidencing the release of all Encumbrances on the Assets (each a "**Pay-Off Letter**"), which Pay-Off Letter will be updated, as necessary, to specify the aggregate amount of Indebtedness outstanding as of the Effective Time, and the wire transfer information for such lender;

(h) a certificate executed by the Seller's Secretary attached to which shall be a certification of the Seller's organizational documents, bylaws, incumbency matters, resolutions, duly adopted by the Board of Directors and shareholders of Seller, which shall be in full force and effect at the Effective Time (and copies of which shall be provided to Purchaser prior to the Effective Date), authorizing the execution, delivery and performance by Seller of this Agreement, and the consummation of the transaction contemplated hereby, and any other authorization required for the transfer of the Assets, along with a good standing certificate from the Pennsylvania Department of State and a tax lien certificate from the Pennsylvania Department of Revenue;

(i) any consents to the assignment of the Assumed Contracts, to the extent required;

(j) a Pennsylvania Department of State Form DSCB: 19-17.2 (Consent to Appropriation of Name) executed by an officer of Seller for the name of "North East Heat & Light Co.";

(k) a Pennsylvania Department of State Form DSCB: 15-1915/5915 (Articles of Amendment) duly executed by Seller changing the name of the Seller;

(l) an IRS Form W-9 executed by Seller and each Shareholder;

(m) a Certificate executed by Seller and the Shareholder confirming the representations and warranties made by the Seller and/or the Shareholder herein are true and correct in all material respects as of the Closing Date, and Seller and/or the Shareholder have performed each of the agreements and covenants required of it or him in this Agreement;

(n) the Escrow Agreement duly executed by Seller;

(o) any documents necessary to satisfy any obligations or conditions set forth in the Commission Approval;

(p) the Transition Services Agreement duly executed by Seller;

(q) the Consulting Agreement duly executed by the Shareholder; and

(r) such other customary instruments of transfer or assumption, filings, or documents, in form and substance reasonably satisfactory to Purchaser, as may be required to give effect to this Agreement.

3.3. Purchaser Deliverables. At the Closing, the Purchaser shall deliver to the Seller the following:

(a) the Closing Payment Amount;

(b) the Assignment and Assumption Agreement, duly executed by Purchaser;

(c) Assignment and Bill of Sale of Pipelines, duly executed by Purchaser;

(d) a Certificate executed by Purchaser confirming the representations and warranties made by the Purchaser herein are true and correct as of the Closing Date, and Purchaser has performed each of the agreements and covenants required of it in this Agreement;

(e) certified copies of resolutions and/or, duly adopted by the members of Purchaser, which shall be in full force and effect at the time of the Closing, authorizing the

execution, delivery and performance by Purchaser of this Agreement, and the consummation of the transactions contemplated hereby, and any other authorization required for the transfer of the Assets;

- (f) the Escrow Agreement duly executed by Purchaser;
- (g) the Transition Services Agreement duly executed by Purchaser;
- (h) the Consulting Agreement duly executed by Purchaser; and
- (i) any documents necessary to satisfy any obligations or conditions set forth in the Commission Approval.

4. Representations and Warranties of Seller. Seller and Shareholder, jointly and severally, represent and warrant to Purchaser that the statements contained in this Section 4 are true and correct as of the date hereof and shall remain true and correct as of the date hereof and as of the Closing Date. For purposes of this Agreement, "**Seller's knowledge**," "**knowledge of Seller**" and any similar phrases shall refer to the knowledge, after reasonable due inquiry, of the Shareholder.

4.1. Organization and Capitalization. Seller is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania. The outstanding equity interests of Seller are owned as set forth on Schedule 4.1.

4.2. Corporate Action; Authority. Seller has all corporate power and authority necessary to execute and deliver, and to perform its obligations under, and, subject to the satisfaction of the closing conditions, to consummate the transactions contemplated by, this Agreement. The execution, delivery, and performance by Seller of this Agreement and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by the directors of Seller, and no other corporate proceedings on the part of Seller are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller, and, assuming this Agreement constitutes the legal, valid and binding agreement of Purchaser, this Agreement constitutes a valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, or other similar laws affecting or relating to enforcement of creditors' rights generally or general principles of equity.

4.3. No Conflicts; Consents. The execution, delivery and performance by Seller of this Agreement and the documents to be delivered hereunder, and the consummation of the transactions contemplated hereby, do not and will not: (a) violate or conflict with the organizational documents of Seller; (b) violate or conflict with any judgment, Order, decree, statute, Law, ordinance, rule or regulation applicable to Seller or the Assets; (c) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which Seller is a party or to which any of the Assets are subject; or (d) result in the creation or imposition of any lien, security interest or encumbrance on the Assets. No consent,

approval, waiver, or authorization is required to be obtained by Seller from any person or entity (including any governmental authority) in connection with the execution, delivery and performance by Seller of this Agreement and the consummation of the transactions contemplated hereby.

4.4. Title to Assets. Seller has good and valid title to all Assets, in each case free and clear of all Encumbrances of any kind except (a) mechanics, carriers, workman's, repairman's or other like liens arising or incurred in the ordinary course of business consistent with past practice (which shall be satisfied on or prior to the Closing Date), and (b) inchoate and unasserted liens for Taxes, assessments, governmental charges or claims that are not yet due or delinquent, and (c) other liens, imperfections of title, or liens, if any, which do not individually or in the aggregate materially impair the continued use and operation of the Assets to which they relate in the Business, as presently conducted.

4.5. Governmental Filings. Except as set forth on Schedule 4.5, Seller has filed or caused to be filed with the Pennsylvania Public Utility Commission (the "**Commission**") all material forms, statements, reports, and documents required by Law or Order to be filed by Seller with the Commission with respect to the Business, the Assets, or the Assumed Liabilities. As of the respective dates on which such forms, statements, reports and documents were filed each complied in all material respects with all requirements of any Law or Order applicable thereto in effect on such date and were true and correct in all material respects, except for filings the failure of which to make or the failure of which to make in compliance with all applicable requirements of the applicable status and the rules and regulations thereunder have not had a material and adverse effect on Seller's operation of the Business.

4.6. Regulatory Status. Seller has not engaged in the transportation of natural gas in a manner that is subject to Federal Energy Regulatory Commission ("FERC") jurisdiction, and is not subject to FERC jurisdiction pursuant to any certificates, determinations, orders or otherwise. To Seller's Knowledge no claim, complaint, petition or similar or related action is pending against Seller challenging the jurisdictional status of the Business under the Natural Gas Act. There are no actual, pending or threatened investigations, proceedings, formal actions, or other regulatory actions relating to or arising from Seller's operation of the Business with the Commission or other Governmental Authority. The Business has been operated in, and the Assets have been utilized in the Business in accordance with and pursuant to Certificates of Public Convenience issued by the Commission and all other approvals thereto to furnish natural gas in the Territory. There are no outstanding regulatory fines, assessments or other amounts due, or threatened, by the Commission or any other Governmental Authority. Seller has made all filings with any Governmental Authority required of it to operate the Business and own and/or utilize the Assets.

4.7. Condition of Assets. The Assets are in an operating condition that are adequate for the uses to which they are being put, and none of such Assets are in need of maintenance or repairs except for ordinary and routine maintenance and repairs that are not material in nature or cost. The Seller has no Knowledge of any existing issues with the distribution lines owned by Seller and/or any Customer owned service lines utilized by Seller in the operation of the Business, and such Assets utilized in the distribution of natural gas commodity to customers are fit for such purposes

and for providing reasonable efficient, safe and adequate service as such concepts are used in Section 1501 of the Utility Code.

4.8. Intangible Assets. Schedule 1.1.8 lists all Intangible Assets of the Seller. Seller owns or has adequate, valid, and enforceable rights to use all the Intangible Assets, free and clear of all liens, security interests and encumbrances. Seller is not bound by any outstanding judgment, injunction, order or decree restricting the use of the Intangible Assets, or restricting the licensing thereof to any person or entity.

4.9. Contracts.

4.9.1. Material Contracts. Schedule 4.9 sets forth a true and complete list of each and all of the following contracts (including any amendment, supplement or modification thereto) to which the Seller is a party or bound (or that the Seller has expressly assumed) or that relates to the Business or which is binding on any of the Assets or properties of the Seller (each contract listed, or required to be listed, thereon, a "**Material Contract**"):

(i) (A) each contract with any customer or any vendor and (B) each purchase order or series of related purchase orders with any customer or supplier for goods or services in excess of \$10,000;

(ii) each sales, distributor, or other contract by which any person acts as an intermediary to facilitate the sale of the Seller's products or provides services to the Seller involving payments that exceeded, or are reasonably likely to exceed, \$2,000;

(iii) each contract that obligates the Seller to make a capital expenditure in excess of \$10,000 individually or in the aggregate;

(iv) each contract that involves future payments, performance of services or delivery of goods or materials to or by the Seller of any amount or value reasonably expected to exceed \$10,000 in the year ending on the one-year anniversary of the Closing;

(v) each lease, lease guaranty, sublease, license, agreement for the leasing or use or otherwise granting a right in, tangible personal property under which the Seller is required to make annual payments in excess of \$2,000;

(vi) each contract (A) by which any Intangible Assets are (1) licensed by the Seller to a third party or (2) licensed to or otherwise used by the Seller and that involves annual license, maintenance or other fees, or transfer or assignment fees, in excess of \$2,500 (excluding contracts for the use of commercially available without customization off-the-shelf software available to the general public as of the Closing Date) or for which a royalty dependent on the Seller's revenue is owed; or (B) under which the Seller has granted any Person, or any Person has granted the Seller, exclusive use rights;

(vii) each contract relating to Indebtedness of the Seller owed to any person or any lien encumbering any assets or properties of the Seller;

(viii) each contract between any current or former employee of the Seller, or current or former independent contractor of the Seller, on the one hand, and the Seller or other Person (such as a former employer), on the other hand, that restricts any such Person (A) from competing, directly or indirectly, with the Seller or any other Person or (B) from soliciting or hiring current or former employees or customers of the Seller or such other Person;

(ix) each partnership agreement, joint venture agreement or similar contract relating to the Business or to which the Seller is a party;

(x) each employment, severance, or consulting contract, whether or not employment is terminable at-will, and each contract involving a change of control or retention bonus, "stay bonus" or similar arrangement;

(xi) any agreement that grants exclusivity or "most favored nation" terms to any Person or would grant such rights after the Closing Date;

(xii) each contract entered into within the last three (3) years that settles any legal proceeding or other dispute or threatened dispute;

(xiii) each contract pursuant to which the Seller has sold or issued any of its shares;

(xiv) each contract relating to the voting or control of equity securities, preemptive rights, registration rights, transfer restrictions, information rights, preferential purchase rights, rights of first offer, rights of first refusal, tag-along rights or drag-along obligations, in each case, relating to the Seller's shares or the holders of any such Seller's shares;

(xv) any agreement requiring either expressly or by operation of applicable legal requirements that the Seller be owned, directly or indirectly, by a person or persons of a specific citizenship, gender, or status or that the Seller staff employees of a specific citizenship, gender, or status;

(xvi) any agreement requiring the Seller to indemnify or defend any person; and

(xvii) any other agreement, commitment, arrangement, or plan not made in the ordinary course of business that is material to the Seller.

4.9.2. Access. The Seller has delivered to the Purchaser a true and complete copy of each Material Contract (including all amendments, addenda, exhibits, schedules, and modifications thereto) and to the extent that any Material Contract is an oral contract, has provided a written description of the material terms of such oral contract.

4.9.3. Breach. With respect to each Material Contract: (i) such Material Contract is the legal, valid and binding obligation of the Seller and each other party thereto, is enforceable against the Seller and each other party thereto, in accordance with its terms, except as such may be limited by bankruptcy, insolvency, reorganization or other legal requirements affecting creditors' rights generally, and by general equitable principals and (ii) such Material Contract is in

full force and effect. The Seller is not, nor is any other person, in material breach or default under any Material Contract, and no event has occurred (including any event with notice or passage of time, or both) with respect to the Seller or any other party thereto, that is reasonably likely to give rise to a breach or default (except for any such breaches or defaults that, individually or in the aggregate, are not, and would not reasonably be expected to be, material to the Seller), or permit termination or material modification or acceleration, thereunder, and no party has asserted nor has (except by operation of law) any right to any material offset, defense, counterclaim, discount or otherwise to abate any amount owing under such Material Contract. There are no unresolved material disputes under any Material Contract.

4.9.4. Conflicts. Except as disclosed on Schedule 4.9.4, none of the execution, delivery or performance of this Agreement or the other transaction documents nor the consummation of the transactions contemplated hereby or thereby will require any consent, waiver or notice, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of acceleration, termination, loss of benefits or rights, or cancellation, or result in a lien on any of the assets of the Seller under, any provision of any contract to which the Company is a party.

4.9.5. Consent. No consent or authorization of, or declaration or filing with, or notification to any counterparty to any contract is required by, or with respect to, the Seller in connection with the execution and delivery of this Agreement or the other transaction documents or the compliance with any of the provisions hereof or thereof, or the consummation of the transaction contemplated hereby or thereby.

4.10. Legal Proceedings. There is no claim, action, suit, proceeding or governmental investigation ("**Action**") of any nature pending or, to Seller's Knowledge, threatened against or by Seller (a) relating to or affecting the Assets or the Business; or (b) that challenges or seeks to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

4.11. Full Disclosure. No representation or warranty by Seller in this Agreement and no statement contained in the Schedules attached hereto or any certificate, list or other document furnished or to be furnished to Purchaser pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

4.12. Insurance. Schedule 1.1.10 sets forth the policies of insurance of any kind maintained by Seller. Each of the Insurance Policies identified on Schedule 1.1.10 is valid and enforceable, outstanding and in full force and effect; the Seller is the sole beneficiary of each such policy; no such policy, or the future proceeds thereof, has been assigned to any other person or entity; all premiums and other payments due from the Seller under, or on account of, any such policy have been paid; there is no act or fact or failure to act which has or might cause any such policy to be canceled or terminated; the Seller has given each notice and presented each claim under each such policy and taken any other required or appropriate action with respect thereto in due and timely fashion. Complete and correct copies of each of the Insurance Policies have been provided to the Purchaser.

4.13. Employee Plans. Schedule 1.2.3 hereto sets forth a complete and correct list of all Benefit Plans maintained by the Seller. Copies of all Benefit Plans, the related agreements and any amendments thereto have been provided to Purchaser, along with the current summary plan description and any summary of material modifications. The Seller has no liability on account of any such Benefit Plans and has made all payments and contributions as required by such Benefit Plans, and filed all necessary documents, returns or other required filings with all governmental authorities required by Law or regulation, except to the extent described in Schedule 1.2.3.

4.14. Tax Matters.

4.14.1. Business Taxes. Seller has filed with the appropriate federal, state, and local governmental agencies all tax returns and reports which are required to be filed and has paid in full or adequately provided for all Taxes shown on such returns and reports.

4.14.2. Claims; Assessments. There are no Claims pending against Seller for past-due Taxes, and there are no threatened claims against Seller for past-due Taxes, and there are not now any matters under discussion with federal, state, local or foreign authorities relating to any additional Taxes or assessments against Seller.

4.14.3 Withholding. The Seller has withheld or collected from each payment made to any of its past and present shareholders, officers, directors, employees, agents or any other person the amount of all Taxes required to be withheld or collected and has timely paid and remitted such amounts when due, in the form required under applicable legal requirements, to the appropriate Governmental Authority or, if not yet due, has made adequate provision in its books and records. The Seller has properly received and maintained any and all certificates, forms or other documents required by applicable legal requirements for any exemption from withholding and remitting any Taxes.

4.14.4 Extensions. There is not in force any extension of time with respect to the due date for the filing of any tax return of or with respect to the Seller. The Seller has not entered into an agreement or waiver extending any statute of limitations with respect to Taxes, agreed to any extension of time with respect to a tax assessment or deficiency, or entered into any closing agreement under applicable tax legal requirements.

4.14.5 Other Jurisdictions. No claim has ever been made by a Governmental Authority in a jurisdiction where the Seller does not file tax returns that the Seller is or may be subject to tax in that jurisdiction.

4.14.6 Deferral of Taxes. The Seller has not deferred any payment of Taxes otherwise due, including through any automatic extension or other grant of relief provided by an applicable Governmental Authority as a result of the Families First Coronavirus Response Act, the CARES Act, IRS Notice 2020-18, IRS Notice 2020-20, or IRS Notice 2020-23, or any similar or additional U.S federal, state, local or foreign extension or deferral granted by an applicable Governmental Authority related to COVID-19 or SARS CoV-2 virus (or any mutation or variation thereof).

4.15. Employees. Except as disclosed on Schedule 4.15, Seller has no contracts of employment with any employee of the Business. Seller is not a party to or subject to any collective bargaining agreements with respect to the Business, and there are no strikes, collective bargaining disputes, work stoppages, boycotts, or picketing activities pending, or to the Knowledge of Seller, threatened against Seller with respect to the Business. Attached hereto as Schedule 4.15 is a complete list of all employees of the Business (the "**Business Employees**"), in each case with their job titles, classification, age, years of continuous service with Seller, bonus entitlement, and compensation. Schedule 4.15 further identifies any Business Employee who is on leave of absence together with the reason for such Business Employee's leave and such Business Employee's expected date of return to work.

4.16. Financial Statements; Undisclosed Liabilities. Seller has delivered to Purchaser true, correct, and complete copies of the audited balance sheet as of, and related statements of income for the fiscal years ended on, December 31, 2020, 2021, 2022, 2023 and 2024, and the internally prepared balance sheet as of June 30, 2025, and related statements of income for the year-to-date period in each case with respect to the Business (collectively, the "**Financial Statements**"). The Financial Statements have been prepared on a consistent basis throughout the periods covered, and fairly present, in all material respects, the financial position of Seller with respect to the Business as of the dates and the results of operations of the Business for the period specified. Seller has no liabilities with respect to the Business of the type required by GAAP to be set forth on a balance sheet of Seller, except (i) those reflected or reserved against on the balance sheet as of December 31, 2023 (the "**Reference Balance Sheet**"), (ii) those of the same nature as those set forth on the Reference Balance Sheet that have arisen in the ordinary course of business of Seller thereafter and which are not, individually or in the aggregate, material in amount; and (iii) those arising under the Benefit Plans. The Seller has no liabilities related to customer deposits and/or Deferred Revenue, except as disclosed herein or therein.

4.17. Licenses, Permits and Authorizations. Schedule 1.1.11 lists all Permits that are currently held by Seller, and, except as disclosed in Schedule 1.1.11, are all the Permits, required for the conduct of the Business as it is presently conducted. Such Permits are not subject to any restrictions or conditions that would limit the operation of the Business in any material respect. Except as set forth in Schedule 1.1.11, there are no applications by Seller or complaints by others pending or, to Seller's Knowledge, threatened before any Governmental Authority relating to any Permits involving the Assets, the Business, or, to the extent it relates to the Assets or the Business, Seller.

4.18. Anti-Corruption; Anti-Money Laundering; Sanctions.

4.18.1. Anti-Corruption. Neither Seller nor its directors or officers has breached or is in breach of any applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices Act or any other applicable laws relating to anti-bribery and anti-corruption in any material respect.

4.18.2. Anti-Money Laundering. Each of Seller and any person controlling Seller are in compliance in all material respects with all anti-money laundering laws related to the prevention of money laundering and terrorist financing, including the Bank Secrecy Act and the

USA PATRIOT Act in the jurisdictions in which Seller, or such person controlling Seller, as applicable, operate.

4.18.3. Sanctions. Seller is not a person that is, or is fifty percent (50%) or more owned or controlled by a Person or Persons that are: (i) the subject of any economic or financial sanctions or trade embargoes imposed, administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control or the U.S. Department of State or other relevant sanctions authority, or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of such sanctions.

4.19. Environmental Matters.

4.19.1. The Seller is and has been in the last five (5) years in compliance in all material respects with all applicable Environmental Laws in connection with the conduct or operation of the Business and the ownership or use of the Assets. Except as set forth on Schedule 4.19.1, neither the Seller nor the Shareholder have received, nor is there any reasonable basis for, any notice, communication or complaint from a Governmental Authority alleging that the Seller has any liability under any such Environmental Law or is not in material compliance with any such Environmental Law.

4.19.2. To the Knowledge of Seller, except as set forth on Schedule 4.19.2, no Hazardous Materials are or have been present, and there is and has been no material release or threatened release of Hazardous Materials or any investigation, clean-up, remediation, or corrective action of any kind relating thereto on any property owned or leased by the Seller or subject to an Easement. To the Knowledge of Seller, no underground improvement, including any treatment or storage tank or water, gas, or oil well, is or has been located on any property owned or leased by the Seller or subject to an Easement. To the Knowledge of Seller, the Seller is not actually, contingently, potentially, or allegedly liable for any release of, threatened release of or contamination by Hazardous Materials in connection with the Business or the Acquired Assets or otherwise under any Environmental Law. There is no pending or, to the Knowledge of Seller, threatened investigation by any Governmental Authority, nor to the Knowledge of Seller, any pending or threatened action with respect to the Business or the Seller in connection with the Business relating to Hazardous Materials or otherwise under any Environmental Law.

4.19.3 The Seller holds all Environmental Permits, and is and has been in compliance therewith in all material respects. Except as set forth on Schedule 4.19.3, neither the execution, delivery, or performance of this Agreement nor the consummation of the transactions contemplated hereby will: (i) require any notice to or consent to any Governmental Authority or other Person pursuant to any applicable Environmental Law or Environmental Permit; or (ii) subject any Environmental Permit to suspension, cancellation, modification, revocation or nonrenewal.

4.19.4. The Real Property is not now nor has it in the past been listed on the National Priorities List of sites under the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. Section 9601 et seq.)("CERCLA"), the CERCLA Information System, or any comparable state, federal or provincial environmental database.

4.19.5. To the Knowledge of Seller, Seller has not liability no has Seller received any written notice with respect to the cleanup or investigation at any facility or property resulting from the arrangement (with a transporter or otherwise) for treatment, storage, or disposal of Hazardous Materials by Seller or by any other Person on behalf of Seller.

4.19.6. The Seller has provided to the Purchaser copies of all Environmental Permits, audits, and other reports pertaining to compliance with Environmental Laws and all "Phase I," "Phase II" or other environmental investigation reports in its possession, or to which it has reasonable access, addressing the Real Property.

4.20. Brokers. Except as set forth on Schedule 4.20, there is no investment banker, broker or finder or other person who has any valid claim against Seller for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement of, or action taken by, the Seller.

4.21. Absence of Certain Changes. Since the date of the Reference Balance Sheet, there has not been any event or change in the Business which has had or would reasonably be expected to have a material adverse effect on the Business.

4.22 COVID Relief. Schedule 4.22 sets forth all loans and/or credits received by the Seller under the Paycheck Protection Program (the "**PPP Loan**") and/or employee retention tax credit ("**ERTC**") of the CARES Act. All certifications made by the Seller in connection with the PPP Loan and/or ERTC were made in accordance with all applicable rules and guidance and were true, complete, and accurate in all material respects. The proceeds from the PPP Loan were used exclusively for purposes permitted under the relevant rules and guidance related to the Paycheck Protection Program. As of the Closing, the PPP Loan has been forgiven in full and no obligations in connection with the PPP Loan are owed by the Seller.

4.23 Real Property.

4.23.1 Owned Real Property. As to any Fee Interests that Seller owns (the "**Owned Real Property**"), Seller has good and marketable fee simple title to such Owned Real Property, free and clear of all Liens excepts easements, rights of way, zoning ordinances and other similar encumbrances affecting such Owned Real Property which are not, individually or in the aggregate, material to the Business or which will not be satisfied in full and terminated as of Closing. Seller is not a landlord or lessor under any lease or other instrument granting to any other Person any right to the possession, lease, occupancy or enjoyment of any Owned Real Property. The use and operation of the Owned Real Property in the conduct of the Business do not violate in any material respect any Law, covenant, condition, restriction, easement, license, permit or agreement. There are no Claims pending nor, to the Seller's Knowledge, threatened against or affecting the Owned Real Property or any portion thereof or interest therein in the nature or in lieu of condemnation or eminent domain proceedings.

4.23.2 Leases, Easements, and other Real Property Interests. Schedule 1.1.1(a) lists all Real Property of Seller -- other than Owned Real Property -- including without limitation Leases and Easements. With respect to each Leases, (a) Seller has good, valid and enforceable

leasehold interests to the leasehold estate identified in the Leases granted to it pursuant to each pertinent lease, as the same may be amended; (b) each of the Leases has been duly authorized and executed by the Acquired Company party thereto and is in full force and effect; and (c) neither Seller nor the landlord party thereto is in default under any of the Leases nor, to the Knowledge of Seller, has any event occurred which, with or without the giving of notice or the lapse of time, or both, would constitute a default by the Seller as tenant thereunder or the other party thereto. With respect to the Easements, (x) Seller has good, valid and enforceable interests in the Easements granted to it pursuant to the pertinent easement or right of way; (y) neither Seller nor the grantor is in default under any of the Easements nor, to the Knowledge of Seller, has any event occurred which, with or without the giving of notice or the lapse of time, or both, would constitute a default by grantor or the Seller as grantee thereunder; and (z) there are no Claims pending nor, to the Seller's Knowledge, threatened against or affecting the Easements or any portion thereof or interest therein in the nature or in lieu of foreclosure, condemnation or eminent domain proceedings.

4.23.3 The Real Property constitutes all of the real property necessary to conduct the Business as it is currently being conducted and as it has been conducted in the ordinary course of business. Except as set forth on Schedule 1.1.1(a), the Seller does not own or lease any real property, nor does the Seller hold any options or contractual or oral obligations to purchase or acquire any interest in real property.

5. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller that the statements contained in this Section 5 are true and correct as of the date hereof and shall remain true and correct as of the Closing Date.

5.1. Organization and Authority of Purchaser; Enforceability. Purchaser has full power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by Purchaser of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby have been duly authorized on the part of Purchaser. This Agreement and the documents to be delivered hereunder have been duly executed and delivered by Purchaser, and (assuming due authorization, execution, and delivery by Seller) this Agreement and the documents to be delivered hereunder constitute legal, valid, and binding obligations of Purchaser enforceable against Purchaser in accordance with their respective terms.

5.2. No Conflicts; Consents. The execution, delivery and performance by Purchaser of this Agreement and the documents to be delivered hereunder, and the consummation of the transactions contemplated hereby, do not and will not violate or conflict with any judgment, Order, decree, statute, Law, ordinance, rule, or regulation applicable to Purchaser. Except for the Commission, no consent, approval, waiver, or authorization is required to be obtained by Purchaser from any person or entity in connection with the execution, delivery and performance by Purchaser of this Agreement and the consummation of the transactions contemplated hereby.

5.3. Legal Proceedings. There is no Action of any nature pending or, to Purchaser's knowledge, threatened against or by Purchaser that challenges or seeks to prevent, enjoin, or

otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

5.4. Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Purchaser.

5.5 Knowledge. Purchaser has no knowledge of any present facts or circumstances relating to Purchaser which would materially adversely affect the ability of it to perform its obligations under this Agreement.

5.6 Investigations. Purchaser acknowledges that it read this Agreement and has been furnished with all materials relating to the Business requested by Purchaser. Purchaser further acknowledges that it has been given ample opportunity to ask questions and request information of, and receive answers from Seller concerning the Business.

5.8 Financial and Technical Capability. Purchaser has the financial capability to consummate this transaction pursuant to the terms and conditions of this Agreement and has the experience and technical capability to operate the Business.

5.9 Disclaimer. Purchaser agrees that, except for the representations and warranties of Seller set forth in this Agreement, no due diligence materials or other information or materials provided by, or communication made by, Seller or any representative of Seller will constitute, create or otherwise cause to exist any representation or warranty.

6. Covenants of the Seller. The Seller and the Shareholder, jointly and severally, covenant and agree as follows:

6.1. Due Diligence and Confidential Information. Between the date hereof and the Closing Date, the Seller shall give to the Purchaser and its authorized representatives, upon reasonable notice, full access to Seller's, financial statements, pricing, customer information, information regarding existing contracts and liabilities, including all insurance policies and claims, its premises, properties, contracts, books and records and will cause its officers and employees to furnish to the Purchaser and its authorized representatives any and all data and information pertaining to the Business and property of the Seller as the Purchaser or its authorized representatives shall from time to time reasonably request (the "**Due Diligence Data**").

6.2. Seller's Conduct Pending Closing. From the date hereof until the Closing Date, the Seller will conduct the Business in a prudent, businesslike manner, in the ordinary course, and will cooperate fully to arrange for the transfer of the Assets and transition of the related operations of the Business. No material change shall be made in the operation of the Business. Seller and/or its employees shall not take any actions that will harm the Assets or the goodwill and operation of the Business, and shall not remove any of the Assets located in, on or at the Seller's business premises without the prior written consent of Purchaser. Seller shall take no action which shall jeopardize Seller's relationships with customers and any other individuals or entities who have a business or professional relationship with the Business. In furtherance of the foregoing, and in no way limiting

the generality of the foregoing, except as otherwise consented to or approved in writing by the Purchaser or as required by this Agreement, the Seller shall specifically not:

6.2.1. Damage. Take or cause to be taken any action, which results in other than any accidental damage, destruction or similar loss, whether or not covered by insurance, materially affecting the Assets, Business or property of the Seller;

6.2.2. Sale of Assets. Sell, assign or transfer any of its Assets (other than Excluded Assets) other than in the ordinary course of business;

6.2.3. Pledge. Mortgage, pledge, grant or suffer to exist any lien or Encumbrance or charge on the Assets;

6.2.4. Waivers. Other than in the ordinary course of business, waive any rights of material value or cancel, discharge, satisfy or pay any debt, claim, lien, Encumbrance, liability or obligation, whether absolute, accrued, contingent or otherwise and whether due or to become due;

6.2.5. Obligations. Incur any obligation or liability (absolute or contingent, liquidated or unliquidated), except obligations and liabilities incurred in the ordinary course of its Business;

6.2.6. Lease of Assets. Lease or effect any similar transfer of any of the Assets, properties or rights of the Seller;

6.2.7. Contracts. Other than in the ordinary course of business and consistent with past practices, enter into, make any amendment of, or terminate any lease, contract, purchase order, sales order, license or other agreement or commitment to which the Seller is a party; provided, further, that Seller shall notify Purchaser of any such lease, contract, purchase order, sales order, license or other agreement in excess of ten thousand dollars (\$10,000);

6.2.8. Compensation. Increase the compensation payable to any of its employees, become obligated to increase any such compensation other than already scheduled raises, or engage in any collective bargaining activities; and

6.2.9. Other. Enter into any transaction other than in the ordinary course of business, or make any material change to the business policies or practices of the Seller.

6.3. Cooperation. Seller shall comply with all reasonable requests of Purchaser related to obtaining Commission Approval. Seller acknowledges and agrees that Purchaser shall control any and all communications with the Commission relating to obtaining Commission Approval.

6.4. Transfer Taxes and Other Costs. All transfer, realty transfer, documentary, sales, use, stamp, registration, value added and other such taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the documents to be delivered hereunder shall be paid by Seller when due. Seller shall, at its own expense, timely file any tax return or other document with respect to such taxes or fees (and Purchaser shall cooperate with respect thereto as necessary).

6.5. Material Changes. The Seller shall, from the date hereof through the Closing Date, advise the Purchaser with respect to material operating decisions which could reasonably be expected to result in a material change in the Seller's Business as presently operated or which are not in the ordinary course of the Seller's Business. In connection therewith, and subject to the preceding sentence, the Seller shall use commercially reasonable efforts to operate the Seller's Business as presently operated and only in the normal and ordinary course, and, consistent with such operation, shall use commercially reasonable efforts to maintain and preserve the Assets and its properties in good condition and repair, reasonable wear and tear excepted, and will use its best efforts to continue sales at the present level, to preserve intact its present business organization, to keep available to Purchaser (at Purchaser's discretion) the present services of its employees and to preserve for the Purchaser the goodwill of its suppliers, customers, lessors and others having business relationships with the Seller.

6.6. Insurance. The Seller shall maintain in full force and effect all Insurance Policies, and will comply in all material respects with all Laws or regulations affecting operation of the Seller's Business and will advise the Purchaser of any unusual event or circumstances affecting the Seller's Business or the Assets.

6.7. Representations and Warranties. The representations and warranties of the Seller contained in this Agreement or in the Schedules hereto shall be true and correct in all material respects at the date hereof and shall also be true and correct in all material respects at and as of the Closing Date. The Seller shall give the Purchaser prompt notice of any change in any of the information contained in the representations and warranties of the Seller hereunder, the Schedules hereto or the documents furnished by the Seller in connection herewith which occurs prior to the Closing and shall update the Schedules accordingly.

6.8. Non-Solicitation. The Seller will not solicit the sale or other disposition of the Seller's Business or any of the Assets or other properties to any Person or enter into any agreement, arrangement or understanding with respect to the sale or other disposition thereof or any option, call or commitment with respect thereto, except for the furnishing of services and related activities in the ordinary course of Business.

6.9. Further Assurances. Following the Closing, Seller and the Shareholder shall execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the documents to be delivered hereunder.

6.10. Bulk Sales. Seller shall notify all of the taxing authorities in jurisdictions that impose Taxes on Seller or where Seller has a duty to file tax returns of the transactions contemplated by this Agreement in the form and manner required by such taxing authorities, if the failure to make such notifications or receive any available tax clearance certificates could subject the Purchaser to any Taxes of Seller. If any taxing authority asserts that Seller is liable for any tax, Seller shall promptly pay any and all such amounts and shall provide evidence to Purchaser that such liabilities have been paid in full or otherwise satisfied. Notwithstanding anything herein to the contrary, Seller shall indemnify, defend and hold Purchaser harmless from and against any

claims, taxes, losses, damages, costs, including reasonable attorney's fees, which Purchaser incurs by reason of Seller's failure to comply with the bulk sales laws of the Commonwealth of Pennsylvania.

6.11. IT Assets. Seller shall train Purchaser on the IT Assets and assist with transitioning such IT Assets to Purchaser such that the IT Assets can be utilized in full by Purchaser on the Closing Date.

6.12. Public Announcements. Seller and/or Shareholder shall not make any public announcement regarding this Agreement or the transactions contemplated hereby without the prior written consent of Purchaser, which consent can be withheld for any reason or no reason at all. Purchaser shall determine the time, manner and details of any communications to customers of Seller disclosing the terms of the transactions contemplated hereby.

6.13. Employees. Seller shall have terminated the employment of all Business Employees effective as of the Closing Date.

6.14. Financial Statements. Seller shall deliver copies of any financial statements and/or tax returns of the Seller prepared and/or due between the Effective Date and the Effective Time to Purchaser within ten (10) days of the finalization thereof.

6.15. Regulatory Matters. Between the Effective Date and the Closing Date, Seller shall (i) comply with all requirements of the Commission and/or other Governmental Authority; and (ii) provide Purchaser with drafts of any documents, returns, reports and similar communications to be filed with the PUC and/or any other Governmental Authority no later than ten (10) days prior to the due date thereof, for review and comment by the Purchaser. Seller shall, to the extent possible and practicable, incorporate any reasonable recommendations of the Purchaser.

6.16. Gas Inventory. Between the Effective Date and the Closing Date, Seller shall not enter into, renew, cancel, or otherwise materially modify any contract with any: (i) interstate pipeline; (ii) natural gas supplier; (iii) natural gas marketer; (iv) natural gas producer; or (v) natural gas public utility or local distribution company (regardless of whether same is regulated by the Commission or not) relative to any matters which may impact the transportation, delivery, or storage of natural gas which will be delivered and/or furnished in order to serve the customers of the Seller on after the Closing Date (collectively, the "Gas Contracts"), unless the Seller first reviews the terms of each such Gas Contract with the Purchaser and receives the Purchaser's express written consent to enter into such Gas Contract, which consent shall not be unreasonably withheld. Purchaser's consent hereunder will be based on, among other things, whether the Gas Contracts allow the Seller to source gas in a cost-effective manner to its customers in accordance with the Code and the Commission's Regulations and in a manner which does not change the overall feasibility of the overall transaction to the Purchaser.

7. Covenants of the Purchaser. The Purchaser covenants and agrees as follows:

7.1. Representations and Warranties. The representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects at the date

hereof and shall also be true and correct in all material respects at and as of the Closing Date, and that the Purchaser shall give the Seller prompt notice of any change in any of the information contained in the representations and warranties of the Purchaser hereunder or in the documents furnished by the Purchaser in connection herewith which occurs prior to the Closing Date.

7.2. Consents. The Purchaser shall use its best efforts to take, or cause to be taken, all actions and do or cause to be done all things necessary, proper and advisable to consummate the transactions contemplated by this Agreement, including, without limitation, to obtain all consents, approvals and authorizations of third parties and to make all filings with, and give all notices to, third parties which may be desirable, necessary or required in order to effectuate the transactions contemplated hereby.

7.3. Hiring of Seller's Employees. Purchaser shall have offered all Business Employees the opportunity to interview for any current job openings with the Purchaser; provided, however, Purchaser is not obligated to extend offers of employment to any such Business Employees.

7.4. Commission Approval. Purchaser will work in a commercially reasonable manner to obtain Commission Approval; provided, however, that any conditions imposed or recommended by the Commission may be accepted or refused by Purchaser in its sole and absolute discretion.

8. Conditions to Close.

8.1. Conditions of Purchaser. The Purchaser's obligation to close the transaction contemplated hereby is conditioned upon satisfaction of the following:

8.1.1. Representations and Warranties. The representations and warranties of the Seller and the Shareholder and all attached Schedules shall be true and correct in all respects on and as of the Closing Date and the Purchaser shall have received a certificate to that effect dated the Closing Date.

8.1.2. Covenants. Each of the agreements or covenants of the Seller to be performed under this Agreement at or prior to the Closing Date shall have been duly performed in all material respects and the Purchaser shall have received a certificate to that effect dated the Closing Date.

8.1.3. Damage. There shall have been no damage, destruction, or loss, whether or not covered by insurance, adversely affecting any of the Assets or Business.

8.1.4. Due Diligence. Purchaser shall be satisfied with the due diligence on Seller in all respects in the sole discretion of the Purchaser.

8.1.5. Commission Approval. The Commission shall have issued a Certificate of Public Convenience pursuant to Section 1102 of the Utility Code (66 Pa.C.S. § 1102) and provided all other approvals as may be required, thereby authorizing the transactions contemplated by this Agreement ("**Commission Approval**").

8.1.6. IT Assets. Purchaser shall have entered into a contract permitting it to utilize the IT Assets on such terms and conditions as determined in the sole and absolute discretion of Purchaser.

8.1.7. Other. Seller shall deliver any other closing documents required under this Agreement, or which Purchaser and Purchaser's counsel shall reasonably deem necessary to complete this transaction.

8.2. Conditions of Seller. The obligation of the Seller to close hereunder shall be subject to the fulfillment and satisfaction, prior to or at the Closing, of the following conditions, or the written waiver of the Seller:

8.2.1. Representations and Warranties. The representations and warranties of the Purchaser in this Agreement and all attached Schedules shall be true and correct in all material respects on and as of the Closing Date and the Seller shall have received a certificate to that effect dated the Closing Date.

8.2.2. Covenants. Each of the agreements and covenants of the Purchaser to be performed under this Agreement at or prior to the Closing Date shall have been duly performed in all material respects and the Seller shall have received a certificate to that effect dated the Closing Date.

8.2.3. Other. Purchaser shall deliver any other closing documents required under this Agreement, or which Seller and Seller's counsel shall reasonably deem necessary to complete this transaction.

9. Further Covenants and Agreements of the Seller and the Shareholder. The Seller and its Shareholder, jointly and severally, hereby further covenant and agree that:

9.1. Name Change. Concurrently with the Closing, the Seller shall change its name to a new name bearing no resemblance to "North East Heat & Light Co." and which will not interfere with the use by the Purchaser (either alone or in conjunction with other words) of all or any part of such name. From and after the Closing Date, the Seller will cease and desist from using in its name, or otherwise in the conduct of any business, the words constituting its present name or any resemblance to, or likely to be confused with, its present name. After the Closing, the Seller will execute such consents and documents as the Purchaser shall reasonably require in order to enable the Purchaser to use as it may desire the aforesaid name on all correspondence and other documents, and the Seller will reasonably cooperate with the Purchaser to that end.

9.2. Public Announcement. Unless otherwise required by applicable law (based upon the reasonable advice of counsel), after the Closing the Seller shall not make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the Purchaser (which consent may be withheld for any reason or no reason).

9.3. Confidentiality. At all times after the Closing Date, the Seller and the Shareholder shall hold, and shall use its and his reasonable best efforts to cause its and his (to the extent

applicable) directors, officers, employees, consultants, counsel, accountants, and other agents to hold, in confidence any and all information, whether written or oral, concerning the Business, except to the extent that Seller can show that such information: (a) is generally available to and known by the public through no fault of Seller; or (b) is lawfully acquired by Seller from and after the Closing from sources which are not prohibited from disclosing such information by a legal, contractual, or fiduciary obligation. If Seller or the Shareholder (or its or his respective directors, officers, employees, consultants, counsel, accountants, and other agents) are compelled to disclose any information by court of competent jurisdiction, Seller and/or the Shareholder shall promptly notify Purchaser in writing and shall disclose only that portion of such information which is legally required to be disclosed, provided that Seller and/or the Shareholder shall use reasonable best efforts to obtain as promptly as possible an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

10. Termination of Agreement and Remedies for Breach.

10.1. Termination. The parties may terminate this Agreement as provided below:

10.1.1. Mutual Consent. Purchaser and Seller may terminate this Agreement by mutual written consent at any time prior to the Closing.

10.1.2. Breach. Purchaser may terminate this Agreement by giving written notice to the Seller at any time prior to the Closing in the event the Seller is in breach, and the Seller may terminate this Agreement by giving written notice to Purchaser at any time prior to Closing in the event Purchaser is in breach, in both cases in respect to any representation, warranty, or covenant in this Agreement, after ten (10) days' prior written notice of such breach and opportunity to cure.

10.1.3. Time. Either Purchaser or Seller may terminate this Agreement by giving written notice to the other sixty (60) days after the receipt of Commission Approval, if the Closing shall not have occurred by reason of the failure of any condition precedent applicable to the other to have occurred, unless such failure results primarily from the other party breaching any representation, warranty or covenant contained in this Agreement, provided, however, that to the extent that the closing shall not have occurred as a result of a ministerial act having not yet occurred but with respect to which the parties are proceeding with all diligence to conclude, then this Agreement shall not be terminated under this Section 10.1.3.

10.1.4. Due Diligence. Purchaser may terminate this Agreement by giving written notice to the Seller if upon completion of the Purchaser's due diligence, the Purchaser shall have concluded that the representations, warranties and covenants of the Seller as set forth in this Agreement were false or incorrect in any material respect when made or have become false or incorrect in any material respect and which cannot be cured by the Seller after ten (10) days prior written notice of such occurrence or failure and the opportunity to cure, or if such due diligence is not acceptable to Purchaser for any reason in Purchaser's sole and absolute discretion.

10.1.5. Inability to obtain Commission Approval. In the event that: (i) the Commission denies Purchaser's application for a Certificate of Public Convenience; (ii) the Commission imposes any conditions on such approval that would have a Material Adverse Effect

(as defined by Section 10.1.6); (iii) Purchaser is otherwise unable to obtain the requisite approval of the Commission, through no fault of Purchaser; (iv) changes to the applicable law and/or regulations have, or may cause, a Material Adverse Effect (as defined by Section 10.1.6.); or (v) the reasonably anticipated Purchaser's Regulatory Costs are expected to exceed the Purchaser's Regulatory Cost Cap, then Purchaser shall have the option to terminate this Agreement.

10.1.6. Material Adverse Effect. If there shall occur an event that has caused, or is reasonably believed to cause, a Material Adverse Effect on the Business and/or Assets, as determined in the sole and absolute discretion of the Purchaser, then Purchaser shall have the option to terminate this Agreement.

10.2. Remedies. If either party terminates this Agreement pursuant to this Section 10, except as otherwise set forth in this Section 10.2, all obligations of the parties hereunder shall terminate without any liability of either party to the other except for any liability of the party in breach to the other under this Agreement or by operation of law or equity as a result of the failure to close this Agreement.

10.2.1. Purchaser's Termination for Breach. If Purchaser shall terminate this Agreement pursuant to Section 10.1.2, then Seller shall pay for all of Purchaser's Regulatory Costs, in addition to any and all other costs properly payable by Seller under the terms of this Agreement.

10.2.2. Seller's Termination for Breach. If Seller shall terminate this Agreement pursuant to Section 10.1.2, then Purchaser shall pay for all of Seller's Regulatory Costs, in addition to any and all other costs properly payable by Purchaser under the terms of this Agreement.

10.2.3. Termination for any Other Reason. If Seller and/or Purchaser shall terminate this Agreement pursuant to another other Section of this Agreement, then each Party shall be responsible for its own Regulatory Costs.

10.3 Remedies Cumulative. Except as specifically limited herein, the specific remedies to which any party may resort under the terms of this Agreement are cumulative and are not intended to be exclusive of any other remedies or means of redress to which such party may lawfully be entitled in case of any breach, threatened breach or failure of observance or performance of any representation, warranty, covenant, agreement or commitment made hereunder or relating hereto or by reason of any such representation, warranty, covenant, agreement or commitment made hereunder or relating hereto or by reason of any such representation, warranty, covenant, agreement or commitment being materially untrue or incorrect.

11. Indemnification.

11.1. Survival. All representations, warranties, covenants, and agreements and all related rights to indemnification contained herein, other than the Fundamental Representations (as hereinafter defined), the Tax Representations (as hereinafter defined), Excluded Liabilities and Excluded Assets shall survive the Closing for a period of three (3) years. The Fundamental Representations, and rights of indemnification thereto, and/or related to the Excluded Liabilities or Excluded Assets shall survive indefinitely. The Tax Representations shall survive for the

applicable statute of limitations plus ninety (90) days. For purposes of this Agreement, "**Fundamental Representations**" shall mean the representations and warranties contained in Sections 4.1 (Organization and Capitalization), 4.2 (Corporate Action; Authority), 4.3 (No Conflicts; Consents), 4.4 (Title to Assets), 4.6 (Regulatory Status), 4.13 (Employee Plans), and 4.19 (Environmental Matters). For purposes of this Agreement, "**Tax Representations**" shall mean the representations, warranties, covenants, and agreements related to Taxes under this Agreement (including but not limited to Section 4.14 of this Agreement).

11.2. Indemnification of Purchaser. Subject to the limitations contained in this Section 11, Seller and the Shareholder, jointly and severally, shall defend, indemnify, and hold harmless Purchaser, its affiliates and their respective stockholders, directors, officers, and employees from and against all claims, judgments, damages, liabilities, settlements, losses, costs, and expenses, including attorneys' fees and disbursements, arising from, or relating to:

- (a) any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement or any document to be delivered hereunder;
- (b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Seller pursuant to this Agreement or any document to be delivered hereunder; or
- (c) the Excluded Assets or an Excluded Liability.

11.3. Indemnification of Seller. Subject to the limitations contained in this Section 11, Purchaser shall defend, indemnify, and hold harmless Seller, its affiliates and their respective shareholders, directors, officers, and employees from and against all claims, judgments, damages, liabilities, settlements, losses, costs, and expenses, including attorneys' fees and disbursements, arising from, or relating to:

- (a) any material inaccuracy in or breach of any of the representations or warranties of Purchaser contained in this Agreement or any document to be delivered hereunder;
- (b) any material breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Purchaser pursuant to this Agreement or any document to be delivered hereunder; or
- (c) any Assumed Liability;
- (d) any Assumed Contracts, to the extent such liability arises after the Closing Date;
- (e) any Assigned Intellectual Property, to the extent such liability arises after the Closing Date; or
- (f) the ownership, operation or control of the Assets from and after the Closing Date.

11.4. Indemnification Procedures. Whenever any claim shall arise for indemnification hereunder, the party entitled to indemnification (the "**Indemnified Party**") shall promptly provide written notice of such claim to the other party (the "**Indemnifying Party**"). In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any action by a person or entity who is not a party to this Agreement, the Indemnified Party, at the Indemnifying Party's sole cost and expense, shall assume the defense of any such action with counsel reasonably satisfactory to the Indemnified Party. The Indemnifying Party shall be entitled to participate in the defense of any such action, with its counsel and at its own cost and expense. The Indemnified Party shall not settle any action without the Indemnifying Party's prior written consent (which consent shall not be unreasonably withheld or delayed).

11.5. Tax Treatment of Indemnification Payments. All indemnification payments made by Seller under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for tax purposes, unless otherwise required by law.

11.6. Cumulative Remedies. The rights and remedies provided in this Section 11 are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

11.7 Certain Limitations.

(a) The amount which an Indemnifying Party is or may be required to pay to an Indemnified Party in respect of damages for which indemnification is provided under this Agreement will be reduced by any amounts actually received (including amounts received under insurance policies) by or on behalf of the Indemnified Party from third parties (net of out-of-pocket costs and expenses (including reasonable legal fees and expenses) incurred by such Indemnified Party in connection with seeking to collect and collecting such amounts), in respect of such Damages (such net amounts are referred to herein as "**Indemnity Reduction Amounts**"). If any Indemnified Party receives any Indemnity Reduction Amounts in respect of an Indemnified Claim for which indemnification is provided under this Agreement after the full amount of such Indemnified Claim has been paid by an Indemnifying Party or after an Indemnifying Party has made a partial payment of such Indemnified Claim and such Indemnity Reduction Amounts exceed the remaining unpaid balance of such Indemnified Claim, then the Indemnified Party will promptly remit to the Indemnifying Party an amount equal to the excess (if any) of (i) the amount theretofore paid by the Indemnifying Party in respect of such Indemnified Claim less (ii) the amount of the indemnity payment that would have been due if such Indemnity Reduction Amounts in respect thereof had been received before the indemnity payment was made. An insurer or other third party who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provisions hereof, have any subrogation rights with respect thereto, it being expressly understood and agreed that no insurer or any other third party shall be entitled to any benefit they would not be entitled to receive in the absence of the indemnification provisions by virtue of the indemnification provisions hereof. Seller and the Purchaser will, and will use commercially reasonable efforts to cause their respective representatives to, pursue promptly any claims or rights it may have against all third parties which would reduce the amount of Damages for which indemnification is provided under this Agreement.

(b) Anything contained in this Agreement to the contrary notwithstanding, neither the Purchaser nor the Seller will be entitled to any recovery under this Agreement for special, punitive or exemplary damages except to the extent the same are awarded to a third party.

(c) Notwithstanding anything in this Agreement to the contrary, except with respect to fraud and/or claims arising from Fundamental Representations or Tax Representations, (A) Purchaser shall not be entitled to recover from Seller and/or Shareholder, in the aggregate, in respect of any indemnifiable claims asserted under Section 11.2(a), any amounts in excess of the Final Purchase Price; and (B) Seller shall not be entitled to recover from Purchaser, in the aggregate, any amounts in excess of the Final Purchase Price in respect of any indemnifiable claims asserted under Section 11.3(a). For the avoidance of doubt, any claims for fraud, or for claims relating to Fundamental Representations or Tax Representations shall be uncapped.

12. Miscellaneous.

12.1. Expenses. Except as set forth in Section 2.3 relating to Regulatory Costs, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including, but not limited to, all brokers' fees, shall be paid by the party incurring such fees, costs, and expenses.

12.2. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 12.2):

If to Seller: Sam Miller
11191 Lay Road
Edinboro, PA 16412
E-mail: ssmiller928@yahoo.com

with a copy to: HMS Legal LLP
501 Corporate Circle, Ste. 302
Harrisburg, PA 17110
Attention: Melissa Chapaska, Esq.
E-mail: machapaska@hmslegal.com

If to Purchaser: National Fuel Gas Distribution Corporation
1100 State Street
Erie, PA 16501
Attention: Michael Colpoys, President

with a copy to:

MacDonald, Illig, Jones & Britton LLP
100 State Street, Suite 700
Erie, PA 16507
Attention: S. Craig Shamburg, Esq.
E-mail: cshamburg@mijb.com

12.3. Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

12.4. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

12.5. Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and the documents to be delivered hereunder, the Exhibits and Schedules (other than an exception expressly set forth as such in the Schedules), the statements in the body of this Agreement will control.

12.6. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

12.7. No Third-party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

12.8. Amendment and Modification. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto.

12.9. Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

12.10. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Pennsylvania without giving effect to any choice or conflict of law provision or rule (whether of the Commonwealth of Pennsylvania or any other jurisdiction).

12.11. Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the Commonwealth of Pennsylvania in each case located in or covering the County of Erie, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

12.12. Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

12.13. Specific Performance. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

12.14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Rest of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

NORTH EAST HEAT & LIGHT CO.

By: Samuel Miller (Seal)
Name: Samuel Miller
Title: President

SHAREHOLDER:

Samuel Miller (Seal)
Samuel Miller

PURCHASER:
NATIONAL FUEL GAS DISTRIBUTION
CORPORATION

By: _____ (Seal)
Name: Michael Colpoys
Title: President

1888800.15

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

NORTH EAST HEAT & LIGHT CO.

By: _____ (Seal)

Name: Samuel Miller

Title: President

SHAREHOLDER:

_____ (Seal)

Samuel Miller

PURCHASER:

NATIONAL FUEL GAS DISTRIBUTION
CORPORATION

By: Michael Colpoys _____ (Seal)

Name: Michael Colpoys

Title: President



1888800.15

EXHIBIT A

DEFINITIONS

As used in this Agreement, in addition to the terms defined elsewhere herein, the following terms shall have the following meanings ascribed to them:

Action - shall have the meaning given it in Section 4.10.

Adjustment Amount - shall mean the amount calculated in accordance with the rules set forth on Exhibit A.

Adjustment Dispute Notice - shall have the meaning given it in Section 2.2.3.

Adjustment Escrow Amount - shall mean One Hundred Thousand and 00/100 Dollars (\$100,000.00).

Agreement - shall have the meaning given it in the introductory paragraph.

Assets - shall have the meaning given it in Section 1.1.

Assignment and Assumption Agreement shall have the meaning given it in Section 3.2.1(b).

Assumed Contracts - shall have the meaning given it in Section 1.1.5.

Assumed Liabilities - shall have the meaning given it in Section 1.3.

Benefit Plans - shall have the meaning given it in Section 1.2.3.

Bill of Sale - shall have the meaning given it in Section 3.2.1(a).

Billed Revenues - shall mean all outstanding bills to customers served by the Business that have not been paid as of the Closing Date less (i) any offset that results from the difference between installment payments and gas consumed and (ii) allowance for bad debt, which shall be calculated consistent with Seller's past practices.

Business - shall have the meaning given it in the "WHEREAS" clauses.

Business Agreement - means any Contract (other than Retained Agreements) to which Seller is a party that relates primarily to the Business, the Assets or the Assumed Contracts, but shall not include, for the avoidance of doubt any Benefit Plan.

Business Day - shall mean any day other than Saturday, Sunday, or any day on which banks in Erie, Pennsylvania are authorized by Law to close.

Business Employees - shall have the meaning given it in Section 4.15.

Business Records - shall have the meaning given it in Section 1.1.2.

Calculated Purchase Price - shall have the meaning given it in Section 2.1.

CARES Act - shall mean the Coronavirus Aid, Relief and Economic Security Act, 15 U.S.C. Section 9001 et seq.

Claims - shall mean any and all contractual, administrative, regulatory or judicial actions or causes of action, suits, petitions, proceedings (including arbitration proceedings), investigations, hearings, demands, demand letters, claims, or notices of noncompliance or violation delivered by any Governmental Authority or other Person.

Closing - shall have the meaning given it in Section 3.1.

Closing Date - shall have the meaning given it in Section 3.1.

Closing Payment Amount - shall have the meaning given it in Section 2.2.1.

Code - shall have the meaning given it in Section 2.4.

Commission or PaPUC or PUC - shall have the meaning given to the Commission in Section 4.5.

Commission Approval - shall have the meaning given it in Section 8.1.5.

Consulting Agreement - shall mean the Consulting Agreement to be entered into between the Purchaser and Shareholder substantially in the form of Exhibit C.

Deed - shall have the meaning given it in Section 3.2(e).

Due Diligence Data - shall have the meaning given it in Section 6.1.

Easements - shall mean those easements and/or right of ways generally described on Schedule 1.1.1(a).

Effective Date - shall have the meaning given it in the introductory paragraph.

Effective Time - shall have the meaning given it in Section 3.1.

Encumbrance - shall mean any security interest, pledge, mortgage, lien, charge, encumbrance, adverse claim, preferential arrangement or restriction of any kind, including, without limitation, any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership.

Environment - shall mean all or any of the following media: soil, land surface, and subsurface strata, surface or subsurface waters, groundwater, drinking water supply, sediments, ambient air (including the air within buildings to the extent impacted from a source outside of the building and directly related to the operations of the Business), plant and animal life, and any other natural resource.

Environmental Claims - means any and all Claims (including any such Claims involving toxic torts or similar liabilities in tort, whether based on negligence or other fault, strict or absolute liability, or any other basis) arising pursuant to any Environmental Laws or Environmental Permits, or arising from the presence, Release, or threatened Release (or alleged presence, Release, or threatened Release) into the Environment of any Hazardous Materials, including any and all Claims by any Governmental Authority or by any Person for enforcement, cleanup, remediation, removal, response, remedial or other actions or damages, contribution, indemnification, cost recovery, compensation, or injunctive relief pursuant to any Environmental Law or for any property damage or personal or bodily injury (including death) or threat of injury to health, safety, natural resources, or the Environment.

Environmental Laws - means any and all Laws to the extent relating to the protection of the Environment; the Release of Hazardous Material; natural resources or natural resources damages; to the extent related to exposure to or injury from Hazardous Materials, human health and safety; storage, transportation or management of Hazardous Materials; radioactive materials; or pollution. Environmental Laws include, to the extent described in the previous sentence, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq.; the Federal Insecticide Fungicide and Rodenticide Act, 7 U.S.C. Section 136 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Air Act, 42 U.S.C. Section 7401 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. Section 1531 et seq.; the National Environmental Policy Act, 42 U.S.C. 4321 et seq.; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; the Safe Drinking Water Act, 42 U.S.C. Section 300f et seq.; the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. Section 11001 et seq.; the Atomic Energy Act, 42 U.S.C. Section 2014 et seq.; the Nuclear Waste Policy Act, 42 U.S.C. Section 10101 et seq.; and their state and local counterparts or equivalents, all as amended from time to time, and regulations issued pursuant to any of those Laws.

Environmental Permits shall mean all permits, certifications, licenses, franchises, exemptions, approvals, consents, waivers or other authorizations of a Governmental Authority issued under or which respect to applicable Environmental Laws and used or held by Seller for the operation of the Business.

ERTC - shall have the meaning given it in Section 4.22.

Escrow Agent - shall mean Wilmington Trust, National Association.

Escrow Agreement - shall mean the Escrow Agreement to be entered into between the Purchaser, Seller and Escrow Agent, substantially in the form of Exhibit D.

Excluded Assets - shall have the meaning given it in Section 1.2.

Excluded Contracts - shall have the meaning given it in Section 1.2.2.

Excluded Liability - shall have the meaning given it in Section 1.4.

Fee Interests - shall have the meaning given it in Section 1.1.1(a)

FERC - shall have the meaning given it in Section 4.6.

Final Purchase Price - shall have the meaning given it in Section 2.2.5.

Financial Statements - shall have the meaning given it in Section 4.16.

GAAP - shall mean United States generally accepted accounting principles.

Gas Contracts - shall have the meaning given it in Section 6.16.

Gas Inventory - shall have the meaning given it in Section 1.1.1(c).

Governmental Authority - shall mean the United States of America and any other federal, state, local, tribal or foreign governmental or regulatory authority, department, agency, commission, body, court, or other governmental entity.

Hazardous Material - shall mean (i) any chemicals, materials, substances, or wastes which are now or hereafter defined as or included in the definition of "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic substance," "extremely hazardous substance," "pollutant," "contaminant," or words of similar import under any applicable Environmental Law; (ii) any petroleum, petroleum products (including crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas useable for fuel (or mixtures of natural gas and such synthetic gas), or oil and gas exploration or production waste, polychlorinated biphenyls, asbestos-containing materials, mercury, and lead-based paints; (iii) 1,4-dioxane, per- and polyfluoroalkyl substances (the group of compounds known generally as "PFAS") and (iv) any other chemical, material, substance, waste, or mixture thereof which is prohibited, limited, or regulated by Environmental Laws.

Indebtedness - shall mean, without duplication, (i) the principal, accrued and unpaid interest, prepayment premiums or penalties (if any), unpaid fees or expenses and other monetary obligations in respect of (A) indebtedness of the Seller for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which the Seller is responsible or liable; (ii) all obligations of the Seller issued or assumed as the deferred purchase price of property, all conditional sale obligations of the Seller (but excluding trade accounts payable and other accrued current liabilities arising in the ordinary course of business (other than the current liability portion of any indebtedness for borrowed money)); (iii) all

obligations of the Seller under leases required to be capitalized in accordance with GAAP; (iv) all obligations of the Seller for the reimbursement of any obligor on any letter of credit or similar credit transaction; (v) all obligations of the Seller under interest rate or currency swap transactions (valued at the termination value thereof); and (vi) all obligations of the Seller under any deferred compensation plan for which separate “funding” accounts are not retained by the Seller after Closing.

Indemnity Escrow Amount - shall mean four hundred thousand dollars (\$400,000).

Independent Accounting Firm - shall mean the independent accounting firm or regional reputation mutually appointed by Seller and Purchaser; provided, however, that if the Seller and Purchaser are unable to so agree, each shall select an accounting firm, and such accounting firms shall mutually agree upon and appoint a third, which third shall be the Independent Accounting Firm.

Insurance Policies - shall have the meaning given it in Section 1.1.10.

Intangible Assets - shall have the meaning given it in Section 1.1.8.

Intellectual Property Assignment - shall have the meaning given it in Section 3.2.1(c).

IRS - shall have the meaning given it in Section 2.4.

IT Assets - shall have the meaning given it in Section 1.1.1(d).

Law - shall mean any statute, regulation, rule, ordinance, code, and similar act or promulgation of any Governmental Authority.

Leases - shall have the meaning given it in Section 1.1.1(a).

Material Adverse Effect - means any change, circumstance, fact, event, condition or effect (any such item, an "Effect") alone or in combination with any other Effects, that is or would reasonably be expected to be, materially adverse to the business, financial condition or results of operations of the Business, taken as a whole except that no Effect arising out of or in connection with or resulting from any of the following is deemed, either alone or in combination, to constitute or contribute to a Material Adverse Effect: (i) general economic conditions or changes in those conditions; (ii) financial, banking, currency or capital markets fluctuations or conditions (either in the United States or any international market and including changes in interest rates); (iii) conditions affecting the real estate, financial services, construction, natural gas utility industries generally; (iv) any action, omission, change, effect, circumstance or condition contemplated by this Agreement or attributable to the execution, performance or announcement of this Agreement or the transactions contemplated hereby; and (v) intentional misconduct or bad faith of the Purchaser or its Representatives; except, in the case of clauses (i), (ii) or (iii), if such Effect has a disproportionate effect on the Business, taken as a whole, relative to other participants in the Territory.

Material Contracts - shall have the meaning given it in Section 4.9.

Natural Gas Act - shall mean The Natural Gas Act of 1938, 15 U.S.C. ch. 15B Section 717 et seq.

Order - shall mean any order, decision, judgment, writ, injunction, decree, directive, or award of a court, administrative judge, or other Governmental Authority acting in an adjudicative or regulatory capacity, or of an arbitrator with applicable jurisdiction over the subject matter.

Party - shall mean Purchaser or Seller, as indicated by the context, and *Parties* shall mean Purchaser and Seller.

Paycheck Protection Program - shall mean the Paycheck Protection Program created under the CARES Act.

Post-Closing Adjustment Statement - shall have the meaning given it in Section 2.2.2.

Post-Closing Tax Period - shall mean any Tax period beginning after (or any portion of the Straddle Period occurring after) the Closing Date.

PPP Loan - shall have the meaning given it in Section 4.22.

Purchase Price - shall have the meaning given it in Section 2.1.

Purchased Easements - shall have the meaning given it in Section 1.1.1(a).

Purchaser - shall have the meaning given it in the introductory paragraph.

Purchaser's Regulatory Costs - shall mean all costs incurred by the Purchaser, including but not limited to filing fees, legal fees, and fees of consultants or advisors paid in obtaining Commission Approval.

Purchaser's Regulatory Cost Cap - shall mean one hundred fifty thousand dollars (\$150,000.00). For the avoidance of doubt, Purchaser shall be responsible for all of Purchaser's Regulatory Costs incurred above the Purchaser's Regulatory Cost Cap.

Real Property - shall have the meaning given it in Section 1.1.1(a).

Reference Balance Sheet - shall have the meaning given it in Section 4.16.

Seller's Regulatory Costs - shall mean all costs incurred by the Seller, including but not limited to filing fees, legal fees, and fees of consultants or advisors paid in obtaining Commission Approval. For the avoidance of doubt, Seller shall be responsible for all of Seller's Regulatory Costs.

Regulatory Order - shall mean an Order issued by the Commission that affects or governs the rates, services, or other utility operations of the Business.

Release - shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, migration or disposing of Hazardous Materials in or into the Environment.

Retained Agreements - shall have the meaning given it in Section 1.2.5.

Seller - shall have the meaning given it in the introductory paragraph.

Seller's Knowledge - shall have the meaning given it in Section 4.

Straddle Period - shall mean any taxable period that includes (but does not end on) the Closing Date.

Tax and/or Taxes - shall mean all taxes, charges, fees, levies, penalties, or other assessments imposed by any foreign or United States federal, state, tribal or local taxing authority, including income, excise, property sales, use, transfer, franchise, license, payroll or other employment-related tax, withholding, social security, registration, gross receipts, value-added, ad valorem, estimated, or other taxes, including any interest, penalties, or additions attributable thereto.

Territory - shall mean the Borough of North East, Pennsylvania and the Township of North East, Pennsylvania.

Transaction Costs - shall mean, to the extent unpaid at or prior to Closing, (i) the aggregate of all fees and expenses payable by the Seller or the Shareholder in connection with the consummation of the transactions contemplated hereby (or incurred in connection with the transactions contemplated hereunder) to the extent incurred prior to the Closing, including any of the foregoing payable to legal counsel, accountants, investment banks, financial advisors, brokers, finders, or consultants, (ii) all sale bonus, change-in-control bonus, or transaction or completion bonus or similar payment which becomes payable as a result of the closing of the transactions contemplated by this Agreement, (iii) any payroll taxes due in connection with the foregoing items, and (iv) all Seller's Regulatory Costs.

Transition Services Agreement - shall mean the Transition Services Agreement to be entered into between the Purchaser and Seller substantially in the form of Exhibit E.

Utility Code - shall mean the Pennsylvania Public Utility Code (66 Pa.C.S. Section 101 et seq.) and the regulations promulgated thereunder.

EXHIBIT B

ADJUSTMENT AMOUNT

The Adjustment Amount shall be calculated as follows:

The sum of:	Defined Assets (as set forth below)
Less the sum of:	Defined Liabilities (as set forth below)
Equals:	Preliminary Adjustment Amount

The following specific account numbers as identified in the Financial Statements of the Seller shall be included in calculating Defined Assets and Defined Liabilities:

Defined Assets	1420 – Customer A/R 1423 – Meter Deposit A/R 1424 – Transportation – A/R 1425 – Other – A/R 1541 – Costs RR Project 1641 – Gas Stored Underground Cur 1653 – Prepaid Expenses 1654 – Temporary Prepaid Expense 1655 – Prepaid CNI Tax 1910 – Under Collected GCR
Defined Liabilities	2000 – Accounts Payable 2200 – Sales Tax Payable 2362 – Accrued Corporate Taxes 2363 – PA Sales Tax Payable 2001 – Unclaimed Property Holding Acct <i>[sic]</i> 2350 – Customer Meter Deposits 2361 – LST Payable 2372 – Edward Jones 2420 – Refunds Due to Customers 2423 – Exchange Gas Payable 2430 – Accrued Interest on Refund 2325 – Accounts Payable – Supplier 2421 – (Over) Collected GCR

If the Preliminary Adjustment Amount is negative or zero, the Preliminary Adjustment Amount shall become the Adjustment Amount for all purposes of the Agreement.

If the Preliminary Adjustment Amount is positive, then the Adjustment Amount for all purposes of the Agreement shall be the lesser of: (i) the Preliminary Adjustment Amount; or (ii) One Hundred Thousand and 00/100 Dollars (\$100,000.00).

EXHIBIT C

CONSULTING AGREEMENT

[See Attached]

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this "Agreement") is made and entered into as of _____, 2025 (the "Effective Date") by and between NATIONAL FUEL GAS DISTRIBUTION CORPORATION (the "Company") and SAMUEL MILLER, an individual (the "Consultant").

WHEREAS, pursuant to an Asset Purchase Agreements dated _____, 2025 (the "Purchase Agreement"), the Company purchased substantially all of the assets of NORTH EAST HEAT & LIGHT CO. ("NEHL"), and the Consultant was the majority shareholder of NEHL at such time;

WHEREAS, the Purchase Agreement contemplates Consultant entering into a Consulting Agreement with the Company for a period of time following the Closing; and

WHEREAS, the Consultant has agreed to provide certain Consulting Services to the Company after the closing on the Purchase Agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Consultant and the Company (each, individually, a "Party" or collectively, the "Parties") agree as follows:

1. Term. Effective as of the Effective Time, and continuing until the earlier of: (i) one (1) year from the Effective Time; or (ii) such time as Company terminates this Agreement (the "Term"), the Company shall engage Consultant upon the terms and conditions set forth in this Agreement.
2. Consulting Services. Consultant agrees to assist the Company in transitioning the management of NEHL to Company as the Company may reasonably request related thereto (the "Consulting Services"). In addition, for and during the Term the Consultant will be available for, and will promptly respond to, telephone calls and/or e-mails from the Company.
3. Compensation. Consultant shall be paid the sum of Seventy-Five dollars (\$75.00) per hour during the Term in which he is required by the Company to be present in the offices of the Company to provide the Consulting Services.
4. Termination. Consultant's engagement hereunder shall continue from the date hereof until terminated upon the first to occur of the following events: (i) the expiration of the Term; or (ii) termination by the Company for any reason, or no reason.
5. Work Product. If, during the Term, Consultant is engaged in or associated with the research, investigation, planning or implementation of any project, program or venture on behalf of or involving the Company, all rights in the project, program or venture shall belong

exclusively to the Company and shall constitute an opportunity belonging exclusively to the Company. Consultant shall not be entitled to any interest in such project, program or venture or to any commission, finder's fee or other compensation in connection therewith, other than the compensation to be paid to Consultant by the Company as provided herein. Moreover, Consultant hereby acknowledges that all Work Product is owned by the Company, and Consultant covenants not to take any position or action contrary to such acknowledgement.

6. Confidential Information, Non-Disparagement.

(a) During the Term and at all times thereafter, Consultant shall not directly or indirectly at any time (x) use for personal benefit or for the benefit of any other Person any Confidential Information or Work Product or (y) disclose to any Person any Confidential Information or Work Product, in each case other than (A) in the performance of his duties to the Company and its affiliates, (B) as required by applicable law or an order of a court of competent jurisdiction (in which case Consultant shall give sufficient notice to the Company so that the Company or its relevant affiliate may seek a protective order or other relief), or (C) with the prior written consent of the President of the Company.

(b) Consultant agrees that Consultant shall not, at any time, whether during the Term or after Consultant ceases to provide services to the Company or any of its affiliates, make or publish any untruthful statement (orally or in writing) that intentionally, negligently or otherwise libels, slanders, disparages or defaces the goodwill or reputation (whether or not such disparagement legally constitutes libel or slander) of the Company or any of its affiliates, or the officers, directors, shareholders or employees of any of the foregoing.

7. Enforcement. If, at the time of enforcement of Section 5 or 6, a court or arbitrator holds that the restrictions stated herein are unreasonable under circumstances then existing, the Parties agree that the maximum period, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area.

8. Return of Company Property. Following termination of Consultant's engagement hereunder for any reason, Consultant shall promptly return to the Company all property of the Company and its affiliates, whether tangible or intangible, which he possessed or had control over at any time during the Term, including, without limitation, credit cards, building and office access cards, keys, electronic devices, manuals, files, documents, records, software, customer database and other data, research, financial data and information, correspondence, statistics and payroll and other Consultant data, and any copies, compilations, extracts, excerpts, summaries and other notes thereof or relating thereto.

9. Consultant's Representations. Consultant hereby represents and warrants to the Company that: (a) the execution, delivery and performance of this Agreement by Consultant does not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Consultant is a party or by which he is bound; and (b) this Agreement is the valid and binding obligation of Consultant, enforceable in accordance with its terms. Consultant hereby acknowledges and represents that he has had the

opportunity to consult with independent legal counsel regarding his rights and obligations under this Agreement and that he fully understands the terms and conditions contained herein.

10. Definitions. Any capitalized terms used and not otherwise defined herein shall have the meaning ascribed to them in the Purchase Agreement. The following terms shall have the following meanings as used herein:

“Confidential Information” shall mean the information, observations and data (including, without limitation, documents and information provided pursuant to the Purchase Agreement, trade secrets, know-how, research, product plans, customer lists, software, inventions, processes, formulas, technology, plans, techniques, financial information, billing and collection practices, designs, drawings, specifications, marketing and advertising materials, distribution and sales methods and systems, sales and profit figures and other technical or business information) disclosed or otherwise revealed to Consultant, or discovered or otherwise obtained by Consultant, directly or indirectly, while engaged by the Company concerning the business or affairs of the Company or any of its affiliates. “Confidential Information” does not include any information that: (i) is in the public domain at the time it is disclosed or becomes part of the public domain after disclosure without the breach of any obligation of confidentiality hereunder; (ii) is already known to Consultant at the time of disclosure, unless Consultant has wrongly appropriated such information or obtained such information through a breach of an obligation of confidentiality to the Company or any other Person; or (iii) becomes known to Consultant from a source other than the Company without a breach of any duty of confidentiality to the Company.

“Person” shall mean an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

“Work Product” shall mean any and all inventions, innovations, improvements, original works of authorship, developments, concepts, methods, trade secrets, designs, analyses, drawings, reports and all similar or related information (whether or not patentable or registrable under copyright or similar laws) which are solely or jointly conceived, developed, made or reduced to practice, or caused to be conceived, developed, made or reduced to practice, by Consultant while engaged by the Company or any of its affiliates.

11. Notices. Any notice provided for in this Agreement shall be in writing and shall be either personally delivered, mailed by first class mail (return receipt requested), or sent by overnight courier service: if to the Company, to its then-current headquarters, attention: President, and if to Consultant, to Consultant’s principal business address then on record with the Company (the Company shall be entitled to rely upon information provided by Consultant from time to time concerning the address of Consultant’s principal business address). Any notice under this Agreement shall be deemed to have been given when so delivered or mailed (as the case may be).

12. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

13. Complete Agreement. This Agreement embodies the complete agreement and understanding among the Parties with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the Parties, written or oral, that may have related to the subject matter hereof in any way.

14. Counterparts. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

15. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Consultant and the Company, and their respective heirs, successors and assigns. Consultant may not assign his rights or delegate his obligations hereunder without the prior written consent of the Company. The Company shall be permitted to assign this Agreement without Consultant's consent to any successor to all or substantially all of its assets, provided that such assignee shall agree to be bound hereby. Any attempted assignment of this Agreement in contravention of this Section 15 shall be null and void.

16. Disputes. Any controversy, claim or dispute arising out of or relating to any provision of this Agreement (collectively, a "Dispute") shall be venued exclusively in the state or federal courts located in Erie County, Pennsylvania. Such courts are together referred to as the "Exclusive Venues" for litigation. The Parties agree not to institute any litigation except in the Exclusive Venues and further agree that specific enforcement of this covenant with respect to Exclusive Venues may be awarded to the Parties by means of all available legal or equitable remedies, including, without limitation, a temporary restraining order. The Parties hereby submit to the personal jurisdiction of the Exclusive Venues, and waive any defense of inconvenient forum to the maintenance of any action or proceeding to be brought. The Parties hereby waive any right they may have to a jury trial in any litigation brought in accordance with this Agreement.

17. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and Consultant, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

18. Survival. The obligations of the Parties in Sections 5, 6, 7, 8, 9, 11, 16, 17 and 19 shall survive indefinitely (unless otherwise limited in duration in this Agreement) any termination or cancellation (for any reason) of this Agreement.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of law.

20. No Strict Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. Consultant was represented by and consulted with counsel during the negotiation and preparation of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement.

21. Gender. All pronouns and any variation thereof shall be deemed to refer to the masculine feminine, neuter, singular and/or plural as the identity of the person or the context may require.

22. Independent Contractor. It is agreed that Consultant will be an independent contractor and will not be the employee, servant, agent, partner, or joint venturer of the Company, or any of its officers, directors, or employees. Consultant has no authority to assume or create any obligation or liability, express or implied, on the Company's behalf or in its name or to bind the Company in any manner whatsoever.

[Rest of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Consulting Agreement as of the Effective Date.

COMPANY:

NATIONAL FUEL GAS DISTRIBUTION
CORPORATION

By: _____

Name: _____

Title: _____

CONSULTANT:

Samuel Miller

1923798

EXHIBIT D

ESCROW AGREEMENT

[See Attached]

ESCROW AGREEMENT

This ESCROW AGREEMENT dated this [●] day of [●], 2025 (the “Escrow Agreement”), is entered into by and among NATIONAL FUEL GAS DISTRIBUTION CORPORATION, a New York corporation (“Buyer”), NORTH EAST HEAT & LIGHT CO., a Pennsylvania Corporation (“Seller” and together with Buyer, the “Parties,” and individually, a “Party”), and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national association, as escrow agent (the “Escrow Agent”).

RECITALS

WHEREAS, Buyer and Seller Representative have entered into that certain agreement dated as of [●] (the “Definitive Agreement”), by and among Buyer, Seller and SAMUEL MILLER (“Seller Representative”);

WHEREAS, in connection with the transactions contemplated by the Definitive Agreement, the Buyer has agreed to pay into escrow under this Escrow Agreement (i) an amount equal to \$100,000 (the “Adjustment Escrow Amount”) into a segregated account maintained by the Escrow Agent and (ii) an amount equal to \$400,000 (the “Indemnity Escrow Amount” and together with the Adjustment Escrow Amount, the “Escrow Amounts”).

WHEREAS, the Parties desire for the Escrow Agent to open an interest bearing account (the “Escrow Account”) into which Buyer will deposit (or cause to be deposited) the Escrow Amounts to be held and disbursed by the Escrow Agent in accordance with the Escrow Agreement and the Escrow Agent agrees to hold and distribute such funds in accordance with the terms of this Escrow Agreement;

WHEREAS Schedule I to this Escrow Agreement sets forth the wire transfer instructions for the Buyer and Seller.

NOW THEREFORE, in consideration of the promises herein, the parties hereto agree as follows:

ARTICLE 1 ESCROW DEPOSIT, DISTRIBUTION, AND INVESTMENT

Section 1.1. Deposit of Escrow Funds. Buyer and the Seller Representative hereby appoint the Escrow Agent as their escrow agent, and the Escrow Agent hereby accepts its duties as provided herein. Upon the execution and delivery of this Escrow Agreement, Buyer will transfer (or cause to be transferred), funds in the amount of \$500,000.00 (the “Escrow Property”) by wire transfer of immediately available funds to be held, disbursed and invested as provided in this Escrow Agreement.

Section 1.2. Disbursements. Within two Business Days of receipt of written instructions or Judgment, as defined below (“Joint Instructions”), signed by an authorized representative (“Authorized Representative”) of each of Buyer and the Seller (as set forth on Exhibit B-1 and B-2), the Escrow Agent shall disburse the Escrow Property (or a portion thereof) as provided in such Joint Instructions, but only to the extent that funds have been delivered to the Escrow Agent in accordance with Section 1.1 and that any callback required by the Escrow Agent pursuant to Section 1.4 has been completed. The Escrow Agent shall comply with any judgment or order issued, or process entered by any court with respect to the Escrow Property, including without limitation any attachment, levy or garnishment (“Judgment”) without any obligation to determine such court’s jurisdiction in the matter and in accordance with its normal business practices. If the Escrow Agent complies with any such Judgment, then it shall not be liable to any Party or any other person by reason of such compliance, regardless of the final disposition of any such Judgment. In the absence of written instruction to the contrary, if any residual interest posts to the Escrow Account after the final distribution of the Escrow Funds the Escrow Agent shall (i) deem any residual interest of less

than \$50 as an additional fee payable to the Escrow Agent, or (ii) deem any residual interest greater than \$50 release as payable to the owner of income as listed in Section 1.5 using payment instructions set forth on Schedule I or by check to the address listed in the Notices Section 4.4. The Escrow Agent will furnish monthly statements to the Parties via the addresses set forth on Exhibit D hereto.

Section 1.3. Security Procedure for Funds Transfer. Concurrent with the execution of this Escrow Agreement, the Parties shall deliver to the Escrow Agent exhibits in the form of Exhibit B-1 and Exhibit B-2 to this Escrow Agreement listing individuals of such Party who are authorized to provide the Escrow Agent with a written instruction to distribute funds from the account and any other written instruction permitted pursuant to the terms of this Escrow Agreement (each an “Authorized Representative”). Each Party understands and agrees that the Escrow Agent shall have no obligation or duty to act upon a written instruction for the disbursement of Escrow Property under this Escrow Agreement if such written instruction is not signed by an Authorized Representative of such Party and such written instruction is not delivered to, and able to be authenticated by, the Escrow Agent in accordance with the Escrow Agreement. The Escrow Agent shall follow internal policies and procedures for when confirming the validity or authenticity of funds transfer instructions received in the name of the Parties, which may include a callback to one or more of the Authorized Representatives in Exhibit B-1 and Exhibit B-2, in particular if the wire instructions included on Schedule I hereto have changed. Once delivered to the Escrow Agent, Exhibit B-1 or Exhibit B-2 may be revised or rescinded only in writing signed by an Authorized Representative of the Party. Such revisions or rescissions shall be effective only after actual receipt and following such period of time as may be necessary to afford the Escrow Agent a reasonable opportunity to act on it. If a revised Exhibit B-1 or Exhibit B-2 or a rescission of an existing Exhibit B-1 or Exhibit B-2 is delivered to the Escrow Agent by an entity that is a successor-in-interest to either party, such document shall be accompanied by additional documentation satisfactory to the Escrow Agent showing that such entity has succeeded to the rights and responsibilities of the Party in question. The Parties understand that the Escrow Agent’s inability to receive or confirm funds transfer instructions may result in a delay in accomplishing such funds transfer, and agree that the Escrow Agent shall not be liable for any loss caused by any such delay.

Section 1.4 Investments.

(a) The Escrow Agent shall invest the cash portion of the Escrow Property, including any and all interest and investment income, in accordance with the written instructions provided to the Escrow Agent and signed by the Parties. In the absence of written investment instructions, the Escrow Agent shall deposit and invest the Escrow Property, including any and all interest and investment income, in the M&T Bank Corporate Deposit Account, which is further described herein on Exhibit A. Any investment earnings and income on the Escrow Property shall become part of the Escrow Property and shall be disbursed in accordance with Section 1.2 or Section 1.3 of this Escrow Agreement. The Escrow Agent shall make no disbursement, investment or other use of funds until and unless it has collected funds. The Escrow Agent shall not be liable for collection items until such proceeds have been received or the Federal Reserve has given the Escrow Agent credit for the funds.

(b) The Escrow Agent is hereby authorized and directed to sell or redeem any such investments as it deems necessary to make any payments or distributions required under this Escrow Agreement. The Escrow Agent shall have no responsibility or liability for any loss which may result from any investment or sale of investment made pursuant to this Escrow Agreement. The Escrow Agent is hereby authorized, in making or disposing of any investment permitted by this Escrow Agreement, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or any such affiliate is acting as agent of the Escrow Agent or for any third person or dealing as principal for its own account. The Parties acknowledge that the Escrow Agent is not providing investment supervision, recommendations, or advice.

(c) The Parties hereby agree that confirmations of permitted investments are not required to be issued by the Escrow Agent for each month in which a monthly statement is rendered.

Section 1.5. Income Tax Allocation and Reporting.

(a) The Parties agree that, for tax reporting purposes, all interest and other income from investment of the Escrow Property shall, as of the end of each calendar year and to the extent required by the Internal Revenue Code of 1986, as amended (the “Code”), be reported as having been earned by Buyer, whether or not such income was disbursed during such calendar year. The Escrow Agent shall be deemed the payor of any interest or other income paid upon investment of the Escrow Property for purposes of performing tax reporting. With respect to the preparation, delivery and filing of such required tax information reporting forms and all matters pertaining to the reporting of earnings on funds held under this Escrow Agreement, the Escrow Agent shall be entitled to request and receive written instructions from the Parties, and the Escrow Agent shall be entitled to rely conclusively and without further inquiry on such written instruction. With respect to any other payments made under this Escrow Agreement, the Escrow Agent shall not be deemed the payor and shall have no responsibility for performing tax reporting. The Escrow Agent’s function of making such payments is solely ministerial and upon written direction of the Parties.

(b) Prior to closing, the Parties shall provide the Escrow Agent with certified tax identification numbers by furnishing appropriate forms W-9 or W-8 and such other forms and documents that the Escrow Agent may request. The Parties understand that if such tax reporting documentation is not provided and certified to the Escrow Agent, the Escrow Agent may be required by the Code, and the regulations promulgated thereunder, to withhold a portion of any interest or other income earned on the investment of the Escrow Property.

(c) The Buyer and the Seller jointly and severally, agree to indemnify, defend and hold the Escrow Agent harmless from and against any tax, late payment, interest, penalty or other cost or expense that may be assessed against the Escrow Agent on or with respect to the funds deposited under this Escrow Agreement or any earnings or interest thereon unless such tax, late payment, interest, penalty or other cost or expense was finally adjudicated by a court of competent jurisdiction to have been directly caused by the gross negligence or willful misconduct of the Escrow Agent. The indemnification provided in this Section 1.5 is in addition to the indemnification provided to the Escrow Agent in Section 3.1 of this Escrow Agreement and shall survive the resignation or removal of the Escrow Agent and termination of this Escrow Agreement.

ARTICLE 2
DUTIES OF THE ESCROW AGENT

Section 2.1. Scope of Responsibility. Notwithstanding any provision to the contrary, the Escrow Agent is obligated only to perform the duties specifically set forth in this Escrow Agreement, which shall be deemed purely ministerial in nature. Under no circumstances will the Escrow Agent be deemed to be a fiduciary to any Party or any other person under this Escrow Agreement. The Escrow Agent will not be responsible or liable for the failure of any Party to perform in accordance with this Escrow Agreement. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of any default under this Escrow Agreement, the terms and conditions of any other agreement, including but not limited to the Definitive Agreement, instrument, or document other than this Escrow Agreement, whether or not a copy of such agreement has been provided to the Escrow Agent; and the Escrow Agent shall have no duty to know or inquire as to the performance or nonperformance of any provision of any such agreement, instrument, or document. References in this Escrow Agreement to any other agreement, instrument, or document are for the convenience of the Parties, and the Escrow Agent has no duties or obligations with

respect thereto. This Escrow Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional covenants or obligations of the Escrow Agent shall be inferred or implied from the terms of this Escrow Agreement or any other agreement.

Section 2.2. Attorneys and Agents. The Escrow Agent shall be entitled to rely on and shall not be liable for any action taken or omitted to be taken by the Escrow Agent in accordance with the advice of counsel or other professionals retained or consulted by the Escrow Agent. The Escrow Agent shall be reimbursed as set forth in Section 3.1 for any and all compensation (fees, expenses and other costs) paid and/or reimbursed to such counsel and/or professionals. The Escrow Agent may perform any and all of its duties through its agents, representatives, attorneys, custodians, and/or nominees and shall not be responsible for the acts or omissions of such agents, representatives, attorneys, custodians and/or nominees appointed with due care.

Section 2.3. Reliance. The Escrow Agent shall be entitled to request and receive written instructions from the Parties and shall not be liable for any losses or damages of any nature that may arise from any action taken or not taken by it in accordance with the written direction or consent of the Parties or their respective agents, representatives, successors, or assigns. The Escrow Agent shall not be liable for acting or refraining from acting upon any notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document believed by it in good faith to be genuine and correct and to have been signed or sent by the proper person or persons, without further inquiry into the person's or persons' authority.

Section 2.4. Right Not Duty Undertaken. The permissive rights of the Escrow Agent to do things enumerated in this Escrow Agreement shall not be construed as duties and, with respect to such permissive rights, the Escrow Agent shall not be answerable for other than its gross negligence or willful misconduct.

ARTICLE 3 PROVISIONS CONCERNING THE ESCROW AGENT

Section 3.1. Indemnification. The Parties hereby agree, jointly and severally, to defend, release and indemnify the Escrow Agent, its directors, officers, employees and agents (collectively, the "Indemnified Parties"), and hold the Indemnified Parties harmless from any and against all liabilities, losses, actions, suits or proceedings at law or in equity, and any other expenses, fees or charges of any character or nature (whether brought by any Party or third-party) (including, without limitation, attorney's fees and expenses and the costs of enforcement of this Escrow Agreement, the indemnifications provided herein, or any provision thereof) which an Indemnified Party may incur or with which it may be threatened by reason of acting as or on behalf of the Escrow Agent under this Escrow Agreement or arising out of the existence of the Escrow Account, except to the extent the same shall have been finally adjudicated by a court of competent jurisdiction to have been directly caused by the Indemnified Parties' gross negligence or willful misconduct. The Escrow Agent shall have a first lien against the Escrow Account to secure the obligations of the parties hereunder. The terms of Sections 1.5(c), 3.1 and 3.4 hereto shall survive the termination of this Escrow Agreement and the resignation or removal of the Escrow Agent.

Section 3.2. Limitation of Liability. THE ESCROW AGENT SHALL NOT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (I) DAMAGES, LOSSES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES, LOSSES OR EXPENSES WHICH HAVE BEEN FINALLY ADJUDICATED BY A COURT OF COMPETENT JURISDICTION TO HAVE DIRECTLY RESULTED FROM THE ESCROW AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR (II) SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OR LOSSES OF ANY KIND WHATSOEVER (INCLUDING WITHOUT LIMITATION

LOST PROFITS), EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES AND REGARDLESS OF THE FORM OF ACTION.

Section 3.3. Termination, Resignation or Removal. Upon the disbursement of the entire Escrow Property, this Escrow Agreement shall terminate and be of no further force and effect. The Escrow Agent may resign by furnishing written notice of its resignation to the Parties, specifying the date upon which such resignation shall take effect, and the Parties may remove the Escrow Agent by furnishing to the Escrow Agent a joint written notice of its removal, specifying the date upon which such removal shall take effect, along with payment of all fees and expenses to which it is entitled through the effective date of such resignation or removal. Such resignation or removal, as the case may be, shall be effective thirty (30) calendar days after the delivery of such notice or upon the earlier appointment of a successor, and the Escrow Agent's sole responsibility thereafter shall be to safely keep the Escrow Property and to deliver the same to a successor escrow agent as shall be appointed by the Parties, as evidenced by a joint written notice filed with the Escrow Agent or in accordance with a court order. If the Parties have failed to appoint a successor escrow agent prior to the expiration of thirty (30) calendar days following the delivery of such notice of resignation or removal, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the Parties.

Section 3.4. Compensation. The Escrow Agent shall be entitled to compensation for its services as stated in the fee schedule attached hereto as Exhibit C, which compensation shall be paid by the Seller upon the deposit of funds into the Escrow Account. The Escrow Agent shall have, and is hereby granted, a prior lien upon the Escrow Property with respect to its unpaid fees, non-reimbursed expenses and unsatisfied indemnification rights, superior to the interests of any other persons or entities and is hereby granted the right to set off and deduct any unpaid fees, non-reimbursed expenses and unsatisfied indemnification rights from the Escrow Property. The terms of this paragraph shall survive termination of this Escrow Agreement and/or the earlier resignation or removal of the Escrow Agent.

Section 3.5. Disagreements. If any conflict, disagreement or dispute arises between, among, or involving any of the parties hereto concerning the meaning or validity of any provision hereunder or concerning any other matter relating to this Escrow Agreement, or the Escrow Agent is in doubt as to the action to be taken hereunder, the Escrow Agent shall be fully protected and may, at its option, retain the Escrow Property until the Escrow Agent (i) receives a final non-appealable order of a court of competent jurisdiction directing delivery of the Escrow Property, (ii) receives a written agreement executed by each of the parties involved in such disagreement or dispute directing delivery of the Escrow Property, in which event the Escrow Agent shall be authorized to disburse the Escrow Property in accordance with such final court order or agreement, or (iii) files an interpleader action in any court of competent jurisdiction, and upon the filing thereof, the Escrow Agent shall be relieved of all liability as to the Escrow Property and shall be entitled to recover attorneys' fees, expenses and other costs incurred in commencing and maintaining any such interpleader action. The Parties hereto further agree to pursue any redress or recourse in connection with such dispute without making the Escrow Agent a party to the same. The Escrow Agent shall be entitled to act on any such agreement or court order without further question, inquiry, or consent.

Section 3.6. Merger or Consolidation. Any corporation or association into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which the Escrow Agent is a party, shall be and become the successor escrow agent under this Escrow Agreement and shall have and succeed to the rights, powers, duties, immunities and privileges as its predecessor, without the execution or filing of any instrument or paper or the performance of any further act.

Section 3.7. Attachment of Escrow Property; Compliance with Legal Orders. In the event that any Escrow Property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the Escrow Property, the Escrow Agent is hereby expressly authorized, in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders or decrees so entered or issued, or which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction. In the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the Parties or to any other person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated. Escrow Agent shall receive and may conclusively rely upon an opinion of counsel.

Section 3.8 Force Majeure. The Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligation under this Escrow Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; acts of terrorism; civil or military disturbances; sabotage, epidemic, pandemic, riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; work stoppages, labor disputes; acts of civil or military authority or governmental action; it being understood that the Escrow Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

Section 3.9 No Financial Obligation. Escrow Agent shall not be required to use or risk its own funds or otherwise incur any financial liability in the performance of any of its obligations or duties or the exercise of any of its rights or powers, and shall not be required to take any action which, in the Escrow Agent's sole and absolute judgment, could involve it in expense or liability unless furnished with security and indemnity which it deems, in its sole and absolute discretion, to be satisfactory.

ARTICLE 4 MISCELLANEOUS

Section 4.1. Successors and Assigns. This Escrow Agreement shall be binding on and inure to the benefit of the Parties and the Escrow Agent and their respective successors and permitted assigns. No other persons shall have any rights under this Escrow Agreement. No assignment of the interest of any of the Parties shall be binding unless and until written notice of such assignment shall be delivered to the other Party and the Escrow Agent and shall require the prior written consent of the other Party and the Escrow Agent (such consent not to be unreasonably withheld). Notwithstanding anything in the agreement to the contrary, no assignment shall be deemed final until the successor or assignee has completed the requisite Know Your Customer (KYC) information as may be required by the Escrow Agent.

Section 4.2. Definition of Business Day. "Business Day" means any day other than a Saturday, a Sunday or any day that is a federal legal holiday or banking institutions are required by law to close.

Section 4.3. Escheat. The Parties are aware that under applicable state law, property which is presumed abandoned may under certain circumstances escheat to the applicable state. The Escrow Agent shall have no liability to the Parties, their respective heirs, legal representatives, successors and assigns, or any other party, should any or all of the Escrow Property escheat by operation of law.

Section 4.4. Notices. All notices, requests, demands, and other communications required or permitted under this Escrow Agreement shall be in writing, in English, and shall be deemed to have been duly given if delivered (i) by email with a pdf attachment, (ii) by overnight delivery with a reputable national overnight

delivery service, or (iii) by mail or by certified mail, return receipt requested, and postage prepaid. If any notice is mailed, it shall be deemed given five business days after the date such notice is deposited in the United States mail. If notice is given to a party, it shall be given at the address for such party set forth below. It shall be the responsibility of the Parties to notify the Escrow Agent and the other Party in writing of any name or address changes. In the case of communications delivered to the Escrow Agent, such communications shall be deemed to have been given on the date received by the Escrow Agent.

If to Buyer:

National Fuel Gas Distribution Corporation
1100 State Street
Erie, PA 16501
Attention: Michael Colpoys, Senior Vice President
Telephone:
Facsimile:
Email:

If to Seller:

Attention:
Telephone:
Facsimile:
Email:

If to the Escrow Agent:

Wilmington Trust, National Association
50 South 6th Street, Suite 1290
Minneapolis, MN 55402
Attn: Lance Schonert
Telephone: 612-217-5681
Email: LSchonert@wilmingtontrust.com

Section 4.5. Governing Law. The rights and obligations of the parties shall be governed by, and this Escrow Agreement shall be interpreted, construed and enforced in accordance with, the laws of the State of Delaware excluding its conflict of laws rules to the extent such rules would apply the law of another jurisdiction. The parties hereby (i) irrevocably submit to the exclusive jurisdiction of any federal or state court sitting in the County of New Castle, Wilmington, DE, (ii) waive any objection to the laying of venue in any suit, action or proceeding arising out of this Escrow Agreement in such courts, and (iii) waive any objection that such courts are an inconvenient forum or do not have jurisdiction over any party.

Section 4.6. Entire Agreement. This Escrow Agreement sets forth the entire agreement and understanding of the parties related to the Escrow Property and supersedes all prior agreements and understandings, oral or written. In the event of any direct conflict of the terms of this Escrow Agreement with the terms of the Definitive Agreement, as with respect to the rights of Buyer and Seller, the terms of the Definitive Agreement shall control and prevail provided, in no event shall the Escrow Agent be bound by the terms of the Definitive Agreement. This Escrow Agreement is not intended to confer upon any person other than the parties hereto any rights or remedies.

Section 4.7. Amendment. This Escrow Agreement may be amended, modified, superseded, rescinded, or canceled only by a written instrument executed by the Parties and the Escrow Agent. All fees, costs and expenses (including reasonable attorneys' fees, costs and expenses) incurred by the Escrow Agent in connection with any amendment, modification or supplement shall be payable, jointly and severally, by the Parties.

Section 4.8. Waivers. The failure of any party to this Escrow Agreement at any time or times to require performance of any provision under this Escrow Agreement shall in no manner affect the right at a later time to enforce the same performance. A waiver by any party to this Escrow Agreement of any such condition or breach of any term, covenant, representation, or warranty contained in this Escrow Agreement, in any one or more instances, shall neither be construed as a further or continuing waiver of any such condition or breach nor a waiver of any other condition or breach of any other term, covenant, representation, or warranty contained in this Escrow Agreement.

Section 4.9. Severability. If a court of competent jurisdiction declares any provision hereof invalid, it will be ineffective only to the extent of such invalidity, so that the remainder of the provision and this Escrow Agreement will continue in full force and effect.

Section 4.10. Electronic Signatures, Counterparts. This Escrow Agreement and related notices, demands and other communications related thereto may be executed by the parties hereto individually or in any number of combinations, in one or more counterparts (including by means of electronically signed, telecopied or PDF signature pages), each of which shall be an original and all of which shall together constitute one and the same agreement.

Section 4.11. Waiver of Jury Trial. **EACH OF THE PARTIES HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION RELATING TO OR ARISING OUT OF THIS ESCROW AGREEMENT.**

[The remainder of this page left intentionally blank.]

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed as of the date first written above.

NATIONAL FUEL GAS DISTRIBUTION CORPORATION

[_____]

By: _____

Name: Michael Colpoys

Title: President

NORTH EAST HEAT & LIGHT CO.

[_____]

By: _____

Name: _____

Title: _____

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Escrow Agent

By: _____

Name:

Title:



Schedule I

Wire Transfer Instructions

Buyer

Bank Name: _____

ABA Number: _____

Account Name: _____

Account Number: _____

[Seller Representative] [Paying Account]

Bank Name: _____

ABA Number: _____

Account Name: _____

Account Number: _____



EXHIBIT A

**Agency and Custody Account Direction
For Cash Balances**

Manufacturers & Traders Trust Company Deposit Accounts

Direction to use the following Manufacturers & Traders Trust Company (also known as M&T Bank) Deposit Account for Cash Balances for the escrow account or accounts (the "Account") established under the Escrow Agreement to which this Exhibit A is attached.

You are hereby directed to deposit, as indicated below, or as the Parties shall direct further in writing from time to time, all cash in the Account in the following deposit account of M&T Bank:

M&T Corporate Deposit Account

The Parties acknowledge that amounts on deposit in the M&T Bank Deposit Account are insured, subject to the applicable rules and regulations of the Federal Deposit Insurance Corporation (FDIC), in the basic FDIC insurance amount of \$250,000 per depositor, per issued bank. This includes principal and accrued interest up to a total of \$250,000.

The Parties acknowledge that they have full power to direct investments of the Account.

The Parties understand that they may change this direction at any time and that it shall continue in effect until revoked or modified by me by written notice to you.



EXHIBIT B-1

CERTIFICATE AS TO AUTHORIZED REPRESENTATIVES
OF BUYER

NATIONAL FUEL GAS DISTRIBUTION CORPORATION (the “Buyer”) hereby designates each of the following persons as its Authorized Representatives for purposes of this Agreement, and confirms that the title, contact information and specimen signature of each such person as set forth below is true and correct. Each such Authorized Representative is authorized to initiate and approve transactions of all types for the Escrow Account[s] established under the Agreement to which this Exhibit B-1 is attached, on behalf of the Buyer.

Name (print):	
Specimen Signature:	
Title:	
Telephone Number (required): <i>If more than one, list all applicable telephone numbers.</i>	Office: Cell:
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email 1: Email 2:

Name (print):	
Specimen Signature:	
Title:	
Telephone Number (required): <i>If more than one, list all applicable telephone numbers.</i>	Office: Cell:
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email 1: Email 2:

Name (print):	
Specimen Signature:	
Title:	
Telephone Number (required):	Office: Cell:



<i>If more than one, list all applicable telephone numbers.</i>	
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email 1: Email 2:

COMPLETE BELOW TO UPDATE EXHIBIT B-1

If Buyer wishes to update this Exhibit B-1, Buyer must complete, sign and send to Escrow Agent an updated copy of this Exhibit B-1 with such changes. Any updated Exhibit B-1 shall be effective once signed by Buyer and Escrow Agent and shall entirely supersede and replace any prior Exhibit B-1 to this Agreement.

NATIONAL FUEL GAS DISTRIBUTION CORPORATION

By: _____
Name: Michael Colpoys
Title: President
Date:

WILMINGTON TRUST, NATIONAL ASSOCIATION (as Escrow Agent)

By: _____
Name:
Title:
Date:



EXHIBIT B-2

CERTIFICATE AS TO AUTHORIZED REPRESENTATIVES
OF SELLER

NORTH EAST HEAT & LIGHT CO. (the “Seller”) designates each of the following persons as its Authorized Representatives for purposes of this Agreement, and confirms that the title, contact information and specimen signature of each such person as set forth below is true and correct. Each such Authorized Representative is authorized to initiate and approve transactions of all types for the Escrow Account[s] established under the Agreement to which this Exhibit B-2 is attached, on behalf of the Seller.

Name (print):	
Specimen Signature:	
Title:	
Telephone Number (required): <i>If more than one, list all applicable telephone numbers.</i>	Office: Cell:
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email 1: Email 2:

Name (print):	
Specimen Signature:	
Title:	
Telephone Number (required): <i>If more than one, list all applicable telephone numbers.</i>	Office: Cell:
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email 1: Email 2:

Name (print):	
Specimen Signature:	
Title:	



Telephone Number (required): <i>If more than one, list all applicable telephone numbers.</i>	Office: Cell:
E-mail (required): <i>If more than one, list all applicable email addresses.</i>	Email 1: Email 2:

COMPLETE BELOW TO UPDATE EXHIBIT B-2

If Seller wishes to update this Exhibit B-2, Seller must complete, sign and send to Escrow Agent an updated copy of this Exhibit B-2 with such changes. Any updated Exhibit B-2 shall be effective once signed by Seller and Escrow Agent and shall entirely supersede and replace any prior Exhibit B-2 to this Agreement.

NORTH EAST HEAT & LIGHT CO.

By: _____
Name:
Title:
Date:

WILMINGTON TRUST, NATIONAL ASSOCIATION (as Escrow Agent)

By: _____
Name:
Title:
Date:



EXHIBIT C

Fees of Escrow Agent

Acceptance Fee:

WAIVED

Initial Fees as they relate to Wilmington Trust acting in the capacity of Escrow Agent – includes review of the Escrow Agreement; acceptance of the Escrow appointment; setting up of Escrow Account(s) and accounting records; and coordination of receipt of funds for deposit to the Escrow Account(s).

Acceptance Fee payable at time of Escrow Agreement execution

Escrow Agent Administration Fee (one-time):

\$5,000

For ordinary administrative services by Escrow Agent – includes daily routine account management; investment transactions; cash transaction processing (including wire and check processing); monitoring claim notices pursuant to the agreement; disbursement of funds in accordance with the agreement; and mailing of trust account statements to all applicable parties. Tax reporting is included. The fee agreed upon for the services rendered hereunder is intended as compensation for the Escrow Agent. If the Escrow Agent is directed to render any service not contemplated in this Escrow Agreement, the Escrow Agent shall be compensated for such extraordinary services.

Wilmington Trust's fee is based on the following assumptions:

- Number of Escrow Accounts to be established: 1
- Number of Deposits to Escrow Account(s): Not more than 10
- Number of Withdrawals from Escrow Fund(s): Not more than 5 disbursements to be made to the Parties
- Investment in M&T Deposit Products

Out-of-Pocket Expenses:

Billed At Cost



EXHIBIT D

Statement Recipient Address

Please provide the contact and address for the individuals who should receive Escrow Statements.

BUYER STATEMENT RECIPIENT:

[Insert Recipient Name and Mailing Address]

SELLER REPRESENTATIVE STATEMENT RECIPIENT:

[Insert Recipient Name and Mailing Address]

EXHIBIT E

TRANSITION SERVICES AGREEMENT

[See Attached]

TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT, dated as of _____, 2025 (this “Agreement”), is entered into by and between National Fuel Gas Distribution Corporation, a New York corporation (“NFG”), and North East Heat & Light Co., a Pennsylvania corporation (“NEHL”). NFG and NEHL may each hereinafter be referred to individually as a “Party” and collectively as the “Parties.”

A. NFG and NEHL are parties to an Asset Purchase Agreement, dated as of the date hereof (as it may be amended from time to time, the “Purchase Agreement”), which provides for the sale of the Assets to NFG.

B. In connection with, and as consideration for, the transactions contemplated by the Purchase Agreement, (i) NFG desires NEHL to provide Transition Services (as defined below) to NFG and its Affiliates and (ii) NEHL desires NFG to provide Transition Services to NEHL, in each case, for a limited period of time beginning as of the date hereof.

C. NFG and NEHL are willing to perform (or cause to be performed) such Transition Services on and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Purchase Agreement. A summary of cross-references to other capitalized terms defined herein is set forth in Section 11.

2. Transition Services.

(a) Transition Services. During the Term (as defined below), (i) NEHL shall provide to NFG and its Affiliates, the services described in Exhibit A under the heading “Seller Transition Services” (collectively, the “Seller Transition Services”), including the services of certain employees of NEHL described in Exhibit A (the “NEHL Employees”), and (ii) NFG shall provide to NEHL the services described in Exhibit A under the heading “Buyer Transition Services” (collectively, the “Buyer Transition Services” and together with the Seller Transition Services, the “Transition Services”). In the event of any inconsistency or conflict between the body of this Agreement and Exhibit A, Exhibit A shall control. The Party receiving Transition Services is referred to herein as the “Receiving Party” and the Party performing the Transition Services is referred to herein as the “Providing Party.”

(b) Additional Services. In addition to the Transition Services to be provided by the Providing Party pursuant to Section 2(a), if requested by the Receiving Party, and to the extent that NEHL and NFG mutually agree in writing, the Providing Party shall provide additional services to the Receiving Party. The scope of any such services, as well as the term, costs and other terms and conditions applicable to such services, shall be as mutually agreed by NEHL and NFG in writing.

(c) Level of Services. Subject to Exhibit A, the Providing Party shall provide the Transition Services in substantially the same manner and with the same degree of care, diligence, skill and attention, including with respect to the quality and timeliness of such Transition Services, as such Transition Services were provided with respect to the Business in the ordinary course of business in the twelve (12) months prior to the Closing; provided, however, that the Parties may mutually agree in writing to increase or change the level of service of any Transition Service, including costs associated with the increase or change in the level of service.

(d) Transition Service Managers. Each of NEHL and NFG has designated the employee of such Party (or its Affiliate) set forth below its name on Schedule 1 hereto as its “Transition Service Manager” for this Agreement. Each Transition Service Manager shall be a person of sufficient authority to make decisions in the ordinary course under this Agreement and to serve as an effective channel for escalations between NEHL or NFG, as applicable, and shall be responsible for such Party’s general oversight and monitoring of the activities contemplated by this Agreement. Any and all communications related to the Transition Services provided hereunder, other than those day-to-day communications and billings relating to the actual provision of the Transition Services, shall be communicated to the other Party through such Party’s Transition Service Manager (or their designees, as authorized in writing). A Party may replace its Transition Service Manager at any time and for any reason, and such replacement shall be effective upon written notice to the other Party of such replacement.

(e) Cooperation; Receiving Party Obligations. Subject to Section 5, each Party shall cause its employees and, if applicable, its Affiliates providing or receiving services hereunder and the employees of such Affiliates, to cooperate in good faith and in a professional and workmanlike manner with employees of the other Party or its Affiliates to the extent necessary to effectively provide the Transition Services.

(f) Affiliates and Employees. Each Party shall (i) cause its Affiliates and employees providing or receiving services hereunder at all times to promptly comply with the terms and conditions of this Agreement, including all payment, use restrictions and confidentiality obligations, and to promptly and fully perform the Affiliate’s and employees’ obligations hereunder, in each case as if the Affiliate or employee was a party to this Agreement, and (ii) not permit a default hereunder by or through the Affiliate to occur or be continuing hereunder. Each Party shall be responsible to the other Party for any default or other failure by any of such Party’s Affiliates or employees.

(g) Employees of the Providing Party. Employees of the Providing Party involved in the provision and administration of the Transition Services shall, subject to Section 7(d), remain employees of the Providing Party, and shall not be considered employees of the Receiving Party (under any theory of employment, including but not limited to joint employer, single employer, agency or alter ego), and the Providing Party shall be solely responsible for the payment and provision of all employment obligations to their employees, including but not limited to (i) payment of wages, bonuses, commissions and provision of employee benefit plans, programs or arrangements relating to such employees, (ii) payment of all required federal, state and local taxes, (iii) provision of tools, supplies and workspace, including with respect to workplace safety in accordance with all required federal, state and local regulations, and (iv) provision of workers’ compensation coverage, unemployment compensation coverage and all other employment

obligations to such employees. The Providing Party's employees shall not be entitled to participate in or receive any benefit or right as an employee of the Receiving Party under any of the Receiving Party's employee benefit and welfare plans, including insurance, pension, savings and other employee plans as a result of or in connection with the provision of services to the Receiving Party. Accordingly, each Party hereby acknowledges and agrees that the Receiving Party will not have any control (direct and indirect) over employees of the Providing Party, and the Receiving Party will not have any control over the terms and conditions of the employment of the Providing Party's employees or the manner in which they perform the Transition Services.

(h) Authority to Provide the Transition Services. The Providing Party hereby represents that (i) the Providing Party has full power and authority to provide the Transition Services to the Receiving Party and (ii) the Providing Party has obtained all third-party consents (if any) necessary to allow such third party's service or product to be utilized by the Receiving Party in connection with the Transition Services.

(i) NEHL Employee Covenants. During the Term with respect to the Seller Transition Services, NEHL shall not and shall ensure that its Affiliates do not, without the prior written consent of NFG: (i) increase the salary, wages or other compensation payable to any NEHL Employee; (ii) adopt, amend, modify or terminate any Benefit Plans or new compensatory or benefit arrangement in which any NEHL Employee participates; or (iii) make any promise or commitment to take any of the foregoing actions. NEHL shall not utilize any NEHL Employee for services or purposes other than the Seller Transition Services without the prior approval of NFG and a corresponding reduction in the Fee payable with respect to such NEHL Employee.

3. Payments, Fees and Costs.

(a) Transition Services. During the Term, in consideration of the performance by the Providing Party of the Transition Services hereunder, the Receiving Party shall pay monthly to the Providing Party, in accordance with Section 3(c) and in respect of each Transition Service so performed, the amounts that are specified in Exhibit A (collectively, the "Fee").

(b) Taxes. The Receiving Party shall pay all goods and services Taxes, value added Taxes or similar Taxes incurred with respect to the performance, provision, and delivery of the Transition Services pursuant to this Agreement. For the avoidance of doubt, the Providing Party shall be responsible for paying all Taxes measured by net income or gross receipts of the Providing Party (however denominated) and all withholding Taxes imposed on amounts payable to or for the account of the Providing Party (and shall not be reimbursed for any such Taxes). For purpose of clarity, the Fee has been calculated to compensate the Providing Party for withholding and other Taxes. The Providing Party is not entitled to further reimbursement for such taxes and the Receiving Party may not deduct any amount from the Fees for such Taxes.

(c) Invoicing and Payments. The Providing Party shall invoice the Receiving Party promptly following completion of each calendar month of the Term for Fees required to be paid by the Receiving Party for any Transition Services provided during such month under this Agreement in accordance with Exhibit A (collectively the "Transition Service").

Expenses”). Such invoice shall include supporting documentation for the calculation of the applicable monthly Fee and shall be due and payable upon receipt.

(d) Payments to be Check or Wire. All payments required to be made by the Receiving Party hereunder shall be made within the required time by check to the Providing Party or wire transfer of immediately available funds to an account specified by the Providing Party in the applicable invoice provided pursuant to Section 3(c).

4. Confidentiality.

(a) Each Party agrees and acknowledges that, during the Term, it may have access to or obtain Proprietary Information that is owned by or was provided to the other Party or its Affiliates. The Party to whom Proprietary Information is disclosed (the “Recipient”) agrees to hold such Proprietary Information of the other Party (the “Discloser”) in accordance with this Section 4. “Proprietary Information” means, collectively, any confidential or proprietary information disclosed hereunder by or on behalf of the Discloser or any Affiliate of the Discloser (a “Discloser Affiliate”), including data, records, files, archives and other information, whether oral or written, concerning, among other things, third party materials (including any materials or information received in confidence by or for the Discloser or any Discloser Affiliate from any other Person) or the Discloser’s or any Discloser Affiliate’s inventions, know-how, customer lists, pricing, marketing plans, market studies, client development plans, business acquisition plans, patent and trade secrets, software, distribution and general business information, including information related to the historical and current operations of the Discloser. Each Party further agrees and acknowledges that, as between the Parties, all Proprietary Information of the Discloser or any of its Affiliates, customers, suppliers or subcontractors generated, produced or stored by a Party or any third party in connection with the provision of Transition Services or the performance of this Agreement shall be the Proprietary Information of the Discloser. As between the Parties, Proprietary Information shall remain the sole property of the Discloser and the other Party shall have no interest in or rights with respect to such Proprietary Information, except for the rights expressly provided in this Agreement.

(b) Protection. During and after the term of this Agreement, each Party agrees, and shall cause its respective Affiliates, subcontractors and Representatives, to protect the confidentiality of the other Party’s Proprietary Information with at least the same degree of care that it utilizes with respect to its own similar confidential and proprietary information, but in any event, no less than reasonable care. Without limiting the generality of the foregoing, with respect to the other Party’s Proprietary Information, each Party agrees not to disclose or copy, display, loan, publish, transfer (whether by sale, operation of law or otherwise) or otherwise disseminate or allow access to any Proprietary Information of the Discloser, in whole or in part, in any form whatsoever, to or by any third party without the prior written consent of such Discloser, except that such disclosure or access shall be permitted with respect to an employee or subcontractor reasonably requiring access to the Proprietary Information in the course of his or her employment or engagement in connection with the provision of Transition Services for the sole purpose of providing the Transition Services to any Receiving Party under and in accordance with this Agreement.

(c) Use. A Recipient shall not use, nor permit the use of, any Proprietary Information of the Discloser for any purpose other than as reasonably required for performance of such Recipient's obligations hereunder or as otherwise expressly permitted herein or in any other agreement between the Parties.

(d) Exceptions. Nothing in this Section 4 shall restrict either Party with respect to confidential information, data, records, files, archives or other proprietary information, whether or not identical or similar to that contained in the Proprietary Information of the other Party, if such confidential information, data, records, files, archives or other proprietary information: (i) is independently developed by the Recipient without any use of or reference to the Discloser's Proprietary Information; (ii) is or becomes generally available to the public other than as a result of any act or default of, or disclosure by, the Recipient or any of its employees or subcontractors in violation of this Section 4; (iii) becomes available to the Recipient on a non-confidential basis from a source other than the Discloser or its Affiliates or Representatives, provided such source is entitled to disclose such information to the Recipient on a non-confidential basis; or (iv) was rightfully known by the Recipient on a non-confidential basis prior to the disclosure thereof to the Recipient by the Discloser. A Recipient, or its Affiliates or Representatives, as applicable, may use or disclose the Discloser's Proprietary Information to the extent such use or disclosure is reasonably necessary to comply with applicable Law; provided, however, that the Recipient or its Affiliates or Representatives may furnish such portion (and only such portion) of the Proprietary Information as the Recipient or such Affiliate or Representative reasonably determines it is legally obligated to disclose if: (w) it receives a request to disclose all or any part of the Proprietary Information under the terms of a subpoena, civil investigative demand or order issued by a Governmental Authority; (x) to the extent permitted, it notifies the Discloser of the existence, terms and circumstances surrounding such request and consults with the Discloser on the advisability of taking steps available under applicable Law to resist or narrow such request; (y) if requested by the Discloser, it cooperates, at the Discloser's expense, with the efforts of the Discloser to obtain an order or other reliable assurance that confidential treatment will be accorded to the disclosed Proprietary Information; and (z) disclosure of such Proprietary Information is required to prevent the Recipient or such Affiliate or Representative from being held in contempt or becoming subject to any other penalty under applicable Law.

5. Access to Facilities to Provide Services.

(a) In connection with the provision of the Transition Services and subject to the terms and conditions of this Agreement (including Section 4 above), the Receiving Party shall permit the Providing Party and its Affiliates, and their respective employees, vendors and subcontractors, to have reasonable access to the facilities and equipment of the Receiving Party to the extent required to provide the Transition Services in accordance with the terms of this Agreement. The Providing Party shall cause its employees, vendors and subcontractors to comply with the Receiving Party's reasonable (i) safety, security, confidentiality and other rules, policies or procedures applicable to those working at or visiting the Receiving Party's facilities if and when such Persons are visiting the Receiving Party's facilities pursuant to this Agreement, and (ii) rules, policies or procedures concerning access to and security of any computer system, information or other facilities to which such employee, vendor or subcontractor may have access, in each case, to the extent made known to such employee, vendor or subcontractor in writing by the Receiving Party.

(b) In connection with the provision of the Transition Services and subject to the terms and conditions of this Agreement (including Section 4 above), the Providing Party shall permit the Receiving Party and its respective employees, vendors and subcontractors, to have reasonable access to the facilities of the Providing Party to the extent required to receive the Transition Services in accordance with the terms of this Agreement. The Receiving Party shall, and shall cause its Affiliates to, cause their respective employees, vendors and subcontractors to comply with the Providing Party's reasonable (i) safety, security, confidentiality and other rules, policies or procedures applicable to those working at or visiting the Providing Party's facilities if and when such Persons are visiting the Providing Party's facilities pursuant to this Agreement, and (ii) rules, policies or procedures concerning access to and security of any computer system, information or other facilities to which such employee, vendor or subcontractor may have access, in each case, to the extent made known to such employee, vendor or subcontractor in writing by the Providing Party or its Affiliates.

6. Insurance. Each Party shall, to the extent commercially reasonable, maintain insurance covering such Party's risks as such Party shall determine to be reasonable and appropriate.

7. Term; Termination.

(a) The term of this Agreement (the "Term") shall, with respect to (i) the Seller Transition Services, commence as of the Closing Date and shall expire on _____, or upon such other date mutually agreed to by the Parties, and (ii) the Buyer Transition Services, commence as of the Closing Date and shall expire on _____, or upon such other date mutually agreed to by the Parties. This Agreement shall terminate with respect to the applicable Transition Services as of the applicable expiration of the Term unless earlier terminated in accordance with the terms and conditions of this Agreement.

(b) This Agreement, or specific Transition Services, may be terminated before the completion of the Term as follows:

(i) The Providing Party may terminate this Agreement with respect to the applicable Transition Services (and any Transition Services directly related thereto or dependent thereon) upon the applicable Receiving Party's default of any payment obligation therefor under this Agreement that is not cured within fifteen (15) days after the Providing Party provides written notice to the Receiving Party of default.

(ii) The Receiving Party, upon fifteen (15) days prior written notice to the Providing Party.

(c) NEHL will use its best efforts to retain the NEHL Employees during the Term. In the event any NEHL Employee terminates employment, dies, becomes disabled or is otherwise unable to provide Transition Services, the Transition Services provided by such former NEHL Employee shall be terminated and the applicable Fee shall be reduced by an amount equal to the mutually agreeable estimate of the aggregate monthly compensation paid to such former NEHL Employee.

(d) Prior to the expiration of the Term, NFG or one of its Affiliates shall be entitled (but in no event shall NFG or any of its Affiliates be required) to (A) make an offer of employment to, and negotiate terms of employment with, one or more NEHL Employees and/or (B) negotiate the terms of, and enter into a consulting arrangement with one or more NEHL Employees. If NFG exercises such right to make offers of employment to, or enter into any consulting arrangement with, any NEHL Employees, then NFG shall notify NEHL in writing. Upon receipt of such notice that a NEHL Employee has agreed to enter into an employment or consulting arrangement with NFG or one of its Affiliates or that NFG or one of its Affiliates has extended an offer of employment or engagement to a NEHL Employee, (a) NEHL shall terminate the employment of each such NEHL Employee effective as of the end of the day immediately prior to the date on which such employment or engagement commences and promptly thereafter pay to such employee any and all unpaid wages, salaries, commissions, bonuses, accrued vacation, sick time, and paid time off otherwise owed by NEHL to such NEHL Employee, and (b) effective as of the date on which such employment or engagement commences, the applicable Fee shall be reduced by an amount equal to the mutually agreeable estimate of the aggregate monthly compensation paid to such former NEHL Employee.

(e) Upon the termination of any specific Transition Services in accordance with this Agreement, all of the Receiving Party's payment obligations with respect to such Transition Services shall terminate, except for any accrued but unpaid amounts owed hereunder prior to such termination, which shall survive such termination.

(f) Upon termination or expiration of this Agreement, the Providing Party shall have no further obligation to provide any Transition Services; provided, however, that, notwithstanding any other provision of this Agreement, the rights and obligations of the Parties under Sections 2(i), 4, 5 (but solely with respect to the removal of any of Receiving Party's property from Providing Party's premises), 7(f), 8, 9, 10 and 12 and all of the Receiving Party's payment obligations with respect to any accrued but unpaid amounts owed hereunder subject to the terms and conditions of this Agreement shall survive any expiration or termination hereof.

8. Limitation of Liability. IN NO EVENT SHALL EITHER THE PROVIDING PARTY OR ITS AFFILIATES OR ITS OR THEIR REPRESENTATIVES, ON THE ONE HAND, OR THE RECEIVING PARTY, ITS AFFILIATES, OR ITS OR THEIR REPRESENTATIVES, ON THE OTHER HAND, BE LIABLE, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE TO THE OTHER PARTY FOR ANY INDIRECT OR PUNITIVE DAMAGES ARISING OUT OF THIS AGREEMENT, EXCEPT TO THE EXTENT PAYABLE PURSUANT TO A THIRD PARTY CLAIM; PROVIDED, THAT THIS WAIVER EXPRESSLY EXCLUDES ALL LIABILITY ARISING FROM (A) BREACHES OF THE NON-USE AND NON-DISCLOSURE OBLIGATIONS UNDER SECTION 4 ABOVE OR (B) A PARTY'S FRAUD OR WILLFUL MISCONDUCT.

9. Indemnification.

(a) Indemnification by the Receiving Party. The Receiving Party shall indemnify, defend and hold harmless the Providing Party, its Affiliates and their respective Representatives, successors and assigns (the "Provider Indemnitees"), from and against and in

respect of any and all Losses incurred by the Providing Party to the extent arising out of: (i) the performance by the Providing Party or any of its Affiliates or employees of any Transition Service pursuant to this Agreement, other than to the extent such Losses are the result of (A) the gross negligence or willful misconduct of the Providing Party or any of its Affiliates or their respective employees in the performance of, or failure to perform, this Agreement, or (B) a material breach of this Agreement by the Providing Party or any of its Affiliates or their respective employees; or (ii) any material breach of this Agreement by the Receiving Party or any of its Affiliates, it being acknowledged and agreed that the failure to pay any amounts due hereunder within the time required hereunder for such payment shall be deemed to be a material breach.

(b) Indemnification by the Providing Party. The Providing Party shall indemnify, defend and hold harmless the Receiving Party, and its respective Representatives, successors and assigns (collectively, the “Recipient Indemnitees”), from and against and in respect of any and all Losses incurred by the Receiving Party to the extent arising out of: (i) the gross negligence or willful misconduct of the Providing Party or any of its Affiliates or their respective employees in the performance of, or failure to perform, this Agreement; or (ii) a material breach of this Agreement by the Providing Party or any of its Affiliates or their respective employees.

(c) The rights of the Parties, the Provider Indemnitees and the Recipient Indemnitees to indemnification relating to this Agreement or the provision of the Transition Services shall be strictly limited to those set forth in Section 9(a) and 9(b), and a Party’s right to specific performance as set forth in this Agreement, and such indemnification rights and right to specific performance shall be the sole and exclusive remedies of the Parties, the Provider Indemnitees or the Recipient Indemnitees, as applicable, with respect to any matter in any way relating to this Agreement.

10. Dispute Resolution. In the event of any controversy, dispute or claim related to or arising out of this Agreement (a “Dispute”), within ten (10) Business Days of a request from a Party in writing, the Transition Service Managers shall meet (in person or by phone) to negotiate in good faith and attempt to resolve any such Dispute prior to pursuing other available remedies. If the Transition Service Managers are unable to resolve such Dispute within ten (10) Business Days of their initial meeting, then the Parties shall refer such Dispute to an executive of each of NEHL and NFG. In that event, such executives shall meet (in person or by phone) to negotiate in good faith and attempt to resolve any such Dispute prior to pursuing other available remedies. If such executives are unable to resolve such Dispute within ten (10) Business Days of their initial meeting, then (and only then) either Party may pursue an action in accordance with Sections 12.10, 12.11, 12.12 and 12.13 of the Purchase Agreement which shall apply *mutatis mutandis*.

11. Certain Definitions. The following capitalized terms are defined in this Agreement in the respective sections hereof indicated opposite each such term below:

<u>Term</u>	<u>Section Number</u>
NEHL Employees	2(a)
Discloser	4(a)
Disclosure Affiliate.....	4(a)

Dispute	10
Monthly Fee	3(a)
Proprietary Information	4(a)
Provider Indemnitees	9(a)
Providing Party	2(a)
Receiving Party	2(a)
Recipient	4(a)
Recipient Indemnitees.....	9(b)
Term.....	7(a)
Transition Service Expenses	3(c)
Transition Service Manager.....	2(d)
Transition Services.....	2(a)

12. Miscellaneous.

(a) The terms and conditions of Sections 12.1, 12.2, 12.10, 12.11, 12.12 and 12.13 of the Purchase Agreement are incorporated by reference herein *mutatis mutandis*.

(b) Amendment. This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed by a duly authorized representative on behalf of NEHL and NFG.

(c) Independent Contractor Status. Nothing contained in this Agreement shall be deemed to constitute a single employer, joint employer, co-employer, alter-ego, agency, partnership, joint venture or similar relationship, or a fiduciary or other relationship of trust, between the Providing Party or any of its Affiliates, on the one hand, and the Receiving Party or any of the Receiving Party’s Affiliates, on the other hand. The Providing Party and its Affiliates are acting pursuant to this Agreement solely as independent contractors.

(d) No Implied Assignments or Licenses. Nothing in this Agreement is to be construed as an assignment or grant of any right, title or interest in any Intellectual Property.

(e) Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) and the Purchase Agreement (to the extent, and only for the purposes, of the incorporation of defined terms pursuant to Section 1 and the incorporation of those certain provisions of the Purchase Agreement pursuant to Section 12(a)) constitute the entire agreement, and supersede all prior written agreements, arrangements, communications and understandings and all prior and contemporaneous oral agreements, arrangements, communications and understandings between the Parties, with respect to the subject matter hereof and thereof. Notwithstanding any oral agreement or course of conduct of the Parties or their Affiliates or Representatives to the contrary, no Party shall be under any legal obligation to enter into or complete the transactions contemplated hereby unless and until this Agreement shall have been executed and delivered by each of the Parties.

(f) Purchase Agreement. Except as explicitly stated herein, nothing contained in this Agreement is intended or shall be construed to amend or modify in any respect, or constitute a waiver of, any of the rights or obligations of the Parties under the Purchase Agreement.

(g) Waiver. No failure or delay of either party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereunder are cumulative and are not exclusive of any rights or remedies which they would otherwise have hereunder. Any agreement on the part of either party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by a duly authorized officer on behalf of such party.

(h) Third Party Beneficiaries. Except as provided in Sections 8 and 9, nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the parties and their respective successors and permitted assigns any legal or equitable right, benefit or remedy of any nature under or by reason of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

NEHL

NORTH EAST HEAT & LIGHT CO.

By: _____
Name:
Title:

NFG

**NATIONAL FUEL GAS DISTRIBUTION
CORPORATION**

By: _____
Name:
Title:

EXHIBIT A

TRANSITION SERVICES

SELLER TRANSITION SERVICES

Services	Employees and Titles	Monthly Fee ^{1 2}
NEHL shall provide NFG with access to and support with the software licensed by NEHL pursuant to that certain Sales Agreement with Continental Utility Solutions, Inc. dated July 29, 2021	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
Collection on any outstanding misc. invoices not related to customer utility bills, i.e. invoices for miscellaneous damages, etc. All cash management and banking services will be transitioned as soon as		

<p>possible. Seller will assist buyer with questions and information needed regarding banking service transition.</p> <p>Escheatment of any utility refunds and/or vendor checks on outstanding check listing to the appropriate states</p> <p>All invoices received through XX/XX/XXX shall be paid by seller. All invoices received after this date will be sent to the buyer for payment.</p> <p>If applicable, execute any Form-1099s that would be required, whether they are related to the current year or corrections resulting from a prior year.</p> <p>Seller shall provide reasonable support to buyer's Accounts Payable staff, as it relates to overdue invoices, credit memos, customer issues and/or general questions about invoices due or Form-1099, as related to the seller.</p>		
<p>NFG shall be provided NEHL employee(s) with knowledge of required regulatory filings for at least 6 months. Employee(s) should know models and calculations supporting the tariff, customer rates and rate</p>	<p>[Employees of NEHL, if any, shall be insert prior to the Effective Time]</p>	<p>At NEHL's actual cost.</p>

mechanisms. Documentation, models and calculations should be provided to NFG.		
NEHL shall perform customer billing, payment collection and customer correspondence services until such time as customers are integrated into NFG's system.	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
NEHL shall handle any customer inquiries (eg., billing, collections, payment, field service orders, emergency response, etc.) until such time as customers are integrated into NFG's system.	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
NEHL shall provide NFG with access to and provide support with the Neptune AMR hardware. (Including training on collection, processing, troubleshooting, changing batteries, changing ERTs on meters as well as changing meters and associating with ERTs)	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
NEHL shall provide all pipeline inspection records dating in	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.

alignment with NFG's record retention requirements		
NEHL shall provide all PUC audit records for the past XX years.	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
NEHL shall coordinate with NFG with providing customer communication of the forthcoming acquisition and support transitional steps to ensure ongoing customer service, emergency response, compliance inspections, and line locating. This also includes routing emergency phone numbers and posting NFGs emergency numbers where NEHL numbers are currently posted, such as signage, line marking, etc.	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
NEHL to provide an updated map in electronic format for NFG to add a map layer in the GIS viewer. NEHL shall respond to Pa One Calls until this is in place	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
NEHL to provide access to all service line records to be scanned into OnBase and entered into NFG service line system. NEHL shall respond to Pa One Calls until this is in place.	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
NEHL shall train at least 2 NFG embedded employees with all facets	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.

of the company to include; customer service system, meter reading system and billing process, pipeline inspections and inspection data, meter calibration / certification including inventory, calibration of all gas detection tools and records, line locating process and completed records		
NEHL to assist with data conversion and formatting data as necessary for NFGs operating systems.	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
NEHL to provide all necessary customer and system data to include, addresses, streets, premise information including apartments or multi-dwellings with associated meter locations, meters with status, and service line information.	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
	[Employees of NEHL, if any, shall be insert prior to the Effective Time]	At NEHL's actual cost.
¹ For any partial period, the Fee will be prorated according to the number of calendar days in such period. ² The Fee shall be subject to adjustment as set forth in the Agreement.		

BUYER TRANSITION SERVICES

Services	Employees and Titles	Fee ^{1 2}
None.		

¹ For any partial period, the Fee will be prorated according to the number of calendar days in such period.

² The Fee shall be subject to adjustment as set forth in the Agreement.

SCHEDULE 1
TRANSITION SERVICE MANAGERS

NEHL:

NFG:

EXHIBIT 3.2.1(a)

BILL OF SALE

1. **Sale and Transfer of Assets.** For good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, and as contemplated by the Asset Purchase Agreement dated as of _____, 2025 (the "Purchase Agreement"), by and among NATIONAL FUEL GAS DISTRIBUTION CORPORATION (the "Purchaser"), and NORTH EAST HEAT & LIGHT CO. (the "Seller"), and its shareholder, Samuel M. Miller (the "Shareholder"), Seller hereby sells, transfers, assigns, conveys, grants and delivers to Purchaser, effective as of the Closing Date and Effective Time, all of the assets and the acquired Business of Seller, other than the Excluded Assets, and including, without limitation, the Assets as such term is defined in the Purchase Agreement (collectively the "Purchased Assets"), a complete list of which is incorporated herein by reference as if fully set forth, free and clear of all liens, security interests and encumbrances.

TO HAVE AND TO HOLD the Purchased Assets, properties and rights transferred, conveyed, and assigned hereinabove unto Purchaser, its successors and assigns, and for its and their own use forever.

2. **Further Actions.** Seller covenants and agrees to warrant and defend the sale, transfer, assignment, conveyance, grant and delivery of the Purchased Assets hereby made against all persons whomsoever, to take all steps reasonably necessary to establish the record of Purchaser's title to the Purchased Assets, all at the sole cost and expense of Seller, and, at the request of Purchaser, to execute and deliver further instruments of transfer and assignment and take such other action as Purchaser may reasonably request to more effectively transfer and assign to and vest in Purchaser each of the Purchased Assets.

3. **Power of Attorney.** Without limiting Section 2 hereof, Seller hereby constitutes and appoints Purchaser the true and lawful agent and attorney in fact of Seller, with full power of substitution and re-substitution, in whole or in part, in the name and stead of Seller but on behalf and for the benefit of Purchaser and its successors and assigns, from time to time:

(a) to demand, receive and collect any and all of the Purchased Assets and to give receipts and releases for and with respect to the same, or any part thereof;

(b) to institute and prosecute, in the name of Seller or otherwise, any and all proceedings at law, in equity or otherwise, that Purchaser or its successors and assigns may deem proper in order to collect or reduce to possession any of the Purchased Assets and in order to collect or enforce any claim or right of any kind hereby assigned or transferred, or intended so to be; and

(c) to do all things legally permissible, required or reasonably deemed by Purchaser to be required to recover and collect the Purchased Assets and to use Seller's name in such manner as Purchaser may reasonably deem necessary for the collection and recovery of same, Seller hereby declaring that the foregoing powers are coupled with an interest and are and shall be irrevocable by Seller.

4. Terms of the Purchase Agreement. The terms of the Purchase Agreement, including but not limited to Seller's representations, warranties, covenants, agreements and indemnities relating to the Purchased Assets, and the provisions related to choice of law and indemnification, are incorporated herein by this reference. Seller acknowledges and agrees that the representations, warranties, covenants, agreements, and indemnities contained in the Purchase Agreement shall not be superseded hereby but shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between the terms of the Purchase Agreement and the terms hereof, the terms of the Purchase Agreement shall govern. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Purchase Agreement.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale effective as of the ___ day of _____ 2025.

SELLER:

NORTH EAST HEAT & LIGHT CO.

By: _____
_____, _____

EXHIBIT 3.2.1(b)

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Agreement") is made and entered into as of _____, 2025 and effective as of the Effective Time (as defined in Section 1 hereof), by and among NORTH EAST HEAT & LIGHT CO., a Pennsylvania corporation (the "Assignor") and NATIONAL FUEL GAS DISTRIBUTION CORPORATION (the "Assignee").

WHEREAS, Assignor and Assignee are parties to an Asset Purchase Agreement dated _____, 2025 (the "Purchase Agreement"), pursuant to which Assignee has agreed to purchase and Assignor has agreed to sell certain Assets; and

WHEREAS, in connection with the sale and purchase of the Assets, Assignor has agreed to assign certain rights, agreements and contracts to Assignee and Assignee has agreed to assume certain obligations of Assignor, as set forth herein, and this Assignment and Assumption Agreement is contemplated by the Purchase Agreement.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt, adequacy, and legal sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. Assignment and Assumption. Effective as of the Effective Time on the Closing Date (the "Effective Time"), and as contemplated by the Purchase Agreement, Assignor hereby assigns, sells, transfers and sets over (collectively, the "Assignment") to Assignee all of Assignor's burdens, obligations and liabilities that are to be performed, paid or discharged after the Effective Time, to the extent not theretofore performed, paid or discharged, in connection with each of the purchase orders, contracts and agreements set forth on Schedule 1.1.3 to the Purchase Agreement which is incorporated herein by reference (the "Assumed Contracts"). The Assumed Contracts shall include only the purchase orders, contracts and agreements set forth on Schedule 1.1.3 to the Purchase Agreement and shall not include any other contracts, agreements, leases commitments, instruments, guarantees, bids, purchase orders or proposals. At the Effective Time, Assignee hereby accepts the Assignment and assumes and agrees to perform, pay and discharge all of the liabilities of Assignor that are to be observed, performed, paid or discharged after the Effective Time in connection with the Assumed Contracts. Other than the Assumed Contracts, Assignee assumes no other debts, liabilities, or obligations of any nature whatsoever of Seller.

2. Further Actions. Each of the parties hereto covenants and agrees, at its own expense, to execute and deliver, at the request of one of the other parties hereto, such further instruments of consent, transfer, and assignment and to take such other action as such other party may reasonably request to more effectively consummate the consents, assignments and assumptions contemplated by this Agreement.

3. Terms of the Purchase Agreement. The terms of the Purchase Agreement, including but not limited to Seller's representations, warranties, covenants, agreements and

indemnities relating to the Assumed Liabilities, and the provisions related to choice of law and indemnification, are incorporated herein by this reference. Seller acknowledges and agrees that the representations, warranties, covenants, agreements, and indemnities contained in the Purchase Agreement shall not be superseded hereby but shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between the terms of the Purchase Agreement and the terms hereof, the terms of the Purchase Agreement shall govern. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Purchase Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement to be duly executed on their respective behalf, or by their respective officers thereunto duly authorized, all as of the day and year first above written.

ASSIGNOR:

NORTH EAST HEAT & LIGHT CO.

By: _____
_____, _____

ASSIGNEE:

NATIONAL FUEL GAS DISTRIBUTION
CORPORATION

By: _____
_____, _____

EXHIBIT 3.2.1(c)

**ASSIGNMENT, CONVEYANCE AND
BILL OF SALE OF PIPELINES AND FACILITIES**

THIS ASSIGNMENT, CONVEYANCE AND BILL OF SALE OF PIPELINES AND FACILITIES, made and entered into this ___ day of _____, 2025, by and between North East Heat and Light Co., a Pennsylvania entity, with an address of _____ ("Assignor"), and National Fuel Gas Distribution Corporation, a New York corporation with an address of _____ ("Assignee").

WITNESSETH

IN CONSIDERATION of _____ and 00/100 Dollars (\$ _____), and intending to be legally bound hereby, the parties hereto agree as follows:

1. Pipelines and Right of Ways. Assignor does hereby grant, convey, assign, transfer, sell, and set over unto Assignee all those certain natural gas pipelines located in the County of _____ and in the State/Commonwealth of _____, and more particularly described in Schedule "A" and depicted in that certain drawing in Schedule "A-2" attached hereto and incorporated herein, identified as _____ (collectively, the "**Pipelines**") and any and all right of way or other agreements necessary for the operation thereof, including but not limited to those described in Schedule "B," attached hereto and incorporated herein. This Assignment is expressly made subject to all of the terms, conditions, covenants and rentals contained and set forth in the agreements being assigned herein. Assignee expressly covenants and warrants that it will abide by and comply with all of the terms and conditions of the agreements, insofar as such terms, conditions, and obligations are applicable to the rights herein assigned.

2. Personal Property. Assignor further grants, conveys, bargains, sells, transfers, assigns, and sets over unto Assignee all of its right, title, and interest in personal property and other rights necessary to operate the Pipelines located in the right of ways described in the agreements described in Schedule "B", including title to the meters, right of way agreements, road grants, all appurtenant rights and privileges that are necessary and convenient for the operation of the existing pipelines, and all other equipment located on the Pipelines in the right of ways.

3. Warranty of Title. Assignor hereby warrants title to the Pipelines, right of ways and agreements further described in Schedule B. The warranty will include the right of way agreements, pipelines, and appurtenances located thereon free and clear of all liens, encumbrances, security interests and operating agreements.

4. Documents. Assignor shall provide Assignee with all documents that may be in Assignor's possession or available to Assignor that relate to the Pipelines, including, but not limited to, leases, assignments, abstracts of title, permits, documents, internal inspection reports, and similar inspection reports from the regulatory agencies in the State/Commonwealth of _____ ("**Documents**"). Assignor shall deliver the said Documents to Assignee at or immediately following the execution of this Assignment.

5. Indemnification. Assignor herein agrees to indemnify and hold Assignee harmless from and against any and all liabilities of any kind in connection with the operation of the Pipelines and ownership of the rights of way prior to the date hereof. Assignee shall indemnify and hold Assignor harmless from any and all liabilities of any kind in connection with the ownership and operation of the Pipelines from and after the date hereof.

6. Further Assurances. Assignor will execute and deliver to Assignee such further instruments of conveyance, assignment, transfer, endorsement, direction, or authorization and take such other action as Assignee or its counsel shall deem advisable in order to convey, transfer, vest, and confirm in Assignee the Pipelines, together with all right of ways, meters, meter site agreements, road grants, and all other rights whatsoever that may be owned or claimed by Assignor and appurtenant to the said Pipelines.

7. Binding. This Assignment shall be binding upon and shall endure to the benefit of the parties hereto and their heirs, executors, administrators, successors, and assigns. This agreement, the exhibits, and other documents referred to herein contain the entire agreement of the parties hereto with respect to the subject matter hereof, and may be amended only by a written instrument executed by the parties or their respective successors and assigns.

TO HAVE AND TO HOLD the said Pipelines and other rights being conveyed herein, and their hereditaments and premises herein granted and mentioned, and intending so to be with the appurtenances unto the said Assignee, its successors, and assigns forever.

[signature page follows]

IN WITNESS WHEREOF, the parties have hereunto executed this Assignment the day and year first above written.

WITNESS:

ASSIGNOR:

North East Heat & Light Co.

By: _____

Name: _____

Title: _____

WITNESS:

ASSIGNEE:

National Fuel Gas Distribution Corporation

By: _____

Name: _____

Title: _____

STATE OF _____)
)
COUNTY OF _____) SS:

On this, the ___ day of _____, 2025, before me, the undersigned officer, personally appeared _____, who acknowledged him/herself to be the _____ of North East Heat & Light Co., a Pennsylvania entity, and that he/she as such officer, being authorized to do so, executed the foregoing instrument for the purposes contained therein by signing the name of the entity by him/herself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

STATE OF _____)
)
COUNTY OF _____) SS:

On this, the ___ day of _____, 2025, before me, the undersigned officer, personally appeared _____, who acknowledged him/herself to be the _____ of National Fuel Gas Distribution Corporation, a New York corporation, and that he/she as such officer, being authorized to do so, executed the foregoing instrument for the purposes contained therein by signing the name of the corporation by him/herself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

EXHIBIT 3.2.1(d)

INTELLECTUAL PROPERTY ASSIGNMENT

This Intellectual Property Assignment (the "Assignment") is made and entered into as of _____, 2025, by and among NATIONAL FUEL GAS DISTRIBUTION CORPORATION (the "Assignor"), and NORTH EAST HEAT & LIGHT CO. (the "Assignee").

WHEREAS, Assignor and Assignee are parties to an Asset Purchase Agreement dated _____, 2025 (the "Purchase Agreement"), pursuant to which Assignee has agreed to purchase and Assignor has agreed to sell certain Assets; and

WHEREAS, in connection with the sale and purchase of the Assets, Assignor has agreed to assign its right, title and interest to certain Intangible Assets as identified and set forth on Schedule 1.1.8 to the Purchase Agreement (the "Assigned Intellectual Property"), and this Intellectual Property Assignment is contemplated by the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Assignor by these presents does hereby convey, transfer, assign, set over and deliver unto Assignee, free and clear of all liens, security interests and encumbrances, all right, title, good will, and interest in and to the above-identified Assigned Intellectual Property, together with all rights of action accrued to, and to accrue under and by virtue thereof.

This Assignment is made and is effective _____, 2025.

ASSIGNOR:

NATIONAL FUEL GAS DISTRIBUTION
CORPORATION

By: _____
_____, _____

ASSIGNEE:

NORTH EAST HEAT & LIGHT CO.

By: _____
_____, _____

Schedule 1.1.1(a)
Leases and Easements

RAILROAD

Name

Saiph XII, LLC
NY Central Railroad

Road/Parcel

RT 89
Pearl St - Print No. 38819

COMMERCIAL

Name

North Coast Warehousing & Distribution, LLC
Welch Foods, Inc
First Baptist Church
Erie County Industrial Park
Beach Realty Corporation / Ridg U Rak
Cecelia Loop - Electric Materials Company
Robert Loop - Electric Materials Company
Emmitt Eades - Electric Materials Company
Erie County Industrial Development Authority & Iroquois Tool Systems
Electric Materials Company

Road/Parcel

E Main St/ 36-004-0 & 36-004-036.0-010.0236.0-012.00
S Lake St
12 S Pearl St Deed Book 957.343.966-297
Smedley St
Smedley St & Clay St
516-548-11-64-5
118-359-11-54-13-36
1631-8-11-64-1-36
101 Loomis St
S Washington St

RESIDENTIAL

Name

Josephine Necastro
Happy Homes Enterprises, Inc
Happy Homes Village & Virginia Bernet
Samuel & Nancy Gonzalez
Herbert & Jeanne Mallick
Ellen Howard
Jane Munn
Mary, W. Tad, Martin and Nancy Bowers
Donlar Development Company, Inc
Harold & Beth Pubite
Salcone Realty
Norman Miller
Richard Minier
James Gilbert
Phillip Herman

Road/Parcel

South Pearl St - Palace Hotel
Wellington Heights Subdivision Deed Book 1043 pg 308
Loomis St -Deed Book 1043 pg 402
117 Grahamville St
Borough of North East
15 Clay St
21 Clay St
11 Clay St
Skelly Dr & Eaton Dr. (shared with PENELEC & GTE)
Rd #2 & Cherry Hill Rd
South Washington & Shaddock Rd
Oxbow Rd 12.01 Map 30
Cedar Mill Rd 8.02 Map 30
Cedar Hill Rd
Cedar Hill Rd

Schedule 1.1.1(b)
System Assets

The total natural gas distribution system and assets for the provision of gas distribution service in North East Borough and Township, including but not limited to, distribution mains, services, meters, valves, fittings, materials and supplies owned by Seller that are not identified in Schedule 1.2 (Excluded Assets). The distribution system is contained within the area identified on the maps attached hereto as Exhibit A. The specific components of the system include, but are not limited to, the components set forth in the Annual Report for Calendar Year 2024 Gas Distribution System attached hereto as Exhibit B.

EXHIBIT A

Exhibit A contains a detailed Map of NEHL's service territory, including mains, and will only be provided pursuant to a Stipulated Protective Agreement.

EXHIBIT B

NOTICE: This report is required by 49 CFR Part 191. Failure to report may result in a civil penalty. OMB No. 2137-0629 provided in 49 USC 60122.

OMB NO: 2137-0629
EXPIRATION DATE: 6/30/2026

 U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration	ANNUAL REPORT FOR CALENDAR YEAR 2024 GAS DISTRIBUTION SYSTEM	Initial Date Submitted:	03/14/2025
		Report Submission Type	INITIAL
		Date Submitted:	

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2137-0629. Public reporting for this collection of information is estimated to be approximately 20 hours per response, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, PHMSA, Office of Pipeline Safety (PHP-30) 1200 New Jersey Avenue, SE, Washington, D.C. 20590.

Important: Please read the separate instructions for completing this form before you begin. They clarify the information requested and provide specific examples. If you do not have a copy of the instructions, you can obtain one from the PHMSA Pipeline Safety Community Web Page at <http://www.phmsa.dot.gov/pipeline/library/forms>.

PART A - OPERATOR INFORMATION		(DOT use only)	20251297-73100
1. Name of Operator		NORTH EAST HEAT & LIGHT CO	
2. LOCATION OF OFFICE (WHERE ADDITIONAL INFORMATION MAY BE OBTAINED)			
2a. Street Address		10700 West Main Rd	
2b. City and County		North East Erie	
2c. State		PA	
2d. Zip Code		16428	
3. OPERATOR'S 5 DIGIT IDENTIFICATION NUMBER		13620	
4. HEADQUARTERS NAME & ADDRESS			
4a. Street Address		10700 WEST MAIN RD	
4b. City and County		NORTH EAST	
4c. State		PA	
4d. Zip Code		16428	
5. STATE IN WHICH SYSTEM OPERATES		PA	
6. THIS REPORT PERTAINS TO THE FOLLOWING COMMODITY GROUP (Select Commodity Group based on the predominant gas carried and complete the report for that Commodity Group. File a separate report for each Commodity Group included in this OPID.)			
Natural Gas			
7. THIS REPORT PERTAINS TO THE FOLLOWING TYPE OF OPERATOR (Select Type of Operator based on the structure of the company included in this OPID for which this report is being submitted.):			
Privately Owned			

PART B - SYSTEM DESCRIPTION											
1.GENERAL											
	STEEL				PLASTIC	CAST/ WROUGHT IRON	DUCTILE IRON	COPPER	OTHER	RECONDITION ED CAST IRON	SYSTEM TOTAL
	UNPROTECTED		CATHODICALLY PROTECTED								
	BARE	COATED	BARE	COATED							
MILES OF MAIN	9.14		0.53		46.1	0.53	0	0	0	0	56.3
NO. OF SERVICES	922				1606	0	0	0	0	0	2528

2. MILES OF MAINS IN SYSTEM AT END OF YEAR							
MATERIAL	UNKNOWN	2" OR LESS	OVER 2" THRU 4"	OVER 4" THRU 8"	OVER 8" THRU 12"	OVER 12"	SYSTEM TOTALS
STEEL	0	4.1	3.74	1.83	0	0	9.67
DUCTILE IRON	0	0	0	0	0	0	0
COPPER	0	0	0	0	0	0	0
CAST/WROUGHT IRON	0	0.53	0	0	0	0	0.53
PLASTIC PVC	0	0	0	0	0	0	0
PLASTIC PE	0	27.11	18.09	0.9	0	0	46.1
PLASTIC ABS	0	0	0	0	0	0	0
PLASTIC OTHER	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0
RECONDITIONED CAST IRON	0	0	0	0	0	0	0
TOTAL	0	31.74	21.83	2.73	0	0	56.3

Describe Other Material:

3. NUMBER OF SERVICES IN SYSTEM AT END OF YEAR				AVERAGE SERVICE LENGTH: 56.8			
MATERIAL	UNKNOWN	1" OR LESS	OVER 1" THRU 2"	OVER 2" THRU 4"	OVER 4" THRU 8"	OVER 8"	SYSTEM TOTALS
STEEL	0	251	663	8	0	0	922
DUCTILE IRON	0	0	0	0	0	0	0
COPPER	0	0	0	0	0	0	0
CAST/WROUGHT IRON	0	0	0	0	0	0	0
PLASTIC PVC	0	0	0	0	0	0	0
PLASTIC PE	0	7	1589	9	1	0	1606
PLASTIC ABS	0	0	0	0	0	0	0
PLASTIC OTHER	0	0	0	0	0	0	0
OTHER	0	0	0	0	0	0	0
RECONDITIONED CAST IRON	0	0	0	0	0	0	0
TOTAL	0	258	2252	17	1	0	2528

Describe Other Material:

4. MILES OF MAIN AND NUMBER OF SERVICES BY DECADE OF INSTALLATION												
	UNKNOWN	PRE-1940	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2009	2010-2019	2020-2029	TOTAL
MILES OF MAIN	0	3.37	0.53	3.79	1.93	9.8	6.97	12.61	7.97	7.36	1.94	56.27
NUMBER OF SERVICES	0	341	98	138	189	437	302	408	290	232	93	2528

PART C - TOTAL LEAKS AND HAZARDOUS LEAKS ELIMINATED/REPAIRED DURING THE YEAR				
CAUSE OF LEAK	MAINS		SERVICES	
	TOTAL	HAZARDOUS	TOTAL	HAZARDOUS
CORROSION FAILURE	3		15	
NATURAL FORCE DAMAGE				
EXCAVATION DAMAGE				
OTHER OUTSIDE FORCE DAMAGE				
PIPE, WELD OR JOINT FAILURE	2			

EQUIPMENT FAILURE	3		
INCORRECT OPERATIONS			
OTHER CAUSE	2		

NUMBER OF KNOWN SYSTEM LEAKS AT END OF YEAR SCHEDULED FOR REPAIR : 0
NUMBER OF HAZARDOUS LEAKS INVOLVING A MECHANICAL JOINT FAILURE : 0

PART D – EXCAVATION DAMAGE

Notification Issue Sub-Total	Location Issue Sub-Total
No notification made to the One-Call Center/811	Facility not marked due to Abandoned facility
Excavator dug outside area described on ticket	Facility not marked due to Incorrect facility records/maps
Excavator dug prior to valid start date/time	Facility not marked due to Locator error
Excavator dug after valid ticket expired	Facility not marked due to No response from operator/contract locator
Excavator provided incorrect notification information	Facility not marked due to Incomplete marks at damage location
	Facility not marked due to Tracer wire issue
Excavation Issue Sub-Total	Facility not marked due to Unlocatable Facility
Excavator dug prior to verifying marks by test-hole (pothole)	Facility marked inaccurately due to Abandoned facility
Excavator failed to maintain clearance after verifying marks	Facility marked inaccurately due to Incorrect facility records/maps
Excavator failed to protect/shore/support facilities	Facility marked inaccurately due to Locator error
Improper backfilling practices	Facility marked inaccurately due to Tracer wire issue
Marks faded or not maintained	
Improper excavation practice not listed above	
Miscellaneous Root Causes Sub-Total	
Deteriorated facility	
One Call Center Error	
Previous damage	1. Total Excavation Damages
Root Cause not listed	2. Number of Excavation Tickets
	0
	546

PART E – RESERVED	
PART F - LEAKS ON FEDERAL LAND	PART G – PERCENT OF UNACCOUNTED FOR GAS
TOTAL NUMBER OF LEAKS ON FEDERAL LAND REPAIRED OR SCHEDULED TO REPAIR: <u>0</u>	<p>UNACCOUNTED FOR GAS AS A PERCENT OF TOTAL CONSUMPTION FOR THE 12 MONTHS ENDING JUNE 30 OF THE REPORTING YEAR.</p> <p>[(PURCHASED GAS + PRODUCED GAS) MINUS (CUSTOMER USE + COMPANY USE + APPROPRIATE ADJUSTMENTS)] DIVIDED BY (CUSTOMER USE + COMPANY USE + APPROPRIATE ADJUSTMENTS) TIMES 100 EQUALS PERCENT UNACCOUNTED FOR.</p> <p>FOR YEAR ENDING 6/30: <u>0.61%</u></p>
PART H - ADDITIONAL INFORMATION	
PART I - PREPARER	
<u>M Carol Courtney Accountant</u> (Preparer's Name and Title)	<u>(814) 725-5331</u> (Area Code and Telephone Number)
<u>courtney.nehl@gmail.com</u> (Preparer's email address)	<u>(000) 000-0000</u> (Area Code and Facsimile Number)

Schedule 1.1.1(e)
Specific Items of Equipment

Automated meter reading equipment

Lenovo Laptop

Trimble Ranger 3 Handheld

Trimble Ranger 3 Charger

Trimble Ranger 3 Mouse

MRX920v4 Mobile Unit

Neptune Software

All replacement parts and batteries

Schedule 1.1.6
Assumed Contracts

1. Service Agreement dated August 1, 1993 between Seller and National Fuel Gas Supply Corporation. This contract requires consent to assignment.
2. Base Contract for Sale and Purchase of Natural Gas dated September 1, 2018 between Seller and Snyder Brothers Inc. This contract requires consent to assignment.

Schedule 1.1.8
Intangible Property Rights

1. <http://nehlco.com>
2. e-mail: inquires@nehlco.com
3. Phone number: (814) 725-4302

**Schedule 1.1.10
Insurance Policies**

Great Lakes Insurance Services Group, LLC

Commercial General Liability – Markel Insurance Company

Policy #AWUP000116-4

Property and Auto Insurance – Erie Insurance Exchange

Policy #Q45-0154229

Worker’s Compensation – Flagship City Insurance

Policy #Q85-5900148

Schedule 1.1.11
Transferrable Permits

None

Schedule 1.2

Excluded Assets

Property

NEHL operations property and buildings, including furnishings and office equipment including but not limited to, computers, printers/copiers, envelope stuffer, filing cabinets, etc. located at 10700 W Main Rd. 10700 W Main Rd property and buildings owned by Shareholder.

Vehicles

2006 GMC Savannah – VIN 1GDJG312861171837
2007 GMC Savannah – VIN 1GDHG31U071241509
2007 Chevrolet C4500 Kodiak – VIN 1GBE4E3977F417807
2004 Ford F650 Dump Truck – VIN 3FRNF652X4V603359
2009 Cadillac Escalade SUV – VIN 1GTFK23279R291922
2014 Cadillac Escalade SUV – VIN 1GYS4BEF4ER209681
2015 Ford Transit Van – Short Wheel Base – VIN NM0LS6E79F1210449
2019 Honda Ridgeline – VIN 5FPYK3F74KB013235

1993 Paris Trailer – VIN 154BC2029PT005018
1997 Hudson Trailer – VIN 10HHTR185V1000022
2011 Gator Trailer – VIN 4Z1GF2521BS018403

2015 Ford Transit Van – Long Wheel Base – VIN NM0LS7E70F1209969

Equipment

1994 John Deere 855 Tractor Loader/Hoe
2010 John Deere 3520 Tractor Loader/Hoe
1999 Ditch Witch 7020
2000 Case 580L Backhoe
2004 JLG 600A Lift
2006 JLG MVL15 Lift
1997 Ingersol Rand Compressor 250
2000 Hotsy Pressure Washer
2011 John Deere 997 Mower
2021 DeSite topsoil screener
1978 Mini asphalt roller
Miscellaneous small generators and pumps

Other Inventory

Tools, regulators, spare parts, etc. used in the business
not otherwise specified specifically identified as an asset being acquired by Purchaser.

Schedule 1.2.3
Benefit Plans

Vicary Insurance Agency LLC

Health Insurance -Highmark BCBS PPO - Group #10832340

Vision Insurance – VBA - Group #8253

Manufacturers' Business Association

Dental Insurance - Delta Dental - #Group 19035

Schedule 1.2.5
Excluded Contracts

1. Software License SaaS Agreement dated effective July 29, 2021 between Continental Utility Solutions, Inc. and Seller.
2. Copier Maintenance Agreement dated November 9, 2024 between Hagan Business Machines, Inc. and Seller.

Schedule 1.3.8
Assumed Liabilities, Obligations and Commitments

None

Schedule 2.4
Allocation of Purchase Price

Class I	Cash	\$0
Class II	CD's, Securities, Etc.	0
Class III	Accounts Receivable	As Determined in Calculation of Adjustment Amount
Class IV	Inventory	As Determined in Calculation of Adjustment Amount
Class V	Other Assets (Net PP&E)	1,027,011
Class VI	Section 197 Intangibles	0
Class VI	Goodwill	<u>Balance of Purchase Price</u>
Total Consideration		<u>\$See Notes Below</u>

Notes:

Class I	Cash free acquisition, therefore zero cash balance
Class II	No CDs or other cash-like assets acquired
Class III	Consists of A/R balances. Also includes over & under collected GCR balances which currently offset to a net ~\$6k balance. Note that the over collected balance is included in the liabilities on the balance sheet
Class IV	Represents gas stored underground balance
Class V	Gross PP&E less accumulated depreciation
Class VI	No section 197 intangibles included in acquisition
Class VII	Goodwill is the difference between total consideration (cash plus acquired liabilities) and the value of assets (Class I - VI) acquired
Purchase Price	Equals the cash consideration of \$1.310 million plus the liabilities NFG will acquire. Note that the liability for over collected GCR balance is excluded from liabilities as it is assumed to net against the under collected GCR asset balance.

Schedule 4.9
Material Contracts

- (i)
 - 1. Service Agreement dated August 1, 1993 between Seller and National Fuel Gas Supply Corporation.
 - 2. Base Contract for Sale and Purchase of Natural Gas dated September 1, 2018 between Seller and Snyder Brothers, Inc.
 - 3. All contract with customers of Seller for the provision of natural gas.
 - 4. Software License SaaS Agreement dated effective July 29, 2021 between Continental Utility Solutions, Inc. and Seller.
- (ii) None.
- (iii) None.
- (iv)
 - 1. Service Agreement dated August 1, 1993 between Seller and National Fuel Gas Supply Corporation.
 - 2. Base Contract for Sale and Purchase of Natural Gas dated September 1, 2018 between Seller and Snyder Brothers, Inc.
- (v) None.
- (vi) None.
- (vii) None.
- (viii) None.
- (ix) None.
- (x) None.
- (xi) None.
- (xii) None.
- (xiii) None.
- (xiv) None.
- (xv) None.
- (xvi) None.
- (xvii) None.

Schedule 4.9.4
Conflicts/Consent Required

1. All necessary approvals and/or waiver of approvals by the FERC and/or Pennsylvania Public Utility Commission for National Fuel Gas Distribution Corporation to acquire the assets under the Agreement and to begin to provide service to all customers in the service territory formerly served by Seller.
2. Service Agreement dated August 1, 1993 between Seller and National Fuel Gas Supply Corporation.
3. Base Contract for Sale and Purchase of Natural Gas dated September 1, 2018 between Seller and Snyder Brothers, Inc.

**Schedule 4.15
Business Employees**

<u>Employee and Job Title</u>	<u>Job Description</u>	<u>Birth Date</u>	<u>NEHL Start Year</u>	<u>Full/Part-time</u>	<u>Hourly Rate</u>	<u>Annual Wages</u>
Samuel Miller, President	Owner, General Manager of Company Operations	11/29/1958	1984	Full time Salary-exempt	\$ 98.18	\$ 204,214.40
Holly Ferruggia, Office Manager	Office Mgr, A/R, A/P, Customer Service, PUC Reporting, Collections, Gas Billing & Mailing, PR, HR, Purchasing, PUC Gas Cost Filing, Gas Accounting, Tariff Revisions & Reports	3/6/1984	2021	Full time non-exempt	\$ 30.00	\$ 62,400.00
Shawn Hubbard, Fieldwork Supervisor	Gas Systems Maintenance, Pipeline Construction & Management, Mapping, Gas Procurement & Gas Accounting, Metering, PUC Gas Cost Filing, PUC Compliance	10/3/1976	2013	Full time non-exempt	\$ 28.00	\$ 58,240.00
M Carol Courtney, Staff Accountant	General Company Accounting, Fixed Asset & Depreciation Schedules, Bookkeeping Overview, PUC Gas Cost Filing, Gas Accounting, Tariff Revisions & Reports	3/7/1949	2000	Part time non-exempt	\$ 60.00	\$ 62,400.00
Teri McChesney, Bookkeeper	Bookkeeping, Reconciliations, Payroll, Taxes, A/P, HR	10/19/1969	2024	Part time non-exempt	\$ 25.00	\$ 15,600.00
Abigail Mosher, Clerical	Accounts Receivable, Customer Service, Meter Deposits, Collections, Gas Billing & Mailing	7/15/1983	2024	Part time non-exempt	\$ 20.00	\$ 24,960.00
Mark Newcome, Fieldwork Supervisor	Gas Systems Maintenance, Pipeline Construction & Management, Metering, Purchasing	11/22/1964	1990	Full time non-exempt	\$ 27.00	\$ 56,160.00
Jeffrey Graham, Fieldworker	Gas Systems Maintenance, Pipeline Construction, Metering, Mapping	7/31/1972	2021	Full time non-exempt	\$ 24.00	\$ 49,920.00
John O Graham, Consultant	Consultant	5/27/1950	1989	As needed	\$ 60.00	\$ -

There are no bonus entitlements for any employees.

Schedule 4.19.1
Notice of Environmental Liability

None

**Schedule 4.19.2
Hazardous Materials Notice**

None

Schedule 4.19.3
Environmental Consents

None

Schedule 4.20
Brokers

For Seller:

Decision Associates Mergers & Acquisitions

1345 West 12th Street Unit 100 | Erie, PA 16501

153 E 13th Street, Suite 1400B | Erie, PA 16503

814.240.0101 | www.decisionassociates.net

Schedule 4.22
COVID Relief

None

Appendix B

National Fuel's Pennsylvania Service Territory

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025



Appendix B

Erie

Warren

McKean

Potter

Crawford

Forest

Cameron

Venango

Elk

Clinton

Mercer

Clarion

Jefferson

Clea

Lawrence

Butler

Armstrong

Indiana

Beaver

Cambri

Legend



National Fuel Service Territory



National Fuel®

**Pennsylvania
Service Territory**

Appendix C

NFGC Corporate Structure

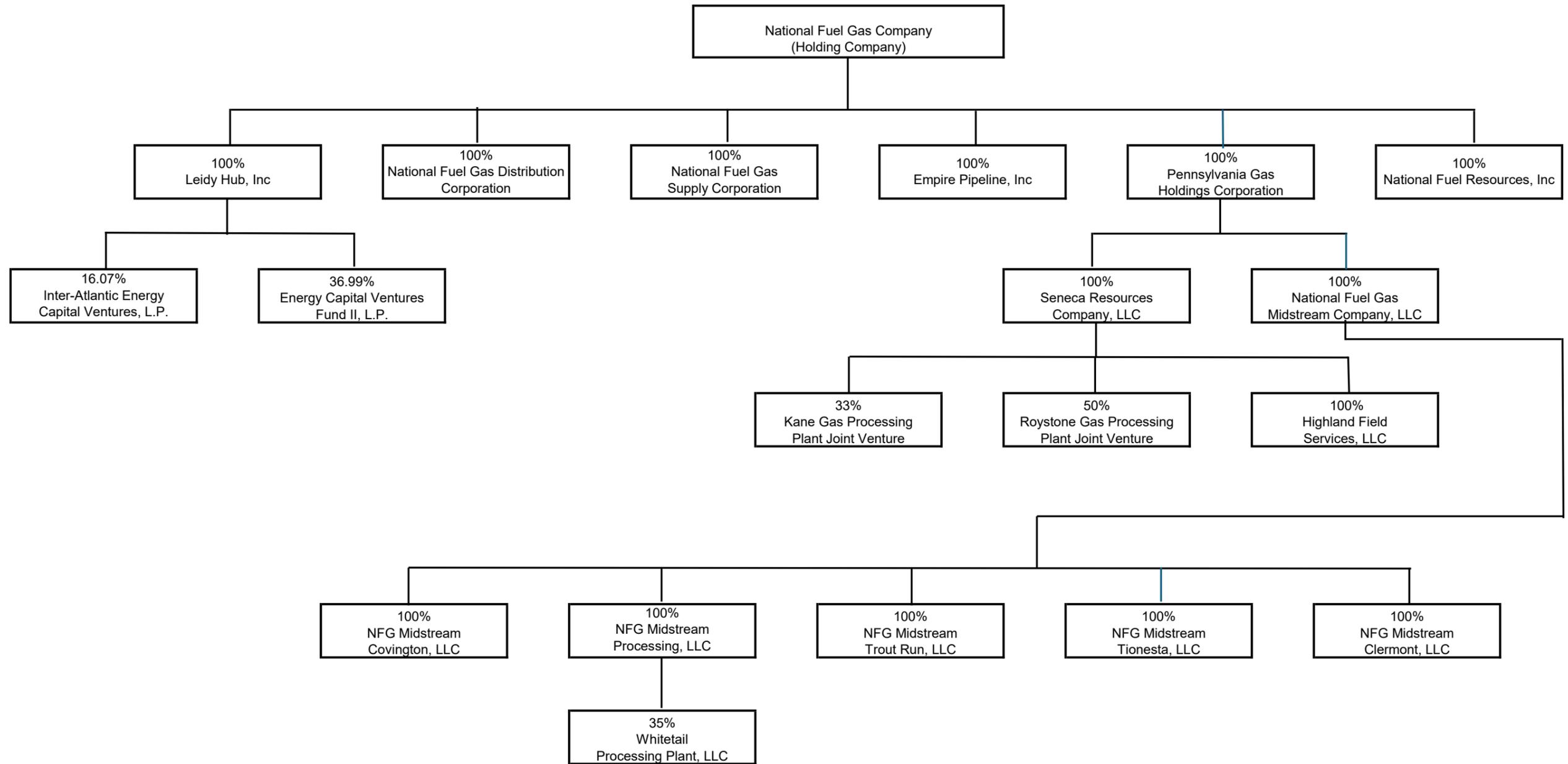
**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

Appendix C

Corporate Structure of National Fuel Gas Company and its Relationship to its Subsidiaries including National Fuel Gas Distribution Corp.



Appendix D

NEHL's Current Service Territory

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

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October 7, 2025

Appendix E

Map of the Borough of North East

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

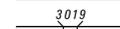
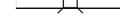
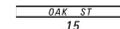
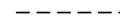
October 7, 2025

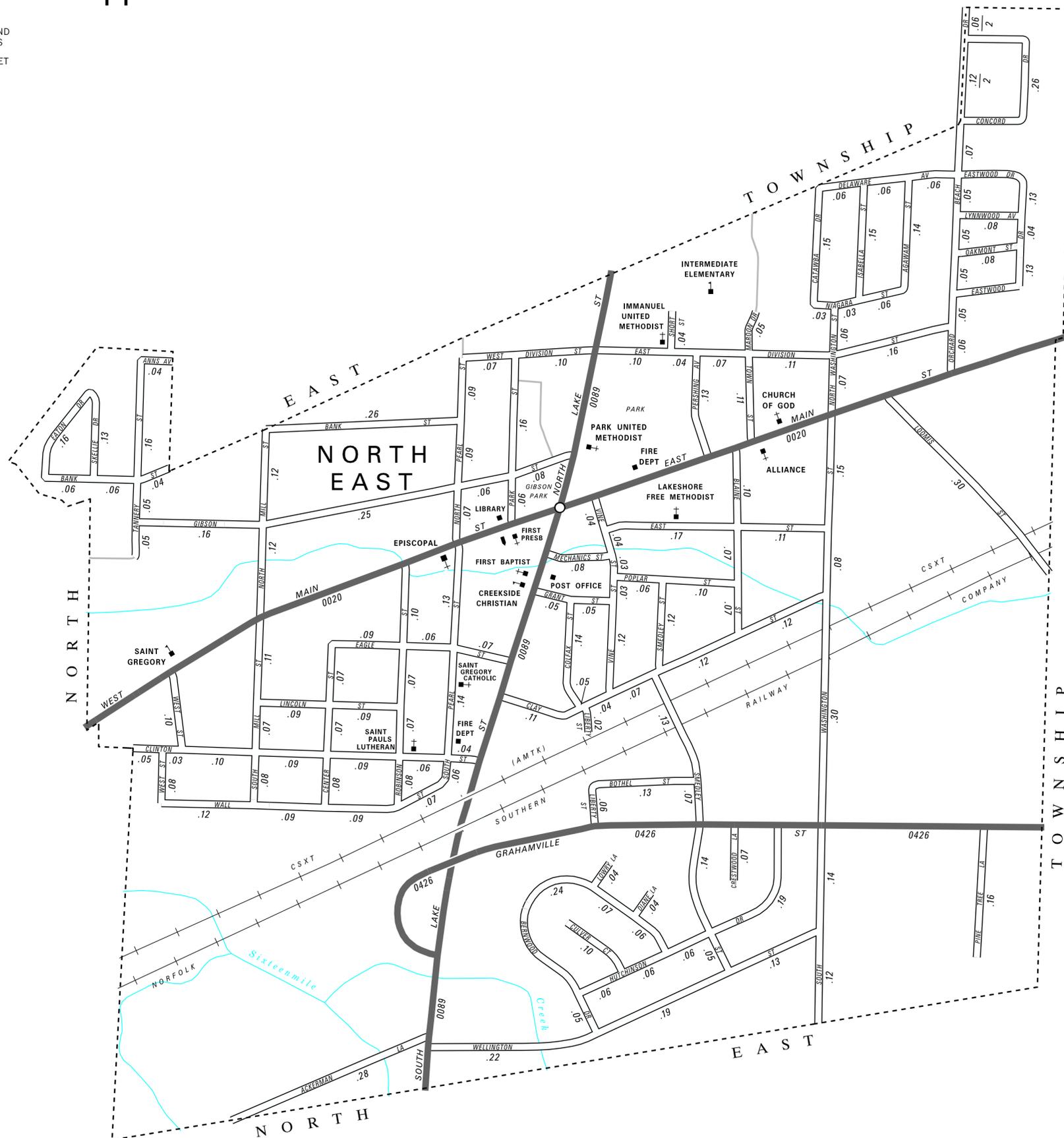
POPULATION 4,294
(2010 Census)

TOTAL MILES
Borough Road System 13.40
State Highway System 3.26
Total 16.66

Appendix E

LEGEND

-  LIMITED ACCESS HIGHWAY
-  STATE ROUTE AND NUMBER
-  STATE MAINTAINED BRIDGE ON BOROUGH STREET
-  BOROUGH STREET NAME AND SEGMENT LENGTH IN MILES
-  TURNBACK BOROUGH STREET
-  BOROUGH ALLEY
-  OTHER ROAD
-  RAILROAD
-  STATE BOUNDARY
-  COUNTY BOUNDARY
-  TOWNSHIP BOUNDARY
-  CITY BOUNDARY
-  BOROUGH BOUNDARY
-  MUNICIPAL BUILDING
-  SPLIT MILEAGE BETWEEN MUNICIPALITIES
-  SCHOOL, COLLEGE OR UNIVERSITY
-  POINT OF INTEREST

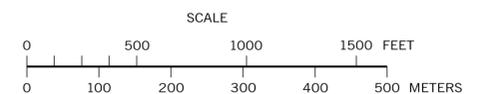


- ACKERMAN LA
- AGAWAM ST
- ANNS AV
- BANK ST
- BERNWOOD DR
- BLAINE ST
- BOTHEL ST
- CATAWBA DR
- CENTER ST
- CLAY ST
- CLINTON ST
- COLFAX ST
- CONCORD DR
- CRESTWOOD LA
- CULVER CT
- DELAWARE AV
- DIANE LA
- DIVISION ST
- EAGLE ST
- EAST ST
- EASTWOOD DR
- EATON DR
- GIBSON ST
- GRANT ST
- HUTCHINSON DR
- ISABELLA ST
- LIBERTY ST
- LINCOLN ST
- LOOMIS ST
- LOWRY LA
- LYNNWOOD AV
- MARDON DR
- MECHANICS ST
- MILL ST
- NIAGARA ST
- OAKMONT ST
- ORCHARD BEACH DR
- PARK ST
- PEARL ST
- PERSHING AV
- PINE TREE LA
- POPLAR ST
- ROBINSON ST
- SHORT ST
- SKELLIE DR
- SMEDLEY ST
- TANNERY ST
- TOWN ST
- VINE ST
- WALL ST
- WASHINGTON ST
- WELLINGTON ST
- WEST ST

NORTH EAST BOROUGH

ERIE COUNTY

PREPARED BY THE
PENNSYLVANIA DEPARTMENT OF TRANSPORTATION
BUREAU OF PLANNING AND RESEARCH
GEOGRAPHIC INFORMATION DIVISION
IN COOPERATION WITH THE
U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
AND
MUNICIPAL SERVICES DISTRICT 1-0
MUNICIPAL CODE 25 411
REVISED PER FORM 990 DATED 1-19-17



Appendix F

National Fuel's Service Territory in Relation to NEHL's Current Service Territory

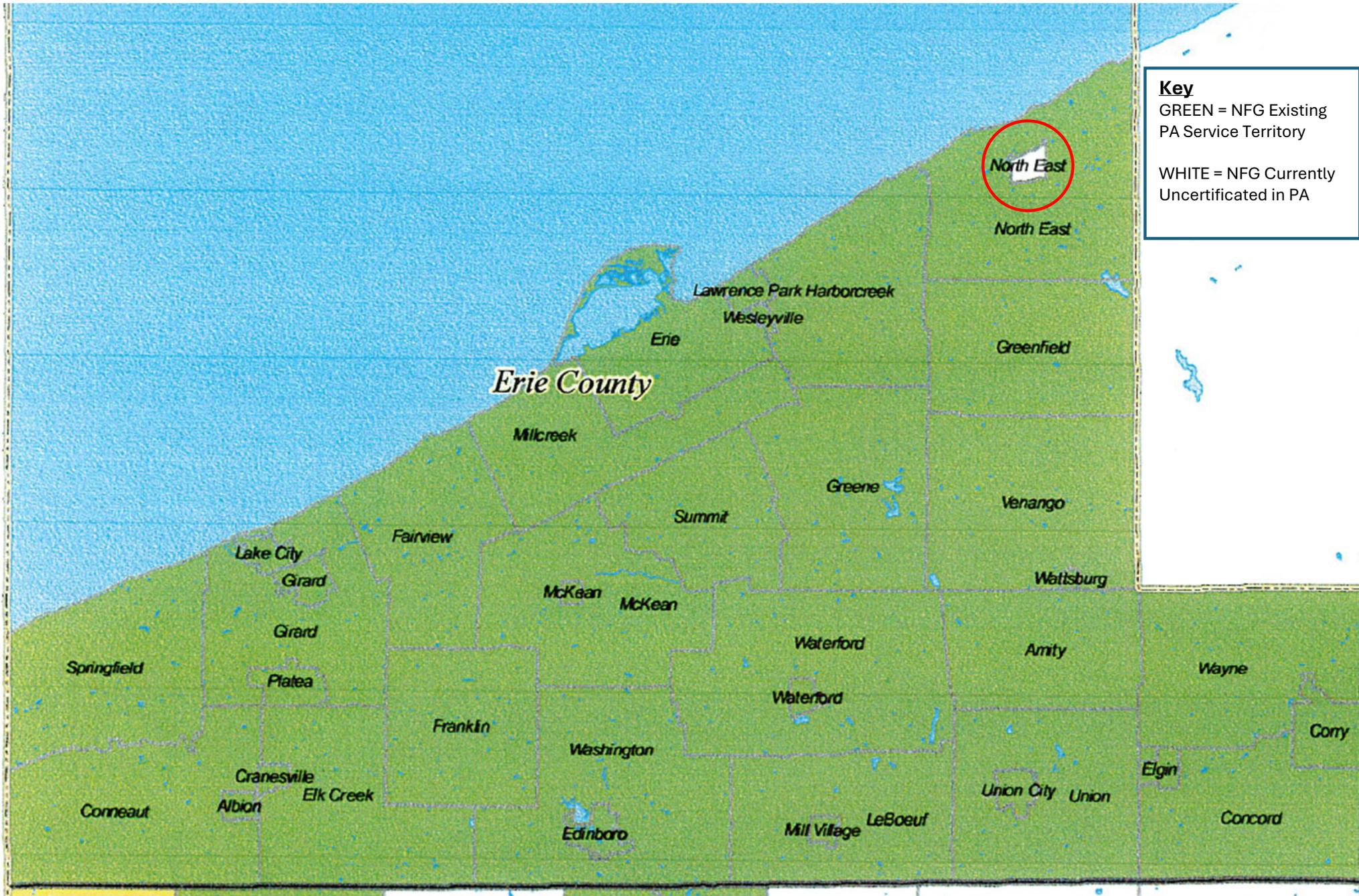
**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

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National Fuel Gas Distribution Corp. (NFG) Service Territory in Erie County, PA

APPENDIX F



Appendix G

National Fuel's *Pro Forma* Tariff Supplement

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

TERRITORY COVERED BY THIS TARIFF

<u>County</u>	<u>Cities</u>	<u>Boroughs</u>	<u>Townships</u>		
Armstrong			Bradys Bend	Perry	Washington
Armstrong			East Franklin	Sugarcreek	West Franklin
Butler		Chicora	Adams	Fairview	Summit
Butler		Karns City	Allegheny	Forward	Venango
Butler		Mars	Center	Oakland	Washington
Butler		Petrolia	Concord	Parker	
Butler			Donegal	Penn	
Cameron		Emporium	Shippen		
Clarion		Clarion	Ashland	Highland	Paint
Clarion		East Brady	Beaver	Knox	Perry
Clarion		Strattanville	Brady	Limestone	Salem
Clarion			Clarion	Madison	Washington
Clarion			Elk	Millcreek	
Clarion			Farmington	Monroe	
Clearfield	DuBois	Falls Creek	Brady	Huston	Sandy
Crawford	Meadville	Blooming Valley	Cambridge	Summerhill	
Crawford	Titusville	Cambridge	Conneaut	Summit	
Crawford		Springs East	Fairfield	Venango	
Crawford		Cochranston	East Mead	Vernon	
Crawford		Conneaut Lake	Fairfield	Wayne	
Crawford		Conneautville	Greenwood	Woodcock	
Crawford		Hydetown	Hayfield	West Mead	
Crawford		Linesville	Oil Creek		
Crawford		Saegertown	Pine		
Crawford			Randolph		
Crawford		Springboro	Richmond		
Crawford		Townville	Sadsbury		
Crawford		Venango	South Shenango		
Crawford		Woodcock	Spring		
Crawford			Steuben		
Elk	St. Marys	Johnsonburg	Fox	Jay	Ridgway
Elk		Ridgway	Highland	Jones	Spring Creek
Elk			Horton	Millstone	
Erie	Corry	Albion	Amity	McKean	
Erie	Erie	Cranesville	Concord	Millcreek	
Erie		E. Springfield	Conneaut	North East	
Erie		Edinboro	Elk Creek	Springfield	
Erie		Elgin	Fairview	Summit	
Erie		Fairview	Franklin	Union	
Erie		Girard	Girard	Venango	
Erie		Lake City	Greene	Waterford	
Erie		Middleboro	Greenfield	Wayne	
Erie		Mill Village	Harborcreek	Washington	
Erie		<u>North East</u>	Lawrence Park		
Erie		Platea	Leboeuf		
Erie		Union City			
Erie		Waterford			
Erie		Wattsburg			
Erie		Wesleyville			

RULES AND REGULATIONS APPLYING TO ALL TERRITORIES SERVED (Cont'd)

4. UPGRADE/EXTENSION OF FACILITIES (Cont'd)

F. Refunds of Customer Investment

Any customer attaching to a facility extended/upgraded within five (5) years of completion thereof will be required to contribute to the cost of the extension/upgrade in accordance with Rules 3 and 4. In the event a new customer attaches to an extension/upgrade of the Company's facilities paid for by a customer or a developer/builder, within five (5) years of the date of completion thereof, a pro rata refund will be made to customers or developer/builder who were charged for such extension. In the alternative, the customer or builder/developer and Distribution may mutually agree in writing that the refund, if any, shall equal the Company's Maximum Company Investment for the attaching customer less the Company's actual attachment cost of construction. An annual review of such extensions is made on the anniversary date of completion thereof, during said five (5) years, and any refunds due are made at that time except for extensions for a developer/builder of commercial or industrial property which shall be reviewed at the end of year five (5) and any refunds due will be made at that time. No refunds will be paid for attachments occurring more than five (5) years after the completion date and in no case will the aggregate amount of refunds to a customer or developer/builder exceed the amount which the customer or developer/builder paid for the mainline extension/upgrade.

5. MAINTENANCE OF FACILITIES

After initial installation of facilities has been made, pursuant to Rule Nos. 3 and 4, above, all facilities including mains, customer service lines (i.e., the portion of the service line from the outlet of the Company's service stop cock to the inlet of the meter) and Company service lines (i.e. the portion of the service line from the gas main to and including the curb box and service stop cock), shall be maintained, replaced or renewed, as required, at the expense of the Company.

SPECIAL PROVISION FOR FORMER NEHL PREMISES:

As used herein, the term "Former NEHL Premises" shall mean premises that were previously served by North East Heat & Light.

Notwithstanding any provision to the contrary contained herein:

- At Former NEHL Premises, ownership of existing customer-owned service lines shall remain with the customer unless and until the Company determines, in its sole discretion, that replacement is required. Upon such determination, the Company shall install a new Company-owned service line at the Company's expense, and it shall be a condition of service that the customer permit such installation. The existing customer-owned service line shall then be disconnected and abandoned in place in accordance with Company standards and applicable codes.
- For subsequent applicants at Former NEHL Premises:
 - (a) if a customer-owned service line is already present, the Company may, in its sole discretion, determine that a new service line must be installed; in such case, the Company will install a new Company-owned service line at its expense, and the existing customer-owned line will be abandoned in place; and
 - (b) if no service line is present, or the line has been removed or cut off, the applicant shall pay for the extension of facilities in accordance with Rule 5 of this tariff.

5A. SPECIAL UTILITY SERVICES

The provisions of Rules 3 and 4 do not apply to applications for special utility service. "Special utility service" shall include (a) a request for utility service when the applicant has an installed alternative fuel capability, including service from a natural gas well; (b) a request for utility service when the applicant is already receiving natural gas service from another Pennsylvania public utility; (c) a request for utility service from an applicant located in an area in which another natural gas utility is authorized to serve the applicant; (d) a request for utility service by an applicant who was the owner or ratepayer of record for the premises at the time the Company last provided service to the premises; (e) any request for service by an applicant who, in the Company's view, is unlikely to remain on the Company's system for a sufficient period of time to justify the extension. Applications for special utility service shall be resolved on a case-by-case basis through negotiations between the applicant and the company.

New Tariff Leaf

NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Pro Forma Supplement No. [***] to
Gas - Pa. P.U.C. No. 9
[*****] Revised Page No. 35I
Cancelling Original and [*****] Revised Page No. 35I

**CERTAIN DEFINED TERMS
RELATED TO CUSTOMERS PREVIOUSLY SERVED BY NEHL**

Closing Date - <<<<_____, 20__>>, which is the date on which the acquisition of NEHL by National Fuel Gas Distribution Corporation is consummated.

Former NEHL Customers - Customers of record who were receiving natural gas service from NEHL at their service address as of the Closing Date, and who continue to receive service at that same service address thereafter. This definition does not extend to new applicants at such premises after the Closing Date, or to Former NEHL Customers who relocate or otherwise transfer service to a different service address.

NEHL - North East Heat & Light Company.

Former NEHL Customers DSIC Effective Date - the first day of the calendar year quarter (e.g., Jan. 1, April 1, July 1, Sept. 1) after which the Commission approves the Company's Long-Term Infrastructure Improvement Plan amendments to include the system assets formerly owned by NEHL.

FORMER NEHL RESIDENTIAL SERVICE RATE SCHEDULE

AVAILABILITY OF SERVICE:

Service under this rate schedule shall be available to: (i) Former NEHL Customers who previously received service under "Rate R - Residential Customers" from NEHL as of the Closing Date; and (ii) Former NEHL Customers who, after receiving service from the Company under Rate Schedule CAP, have elected to either unenroll in Rate Schedule CAP or otherwise lost eligibility for same.

MONTHLY RATE

Basic Service Charge
\$8.50 per Month

Distribution Charges (includes Delivery Rate plus the "Distribution Charges," specified in Rider A)

19.249¢ per 100 cubic feet

Gas Adjustment Charge		
2.223¢	per 100 cubic feet	Purchased Gas Cost Component (Rider A)
<u>0.040¢</u>	per 100 cubic feet	Merchant Function Charge (Rider G)
2.263¢	Per 100 cubic feet	Total Gas Adjustment Charge

Natural Gas Supply Charge		
52.156¢	per 100 cubic feet	Purchased Gas Cost Component (Rider A)
0.940¢	per 100 cubic feet	Merchant Function Charge (Rider G)
<u>1.149¢</u>	per 100 cubic feet	Gas Procurement Charge (Rider H)
54.215¢	per 100 cubic feet	Total Natural Gas Supply Charge

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 1.8032% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above rate schedule (and all rate components specified above) is subject, in all respects, to Rider A of the Company's Tariff. In this regard, among other things, the Distribution Charges specified above include: (a) the delivery rate applicable to Former NEHL Customers; and (b) current charges assessed consistent with Rider A of the Company's Tariff for the recovery of pipeline capacity and storage costs needed to provide peak delivery/temperature swing requirements for all customers.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of: (a) Rider B - State Tax Adjustment Surcharge; and (b) as of the Former NEHL Customers DSIC Effective Date, DSIC - Distribution System Improvement Charge. Residential rate classes shall be subject to Rider F - CAP Discount Charge as set forth in this tariff.

RATE SCHEDULE CAP
FOR CUSTOMER ASSISTANCE PROGRAM SERVICE ("CAP")

AVAILABILITY OF SERVICE

Service under this rate schedule shall be available on/after the effective date of this Tariff Supplement (the "CAP Implementation Date") to those meeting all of the following requirements:

- (1) Must comply with the terms of CAP as specified in the Company's then-current Universal Service and Energy Conservation Plan ("Plan"). Must be residential heating customers of the Company;
- (2) Must have a gross household income equal to or less than 150% of the Federal Poverty Income Guidelines (FPIG);
- (3) All adult individuals residing in the household must agree to: (i) participate in CAP and provide their names and social security numbers or other acceptable forms of identification; and (ii) provide satisfactory verification to prove income, as specified hereinbelow under the heading "Responsibility of a CAP Customer";
- (4) Must agree to receive LIURP services if they meet the eligibility requirements; and

Additionally, provided all other eligibility criteria specified herein are met, service under this Rate Schedule CAP shall be available to Former NEHL Customers who previously received service under "Rate R - Residential Customers" from NEHL as of the Closing Date.

RESPONSIBILITY OF A CAP CUSTOMER

1. All household income must be verified at time of enrollment. Additionally, once enrolled, CAP participants must agree to have their income verified periodically (at intervals as specified in the Company's Plan) and advise the Company if their income or household size changes. For those reporting "zero" or "no" income, reverification may be made using the Commission's Standard CAP Reverification Form.
2. Payment of the "CAP Balance Due Amount" (defined in this Rate Schedule) are required to avoid termination of service.
3. No extensions or arrangements (to avoid termination of service) will be offered to CAP customers.
4. Must comply with the terms of CAP as specified in the Company's Plan.
5. The ratepayer must agree to apply annually for LIHEAP, if eligible and LIHEAP is available.

APPLICATION PROCESS

Prospective CAP customers must complete the application as specified in the Plan. Enrollment in CAP will occur upon the Company's review and verification that the individual(s) who have made application to participate in CAP meet the requirements specified herein and in the Plan.

SPECIAL TRANSITION PROVISION - Consistent with the Company's Plan (approved by Order of the Commission on December 22, 2022 at Docket No. M-2021-3024935), all customers who were enrolled in National Fuel's former customer assistance program, known as the "Low-Income Residential Assistance" Program ("LIRA") on the date immediately prior to the PIP Implementation Date will automatically be enrolled in CAP (the "Carryover Customers").

New Tariff Leaf

Pro Forma Supplement No. [***] to
Gas - Pa. P.U.C. No. 9

NATIONAL FUEL GAS

[*****] Revised Page No. 41B

DISTRIBUTION CORPORATION

Cancelling Original and [*****] Revised Page No. 41B

FORMER NEHL COMMERCIAL AND PUBLIC BUILDING RATE SCHEDULE

AVAILABILITY OF SERVICE

For Former NEHL Customers who previously received service under "Rate C - Commercial Customers" from NEHL as of the Closing Date or were otherwise eligible to receive service under said "Rate C - Commercial Customers" from NEHL as of the Closing Date.

MONTHLY RATE

Basic Service Charge

\$22.00 per Month per meter (LARGE - for customers under 400 cu. ft./hr. Demand)

\$44.00 per Month per meter (SMALL - for customers over 400 cu. ft./hr. Demand)

Distribution Charges (includes Delivery Rate plus the "Distribution Charges," specified in Rider A)

18.819¢ per 100 cubic feet

Gas Adjustment Charge

2.223¢ per 100 cubic feet Purchased Gas Cost Component (Rider A)

0.040¢ per 100 cubic feet Merchant Function Charge (Rider G)

2.263¢ Per 100 cubic feet Total Gas Adjustment Charge

Natural Gas Supply Charge

52.156¢ per 100 cubic feet Purchased Gas Cost Component (Rider A)

0.940¢ per 100 cubic feet Merchant Function Charge (Rider G)

1.149¢ per 100 cubic feet Gas Procurement Charge (Rider H)

54.215¢ per 100 cubic feet Total Natural Gas Supply Charge

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223. The above non-purchased gas cost rates shall be subject to: (a) surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge; and (b) as of the Former NEHL Customers DSIC Effective Date, DSIC - Distribution System Improvement Charge.

The above rate schedule (and all rate components specified above) is subject, in all respects, to Rider A of the Company's Tariff. In this regard, among other things, the Distribution Charges specified above include: (a) the delivery rate applicable to Former NEHL Customers; and (b) current charges assessed consistent with Rider A of the Company's Tariff for the recovery of pipeline capacity and storage costs needed to provide peak delivery/temperature swing requirements for all customers.

New Tariff Leaf

Pro Forma Supplement No. [***] to
Gas - Pa. P.U.C. No. 9

NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

[*****] Revised Page No. 53A
Cancelling Original and [*****] Revised Page No. 53A

FORMER NEHL INDUSTRIAL RATE SCHEDULE

AVAILABILITY OF SERVICE

For Former NEHL Customers who previously received service under "Rate I - Industrial Customers" from NEHL as of the Closing Date or were otherwise eligible to receive service under said "Rate I - Industrial Customers" from NEHL as of the Closing Date.

MONTHLY RATE

Basic Service Charge		
\$22.00	per Month per meter (SMALL - for customers under 400 cu. ft./hr. Demand)	
\$117.00	per Month per meter (LARGE- for customers over 400 cu. ft./hr. Demand)	

Distribution Charges (includes Delivery Rate plus the "Distribution Charges," specified in Rider A)

19.109¢	per 100 cubic feet
---------	--------------------

Gas Adjustment Charge		
2.223¢	per 100 cubic feet	Purchased Gas Cost Component (Rider A)
0.040¢	per 100 cubic feet	Merchant Function Charge (Rider G)
2.263¢	Per 100 cubic feet	Total Gas Adjustment Charge

Natural Gas Supply Charge		
52.126¢	per 100 cubic feet	Purchased Gas Cost Component (Rider A)
0.940¢	per 100 cubic feet	Merchant Function Charge (Rider G)
1.149¢	per 100 cubic feet	Gas Procurement Charge (Rider H)
54.215¢	per 100 cubic feet	Total Natural Gas Supply Charge

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223. The above non-purchased gas cost rates shall be subject to surcharges in accordance with: (a) the provisions of Rider B - State Tax Adjustment Surcharge; and (b) as of the Former NEHL Customers DSIC Effective Date, DSIC - Distribution System Improvement Charge.

The above rate schedule (and all rate components specified above) is subject, in all respects, to Rider A of the Company's Tariff. In this regard, among other things, the Distribution Charges specified above include: (a) the delivery rate applicable to Former NEHL Customers; and (b) current charges assessed consistent with Rider A of the Company's Tariff for the recovery of pipeline capacity and storage costs needed to provide peak delivery/temperature swing requirements for all customers.

New Tariff Leaf

Pro Forma Supplement No. [***] to
Gas - Pa. P.U.C. No. 9

NATIONAL FUEL GAS [*****] Revised Page No. 53B
DISTRIBUTION CORPORATION Cancelling Original and [*****] Revised Page No. 53B

FORMER NEHL FIRM TRANSPORTATION SERVICE RATE SCHEDULE

AVAILABILITY OF SERVICE

For Former NEHL Customers who previously received service under "Rate TS - Transportation Service" from NEHL as of the Closing Date or were otherwise eligible to receive service under said "Rate TS - Transportation Service" from NEHL immediately as of the Closing Date.

MONTHLY RATE

The rate for transportation of gas shall be as follows:

- a. Former NEHL Residential Customers \$ 1.478/MCF
- b. Former NEHL Commercial/Public Building Customers \$ 1.435/MCF
- c. Former NEHL Industrial Customers \$ 1.464/MCF

The above non-purchased gas cost rates shall be subject to:(a) surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge; and (b) as of the Former NEHL Customers DSIC Effective Date, DSIC - Distribution System Improvement Charge. Additionally, Former NEHL Customers receiving transportation under this Rate Schedule will also be subject to applicable balancing charges and other fees as set forth in the Company's Rate Schedule for MMT Service or DMT Service, as well as all other applicable rules of service as specified in the Company's Rate Schedules for MMT Service or DMT Service.

Issued: [*****]

Effective: [*****]

RIDER E
CUSTOMER EDUCATION CHARGE

Effective April 1, 2000, a charge will be included in the rates subject to this Rider to provide for recovery of costs of providing consumer education to inform customers of the changes in the Natural Gas Utility Industry.

The charge will be designed to recover the following customer education costs ("CED costs"):

1. Costs associated with providing information necessary to assist customers in making appropriate choices as to their natural gas service; and
2. Costs associated with any and all consumer education programs as a result of restructuring under the Natural Gas Choice and Competition Act.

APPLICABILITY

In addition to the charges provided in this tariff, a charge calculated in the manner explained below shall be added to the otherwise applicable charge for each Mcf of sales and transportation volumes delivered by the Company to customers receiving service under the Residential, Commercial and Public Authority, SVIS, IVIS, ~~and SATC~~, Former NEHL Residential, Former NEHL Commercial and Public Building, and Former NEHL Industrial rate schedules, or successor rate schedules.

CALCULATION OF RATE

A charge will be recalculated annually based upon deferred and annually projected CED costs.

Effective January 1, 2001, the rate will be calculated to produce a levelized rate reflecting all deferred CED costs, and any actual and expected CED costs for the period from January 1 through December 31 and continue annually thereafter, divided by the total projected volumes of Residential, Commercial and Public Authority, SVIS, IVIS, and SATC rate schedules, for each twelve (12) month period over which this charge will be in effect.

The charge to be included in rates shall be \$0.0000/Mcf.

Effective September 29, 2004 per M-00001326 Secretarial letter Issued June 21, 2004, the rate will be recalculated to remove the third year assessment for state-wide gas consumer education costs. The filing effective September 29, 2004 will not be a reconciled filing.

RIDER F
CAP DISCOUNT CHARGE

CURRENT CAP RATE DISCOUNT

Effective August 1, 2023, a charge will be included in the rates subject to this Rider to provide for recovery of costs of the projected CAP rate discounts, pre-program arrearage forgiveness, and program costs exclusive of company labor for the upcoming 12 months.

Such charge shall be updated quarterly and effective each February 1, May 1, August 1, and November 1 of the year. The charge will also be updated whenever there is a change to the Residential Sales Service Rate Customer Charge, Distribution Charge, Natural Gas Supply Charge, or Gas Adjustment Charge.

APPLICABILITY

In addition to the charges provided in this tariff, a charge calculated in the manner explained below shall be added to the otherwise applicable charge for each Mcf of sales and transportation volumes delivered by the Company to customers receiving service under the Residential Sales Service Rate Schedule, [Former NEHL Residential Service Rate Schedule](#), and the Residential/[Former NEHL Residential](#) rates of the SATC, MMT, and DMT transportation rate schedules.

CALCULATION OF RATE

The charge will be recalculated as specified above.

The charge shall be equal to the total annual projected discounts, pre-program arrearage forgiveness, and program costs exclusive of company labor for CAP customers for the upcoming 12 month period divided by the annual normalized throughput volumes of the qualified rate classes. The total annual projected discounts for the CAP customers for the upcoming 12 month period shall equal the sum of the individual monthly total projected discounts for CAP customers for the upcoming 12 months ("CAP Discount"). The total monthly projected discounts, pre-program arrearage forgiveness, and program costs exclusive of company labor for CAP customers shall equal the residential bill for the average CAP customer consumption for the month multiplied by the average discount percentage for CAP service multiplied by the projected number of CAP customers for the month.

The currently effective charge for the current CAP Discount to be included in rates is \$0.0916/Mcf.

Rider G
Merchant Function Charge (MFC) Rider

Applicability:

The Merchant Function Charge (MFC) shall be added to the Natural Gas Supply Charge and Gas Adjustment Charge of Residential, CAP, Commercial and Public Authority, SVIS, IVIS, LVIS, ~~and LIS~~, the Former NEHL Residential, Former NEHL Commercial and Public Building, and Former NEHL Industrial rate schedules.

Such charges shall be updated quarterly and effective each February 1, May 1, August 1, and November 1 of the year. The charge will also be updated whenever there is a change to the Sales Service Rate Customer Charge, Distribution Charge, Natural Gas Supply Charge or Gas Adjustment Charge.

Calculation of Rate:

For customers receiving service in the Residential classification, the MFC shall equal 1.8032% times the Natural Gas Supply Charge and the Gas Adjustment Clause as calculated for Rider A.

The current Residential MFC Charge is:

Natural Gas Supply Charge per Mcf	\$0.0940
Gas Adjustment clause (E-Factor) per Mcf	\$0.0040
Total Residential MFC per Mcf	\$0.0980

For customers receiving service in the Non-Residential classifications, the MFC shall equal 0.3398% times the Natural Gas Supply Charge and Gas Adjustment Clause as calculated for Rider A.

The current Non-Residential MFC Charge is:

Natural Gas Supply Charge per Mcf	\$0.0177
Gas Adjustment clause (E-Factor) per Mcf	\$0.0008
Total Non-Residential MFC per Mcf	\$0.0185

Rider H
Gas Procurement Charge (GPC)

APPLICABILITY

Effective June 1, 2013, the Gas Procurement Charge will be included in the Natural Gas Supply Charge of Residential, CAP, Commercial and Public Authority, SVIS, IVIS, LVIS, ~~and~~ LIS, Former NEHL Residential, Former NEHL Commercial and Public Building, and Former NEHL Industrial rate schedules.

The charge is designed to recover the costs of procuring natural gas pursuant to 52 Pa. Code §62.223. The natural gas procurement costs included in the GPC charge will only be updated in a base rate case.

The GPC to be included in the Natural Gas Supply Charge shall be \$0.1149 / Mcf and is not reconcilable.

Price To Compare Component	Residential (¢ per 100 cubic feet)	Non Residential (¢ per 100 cubic feet)
Natural Gas Supply Charge		
Purchased Gas Cost Component (Rider A)	52.126	52.126
Merchant Function Charge associated with Natural Gas Supply Charge (Rider G)	0.940	0.177
Gas Procurement Charge (Rider H)	<u>1.149</u>	<u>1.149</u>
Subtotal Natural Gas Supply Charge	54.215	53.452
Gas Adjustment Charge		
Purchased Gas Cost Component (Rider A)	2.223	2.223
Merchant Function Charge associated with Gas Adjustment Charge (Rider G)	<u>0.040</u>	<u>0.008</u>
Subtotal Gas Adjustment Charge	2.263	2.231
Total Price To Compare	<u>56.478</u>	<u>55.683</u>

Appendix H

National Fuel's Balance Sheet

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

APPENDIX H

NATIONAL FUEL GAS DISTRIBUTION CORPORATION
TOTAL DISTRIBUTION CORPORATION - NEW YORK AND PENNSYLVANIA DIVISIONS
BALANCE SHEET

<u>Assets and Other Debits</u>	<u>September 30, 2023</u>	<u>September 30, 2024</u>
<u>Utility Plant</u>		
101 Utility Plant	\$ 2,518,237,610	\$ 2,656,876,033
106 Completed Construction Not Classified		
- Gas	-	-
107 Construction Work in Progress	<u>41,146,080</u>	<u>50,514,181</u>
	2,559,383,689	2,707,390,213
108 Accumulated Provision for Depreciation, Depletion and Amortization - (Cr.)	(1,010,785,071)	(1,045,527,118)
111 Provision for Depletion - Natural Gas Land	-	-
Total Utility Plant	<u>1,548,598,618</u>	<u>1,661,863,095</u>
<u>Other Property and Investments</u>		
121 Non-Utility Property	1,162,034	1,162,034
122 Accumulated Provision for Depreciation and Amortization - (Cr.)	(19,397)	(19,397)
124 Other Investments	9,756,485	10,663,607
128 Other Special Funds	<u>142,361,457</u>	<u>140,274,933</u>
Total Other Property and Investments	153,260,579	152,081,177
<u>Current and Accrued Assets</u>		
131 Cash	3,277,999	3,902,478
132 Interest Special Deposits	-	-
135 Working Funds	158,800	158,800
136 Temporary Cash Investments	13,121,049	7,546,635
141 Notes Receivable	1,670,931	1,560,979
142 Customer Accounts Receivable	67,382,801	39,933,193
143 Other Accounts Receivable	8,492,431	7,588,689
144 Accumulated Provision for Uncollectible Accts. - Cr.	(35,716,313)	(25,615,867)
146 Accounts Receivable from Assoc. Companies	6,604,765	6,344,846
154 Plant Materials and Operating Supplies	19,513,631	17,452,238
155 Merchandise	-	-
163 Stores Expense Undistributed	411,875	616,906
164 Gas Stored Underground - Current	32,418,469	34,965,144
165 Prepayments	10,811,583	11,705,871
171 Interest and Dividends Receivable	-	-
173 Accrued Utility Revenue	16,621,628	15,521,216
175 Derivative Instrument Assets	268,777	38,188
Total Current and Accrued Assets	<u>145,035,427</u>	<u>121,719,316</u>
<u>Deferred Debits</u>		
182 Other Regulatory Assets	142,469,195	180,441,558
183 Other Preliminary Survey and Invest.	3,703,196	4,013,333
184 Clearing Accounts	(7,407,368)	(7,942,815)
186 Miscellaneous Deferred Debits	(2,107,430)	(2,734,850)
188 Research, Development & Demonstration Expenditures	2,690,201	3,191,437
189 Loss on Reacquired Debt	3,387,850	2,622,022
190 Accumulated Deferred Income Taxes	-	-
191 Unrecovered Purchased Gas Costs	<u>(58,667,817)</u>	<u>(42,290,745)</u>
Total Deferred Debits	<u>84,067,828</u>	<u>137,299,940</u>
Total Assets and Other Debits	<u>\$ 1,930,962,453</u>	<u>\$ 2,072,963,528</u>
<u>Liabilities and Other Credits</u>		
<u>Proprietary Capital</u>		
201 Common Stock Issued	\$ 59,170,600	\$ 59,170,600
207 Premium on Capital Stock	68,500	68,500
208 Donations Received from Stockholders	163,687,234	168,377,683
216 Unappropriated Earned Surplus	425,126,579	434,115,972
219 Other Comp Income (Loss)	(8,938,812)	(10,096,681)
439 Adjustments to Retained Earn	<u>24,693,289</u>	<u>24,693,289</u>
Total Proprietary Capital	663,807,390	676,329,364
<u>Long Term Debt</u>		
223 Advances from Associated Companies	475,000,000	425,000,000
224 Other Long-Term Debt	-	-
Total Long Term Debt	<u>475,000,000</u>	<u>425,000,000</u>
<u>Current and Accrued Liabilities</u>		
228.2 Accum. Provision for Injuries & Damages	3,163,097	2,631,858
228.3 Accum. Provision for Pension and Benefits	(28,899,477)	(24,001,692)
229 Accum. Provision for Rate Refunds	370,509	370,509
230 Asset Retirement Obligations	14,715,247	14,933,097
232 Accounts Payable	33,041,653	39,464,578
233 Notes Payable to Associated Companies	105,300,000	267,300,000
234 Accounts Payable to Associated Companies	28,545,720	31,096,900
235 Customer Deposits	13,044,065	20,166,929
236 Taxes Accrued	(2,752,685)	(26,275,911)
237 Interest Accrued	-	-
238 Dividends Declared	11,600,000	13,300,000
241 Tax Collections Payable	888,962	(1,688,501)
242 Miscellaneous Current and Accrued Liabilities	19,099,180	21,763,832
244 Derivative Instrument Liabilities	-	8,895
Total Current and Accrued Liabilities	<u>198,116,272</u>	<u>359,070,495</u>
<u>Deferred Credits and Resources</u>		
252 Customer Advances for Construction	874,439	616,723
253 Other Deferred Credits	8,358,842	6,887,814
254 Deferred FASB 109 Liability	293,210,481	301,336,304
255 Accumulated Deferred Investment Tax Credit	3	3
263 Deferred Compensation Plan Liability	<u>-</u>	<u>-</u>
	302,443,766	308,840,844
<u>Accumulated Deferred Income Taxes</u>		
282 Liberalized Depreciation	246,508,263	265,768,622
283 Other	<u>45,086,762</u>	<u>37,954,203</u>
Total Deferred Credits	291,595,025	303,722,824
Total Liabilities and Other Credits	<u>\$ 1,930,962,453</u>	<u>\$ 2,072,963,528</u>

Appendix I

National Fuel's Income Statement

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

APPENDIX I

National Fuel Gas Distribution Corporation
 Pennsylvania Division
 Comparative Statements of Income
 (In Thousands)

	Twelve Months Ended <u>9/30/2023</u>	Twelve Months Ended <u>9/30/2024</u>	<u>Variance</u>
Revenue			
Gas Service Revenue	\$ 273,903	\$ 204,763	\$ (69,140)
Other Operating Revenue	829	1,559	730
Total Operating Revenues	274,732	206,322	(68,411)
Expenses			
Operating & Maintenance Expense	229,626	141,184	(88,441)
Depreciation and Amortization Expense	16,200	17,846	1,645
Other Taxes	2,041	2,326	285
Interest (Income) / Expense	7,726	10,010	2,284
Miscellaneous (Income) / Expense	443	(410)	(853)
Total Expenses Before Income Taxes	256,036	170,956	(85,079)
Income Before Taxes	18,696	35,365	16,669
Tax Expense	1,344	(316)	(1,660)
Net Income	\$ 17,352	\$ 35,681	\$ 18,329

Appendix J

NEHL Notice to Customers

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

Appendix J



Dear Customer,

I am writing this letter to formally announce my retirement as owner/operator of North East Heat & Light Company (NEHL). It has been a privilege to serve the North East community as your natural gas utility. As I began planning this new chapter of transition, my top priority was making sure your natural gas service remained safe and reliable. To that end, I've worked to find the right company that will continue to provide the same safe and personal service to which you are accustomed.

Following extensive review, National Fuel Gas Distribution Corporation (National Fuel), the natural gas utility serving the rest of Erie County and surrounding NEHL's current service area, emerged as the best choice.

National Fuel's commitment to safety, reliability and exceptional service has earned it one of the best reputations in the industry. National Fuel's deep local roots and customer call center located in downtown Erie will help meet a high level of superior customer service. National Fuel also is one of the lowest-cost natural gas utilities in Pennsylvania.

NEHL and National Fuel, after both conducting in depth mutual reviews and due diligence, have reached an agreement for National Fuel to acquire NEHL's natural gas system, including all assets and service responsibilities. NEHL and National Fuel have submitted a formal application to the Pennsylvania Public Utility Commission (PUC) seeking approval for the acquisition.

The approval process is expected to take several months. Additional details about the proposed acquisition, including how to submit feedback to the PUC will be shared at a future date.

Throughout the transition period, there will be no changes to your service, and you will continue to be a NEHL customer. Questions regarding your natural gas service should be directed to our office at 814-725-4302 or by email at inquires@nehlco.com.

To help keep you informed, National Fuel will be hosting an open house in North East this fall. This will be a great opportunity to meet company representatives, learn more about their services, customer assistance programs and details about the transition. I expect that the integration of NEHL with National Fuel will be seamless. Additional resources from National Fuel are available at <https://www.nationalfuel.com/north-east-heat-light-transition-to-national-fuel> or by scanning the QR code below.

This decision was made with the best interests of NEHL customers in mind. National Fuel is a highly regarded utility provider and is fully prepared to meet North East's energy needs for years to come.

It has been an honor to serve you.

Warm Regards,

Sam Miller



Scan to visit National Fuel's
dedicated NEHL Transition website.

Appendix K

National Fuel Notice to NEHL Customers

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025



Dear North East Heat & Light Customer:

Recently, you received a letter from Sam Miller, owner/operator of North East Heat & Light Co. (NEHL), informing you of his intention to retire and to sell the assets and service responsibilities of NEHL to National Fuel Gas Distribution Corporation (National Fuel). National Fuel already provides gas service to parts of North East Township and is excited to expand service further into your community, ensuring natural gas is provided safely, reliably and affordably well into the future.

National Fuel has entered into an agreement to purchase NEHL's natural gas distribution system, and earlier this month, National Fuel and NEHL filed a joint application with the Pennsylvania Public Utility Commission (PUC) seeking approval of that transaction. The approval process is expected to take several months. Once approved, National Fuel will assume operation and maintenance of NEHL's natural gas distribution system.

As a current NEHL customer, there is nothing you need to do. Once approved by the PUC, you will receive a follow-up letter informing you of a transition date. Until that time, you will continue to be customers of NEHL and should continue to contact the NEHL office for customer assistance. After the transition date, you will automatically become a National Fuel customer and will begin receiving bills from National Fuel and will contact us for customer assistance.

National Fuel is not requesting to raise your standard natural gas delivery rates as part of the application. We are seeking approval to add minimal charges to fund the Customer Assistance Program (CAP) program and for capital efforts to enhance system efficiency and reliability. For an average residential customer, this will translate to an additional \$1.79 a month.

In addition, NEHL customers will move to National Fuel's gas supply cost rate. While these costs are passed through dollar-for-dollar with no utility profit margin, National Fuel's larger scale generally results in more favorable gas pricing. For example, on average during the past three years, the average residential NEHL customer would have saved \$12.36 per month with National Fuel's gas cost rate.

National Fuel offers qualifying low-income customers discounted monthly bills and debt forgiveness through its Customer Assistance Program (CAP). Additional payment options and programs designed to promote bill affordability include weatherization assistance for qualifying households and grants for qualifying hardship events.

We Know You Have Questions – Attend Our Open House

National Fuel invites you to attend an open house on **Monday, November 3 from 5:30 to 7:30 p.m.** at the North East Elementary School Cafeteria, 50 E. Division St. National Fuel representatives will be on onsite to share information about National Fuel and answer questions you may have. To RSVP, email NEHLCustomers@natfuel.com and indicate name, address and the number attending in your party. Additional information about the transition can be found on NationalFuel.com or by scanning the QR code. Questions also can be directed to 814-871-8101.

We are looking forward to a seamless transition and to serving you!



Scan to visit National Fuel's
dedicated NEHL Transition website.

Direct Testimony

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of National Fuel Gas :
Distribution Corporation and North East :
Heat & Light Company, under Sections :
1102(a)(1)-(3) of the Public Utility Code, for : Docket Nos. A-2025-_____
approval: (1) of the right for North East Heat : A-2025-_____
& Light Company to transfer certain natural :
gas distribution facilities and rights to :
National Fuel Gas Distribution Corporation; :
(2) for North East Heat & Light Company to :
abandon the provision of natural gas service :
to the public in its service territory in the :
Borough of North East, Erie County, :
Pennsylvania and North East Township, Erie :
County, Pennsylvania; and (3) for National :
Fuel Gas Distribution Corporation to expand :
its service territory to begin to offer, render, :
furnish or supply natural gas service to the :
public in the Borough of North East, Erie :
County, Pennsylvania. :

**DIRECT TESTIMONY OF
WILLIAM F. SNYDER, III**

Date: October 7, 2025

Joint Applicants Statement No. 1

**DIRECT TESTIMONY OF
WILLIAM F. SNYDER, III**

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

2 A. My name is William F. Snyder, III and my business address is 6363 Main Street,
3 Williamsville, New York 14221.

4

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

6 A. I am employed by National Fuel Gas Distribution Corporation (“National Fuel” or
7 “Company”) as a Vice President.

8

9 **Q. WHAT ARE YOUR PRINCIPAL DUTIES AND RESPONSIBILITIES AS A VICE
10 PRESIDENT OF NATIONAL FUEL?**

11 A. I am responsible for gas distribution operations in National Fuel’s Pennsylvania Service
12 Territory. In addition, I am responsible for corporate procurement, supply chain logistics,
13 and materials management which is handled by our Purchasing Department and Materials
14 Management Division.

15

16 **Q. WHAT IS YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND?**

17 A. I have an Associate’s Degree in Applied Science and a Bachelor of Science Degree in
18 Construction Management from Alfred State College.

19

1 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PENNSYLVANIA**
2 **PUBLIC UTILITY COMMISSION (“COMMISSION”) OR OTHER STATE**
3 **COMMISSIONS?**

4 A. No.

5

6 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

7 A. I provide an overview of the witnesses presenting testimony in this proceeding. I also
8 provide an overview of National Fuel’s proposed acquisition of the assets of North East
9 Heat & Light Company (“NEHL”) (“Proposed Transaction”), describe National Fuel’s
10 proposed service territory expansion (related to the acquisition), and describe the
11 substantial affirmative public benefits of the transaction. I explain that the Company has
12 the financial, technical and legal fitness necessary to operate the NEHL system. I also
13 provide an overview of the standards for approval of the Proposed Transaction.

14

15 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

16 A. Yes, I am sponsoring **Appendices A through F, H, and I** to the Application.

17

18 **Q. PLEASE DESCRIBE THE TESTIMONY THAT HAS BEEN SUBMITTED IN**
19 **SUPPORT OF THE APPLICATION.**

20 A. The Joint Applicants have submitted four statements, including this one, in support of
21 the Joint Application. These statements provide additional explanation of the matters
22 addressed in the Joint Application:

23 Joint Applicants Statement No. 1, the Direct Testimony of William F. Snyder,
24 III, which provides an overview of the Proposed Transaction and its affirmative

1 public benefits, the requested service territory expansion, and the fitness of
2 National Fuel to acquire and operate the NEHL system.

3
4 Joint Applicants Statement No. 2, the Direct Testimony of Elma Bico, which
5 describes the customer service and energy assistance benefits of the Proposed
6 Transaction, and gives an overview of the public notice provided regarding the
7 Proposed Transaction.

8
9 Joint Applicants Statement No. 3, the Direct Testimony of Donald N. Koch,
10 which provides a description of the tariff proposals, rate proposals and rate
11 impacts related to National Fuel’s proposed acquisition of the assets of NEHL.

12
13 Joint Applicants Statement No. 4, the Direct Testimony of Samuel Miller, which
14 describes NEHL’s decision to exit the utility business and the reasons that NEHL
15 approached National Fuel to acquire the system and operate it moving forward.
16

17 **OVERVIEW OF THE PROPOSED TRANSACTION**

18 **Q. PLEASE BRIEFLY DESCRIBE NATIONAL FUEL.**

19 A. National Fuel is a corporation formed under the laws of the State of New York for the
20 purpose of providing natural gas transmission, distribution, and supplier of last resort
21 services subject to the Commission’s regulatory jurisdiction. National Fuel’s certificate
22 of incorporation was filed April 11, 1973, and National Fuel was qualified to do business
23 in Pennsylvania on December 26, 1973.

24 National Fuel is a “public utility” and a “natural gas distribution company” as
25 those terms are defined in Sections 102 and 2202 of the Public Utility Code, 66 Pa.C.S.
26 §§ 102, 2202. National Fuel provides natural gas service to approximately 214,000
27 customers throughout its Pennsylvania service territory, which includes all or portions of
28 the following counties: Armstrong, Butler, Cameron, Clarion, Clearfield, Crawford, Elk,
29 Erie, Forest, Jefferson, McKean, Mercer, Venango, and Warren. National Fuel’s service
30 territory is shown on the map attached as **Appendix B** to the Application.

1 National Fuel is a wholly owned subsidiary of National Fuel Gas Company
2 (“NFGC”). NFGC is a public utility holding company registered with the Federal Energy
3 Regulatory Commission (“FERC”) under the Public Utility Holding Company Act of
4 2005. NFGC was organized under the laws of the State of New Jersey on December 8,
5 1902. Its principal office is located at 6363 Main Street, Williamsville, New York 14221.

6
7 **Q. PLEASE BRIEFLY DESCRIBE NEHL.**

8 A. NEHL is a corporation formed under the laws of the Commonwealth of Pennsylvania for
9 the purpose of providing natural gas transmission, distribution, and supplier of last resort
10 services subject to the Commission’s regulatory jurisdiction.

11 NEHL is a “public utility” and a “natural gas distribution company” as those terms
12 are defined in Sections 102 and 2202 of the Public Utility Code, 66 Pa.C.S. §§ 102, 2202.
13 NEHL provides natural gas service to approximately 2,900 customers throughout its
14 service territory, which includes the following municipalities within Erie County: (1)
15 North East Township; and (2) the Borough of North East. NEHL’s service territory is
16 surrounded by National Fuel’s service territory and both National Fuel and NEHL offer
17 service to North East Township. NEHL’s service territory is shown on the map attached
18 as **Appendix D** to the Application.

19
20 **Q. PLEASE PROVIDE AN OVERVIEW OF THE PROPOSED TRANSACTION**
21 **FOR WHICH APPROVAL IS BEING SOUGHT.**

22 A. National Fuel and NEHL executed an Asset Purchase Agreement (“APA”) on September
23 10, 2025. Under the APA, National Fuel will acquire substantially all of the assets of

1 NEHL, including without limitation all of NEHL’s utility plant in service and service
2 rights, save for certain furniture, fixtures, equipment, and real property which National
3 Fuel has deemed to be obsolete. Through the Proposed Transaction, National Fuel will
4 acquire NEHL’s entire natural gas distribution system and associated facilities for the
5 provision of natural gas distribution service in the Borough of North East, Erie County,
6 Pennsylvania, and North East Township, Erie County, Pennsylvania. The Proposed
7 Transaction will be funded through cash on hand and short-term borrowings, as needed.

8 Following closing, National Fuel will serve all those customers formerly served
9 by NEHL under the terms of National Fuel’s existing Commission-approved tariff (Tariff
10 Gas – Pa. P.U.C. No. 9) (“Tariff”). However, NEHL customers will initially be subject
11 to different base rates than National Fuel’s existing customers because NEHL’s current
12 base rates are lower than the Company’s base rates. The base rates for NEHL’s former
13 customers will be synchronized with the Company’s base rates over time in one or more
14 base rate proceedings.

15
16 **Q. PLEASE DESCRIBE THE NEHL SYSTEM.**

17 A. The NEHL system includes 56.27 miles of main and 2,258 services. NEHL’s mains
18 consist of 46.1 miles plastic PE mains, 9.67 miles of steel mains, and 0.53 miles of
19 cast/wrought iron mains. These system components are set forth in the Annual Report
20 for Calendar Year 2024 Gas Distribution System attached as Exhibit B to Schedule 1 of
21 the APA (**Appendix A**).

1 **Q. WHAT IS THE PURCHASE PRICE FOR THE ACQUISITION?**

2 A. The purchase price is \$1,310,000, subject to post-closing adjustment to account for items
3 such as working capital adjustment.¹

4

5 **Q. IS THE COMPANY PAYING AN ACQUISITION PREMIUM FOR THE NEHL**
6 **ASSETS?**

7 A. The net book value of the NEHL assets as of June 30, 2025, is \$925,612. Therefore, the
8 Company is paying a modest premium when considering the purchase price compared to
9 the net book value of the assets. The Company will record the premium on the Balance
10 Sheet in gross plants FERC account 114000, Gas Plant and Acquisition Adjustment and
11 will exclude this small premium from rate base in future rate cases. As a result, the
12 Company will not be recovering any acquisition premium.

13

14 **Q. IS THE COMPANY SEEKING RECOVERY OF ANY ACQUISITION OR**
15 **TRANSITION COSTS?**

16 A. No. Transition and acquisition costs will be expensed but will not be included in the
17 Company's revenue requirement calculation in the Company's next rate case filing.

18

19 **Q. PLEASE DESCRIBE THE REASONS BEHIND THE PROPOSED**
20 **TRANSACTION.**

21 A. NEHL's ownership expressed an interest in exiting the business with a desire to ensure
22 NEHL's customers are transitioned into the ownership of a reputable utility company with

¹ The adjustment amount and methodology used to arrive at the purchase price is specified in Exhibit B of the APA.

1 a focus on customer service and reliability. As described in the Direct Testimony of
2 NEHL's President Samuel Miller (Joint Applicants St. No. 4), NEHL approached
3 National Fuel regarding the Proposed Transaction based on National Fuel's reputation for
4 providing safe, reliable, and exceptional service in Northwestern Pennsylvania and the
5 Company's close proximity to NEHL's service territory. With more than 120 years of
6 experience operating assets across the natural gas value chain, including a significant
7 utility in western New York and Pennsylvania, National Fuel is well suited to successfully
8 acquire, integrate, and operate NEHL's assets. National Fuel's existing footprint
9 surrounds the NEHL service territory, providing immediate service efficiencies for its
10 customers.

11
12 **Q. PLEASE EXPLAIN HOW NEHL WILL BE OPERATED AFTER BEING**
13 **ACQUIRED BY NATIONAL FUEL.**

14 A. After the acquisition, NEHL will no longer operate as a small stand-alone utility with
15 basic systems and limited resources. Instead, its facilities and customers will be
16 integrated into National Fuel's established Pennsylvania operations. National Fuel will
17 provide field operations services and on-ground support based out of its nearby Erie
18 Servicenter located at 225 Wayne Street, Erie, PA 16507. National Fuel currently has the
19 capacity to seamlessly incorporate, manage, maintain, and operate NEHL's facilities and
20 to provide its customers with reliable, efficient, and safe natural gas service. Additionally,
21 National Fuel's field operations are supported by a broad array of specialized support
22 departments, including but not limited to Engineering, Land, Clerical and Customer

1 Service, which are able to support National Fuel’s operations and the needs of its
2 customers in the former NEHL service territory on “day one” after the closing.

3 Over time and in line with National Fuel’s Long-Term Infrastructure
4 Improvement Plan (“LTIP”), the Company will systematically look to enhance and
5 improve the overall reliability and efficiency of NEHL’s distribution system. The
6 Company’s proposal to extend its LTIP to cover NEHL’s service territory is discussed
7 in further detail in the testimony of Donald N. Koch (Joint Applicants Statement No. 3).
8 Among other things, and consistent with the LTIP, certain mains will be slated for
9 replacement. As explained in more detail below, National Fuel will, over time, replace
10 the patchwork of customer-owned service lines with new, National Fuel-owned service
11 lines, and modern regulator stations will be installed in tandem with new relief valves for
12 additional overpressure protection. Additionally, National Fuel’s long-term plans include
13 tying NEHL’s existing system into National Fuel’s distribution system, which surrounds
14 the NEHL system.

15 To mitigate line strikes, National Fuel plans to take measures such as installing
16 tracer wire on upgraded mainlines and new service lines, to improve locatability.
17 Additionally, National Fuel plans to deploy its existing locating tools, such as GIS,
18 electronic field data systems, and order-routing platforms, to NEHL’s system.

19 Emergency response and customer service will also be brought into line with
20 National Fuel’s standards. NEHL customers will benefit from a 24/7 response system,
21 dedicated emergency response coordinators, and National Fuel’s proven record of 99.7%
22 compliance with a 45-minute response time. Customer service availability will expand,

1 with NEHL customers having access to additional customer service resources and hours
2 of operation.

3
4 **Q. WHAT IS THE COMPANY PROPOSING WITH RESPECT TO NEHL**
5 **CUSTOMER SERVICE LINES?**

6 A. At present, service lines in the NEHL system are customer-owned. Following the
7 acquisition, National Fuel plans to transition service line ownership from customer-
8 owned to Company-owned service lines over time. In this regard, the Company will
9 install Company-owned service lines when the Company determines, in its sole discretion
10 as system operator, that an existing customer-owned service line requires replacement.
11 At that time, National Fuel will install a new Company-owned service line at its expense,
12 replacing all portions of the existing service line from the main to the meter. Once the
13 Company makes the determination to replace the service line, it will be a condition of
14 service that the customer permit National Fuel to install its service line. When such
15 replacements occur, the existing customer-owned service line will be disconnected and
16 abandoned in place in accordance with Company standards and applicable codes.

17 This requirement will also apply to new service applicants in the former NEHL
18 territory. If an existing (customer-owned) service line is present at the premises to be
19 served and attached to the applicant's interior plumbing, National Fuel may elect, in its
20 sole discretion, to install, at its expense, a new Company-owned service line to serve the
21 premises. As part of this installation, National Fuel will abandon the old customer-owned
22 line in place. If no service line is present or the line has been removed/cut off, the

1 applicant will be required to pay for the extension of facilities in accordance with the
2 provisions otherwise set forth in National Fuel's Tariff.

3 This approach brings parity with the Company's existing Pennsylvania customers,
4 who are served through Company-owned service lines, and provides safety and reliability
5 benefits, including clear responsibility for line locating that will lead to more efficient
6 locating practices, uniform construction and maintenance standards, and improved
7 damage prevention. Customers also benefit because they will no longer bear the cost of
8 replacing aging service lines once the Company determines replacement is warranted and
9 installs its own facility.

10 To implement this change, National Fuel is proposing an addition to Rule 5 –
11 Maintenance of Facilities in its tariff, applicable to former NEHL customers only, to
12 reflect the transition to Company-installed, Company-owned service lines and the
13 conditions described above. The proposed tariff change is included in **Appendix G** to
14 the Application.

15
16 **SERVICE TERRITORY EXPANSION**

17 **Q. PLEASE DESCRIBE THE ADDITIONAL SERVICE TERRITORY THAT**
18 **NATIONAL FUEL WILL ACQUIRE IF THE TRANSACTION IS APPROVED.**

19 A. NEHL's certificated service territory is located in North East Township and the Borough
20 of North East, Erie County, Pennsylvania, and encompasses an area of approximately

1 43.7 square miles, with 42.4 square miles in North East Township and 1.3 square miles
2 in the Borough of North East.

3 While National Fuel is currently certificated to provide service in North East
4 Township, National Fuel is not currently certificated to provide service in the Borough
5 of North East. As part of this Application, National Fuel is requesting the Commission’s
6 approval to expand its service territory to include the Borough of North East, Erie
7 County, Pennsylvania (“Requested Territory”). The Requested Territory is shown on the
8 map attached to the Application as **Appendix E**.

9
10 **Q. WILL NATIONAL FUEL’S PROPOSED EXPANSION OF ITS SERVICE**
11 **TERRITORY CREATE A COMPETITIVE CONDITION?**

12 A. No. National Fuel is the only other certificated natural gas distribution company in the
13 municipalities surrounding NEHL, so no competitive condition will be created by the
14 acquisition.

15
16 **PUBLIC BENEFITS OF THE PROPOSED TRANSACTION**

17 **Q. WILL THE PROPOSED TRANSACTION PROVIDE SUBSTANTIAL**
18 **BENEFITS?**

19 A. Yes. As more fully described in the questions that follow, the Proposed Transaction will
20 deliver substantial benefits to customers, the public, and the overall reliability of natural
21 gas service in the region.

22

1 **Q. PLEASE EXPLAIN THE OPERATIONAL AND SAFETY BENEFITS OF THE**
2 **ACQUISITION.**

3 A. From an operational standpoint, integrating NEHL’s current system into National Fuel’s
4 system will strengthen safety, reliability, and the efficient delivery of natural gas to end
5 use customers within the Borough of North East and North East Township as National
6 Fuel looks to further modernize and enhance the reliability of the existing NEHL system.
7 In this regard, National Fuel already has a Commission-approved LTIP. As noted above,
8 National Fuel intends to amend its LTIP to include the NEHL system if this Application
9 is approved. This will ensure that NEHL’s system is modernized in a safe and efficient
10 manner.

11 Customers will also benefit from the introduction of GIS-based flow modeling,
12 enhanced emergency response times, and the support of a mature Pipeline Safety
13 Management System, dedicated Quality Assurance Department, and comprehensive
14 employee training programs. Although these improvements will require additional
15 investment, they represent prudent, long-term commitments that will enhance safety,
16 compliance, and service quality for both NEHL and existing National Fuel customers.

17
18 **Q. WILL THE PROPOSED TRANSACTION PROVIDE NATURAL GAS SUPPLY**
19 **BENEFITS?**

20 A. Yes. NEHL customers will gain access to National Fuel’s diverse portfolio of firm
21 pipeline and storage assets among various FERC-regulated transmission and storage
22 service providers, a larger pool of reliable suppliers, and established gas procurement
23 hedging strategies to mitigate price volatility. In addition, National Fuel’s retail choice

1 program will be extended to NEHL customers, expanding their opportunities to shop for
2 supply.

3
4 **Q. HOW WILL THE PROPOSED TRANSACTION BENEFIT NEHL CUSTOMERS**
5 **FROM A CUSTOMER SERVICE PERSPECTIVE?**

6 A. NEHL customers will have access to the Company's vast customer service network,
7 which is favorably ranked among its utility peers according to Commission metrics and
8 annual customer service reports. The customer service benefits related to the Proposed
9 Transaction are more fully explained in the Direct Testimony of Elma Bico (Joint
10 Applicants St. No. 2).

11
12 **Q. WILL THE PROPOSED TRANSACTION PROVIDE NEHL'S LOW INCOME**
13 **CUSTOMERS WITH SUBSTANTIAL BENEFITS?**

14 A. Yes. As also explained by Ms. Bico, upon closing, former NEHL customers will be
15 eligible to participate in National Fuel's low-income customer programs, including its
16 Customer Assistance Program.

17
18 **Q. PLEASE EXPLAIN HOW THE PROPOSED TRANSACTION WILL BENEFIT**
19 **NATIONAL FUEL CUSTOMERS.**

20 A. The integration of NEHL and National Fuel service territories will deliver a more
21 streamlined customer experience, reducing confusion regarding service providers within
22 the broader community. This approach will also facilitate smoother transitions for

1 customers relocating from National Fuel to NEHL service areas by leveraging their
2 existing familiarity with National Fuel.

3 In addition, spreading operational costs across a larger customer base will, over
4 time, marginally reduce costs for all Pennsylvania customers. Moreover, the combined
5 footprint will eliminate confusion over providers, reduce duplicative system mileage for
6 those areas in North East Township that are currently served by both National Fuel and
7 NEHL, and increase efficiency, yielding incremental savings and potential rate
8 stabilization.

9 Finally, given National Fuel's close proximity to NEHL's service territory and
10 the Company's experience providing natural gas service in Erie County, National Fuel is
11 the natural successor to the NEHL system. By moving forward with the acquisition now,
12 National Fuel will be taking over the NEHL system while it is in good condition and the
13 Company can prudently invest in system improvements over time.

14 Taken together, the Proposed Transaction enhances safety, improves customer
15 service, broadens assistance programs, leverages economies of scale, and promotes long-
16 term reliability—all of which are clear public benefits in support of Commission
17 approval.

18
19 **Q. PLEASE SUMMARIZE HOW THE PROPOSED TRANSACTION WILL**
20 **INCREASE THE PRODUCTION OF PENNSYLVANIA GAS AND IMPROVE**
21 **RETAIL COMPETITION.**

22 A. National Fuel's long-term plans include integration of NEHL's existing system into
23 National Fuel's own natural gas distribution system. When this occurs, Pennsylvania

1 gas producers with interconnects to National Fuel’s existing distribution system would
2 stand to gain additional customers on NEHL’s system.

3 Generally speaking, National Fuel’s existing customers have the option to select
4 a retail supplier of their choice. Currently, NEHL customers have limited options in
5 terms of retail competition. Once the systems are integrated, NEHL customers will have
6 additional options in terms of retail choice, some of which may involve gas from
7 marketers whose gas supplies are sourced from Pennsylvania.

8
9 **Q. PLEASE EXPLAIN THE EFFECT OF THE PROPOSED MERGER ON NEHL**
10 **EMPLOYEES.**

11 A. As of the date of the filing of this Testimony, NEHL currently employs five (5) full-time
12 employees, including NEHL President Samuel Miller, and three (3) part-time
13 employees. Per the APA, National Fuel has agreed to offer all employees the
14 opportunity to interview for any current job openings that arise at National Fuel.

15
16 **FINANCIAL, TECHNICAL, AND LEGAL FITNESS**

17 **Q. DOES NATIONAL FUEL HAVE THE FINANCIAL FITNESS NECESSARY TO**
18 **OWN AND OPERATE NEHL?**

19 A. Yes. National Fuel’s financial fitness is shown in **Appendices H and I** to the
20 Application, which show National Fuel’s balance sheets and income statements for fiscal
21 years ended September 30, 2023, and September 30, 2024.

22 As explained above, National Fuel is a wholly owned subsidiary of NFGC.
23 NFGC’s balance sheet has a significant amount of unutilized leverage capacity under the

1 current targets set by the rating agencies. Given NFGC's expected free cash flow profile,
2 NFGC's credit metrics are expected to continue to strengthen over time. Further, NFGC
3 has regular access to the capital markets and a deep bank group with some of the largest
4 financial institutions in North America. Through existing agreements between National
5 Fuel and its parent NFGC, National Fuel has adequate capital to continue to modernize
6 the NEHL system and ensure safe and reliable operations for its customers. National
7 Fuel intends to continue these same practices as a consolidated company after the
8 Proposed Transaction and proposes to have one set of books and records, including for
9 the NEHL facilities.

10
11 **Q. DOES THE NATIONAL FUEL MANAGEMENT TEAM HAVE THE**
12 **TECHNICAL EXPERTISE NECESSARY TO OPERATE NEHL AS PART OF**
13 **NATIONAL FUEL?**

14 A. Yes. National Fuel has over 120 years of experience managing utilities in Pennsylvania
15 and western New York and is currently certificated to provide natural gas service in
16 North East Township. In addition, National Fuel's certificated service territory
17 surrounds NEHL's service territory, which will allow for seamless integration of
18 NEHL's system into National Fuel's ongoing operations. I have been advised by counsel
19 that existing certificated public utilities have a presumption of fitness in the context of
20 acquisition proceedings like the instant Application.

21

1 **Q. IS NATIONAL FUEL LEGALLY FIT TO OPERATE THE NEHL**
2 **DISTRIBUTION SYSTEM?**

3 A. Yes. National Fuel has not experienced any significant legal or compliance issues.
4 National Fuel is in compliance with the Pennsylvania Public Utility Code and the
5 Commission’s regulations and orders. National Fuel is also in compliance with all other
6 applicable state and federal laws.

7

8 **OTHER CONSIDERATIONS**

9 **Q. ARE THERE OTHER CONSIDERATIONS THAT MAY BE RELEVANT TO**
10 **THE COMMISSION’S REVIEW OF THIS APPLICATION?**

11 A. As discussed above, National Fuel is equipped financially, legally, and operationally to
12 enhance the customer experience for NEHL’s customers and to modernize the natural
13 gas distribution assets in NEHL’s service territory. National Fuel’s access to capital,
14 even during difficult economic times, is a benefit for rate payers. National Fuel has
15 contributed to the economic health of the communities it serves, including in the
16 Commonwealth of Pennsylvania, for more than 120 years, and the Company’s
17 relationships with its customers, employees, and the local communities are central to
18 National Fuel’s mission.

19

1 **STANDARDS FOR APPROVAL OF THE PROPOSED TRANSACTION**

2 **Q. WHAT IS YOUR UNDERSTANDING OF THE STANDARD BY WHICH THE**
3 **COMMISSION WILL EVALUATE THE PROPOSED TRANSACTION?**

4 A. I have been advised by counsel that National Fuel must demonstrate its financial,
5 technical, and legal fitness to own and operate the NEHL distribution system. Also, the
6 Joint Applicants must demonstrate that the Proposed Transaction will affirmatively
7 promote the service, accommodation, convenience or safety of the public in some
8 substantial way. The Commission will not necessarily require legally binding
9 commitments in specific areas to assure public benefits or require the quantification of
10 benefits where it may be impractical; rather, it will assess the reasonably expected “net
11 benefits” of the overall transaction. It will determine whether the overall transaction is
12 good for the public, which includes patrons of the utilities as well as the larger
13 community. I have also been advised by counsel that the Pennsylvania Natural Gas
14 Choice and Competition Act requires the Commission to consider whether the Proposed
15 Transaction will result in anticompetitive or discriminatory conduct to the detriment of
16 retail supply competition.

17
18 **Q. DO YOU BELIEVE THAT THE JOINT APPLICANTS HAVE SATISFIED**
19 **THESE STANDARDS?**

20 A. Yes, I do.

21

1 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

2 A. Yes, it does. However, I reserve the right to file additional testimony as may be necessary
3 or appropriate.

VERIFICATION

I, William F. Snyder, III, being a Vice President at National Fuel Gas Distribution Corporation, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief and that I expect that National Fuel Gas Distribution Corporation 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: 10/7/2025

DocuSigned by:


William F. Snyder, III
Vice President
National Fuel Gas Distribution Corp.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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Borough of North East, Erie County, :
Pennsylvania and North East Township, Erie :
County, Pennsylvania; and (3) for National :
Fuel Gas Distribution Corporation to expand :
its service territory to begin to offer, render, :
furnish or supply natural gas service to the :
public in the Borough of North East, Erie :
County, Pennsylvania. :

**DIRECT TESTIMONY OF
ELMA BICO**

Date: October 7, 2025

Joint Applicants Statement No. 2

**DIRECT TESTIMONY OF
ELMA BICO**

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

2 A. My name is Elma Bico and my business address is 1100 State Street, Erie, Pennsylvania
3 16501.

4

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

6 A. I am employed by National Fuel Gas Distribution Corporation (“National Fuel” or
7 “Company”) as Senior Manager of National Fuel’s Consumer Business Department.

8

9 **Q. WHAT ARE YOUR PRINCIPAL DUTIES AND RESPONSIBILITIES AS
10 SENIOR MANAGER OF NATIONAL FUEL?**

11 A. As a Senior Manager within the Consumer Business Department, I serve as the agile
12 program owner for initiatives involving customer information system upgrades and the
13 implementation of regulatory changes. In this capacity, I work closely with our IT teams
14 to ensure that system enhancements are delivered in alignment with both regulatory
15 expectations and the strategic objectives of the organization.

16 My responsibilities include translating complex business and regulatory
17 requirements into actionable development priorities, managing the product backlog, and
18 facilitating cross-functional collaboration among internal stakeholders. This ensures that
19 system upgrades and process improvements are executed effectively and meet defined
20 business and regulatory standards.

1 In addition to my program ownership duties, I am responsible for preparing and
2 managing the Consumer Business Department’s budget.

3
4 **Q. WHAT IS YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND?**

5 A. I graduated from Penn State Erie, The Behrend College in 2006 with a Bachelor of Arts
6 Degree in Psychology and in 2008 with a Master’s Degree in Business Administration.
7 In 2010, I began my career at National Fuel as a supervisor within the Consumer Business
8 Department, which encompasses the call center, customer accounting, quality assurance,
9 and the administration of universal service programs. Over the years, I’ve held multiple
10 roles within the Department, with a recent focus on leading projects related to customer
11 information system upgrades and implementing regulatory changes to ensure compliance
12 and operational efficiency.

13
14 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PENNSYLVANIA**
15 **PUBLIC UTILITY COMMISSION OR OTHER STATE COMMISSIONS?**

16 A. Yes. I have previously provided testimony before the Pennsylvania Public Utility
17 Commission (“Commission”) in prior rate case proceedings.

18
19 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

20 A. I will describe the customer service and energy assistance benefits of National Fuel’s
21 proposed acquisition of the assets of North East Heat & Light Company (“NEHL”)

1 (“Proposed Transaction”) to both NEHL’s and National Fuel’s customers. I will also
2 provide an overview of the public notice provided regarding the Proposed Transaction.

3
4 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

5 A. I am sponsoring **Appendix K** to the Application, which contains a copy of the notice that
6 National Fuel will provide to NEHL customers regarding this Application and the
7 Proposed Transaction.

8
9 **CUSTOMER SERVICE**

10 **Q. PLEASE DESCRIBE NATIONAL FUEL’S CURRENT CUSTOMER BASE.**

11 A. National Fuel’s current customer base includes approximately 214,000 customers
12 consisting of approximately 197,000 residential customers, 15,000 commercial
13 customers, 1,200 public authority customers, and 600 industrial customers across
14 Northwestern Pennsylvania.

15
16 **Q. PLEASE DESCRIBE NEHL’S CURRENT CUSTOMER BASE.**

17 A. As of August 2025, NEHL currently provides service to approximately 2,900 customer
18 accounts located in North East Borough and North East Township within Erie County.
19 NEHL’s customer base consists of approximately 2,600 residential customer meters, 200
20 commercial/public building meters, 70 large commercial meters, two (2) industrial
21 customer meters, and six (6) large industrial customer meters. NEHL also provides
22 transportation service to eight (8) customers.

1 **Q. WILL NATIONAL FUEL MAINTAIN ITS CURRENT LEVEL OF SERVICE**
2 **AFTER THE ACQUISITION?**

3 A. Yes. National Fuel is currently staffed by a robust Consumer Business Department and
4 Operations Department, which are not only capable of absorbing NEHL’s territory and
5 customer base, but also equipped to undertake actions to continue to modernize and
6 increase the reliability and efficiency of same. In this regard, National Fuel’s call center
7 is based in Erie and prides itself on striving to answer all calls with a live person within
8 30 seconds, with over 90% of such calls achieving this service level in 2024.

9 Similarly, National Fuel’s Operations Department carries an exceptional
10 emergency response rate, with 99.7% of all emergency calls responded to in 45 minutes
11 or less. These high standards, both in terms of customer service and field response, will
12 be a benefit to the NEHL customers. Moreover, National Fuel’s level of staffing and
13 extended hours of operation will seamlessly translate to an outstanding level of service
14 for these newly acquired customers and allow them to interface with their local utility at
15 times that are convenient for them.

16
17 **Q. WHAT ADDITIONAL CUSTOMER SERVICE RESOURCES WILL NEHL**
18 **CUSTOMERS HAVE ACCESS TO IF THE ACQUISITION IS APPROVED?**

19 A. NEHL customers will have access to National Fuel’s vast network of customer service
20 representatives. The Company’s customer service performance is favorably ranked
21 among its utility peers according to the Commission’s customer service metrics and
22 annual customer service reports. National Fuel has customer service representatives
23 available by phone from 7:00 AM – 6:00 PM Monday through Friday (excluding

1 holidays) to handle all customer inquiries and requests. In addition, a Language Line is
2 available for limited-English speaking customers.

3 National Fuel’s Online Customer Portal is available 24/7 and offers various self-
4 service options. Customers can access account information, pay their bill, enroll in budget
5 plan or AutoPay, submit meter readings, and apply for the Customer Assistance Program
6 (“CAP”) through the Company’s website. Additional online resources include bill
7 payment for customers without an online account, information on payment plan options
8 and payment assistance, energy efficiency tips, customer choice information, rate and
9 tariff information, and information on meter and gas safety. Landlord agreement plans
10 are also available for landlords who want the convenience of not losing gas service when
11 a tenant moves out.

12
13 **Q. ARE THERE ANY OTHER CUSTOMER SERVICE BENEFITS OF THE**
14 **PROPOSED TRANSACTION?**

15 A. National Fuel customers have multiple options for bill pay including pay by mail, drop
16 box payments, authorized payment centers, pay by phone, pay by text, online bill pay,
17 AutoPay, payment reminders, scheduled payments, and paperless billing. National Fuel
18 also offers a budget plan, third party notifications, and Extra Security Plan (for those who
19 are disabled or on Social Security and need to align bill payments with when they receive
20 their monthly checks). In addition, National Fuel offers energy audits for customers
21 concerned about their energy usage.

1 National Fuel also has a wide range of programs available for Low Income
2 customers under its Universal Service and Energy Conservation Plan (“USECP”).¹ These
3 additional payment methods and energy assistance programs will be available to NEHL
4 customers upon closing.

5
6 **ENERGY ASSISTANCE**

7 **Q. PLEASE GENERALLY DESCRIBE NATIONAL FUEL’S USECP.**

8 A. National Fuel offers several Universal Service programs to help customers maintain
9 affordable natural gas service, including the following:

- 10 • CAP;
- 11 • Low Income Usage Reduction Program (“LIURP”);
- 12 • Neighbor for Neighbor Heat Fund; and
- 13 • Customer Assistance and Referral Evaluation Services (“CARES”).

14 National Fuel uses an integrated approach to administering its collection of Universal
15 Service programs and strives for continuous improvement with respect to each program.
16 Notably, the Company has designed its Universal Service programs to complement each
17 other to assist eligible customers, strives to educate and enroll customers in as many of
18 its Universal Service programs as possible to help tailor a custom solution for eligible
19 customers, and leverages its workforce and community partners to administer the
20 Universal Service programs holistically, rather than having its workforce “siloed” and
21 responsible for just one discrete program.

¹ National Fuel’s current Commission-approved Universal Service and Energy Conservation Plan is available at Docket No. M-2021-3024935.

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Q. PLEASE DESCRIBE THE COMPANY’S CAP.

A. Customers enrolled in CAP receive a monthly bill tailored to their unique financial needs and designed to be more affordable than non-CAP customers. In addition to receiving a discounted rate, CAP participants can obtain arrearage forgiveness of their pre-enrollment past due balance. CAP also features energy management and conservation components such as Energy Education for customer’s residence, Energy Audits for participants whose usage exceeds that of a typical residential customer, written energy education materials, and screening for referrals to National Fuel’s LIURP or National Fuel’s Low-Consumption Low-Income Usage Reduction Pilot Program (“LC-LIURP”) weatherization assistance. Both LIURP and LC-LIURP are offered pursuant to National Fuel’s USECP.

Q. DOES NEHL CURRENTLY OFFER ANY UNIVERSAL SERVICE PROGRAMS TO ITS CUSTOMERS?

A. No, NEHL does not have a Commission-approved USECP, nor does it offer its customers any Universal Service programs such as a customer assistance program or any weatherization programs.

1 **Q. IF THE ACQUISITION IS APPROVED, WILL NEHL CUSTOMERS HAVE**
2 **ACCESS TO THE NATIONAL FUEL UNIVERSAL SERVICE PROGRAMS**
3 **DESCRIBED ABOVE?**

4 A. Yes. NEHL customers will be able to apply for all programs outlined in National Fuel's
5 USECP and will be enrolled in programs based on their eligibility. This access will
6 provide an immediate benefit to NEHL's low-income customer population by providing
7 natural gas bills based on income, debt forgiveness, energy conservation measures, and
8 access to hardship funds.

9 For NEHL customers that enroll in CAP, National Fuel will determine the
10 monthly CAP payment for each household based on either a percentage of income
11 payment, an average monthly bill amount, or the CAP minimum payment amount of
12 \$12.00. NEHL customers enrolled in CAP will be transitioned to National Fuel rates in
13 order to calculate their monthly CAP payment and will remain on National Fuel rates
14 until or unless they are removed from CAP. This rate transition will align the
15 administration of CAP and the calculation of monthly payments with the Company's
16 current USECP and the applicable provisions of the Company's Commission-approved
17 tariff.

18 All other customers may also be eligible for CARES if they do not qualify for
19 National Fuel's low-income programs.

20

1 **PUBLIC NOTICE**

2 **Q. HAVE NEHL CUSTOMERS BEEN PROVIDED NOTICE OF THE PROPOSED**
3 **TRANSACTION?**

4 A. Yes, contemporaneously with the filing of the instant Application, NEHL President
5 Samuel Miller mailed a letter directly to NEHL’s customers advising them of the sale,
6 informing them that the sale would be subject to Commission approval, and describing
7 the process, generally. The letter also included a link and QR code to a website National
8 Fuel has set up to answer questions NEHL customers may have about the transition. A
9 copy of the NEHL letter is attached to the Application as **Appendix J**.

10
11 **Q. WILL NATIONAL FUEL PROVIDE ANY ADDITIONAL NOTICE TO NEHL**
12 **CUSTOMERS?**

13 A. Yes. National Fuel will be providing individual notice to NEHL customers regarding
14 the Proposed Transaction and the instant Application within approximately two weeks
15 after the filing of this Application (“Welcome Letter”). A copy of this Welcome Letter
16 is attached to the Application as **Appendix K**. This Welcome Letter will provide
17 information related to the Proposed Transaction, inform NEHL customers of the
18 availability of Universal Services programs, describe the impact the acquisition will have
19 on rates, provide information regarding a scheduled “Open House” for NEHL customers
20 to learn about National Fuel, and explain how to contact National Fuel to get more
21 information regarding the acquisition.

22

1 **Q. HAVE THE JOINT APPLICANTS PROVIDED NOTICE OF THE PROPOSED**
2 **TRANSACTION TO NORTH EAST BOROUGH AND NORTH EAST**
3 **TOWNSHIP?**

4 A. Yes. NEHL and National Fuel held a joint meeting with municipal officials from the
5 Borough of North East and North East Township on September 25, 2025. At the
6 meeting, representatives from National Fuel and NEHL provided North East Township
7 and the Borough of North East with information about the acquisition, the transition
8 period, the impact on rates, the new program offerings (*e.g.*, USECP offerings for
9 eligible customers), and National Fuel’s commitment to the communities it serves.
10 Copies of this Application and supporting materials are also being served on both
11 municipalities.

12 Additionally, federal, state, and local elected officials have been provided an
13 overview of the Proposed Transaction. This notice has established an open line of
14 communication, should customers or the public seek assistance or information from
15 elected officials related to the Proposed Transaction.

16
17 **Q. WILL NATIONAL FUEL ENGAGE IN ANY OTHER COMMUNITY**
18 **OUTREACH REGARDING THE PROPOSED TRANSACTION?**

19 A. Yes. As specified in National Fuel’s Welcome Letter (**Appendix K**), National Fuel will
20 be hosting a town hall-style “Open House” in NEHL’s service territory, which will
21 provide NEHL customers with a public forum to engage with National Fuel
22 representatives, learn more about the acquisition, and ask any questions they may have.

23

1 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

2 A. Yes, it does. However, I reserve the right to file additional testimony as may be necessary
3 or appropriate.

VERIFICATION

I, Elma Bico, being a Senior Manager in the Consumer Business Department at National Fuel Gas Distribution Corporation, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief and that I expect that National Fuel Gas Distribution Corporation 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: 10/7/2025

Signed by:
Elma Bico
52842AE336EE442...
Elma Bico
Senior Manager
National Fuel Gas Distribution Corp.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of National Fuel Gas :
Distribution Corporation and North East :
Heat & Light Company, under Sections :
1102(a)(1)-(3) of the Public Utility Code, for : Docket Nos. A-2025-_____
approval: (1) of the right for North East Heat : A-2025-_____
& Light Company to transfer certain natural :
gas distribution facilities and rights to :
National Fuel Gas Distribution Corporation; :
(2) for North East Heat & Light Company to :
abandon the provision of natural gas service :
to the public in its service territory in the :
Borough of North East, Erie County, :
Pennsylvania and North East Township, Erie :
County, Pennsylvania; and (3) for National :
Fuel Gas Distribution Corporation to expand :
its service territory to begin to offer, render, :
furnish or supply natural gas service to the :
public in the Borough of North East, Erie :
County, Pennsylvania. :

**DIRECT TESTIMONY OF
DONALD N. KOCH**

Date: October 7, 2025

Joint Applicants Statement No. 3

**DIRECT TESTIMONY OF
DONALD N. KOCH**

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Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is Donald N. Koch. My business address is 6363 Main Street, Williamsville, NY 14421.

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

A. I am employed by National Fuel Gas Distribution Corporation (“National Fuel” or “Company”) as a Lead Rate Analyst in the Rates and Regulatory Affairs Department.

Q. WHAT ARE YOUR PRINCIPAL DUTIES AND RESPONSIBILITIES AS LEAD RATE ANALYST FOR NATIONAL FUEL?

A. As a Lead Rate Analyst in the Rates and Regulatory Affairs Department of National Fuel, I am a subject matter expert in Rate and Regulatory matters in the Company’s Pennsylvania Division. My duties and responsibilities include being a lead or primary witness in various rate proceedings and preparer of regular Pennsylvania Public Utility Commission (“Commission”) filings on behalf of the Company. I also serve as manager of junior analysts within the Rates and Regulatory Affairs Department.

Q. WHAT IS YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND?

A. Prior to joining National Fuel, I worked in banking for 11 years at M&T Bank, specializing in various compliance and financial roles. In June 2015, I was hired by the Company as a Rate Analyst II in the Rates and Regulatory Affairs Department. In

1 February 2020, I was promoted to the position of Rate Analyst III. In February 2023, I
2 was promoted to my current position of Lead Rate Analyst.

3
4 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PENNSYLVANIA**
5 **PUBLIC UTILITY COMMISSION OR OTHER STATE COMMISSIONS?**

6 A. Yes, I have testified before this Commission on behalf of National Fuel in numerous
7 Section 1307(f) Purchased Gas Cost (“PGC”) proceedings. I testified in the Company’s
8 last Base Rate Case proceeding at Docket No. R-2022-3035730, the Other Post
9 Employment Benefit (“OPEB”) refund proceeding (Docket No. R-2021-3027406), and
10 the Distribution System Improvement Charge (“DSIC”) Petition (Docket No. P-2022-
11 3034957). I have testified before the New York State Public Service Commission
12 (“NYPSC”) on behalf of National Fuel’s New York Division in a Base Rate Case
13 proceeding (Docket No. 16-G-0257), where my testimony covered net plant and rate
14 base.

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

17 A. I will provide a description of the tariff proposals, rate proposals and rate impacts related
18 to National Fuel’s proposed acquisition of the assets of North East Heat & Light
19 Company (“NEHL”) (“Proposed Transaction”).

20

1 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

2 A. Yes, I am sponsoring **Appendix G** to the Application (Pro-Forma Tariff Rate Schedules),
3 as well as **National Fuel Exhibit DNK-1** (PGC Rate Comparison); and **National Fuel**
4 **Exhibit DNK-2** (Residential Rate Impact Analysis).

5
6 **Q. PLEASE SUMMARIZE NEHL'S CURRENT RATE SCHEDULES AND RATES.**

7 A Currently, in analyzing NEHL's tariff, NEHL's Rate schedules include Residential,
8 Commercial, and Industrial rate schedules. Both the Commercial and Industrial rate
9 schedules are further delineated by small and large use customers. The rates charged to
10 each of these customers include a monthly customer charge and a usage delivery rate
11 charge. Also, sales customers are subject to a Gas Cost Rate ("GCR") charge, which is
12 NEHL's equivalent to a PGC rate.

13

14 **Q. HOW DOES THIS COMPARE TO NATIONAL FUEL'S RATE SCHEDULES**
15 **AND RATES?**

16 A. National Fuel classifies its Rate schedules similarly, and has Residential, Commercial,
17 and Industrial Service rate schedules. However, National Fuel further delineates its
18 Commercial and Industrial classes by different usage intervals. National Fuel has
19 Commercial Rate schedules of Small Business Upper and Lower Limit; and Large
20 Commercial Public Authority. National Fuel's Rate Schedules for Industrial Customers
21 are comprised of Small Volume; Intermediate Volume, Large Volume, and Large
22 Industrial. Please see Table DNK-1 below for base rate comparisons, while noting that
23 the comparisons for the commercial and industrial classes may not be an "apples to

1 apples” comparison based upon the usage delineation discrepancies between the two
2 companies:

3 Table: DNK-1

Service Class	Customer Charge NEHL	Customer Charge National Fuel	Delivery Charge NEHL (\$/MCF)	Delivery Charge National Fuel (\$/MCF)
Residential	\$8.50	\$14.00	\$1.4780	\$2.9611
Small Commercial	\$22.00	\$27.00	\$1.4350	\$2.7463
Large Commercial	\$44.00	\$151.00	\$1.4350	\$2.1091
Small Industrial	\$22.00	\$82.00	\$1.4640	\$2.5191
Large Industrial	\$117.00	\$1,023.00	\$1.4640	\$1.4712

4
5 **Q. IS NATIONAL FUEL PROPOSING TO MOVE NEHL CUSTOMERS TO**
6 **NATIONAL FUEL’S TARIFF AS PART OF THIS APPLICATION?**

7 A. Yes. National Fuel is proposing to move NEHL customers to the Company’s
8 Commission-approved tariff (Tariff – Gas – Pa.P.U.C. No. 9) (“Tariff”) as part of this
9 Application. All of the governing rules of the Company’s Tariff would apply to NEHL
10 Customers. The only exception to this is that the Company proposes to: (a) add
11 temporary tariff Rate Schedules for former NEHL customers for delivery rate purposes;
12 and (b) add a special provision to Rule No. 5 in the Company’s Tariff for former NEHL
13 customers (to account for matters dealing with NEHL customers owning their natural
14 gas service lines), both of which are further explained herein. Please see **Appendix G**
15 to the Application for the *pro forma* NEHL Rate Schedule leaves.

1 **Q. IS NATIONAL FUEL PROPOSING TO CHANGE NEHL’S BASE RATES AS A**
2 **PART OF THIS APPLICATION?**

3 A. No. National Fuel is not changing base rates for current NEHL customers as part of this
4 Application. The Company will adjust base rates for current NEHL customers in the
5 future through one or more base rate case proceedings.

6
7 **Q. IS NATIONAL FUEL PROPOSING TO MERGE NEHL’S PGC RATES INTO**
8 **NATIONAL FUEL’S PGC RATES AS PART OF THIS APPLICATION?**

9 A. Yes. National Fuel is proposing to charge NEHL customers the Company’s full PGC
10 rates including the E-factor, which is explained below. Merging the PGC rates offers
11 several benefits to both NEHL customers and to National Fuel. NEHL customers will
12 benefit from National Fuel’s diverse supply portfolio. National Fuel’s gas procurement
13 practices should offer NEHL customers both price stability through its procurement
14 diversity and greater access to suppliers.

15 Merging NEHL’s PGC rates also benefits the Company as it eliminates the
16 administrative burden of maintaining separate rates and gas supply portfolios. National
17 Fuel’s PGC rates include a component for current costs (C-Factor), which comprise the
18 majority of the rate. National Fuel’s PGC rate also includes an E-Factor rate which
19 collects prior over-undercollection balances. There is also a Merchant Function Charge
20 (“MFC”) included in the rate for the amount of gas costs that is expected to be
21 uncollectible. The last component is a Gas Procurement Charge (“GPC”), which is the
22 charge associated with the costs of procuring gas supplies. All these charges are included
23 in National Fuel’s Price to Compare (“PTC”) for total rate transparency.

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Q. IS THERE ANYTHING ADDITIONAL YOU WOULD LIKE TO DISCUSS REGARDING NATIONAL FUEL’S BASE RATES AND PGC RATES?

A. Yes, National Fuel’s PGC rates contain a component called the Distribution Charge (“DC”), which is applicable to all National Fuel customer’s regardless of whether they are PGC sales or choice customers. The DC charge recovers pipeline capacity and storage costs needed to provide peak delivery/temperature swing requirements for all customers. Since this charge is assessed on all customers through their delivered consumption, for tariff purposes this rate component is included in the Distribution Charge delivery rate presented in the Company’s Tariff. To conform to the Company’s Tariff, this charge will be included with NEHL’s delivery base rate, similar to the current National Fuel Rate schedules. For example, referencing Appendix G to the Application, *pro forma* tariff leaf 36B, the Distribution Charge rate of “19.249 cents per 100 cubic feet” is comprised of NEHL’s current residential delivery rate of 14.78 + National Fuel PGC DC rate of 4.469 (14.78 + 4.469 = 19.249).

Q. HOW HAVE NATIONAL FUEL’S AND NEHL’S PGC RATES COMPARED OVER THE PAST 3 YEARS?

A. National Fuel’s annual PGC rates are effective every August 1 and updated quarterly (Nov 1, Feb 1, and May 1) if the change is greater than 2%. NEHL’s PGC rates are updated annually effective November 1. Using a 3-year average of PGC rates, NFG’s average PGC rate is \$0.4902 per ccf, while NEHL’s 3-year average is \$0.6374. Using an average residential consumption of 84 ccf per month results in National Fuel’s PGC

1 costs being \$12.36 cheaper per month. National Fuel’s and NEHL’s current PGC rates
2 are very similar. National Fuel’s PGC rate effective August 1, 2025, is \$0.5648 per ccf,
3 while NEHL’s rate effective November 1, 2024 is \$0.5224 per ccf. Please refer to
4 **National Fuel Exhibit DNK-1** for a complete PGC rate analysis.

5
6 **Q. IS NATIONAL FUEL PROPOSING TO APPLY ANY OF ITS RIDERS OR**
7 **SURCHARGES TO NEHL CUSTOMERS UPON CLOSING OF THE**
8 **ACQUISITION?**

9 A. National Fuel is proposing to apply its RIDER F – CAP rate (to NEHL’s residential
10 customers, in the same manner the Company currently applies Rider F to National Fuel’s
11 current residential customers), RIDER E – Customer Education, RIDER B – State Tax
12 Adjustment, and the additional gas cost RIDERS previously discussed that are included
13 in PGC rates: MFC and GPC. The Company anticipates that only RIDER F will have
14 any noticeable bill impact to NEHL Residential customers.

15
16 **Q. WHY IS IT APPROPRIATE TO INCLUDE THESE CHARGES UPON**
17 **CLOSING OF THE APPLICATION?**

18 A. The Company plans to offer its Customer Assistance Program (“CAP”) to eligible NEHL
19 customers, along with its other Universal Service programs, upon closing. Access to
20 these Universal Service programs will provide an immediate benefit to NEHL’s low-
21 income customers, making it appropriate to include this charge to NEHL residential
22 customers. The other charges being proposed to NEHL customers are all charges related
23 to various aspects of the Company’s daily operations or programs that will now include

1 NEHL customers. Therefore, it is appropriate to include these charges as well. It should
2 be noted that RIDER B is a surcredit charge, and RIDER E is a zero rate that is forecasted
3 to be a zero rate for the foreseeable future. The MFC and GPC are all part of the
4 Company's PGC rate, as discussed earlier in my testimony.

5
6 **Q. DOES NEHL CURRENTLY HAVE A DSIC?**

7 A. No.

8
9 **Q. WHAT IS NATIONAL FUEL PROPOSING WITH RESPECT TO THE DSIC**
10 **CHARGE?**

11 A. National Fuel proposes to file an amendment to its Long-Term Infrastructure
12 Improvement Plan ("LTIP") to include the NEHL facilities within 90 days of closing of
13 the Proposed Transaction. In the next quarterly DSIC filing following approval of the
14 amended LTIP, the Company proposes to apply the DSIC to former NEHL customers.
15 National Fuel will not include investments in the NEHL system in its DSIC until the
16 Company starts applying the DSIC to NEHL's former customers. National Fuel is
17 seeking approval of this DSIC proposal as part of the Application.

18

1 **Q. HAVE YOU PREPARED AN ANALYSIS OF THE IMMEDIATE RATE**
2 **IMPACTS TO NEHL’S RESIDENTIAL CUSTOMERS AS A RESULT OF THE**
3 **APPLICATION?**

4 A. Yes, please refer to **National Fuel Exhibit DNK-2** for an immediate rate impact utilizing
5 National Fuel rates effective October 1, 2025 and applying all requested applicable riders
6 and surcharges.

7
8 **Q. WILL THERE BE ANY IMPACTS TO NEHL’S COMMERCIAL AND**
9 **INDUSTRIAL CUSTOMERS DUE TO THE TRANSACTION?**

10 A. Currently, NEHL’s commercial and industrial (“C&I”) customers have access to just four
11 rate classes: (1) commercial; (2) large commercial; (3) industrial; and (4) large industrial.
12 All but eight (8) of these customers are NEHL sales service customers. To the extent
13 these customers (including the eight that have opted for transportation services currently)
14 desire transportation service, only a few marketers currently serve NEHL’s system.

15 After the acquisition, C&I sales customers will have access to National Fuel’s
16 transportation program with many marketers currently operating on the Company’s
17 system, giving these customers flexibility to arrange their gas service in a way that best
18 suits their needs. Additional flexibility will include: (a) access to additional rate classes,
19 *i.e.*, three commercial rates based on volume and four industrial rates based on volume;
20 (b) service from the additional marketers authorized to deliver gas to National Fuel’s
21 system; and (c) the ability to arrange for either daily metered transportation service or
22 monthly metered transportation service.

23

1 **Q. WILL THERE BE ANY IMPACTS TO NEHL'S COMMERCIAL AND**
2 **INDUSTRIAL TRANSPORTATION CUSTOMERS DUE TO THE**
3 **TRANSACTION?**

4 A. National Fuel anticipates a smooth transition for NEHL's eight current transportation
5 customers. The Company intends to enroll all transportation customers (those that
6 purchase their gas through a marketer) into National Fuel's Monthly Metered
7 Transportation Service ("MMT"), allowing customers to maintain their current marketer.
8 The MMT program is similar to NEHL's transportation program. One difference is that
9 NEHL's program allows the transportation customer to bank unused gas volumes at the
10 end of the month to be used in future months. Under National Fuel's MMT program, any
11 imbalances at the end of the month are cashed out at the marketer level.

12 From the marketer-related information provided to National Fuel, the Company
13 has confirmed that all the marketers currently providing gas supplies to NEHL customers
14 are approved and actively serving transportation customers on National Fuel's system.
15 Therefore, the marketers are familiar with the various transportation services offered
16 through National Fuel's tariff transportation program and the detailed requirement of the
17 program specified in its Gas Transportation Operating Procedures ("GTOP"). The GTOP
18 describes all aspects of procedures, protocols and business practices for transportation
19 service on the National Fuel system. Generally, these marketers are in good standing
20 with National Fuel. The Company anticipates the NEHL marketers' familiarity with
21 National Fuel's GTOP will facilitate a smooth transition for the transportation customers.

1 NEHL transportation customers will be subject to National Fuel’s balancing
2 charges and other applicable transportation related fees, except that NEHL customers will
3 continue to receive their current base delivery rate.

4 After closing, former NEHL customers may elect to transition to Daily Metered
5 Transportation Service (“DMT”). To help inform these customers, National Fuel’s
6 Energy Service Department will be undertaking outreach prior to the closing date to
7 apprise the largest C&I customers of these options.

8
9 **Q. PLEASE DESCRIBE HOW NEHL CUSTOMERS WILL BE INTEGRATED**
10 **INTO NATIONAL FUEL’S BILLING SYSTEM.**

11 A. Upon closing, NEHL customers will receive monthly bills from National Fuel using the
12 same bill format that is used for current National Fuel customers. The base distribution
13 rates, including the PGC rate and surcharges described above, will be readily visible on
14 NEHL customers’ bills. As described above, NEHL customers will be billed according
15 to the Company’s Tariff and in line with the customer protections contained in Chapter
16 56 of the Commission’s regulations. NEHL customer billing history received from
17 NEHL will be retained by National Fuel, as available, in accordance with applicable
18 Commission regulations and industry standards.

19

1 **Q. HOW DOES THE COMPANY INTEND TO HANDLE NEW CUSTOMER**
2 **CONNECTIONS IN THE FORMER NEHL SERVICE TERRITORY?**

3 A. The NEHL rate schedule will only apply to existing customers at their current service
4 locations. All new customers, new applications for service, and transfers of service will
5 receive service as National Fuel customers at full tariff rates.

6

7 **Q. WITH RESPECT TO NON-RATE PROVISIONS, WHAT IS NATIONAL**
8 **FUEL'S PLAN FOR GENERAL RULES AND REGULATIONS APPLYING TO**
9 **FORMER NEHL CUSTOMERS?**

10 A. National Fuel intends for all of the "Rules and Regulations Applying to All Territories
11 Served" (*i.e.*, Rules 1-33, inclusive) in the Company's existing Tariff to apply to NEHL
12 customers effective upon the closing of the acquisition. This will ensure that former
13 NEHL customers will be served under the same rules, terms, and conditions as National
14 Fuel's existing Pennsylvania customers. The Company notes that it has revised Tariff
15 Rule No. 5 related to NEHL customers' service lines, as further explained in Joint
16 Applicants Statement No. 1.

17

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

19 A. Yes, it does. However, I reserve the right to file additional testimony as may be necessary
20 or appropriate.

National Fuel Exhibit DNK-1

PGC Rate Comparison

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

National Fuel Exhibit DNK-1
 PGC Rate Comparison

Monthly Usage Assumption (ccf) 84

NEHL PGC Rate		NFG PGC Rate	
11/1/2022	0.7597	11/1/2022	0.8778
11/1/2023	0.6301	2/1/2023	0.7547
11/1/2024	<u>0.5224</u>	5/1/2023	0.6946
3 Yr Avg	0.6374	8/1/2023	0.3096
		11/1/2023	0.3674
		2/1/2024	0.3244
		5/1/2024	0.2915
		8/1/2024	0.3788
		11/1/2024	0.4016
		2/1/2025	0.4588
		5/1/2025	0.4588
		8/1/2025	<u>0.5648</u>
		3 Yr Avg	0.4902

Monthly Bill

	NEHL		NFG	
PGC Cost (3 YR avg rate)	0.6374	\$ 53.54	0.4902	\$ 41.18

Decrease Due to PGC	\$ 12.36 per month
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National Fuel Exhibit DNK-2

Residential Rate Impact Analysis

**Joint Application of National Fuel Gas Distribution Corporation and
North East Heat & Light Company**

Docket No. A-2025-_____

October 7, 2025

National Fuel Exhibit DNK-2
Residential Rate Impact Analysis

Monthly Usage Assumption (ccf) 84

NEHL PGC Rate		NFG PGC Rate	
11/1/2022	0.7597	11/1/2022	0.8778
11/1/2023	0.6301	2/1/2023	0.7547
11/1/2024	0.5224	5/1/2023	0.6946
3 Yr Avg	0.6374	8/1/2023	0.3096
		11/1/2023	0.3674
		2/1/2024	0.3244
		5/1/2024	0.2915
		8/1/2024	0.3788
		11/1/2024	0.4016
		2/1/2025	0.4588
		5/1/2025	0.4588
		8/1/2025	0.5648
		3 Yr Avg	0.4902

<u>NEHL Residential Bill (Current)</u>		Monthly Bill	
Customer Charge		\$	8.50
Delivery Charge	0.1478	\$	12.42
Total Delivery		\$	20.92

	<u>NEHL</u>		<u>NFG</u>	
PGC Cost (3 YR avg rate)	0.6374	\$ 53.54	0.4902	\$ 41.18

<u>NFG Riders (as of 10/1/2025)</u>			
Rider E - Customer Education	-	\$	-
Rider F - Current	0.0145	\$	1.21
Rider F - Reconciliation	(0.0005)	\$	(0.04)
Rider F - Adjustment	(0.0008)	\$	(0.07)
		\$	1.10

Delivery Subtotal \$ 22.02

DSIC Rate	3.31%	\$	0.73
RIDER B STA Rate	-0.17%	\$	(0.04)

Delivery Total \$ 22.71

Total Bill Current	\$	74.46	(NEHL Rates)
Proposed Total Bill	\$	63.89	(NFG RIDERS & PGC)

Increase in Delivery Due to Riders \$ 1.79 per month

% Increase Due to Riders (Delivery Portion)	8.58%
% Increase Due to Riders (Total Bill Basis)	2.41%

Decrease Due to PGC \$ 12.36 per month

Total Net Decrease \$ 10.57 per month

% Decrease (Total Bill Basis inc RIDERS and PGC)	14.19%
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VERIFICATION

I, Donald N. Koch, being an Assistant Manager in the Rates & Regulatory Affairs Department at National Fuel Gas Distribution Corporation, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief and that I expect that National Fuel Gas Distribution Corporation 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: 10/7/2025

Signed by:

B561BD5128C3405...
Donald N. Koch
Assistant Manager
National Fuel Gas Distribution Corp.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application of National Fuel Gas :
Distribution Corporation and North East :
Heat & Light Company, under Sections :
1102(a)(1)-(3) of the Public Utility Code, for : Docket Nos. A-2025-_____
approval: (1) of the right for North East Heat : A-2025-_____
& Light Company to transfer certain natural :
gas distribution facilities and rights to :
National Fuel Gas Distribution Corporation; :
(2) for North East Heat & Light Company to :
abandon the provision of natural gas service :
to the public in its service territory in North :
East Borough and North East Township, :
Erie County, Pennsylvania and for these :
customers to be served by National Fuel Gas :
Distribution Corporation; and (3) for :
National Fuel Gas Distribution Corporation :
to expand its service territory to begin to :
offer, render, furnish or supply natural gas :
service to the public in North East Borough, :
Erie County, Pennsylvania. :

**DIRECT TESTIMONY OF
SAMUEL MILLER**

Date: October 7, 2025

Joint Applicants Statement No. 4

**DIRECT TESTIMONY OF
SAMUEL MILLER**

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

2 A. My name is Samuel Miller, and my business address is 10700 West Main Street, North
3 East, PA 16428.

4

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

6 A. I am the President and majority shareholder of North East Heat & Light Company
7 (“NEHL”).

8

9 **Q. WHAT ARE YOUR PRINCIPAL DUTIES AND RESPONSIBILITIES AS
10 PRESIDENT OF NEHL?**

11 A. As President of NEHL, I am responsible for the overall management and strategic
12 direction of NEHL. My duties include overseeing daily operations, supervising
13 employees, ensuring compliance with state and federal safety and regulatory
14 requirements and making decisions regarding capital investments and system
15 improvements. I also represent NEHL in regulatory proceedings and community
16 engagement.

17

18 **Q. WHAT IS YOUR EDUCATIONAL AND PROFESSIONAL BACKGROUND?**

19 A. I received my high school diploma in 1976. From 1976 to 1978, I attended Edinboro
20 University. In 1978, I began a full employment position in the natural gas pipeline
21 construction field. From 1984 until 2002, I served as vice-president of NEHL. In 2002,

1 I became majority shareholder and President of NEHL. Throughout my career, I have
2 attended numerous continuing education classes related to natural gas distribution,
3 including classes conducted by state and federal agencies, including classes held by the
4 Pennsylvania Public Utility Commission's ("Commission") Safety Division.

5
6 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PENNSYLVANIA**
7 **PUBLIC UTILITY COMMISSION OR OTHER STATE COMMISSIONS?**

8 A. No.

9
10 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

11 A. I will describe NEHL's decision to exit the utility business and the reasons that NEHL
12 approached National Fuel to acquire the system and operate it moving forward.

13
14 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

15 A. Yes. **Appendix J** to the Joint Application is the letter I sent to NEHL customers notifying
16 them of National Fuel's proposed acquisition of NEHL's distribution system and this
17 Application.

18
19 **Q. PLEASE DESCRIBE NEHL.**

20 A. NEHL is a natural gas distribution company certificated by the Commission to provide
21 natural gas service to its customers in its service territory in North East Township and
22 North East Borough, Erie County, Pennsylvania. NEHL has operated as a natural gas
23 provider in the North East community since 1886.

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Q. WHY IS NEHL EXITING THE UTILITY BUSINESS?

A. I am retiring from my position as Owner and President of NEHL, and in planning for my retirement determined that the best option for NEHL customers moving forward would be to find the right company to acquire the NEHL system and to continue to provide the same safe and personal service to which my customers are accustomed.

Q. DID YOU APPROACH NATIONAL FUEL WHEN YOU DECIDED TO EXIT THE UTILITY BUSINESS?

A. Yes. In my extensive search to find the right fit for a company to acquire NEHL and serve its customers, National Fuel emerged as the best option. National Fuel is the natural gas utility serving the rest of Erie County and surrounding NEHL’s current service area. National Fuel’s commitment to safety, reliability and exceptional service has earned it one of the best reputations in the industry. National Fuel’s deep local roots and customer call center located in downtown Erie will help meet a high level of superior customer service. National Fuel also is one of the lowest-cost natural gas utilities in Pennsylvania.

After National Fuel was identified as the appropriate choice to take over the NEHL system, I approached National Fuel regarding the acquisition. Both NEHL and National Fuel conducted in depth mutual reviews and due diligence, and ultimately reached an agreement for National Fuel to acquire NEHL's natural gas system, including all assets and service responsibilities.

1 **Q. DO YOU BELIEVE THAT NATIONAL FUEL HAS THE TECHNICAL, LEGAL,**
2 **AND FINANCIAL FITNESS TO OPERATE NEHL'S NATURAL GAS**
3 **DISTRIBUTION SYSTEM?**

4 A. Yes. National Fuel is a highly regarded utility provider and is fully prepared to meet
5 North East's energy needs for years to come.

6

7 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

8 A. Yes, it does. However, I reserve the right to file additional testimony as may be necessary
9 or appropriate.

VERIFICATION

I, Samuel Miller, being President of North East Heat & Light Company, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief and that I expect that National Fuel Gas Distribution Corporation 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: October 7, 2025

DocuSigned by:
Samuel Miller
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Samuel Miller
President
North East Heat & Light Company