



375 North Shore Drive
Pittsburgh, PA 15212

Carol Scanlon
Rates Manager

PNG Companies LLC
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December 19, 2025

Via Electronic Filing

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

**Re: Peoples Natural Gas Company LLC
Distribution System Improvement Charge (DSIC) Quarterly Filing
Docket No. M-2025-3053185**

Dear Secretary Homsher:

Enclosed for filing on behalf of Peoples Natural Gas Company LLC (“Peoples”) is Supplement No. 18 to Tariff Gas – Pa P.U.C No. 48 to be effective January 1, 2026. Peoples continues to invest in DSIC eligible plant, and the amount of DSIC eligible plant through November 2025 has surpassed the amount of DSIC eligible plant currently in Peoples' base rates. As a result, Peoples proposes in this filing to increase the current DSIC surcharge rate to 3.57% to be effective January 1, 2026. This also includes recovery a prior period undercollected balance.

Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Carol Scanlon

Enclosure

cc: Certificate of Service

PEOPLES NATURAL GAS COMPANY LLC

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

ISSUED: December 19, 2025

EFFECTIVE: January 1, 2026

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

NOTICE

DSIC Surcharge Update

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

LIST OF CHANGES

	<u>Current</u>	<u>Proposed</u>	<u>Increase/ (Decrease)</u>
DSIC Surcharge	0.83%	3.57%	2.74%

	Rider Purchased Gas Costs			Base Rate Charges (4)	Rider STAS (5)	Rider MFC (6)	Rider Supplier Choice (7)	Rider USR (8)	Rider GPC (9)	Rider DSIC Charge (10)	Rider TRS (11)	Customers Total Rate (12=SUM 1 to 11)
	Capacity (1)	GCA (2)	Commodity (3)									
Residential Sales												
Customer Charge				\$ 16.80	0.07%		\$ 0.0036			\$ 0.5998	\$ (0.1033)	\$ 17.3001
Capacity	\$ 1.8531					\$ 0.0408						\$ 1.8939
Price to Compare - PTC		\$ 0.3462	\$ 3.0831			\$ 0.0754		\$ 0.0865				\$ 3.5912
Delivery Charge				\$ 5.3537			\$ 1.0414		\$ 0.2355	\$ (0.0329)		\$ 6.5977
State Tax Surcharge					\$ 0.0037							\$ 0.0037
Total per MCF						\$ 0.1162						\$ 12.0865
Small General Service (SGS)												
Customer Charge												
0 to 499 MCF/Yr				\$ 22.00		\$ 0.0036			\$ 0.7854	\$ (0.1352)		\$ 22.6538
500 to 999 MCF/Yr				\$ 44.00		\$ 0.0036			\$ 1.5708	\$ (0.2704)		\$ 45.3040
1/ Capacity	\$ 0.8300											\$ 0.8300
Price to Compare - PTC	\$ 1.0231	\$ 0.3462	\$ 3.0831			\$ 0.0175		\$ 0.0865				\$ 4.5564
Delivery Charge				\$ 3.9844					\$ 0.1460	\$ (0.0245)		\$ 4.1059
State Tax Surcharge					\$ 0.0028							\$ 0.0028
Total per MCF	\$ 1.8531											\$ 9.4951
Medium General Service (MGS)												
Customer Charge												
1,000 to 2,499 MCF/Yr				\$ 101.00					\$ 3.6057	\$ (0.6207)		\$ 103.9850
2,500 to 24,999 MCF/Yr				\$ 145.00					\$ 5.1765	\$ (0.8912)		\$ 149.2853
1/ Capacity	\$ 0.8300											\$ 0.8300
Price to Compare - PTC	\$ 1.0231	\$ 0.3462	\$ 3.0831			\$ 0.0175		\$ 0.0865				\$ 4.5564
Delivery Charge				\$ 3.6941					\$ 0.1356	\$ (0.0227)		\$ 3.8070
State Tax Surcharge					\$ 0.0026							\$ 0.0026
Total per MCF	\$ 1.8531											\$ 9.1960
Large General Service (LGS)												
Customer Charge												
25,000 to 49,999 MCF/Yr				\$ 940.00					\$ 33.5580	\$ (5.7772)		\$ 967.7808
50,000 to 99,999 MCF/Yr				\$ 1,465.00					\$ 52.3005	\$ (9.0039)		\$ 1,508.2966
100,000 to 199,999 MCF/Yr				\$ 2,130.00					\$ 76.0410	\$ (13.0910)		\$ 2,192.9500
Over 200,000 MCF/Yr				\$ 5,630.00					\$ 200.9910	\$ (34.6020)		\$ 5,796.3890
1/ Capacity	\$ 0.1740											\$ 0.1740
Price to Compare - PTC	\$ 1.6791	\$ 0.3462	\$ 3.0831			\$ 0.0175		\$ 0.0865				\$ 5.2124
Delivery Charge												
25,000 - 49,999 MCF/Yr				\$ 2.6360	\$ 0.0018				\$ 0.0978	\$ (0.0162)		\$ 2.7195
50,000 - 99,999 MCF/Yr				\$ 2.5519	\$ 0.0018				\$ 0.0948	\$ (0.0157)		\$ 2.6328
100,000 - 199,999 MCF/Yr				\$ 2.4335	\$ 0.0017				\$ 0.0906	\$ (0.0150)		\$ 2.5108
200,000 to 749,999 MCF/Yr				\$ 2.1937	\$ 0.0015				\$ 0.0820	\$ (0.0135)		\$ 2.2638
750,000 to 1,999,999 MCF/Yr				\$ 1.9097	\$ 0.0013				\$ 0.0719	\$ (0.0117)		\$ 1.9712
Over 2,000,000 MCF/Yr				\$ 1.4431	\$ 0.0010				\$ 0.0552	\$ (0.0089)		\$ 1.4905
2/ Total per MCF	\$ 1.8531											\$ 8.1059
Mainline Service (MLS)												
Customer Charge												
Over 500,000 MCF/Yr				\$ 5,630.00						\$ (34.6020)		\$ 5,595.3980
1/ Capacity	\$ 0.1740											\$ 0.1740
Price to Compare - PTC	\$ 1.6791	\$ 0.3462	\$ 3.0831			\$ 0.0175		\$ 0.0865				\$ 5.2124
Delivery Charge												
PNG transmission line				\$ 0.7430	\$ 0.0005					\$ (0.0046)		\$ 0.7390
Interstate pipeline				\$ 0.4422	\$ 0.0003					\$ (0.0027)		\$ 0.4398
Total per MCF												\$ 6.1254

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

	Base Rate Charges (1)	Rider STAS (2)	Rider MFC (3)	Rider USR (4)	Gas Costs Capacity (5)	Balancing Charge (6)	Rider Supplier Choice (7)	Rider DSIC Charge (8)	Rider TRS (9)	Customers Total Rate (10=SUM 1 to 9)
Rate GS-T Residential										
Customer Charge	\$ 16.8000	0.07%					\$ 0.0036	\$ 0.5998	\$ (0.1033)	\$ 17.3001
Capacity			\$ 0.0408		\$ 1.8531					\$ 1.8939
Delivery Charge	\$ 5.3537			\$ 1.0414			\$ 0.2298	\$ (0.0329)		\$ 6.5920
State Tax Surcharge		\$ 0.0037								\$ 0.0037
Total per MCF										\$ 8.4896
Rate GS-Transportation SGS										
Customer Charge										
0 to 499 MCF/Yr	\$ 22.0000						\$ 0.0036	\$ 0.7854	\$ (0.1352)	\$ 22.6538
500 to 999 MCF/Yr	\$ 44.0000						\$ 0.0036	\$ 1.5708	\$ (0.2704)	\$ 45.3040
1/ Capacity/BB&A						\$ 0.8300				\$ 0.8300
Delivery Charge	\$ 3.9844						\$ 0.1422	\$ (0.0245)		\$ 4.1022
State Tax Surcharge		\$ 0.0028								\$ 0.0028
Total per MCF										\$ 4.9349
Rate GS-Transportation MGS										
Customer Charge										
1,000 to 2,499 MCF/Yr	\$ 101.0000						\$ 3.6057	\$ (0.6207)		\$ 103.9850
2,500 to 24,999 MCF/Yr	\$ 145.0000						\$ 5.1765	\$ (0.8912)		\$ 149.2853
1/ Capacity/BB&A						\$ 0.8300				\$ 0.8300
Delivery Charge	\$ 3.6941						\$ 0.1319	\$ (0.0227)		\$ 3.8033
State Tax Surcharge		\$ 0.0026								\$ 0.0026
Total per MCF										\$ 4.6359
Rate GS-Transportation LGS										
Customer Charge										
25,000 to 49,999 MCF/Yr	\$ 940.0000						\$ 33.5580	\$ (5.7772)		\$ 967.7808
50,000 to 99,999 MCF/Yr	\$ 1,465.0000						\$ 52.3005	\$ (9.0039)		\$ 1,508.2966
100,000 to 199,999 MCF/Yr	\$ 2,130.0000						\$ 76.0410	\$ (13.0910)		\$ 2,192.9500
Over 200,000 MCF/Yr	\$ 5,630.0000						\$ 200.9910	\$ (34.6020)		\$ 5,796.3890
1/ Capacity/BB&A						\$ 0.1740				\$ 0.1740
Delivery Charge										
25,000 - 49,999 MCF/Yr	\$ 2.6360	\$ 0.0018					\$ 0.0941	\$ (0.0162)		\$ 2.7157
50,000 - 99,999 MCF/Yr	\$ 2.5519	\$ 0.0018					\$ 0.0911	\$ (0.0157)		\$ 2.6291
100,000 - 199,999 MCF/Yr	\$ 2.4335	\$ 0.0017					\$ 0.0869	\$ (0.0150)		\$ 2.5071
200,000 to 749,999 MCF/Yr	\$ 2.1937	\$ 0.0015					\$ 0.0783	\$ (0.0135)		\$ 2.2601
750,000 to 1,999,999 MCF/Yr	\$ 1.9097	\$ 0.0013					\$ 0.0682	\$ (0.0117)		\$ 1.9675
Over 2,000,000 MCF/Yr	\$ 1.4431	\$ 0.0010					\$ 0.0515	\$ (0.0089)		\$ 1.4868
2/ Total per MCF										\$ 2.8897
Mainline Service (MLS)										
Customer Charge										
Over 500,000 MCF/Yr	\$ 5,630.0000							\$ (34.6020)		\$ 5,595.3980
1/ Capacity/BB&A						\$ 0.1740				\$ 0.1740
Delivery Charge										
Delivery Charge										
PNG transmission line	\$ 0.7430	\$ 0.0005						\$ (0.0046)		\$ 0.7390
Interstate pipeline	\$ 0.4422	\$ 0.0003						\$ (0.0027)		\$ 0.4398
Total per MCF										\$ 0.9130

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

2/ The Total per MCF displayed for Transport LGS is representative of the 25,000 - 49,999 MCF/Yr delivery charge tier only.

3/ In addition to the above listed rates the Weather Normalization Adjustment applies during October through May billing months.

4/ The above rates are for non-transitional customers. For transitional customer rates, refer to the corresponding rate schedule found in the Company's retail tariff.

RIDER**Distribution System Improvement Charge (DSIC)**

In addition to the net charges provided for in this Tariff, a charge of 3.57% will apply consistent with the Commission Order dated May 23, 2013 at Docket No. P-2013-2346161 approving the DSIC. (I)

Purpose: To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

Eligible Property:

- Gathering Lines (account 332);
- Storage Lines (account 353);
- Transmission Lines (account 367);
- Piping (account 376);
- Couplings (account 376);
- Gas service lines (account 380) and insulated and non-insulated fittings (account 378);
- Valves (account 376);
- Excess flow valves (account 376);
- Risers (account 376);
- Meter bars (account 382);
- Meters (accounts 334,369,381);
- Unreimbursed costs related to highway relocation projects where a natural gas distribution company or city natural gas distribution operation must relocate its facilities; and
- Other related capitalized costs (accounts 303, 387, 391.02 and 392)

Effective Date: The DSIC will become effective for bills rendered on and after 7/1/2013.

Computation of the DSIC

The initial DSIC, effective July 1, 2013, shall be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Company's rates or rate base and will have been placed in service during the (*three-month period ending one month prior to effective date*). Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three-month period ending one month prior to the effective date of each DSIC update. Thus, changes in the DSIC rate will occur as follows:

<u>Effective Date of Change</u>	<u>Date to which DSIC-Eligible Plant Additions Reflected</u>
July 1	March 1 through May 31
October 1	June 1 through August 31
January 1	September 1 through November 30
April 1	December 1 through February 28

Determination of Fixed Costs: The fixed costs of eligible distribution system improvements will consist of depreciation and pre-tax return, calculated as follows:

- 1. Depreciation:** The depreciation expense shall be calculated by applying the annual accrual rates employed in the Company's most recent base rate case for the plant accounts in which each retirement unit of DSIC-eligible property is recorded to the original cost of DSIC-eligible property.

(I)= Indicates increase

ISSUED: December 19, 2025

EFFECTIVE: January 1, 2026

VERIFICATION

I, Carol Scanlon, hereby state that I am Rates Manager, of PNG Companies LLC; that I am authorized to and make this verification for it; that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: December 19, 2025



(Signature)

PEOPLES NATURAL GAS COMPANY LLC
DSIC ELIGIBLE PROPERTY
QUARTERLY FILING JANUARY 2026

Eligible Property	FERC Acct.	Beginning Balance as of August 2025	2025 SEPTEMBER	2025 OCTOBER	2025 NOVEMBER	Total
Distribution Lines	376	\$ 392,184,388	\$ 41,608,668	\$ 48,612,744	\$ 46,809,224	\$ 137,030,636
Company Owned Services	380	\$ 51,365,358	\$ 6,674,106	\$ 4,803,703	\$ 5,023,340	\$ 16,501,149
Gathering Lines	332	\$ -	\$ -	\$ -	\$ -	\$ -
Storage Lines	353	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission Lines	367	\$ 15,066,502	\$ 7,427,187	\$ 1,316,417	\$ 435,419	\$ 9,179,023
Meter Installation	382	\$ -	\$ -	\$ -	\$ -	\$ -
Meters	334	\$ -	\$ -	\$ -	\$ -	\$ -
Meters	369	\$ 278,747	\$ -	\$ -	\$ -	\$ -
Meters	381	\$ 1,648,756	\$ 90,676	\$ 139,898	\$ 359,114	\$ 589,688
Distribution M&R Station Equipment	378	\$ 420,730	\$ -	\$ 151,029	\$ -	\$ 151,029
Bar Coding/Mapping Technology	303 & 391.02	\$ -	\$ -	\$ -	\$ -	\$ -
Smart Meter Technology	303 & 387	\$ -	\$ -	\$ -	\$ -	\$ -
Total		\$ 460,964,481	\$ 55,800,637	\$ 55,023,792	\$ 52,627,097	\$ 163,451,526

<u>Eligible Property</u>	<u>FERC Acct.</u>	Adjusted Plant in Peoples 2023 Rate Case <u>as of 9/30/25</u>	Plant in Service <u>as of 08/31/2025</u>	Plant in Service compared to <u>Rate Case Claim</u>	DSIC Spend <u>Sept 25 - Nov 25</u>	Prior Period <u>DSIC Claim</u>	Current Period <u>DSIC Claim</u> ^{1/}
		(a)	(b)	(c) = (b) - (a)	(d)	(e)	(f) = (d) + (e)
Distribution Lines	376	\$ 3,019,946,228	\$ 3,307,406,164	\$ 287,459,936	\$ 137,030,636	\$ 284,822,741	\$ 421,853,377
Company Owned Services	380	1,001,517,828	\$ 906,739,050	\$ (94,778,777)	\$ 16,501,149	\$ (95,738,452)	\$ (79,237,303)
Gathering Lines	332	96,631,934	\$ 80,996,644	\$ (15,635,290)	\$ -	\$ -	\$ -
Storage Lines	353	7,679,393	\$ 3,691,963	\$ (3,987,430)	\$ -	\$ -	\$ -
Transmission Lines	367	490,679,489	\$ 311,102,299	\$ (179,577,190)	\$ 9,179,023	\$ (180,672,203)	\$ (171,493,180)
Meter Installation	382	94,349,651	\$ 77,746,128	\$ (16,603,523)	\$ -	\$ -	\$ -
Gathering M&R Station	334	5,146,889	\$ 3,490,666	\$ (1,656,223)	\$ -	\$ -	\$ -
Transmission M&R Station	369	49,940,416	\$ 45,832,824	\$ (4,107,592)	\$ -	\$ -	\$ -
Meters	381	162,160,164	\$ 172,284,799	\$ 10,124,635	\$ 589,688	\$ 2,673,662	\$ 3,263,351
Distribution M&R Station	378	113,550,237	\$ 122,976,520	\$ 9,426,283	\$ 151,029	\$ 5,716,049	\$ 5,867,078
		\$ 5,041,602,230	\$ 5,032,267,058	\$ (9,335,172)	\$ 163,451,526	\$ 16,801,797	\$ 180,253,322
Misc Intangible Plant	303	91,153,324	116,814,552	\$ 25,661,228	\$ -	\$ -	\$ -
Other Equipment	387	17,303,296	16,708,886	\$ (594,410)	\$ -	\$ -	\$ -
Off Equip - Computer Hardware	391.02	12,430,385	9,008,836	\$ (3,421,549)	\$ -	\$ -	\$ -
		120,887,005	142,532,274	21,645,269	-	-	-
Total		\$ 5,162,489,235	\$ 5,174,799,333	\$ 12,310,097	\$ 163,451,526	\$ 16,801,797	\$ 180,253,322

^{1/} Due to project mix changes in accounts 376, 380 and 367, as compared to the Company's 2023 rate case (Docket No. R-2023-3044549), these three categories are netted together to determine DSIC eligible capital.

**PEOPLES NATURAL GAS COMPANY LLC
DEPRECIATION ON DSIC CLAIM
QUARTERLY FILING JANUARY 2026**

Eligible Property		DSIC Claim	Depreciation Rate	Annual Depreciation
Distribution Lines	376	\$ 421,853,377	1.83%	\$ 7,719,917
Company Owned Services	380	\$ (79,237,303)	1.95%	(1,545,127)
Gathering Lines	332	\$ -	1.74%	-
Storage Lines	353	\$ -	2.20%	-
Transmission Lines	367	\$ (171,493,180)	1.42%	(2,435,203)
Meter Installation	382	\$ -	1.63%	-
Meters	334	\$ -	4.04%	-
Meters	369	\$ -	2.11%	-
Meters	381	\$ 3,263,351	3.33%	108,670
Distribution M&R Station Equipment	378	\$ 5,867,078	2.09%	122,622
Bar Coding/Mapping Technology	303 & 391.02	\$ -	0.00%	-
Smart Meter Technology	303 & 387	\$ -	0.00%	-
Total		\$ 180,253,322		\$ 3,970,878
Quarterly Filing Accumulated Depreciation				\$ 992,719
Prior Period Accumulated Depreciation				\$ 247,077
Total Accumulated Depreciation				\$ 1,239,797

**PEOPLES NATURAL GAS COMPANY LLC
DSIC COMPUTATION
QUARTERLY FILING - JANUARY 2026**

DSIC =	<u>(DSI x PTRR) + STFT + Dep + e</u> PQR		<u>Annual</u>	<u>Quarterly</u>	<u>Monthly</u>
	Distribution System Improvement Costs	Page 2		\$ 180,253,322	
	Less Accumulated Deferred Income Taxes	Page 8		142,844	
	Less Accumulated Depreciation	Page 3		<u>1,239,797</u>	
DSI	Net Distribution System Improvement Costs			<u>\$ 178,870,681</u>	
PTRR	Annual Pretax Rate of Return	Page 6	8.83%		
	Quarterly Pretax Rate of Return			2.21%	
DSI x PTRR	Quarterly Capital Cost Recovery			\$ 3,953,042	
STFT	Quarterly State Income Tax Flow Through Deduction			\$ - ^{1/}	
Dep	Annual Depreciation Expense	Page 3	\$ 3,970,878		
	Quarterly Depreciation Expense			<u>\$ 992,719</u>	
<i>(DSI x PTRR) + Dep</i>	<i>Current Period Recoverable Cost Amount</i>			<u>\$ 4,945,761</u>	<u>\$ 1,648,587</u>
	(Over)/Under Collection	Page 4	\$ 1,450,349	\$ 362,587	\$ 120,862
	Interest Refundable		\$ -	\$ -	\$ -
	Prior Period 'E' Factor Residual	Page 4	\$ 1,201,293	\$ 300,323	\$ 100,108
	<u>Misc. Adjustments (Refund)/Recoup</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Net 'E' Factor Amount		\$ 2,651,643	\$ 662,911	\$ 220,970
e	Quarterly 'E' Factor Amount			<u>\$ 662,911</u>	<u>\$ 220,970</u>
(DSI x PTRR) Dep + e	Total DSIC Revenue Requirement			<u>\$ 5,608,672</u>	<u>\$ 1,869,557</u>
PQR	Projected Quarterly Revenue			\$ 156,926,790	
DSIC	DSIC Surcharge Rate			3.57%	

^{1/} As reflected in the Company's 2023 base rate case settlement (Docket No. R-2023-3044549), Peoples did not claim state taxes and therefore, no state taxes are reflected in the DSIC calculation.

Current Period

		Current Period DSIC Eligible Costs	Current Period DSIC Revenue	Current Period Over/(Under) Difference
January	2024	\$ 1,739,875	\$ 3,336,162	\$ 1,596,288
February		\$ 1,739,875	\$ 2,739,118	\$ 999,244
March		\$ 1,739,875	\$ 2,141,665	\$ 401,791
April		\$ 1,698,788	\$ 1,568,175	\$ (130,613)
May		\$ 1,698,788	\$ 1,094,795	\$ (603,993)
June		\$ 1,698,788	\$ 891,704	\$ (807,084)
July		\$ 1,700,507	\$ 906,340	\$ (794,167)
August		\$ 1,700,507	\$ 900,132	\$ (800,375)
September		\$ 1,700,507	\$ 833,860	\$ (866,647)
October		\$ -	\$ (446,039)	\$ (446,039)
November		\$ -	\$ 623	\$ 623
December		\$ -	\$ 623	\$ 623
		<u>\$ 15,417,508</u>	<u>\$ 13,967,159</u>	<u>\$ (1,450,349)</u>

Prior Period Recovery/Collection

		Total DSIC Revenue	Current Period DSIC Revenue	Prior Period Residual
Cumulative Balance as of December 31, 2023				\$ (1,271,587) a
January	2024	\$ 3,337,497	\$ 3,336,162	\$ 1,335
February		\$ 2,740,214	\$ 2,739,118	\$ 1,096
March		\$ 2,142,522	\$ 2,141,665	\$ 857
April		\$ 1,587,061	\$ 1,568,175	\$ 18,886
May		\$ 1,107,980	\$ 1,094,795	\$ 13,185
June		\$ 902,443	\$ 891,704	\$ 10,739
July		\$ 916,328	\$ 906,340	\$ 9,988
August		\$ 910,051	\$ 900,132	\$ 9,919
September		\$ 843,050	\$ 833,860	\$ 9,190
October		\$ (450,955)	\$ (446,039)	\$ (4,916)
November		\$ 630	\$ 623	\$ 7
December		\$ 630	\$ 623	\$ 7
		<u>\$ 14,037,453</u>	<u>\$ 13,967,159</u>	<u>\$ 70,294 b</u>

Prior Period E Factor Residual	\$ (1,201,293) a + b
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**PEOPLES NATURAL GAS COMPANY LLC
WEIGHTED COST OF CAPITAL
QUARTERLY FILING JANUARY 2026**

	Capital Structure	Weighted Average			Pre-Tax
	as of 11/30/2025	Cost Rate	Cost Rates	Tax Multiplier^{1/}	Rate of Return
L/T Debt	45.33%	3.84%	1.74%	-	1.74%
Common Equity	54.67%	10.25%	5.60%	1.266	7.09%
	100%		7.34%	-	8.83%

^{1/} As reflected in the Company's 2023 base rate case settlement (Docket No. R-2023-3044549), Peoples did not claim state taxes and therefore, no state taxes are reflected in the DSIC calculation.

Peoples Natural Gas Company LLC
Capital Structure & Debt Components

	Balance as of 11/30/25	% of Total Capitalization	% of Capitalization ^{1/}	Cost Rate	Weighted Average Cost Rates	Tax Multiplier	Pre-Tax Rate of Return
L/T Debt	\$ 1,704,218,089	42.37%	45.33%	3.84%	1.74%		1.74%
Common Equity	\$ 2,317,941,548	57.63%	54.67%	10.25%	5.60%	1.266	7.09%
Total Capitalization	\$ 4,022,159,637	100%	100%		7.34%		8.83%

	Date of Issue	Maturity Date	Effective Cost Rate	Balance as of 11/30/25	Annualized Interest
2013 Intercompany Promissory Note, Current	12/19/2013	12/19/2025	4.30%	\$ 110,007,200	\$ 4,730,310
2017 Intercompany Promissory Note, Tranche 2	12/18/2017	12/18/2027	3.47%	\$ 178,911,000	\$ 6,208,212
2017 Intercompany Promissory Note, Tranche 3	12/18/2017	12/18/2032	3.70%	\$ 178,911,000	\$ 6,619,707
2021 Intercompany Promissory, Tranche 1 - 1000	10/31/2021	4/15/2030	2.80%	\$ 183,149,854	\$ 5,128,196
2021 Intercompany Promissory, Tranche 1 - 3100	10/31/2021	4/15/2030	2.80%	\$ 38,636,364	\$ 1,081,818
2021 Intercompany Promissory, Tranche 2 - 1000	10/31/2021	4/15/2050	3.41%	\$ 219,779,827	\$ 7,494,492
2021 Intercompany Promissory, Tranche 2 - 3100	10/31/2021	4/15/2050	3.41%	\$ 46,363,636	\$ 1,581,000
2021 Intercompany Promissory Note D, Tranche 7	12/31/2022	5/1/2031	2.43%	\$ 217,809,031	\$ 5,292,759
2021 Intercompany Promissory Note D, Tranche 8	12/31/2022	5/2/2052	5.34%	\$ 272,261,288	\$ 14,538,753
2025 Intercompany Promissory, Tranche 9	1/1/2025	5/1/2031	2.55%	\$ 48,839,507	\$ 1,245,407
2025 Intercompany Promissory, Tranche 10	1/1/2025	5/2/2052	5.46%	\$ 61,049,382	\$ 3,333,296
2025 Intercompany Promissory, Tranche 11	1/1/2025	1/15/2034	5.50%	\$ 148,500,000	\$ 8,167,500
Capital Expenditures Intercompany Demand Note			5.33%	\$ -	\$ -
				\$ 1,704,218,089	\$ 65,421,450

Weighted Cost of Debt**3.84%**

^{1/} Reflects normalized capital structure from the Company's 2023 Base Rate Case (Docket No. R-2023-3044549)

PEOPLES NATURAL GAS COMPANY LLC
 DEFERRED INCOME TAX COMPUTATION
 QUARTERLY FILING - JANUARY 2026

FERC Accts	CAPEX	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
303	3-SL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	5-SL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
391.02	5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
332, 334	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
378	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,905,350	1,905,350	1,905,350	50,343	50,343	50,343
376 (47% of), 353, 367, 369	15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(15,601,838)	(15,601,838)	(15,601,838)	24,527,807	24,527,807	24,527,807
376 (53% of)	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	50,318,684	50,318,684	50,318,684	24,208,746	24,208,746	24,208,746
380	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(31,912,817)	(31,912,817)	(31,912,817)	5,500,383	5,500,383	5,500,383
381, 382, 387	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	891,221	891,221	891,221	196,563	196,563	196,563
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,600,599	5,600,599	5,600,599	54,483,842	54,483,842	54,483,842
	Repair Deduction															
	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
303	3-SL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	5-SL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
391.02	5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
332, 334	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
378	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
376 (47% of), 353, 367, 369	15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(15,133,783)	(15,133,783)	(15,133,783)	23,791,973	23,791,973	23,791,973
376 (53% of)	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	48,809,124	48,809,124	48,809,124	23,482,483	23,482,483	23,482,483
380	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(30,955,433)	(30,955,433)	(30,955,433)	5,335,372	5,335,372	5,335,372
381, 382, 387	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,719,907	2,719,907	2,719,907	52,609,828	52,609,828	52,609,828
	Tax Basis															
	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	3-SL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	5-SL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,905,350	1,905,350	1,905,350	50,343	50,343	50,343
	15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(468,055)	(468,055)	(468,055)	735,834	735,834	735,834
	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,443,397	1,443,397	1,443,397	1,087,837	1,087,837	1,087,837
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,880,691	2,880,691	2,880,691	1,874,014	1,874,014	1,874,014
	MACRS Depreciation															
	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	3-SL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	5-SL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	38,885	84,252	138,691	140,489	142,887	146,483
	15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(3,343)	(7,244)	(11,924)	(2,726)	9,538	27,933
	20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7,732	16,754	27,579	37,778	51,376	71,773
	Total Tax Dep	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	43,275	93,762	154,346	175,541	203,800	246,189
	Tax Depreciation - Accum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	43,275	137,037	291,383	466,924	670,724	916,913
	Book Depr-Incremental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	26,688	33,130	39,571	42,671	45,771	48,870
	Book Depr-Accum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	26,688	59,818	99,390	142,061	187,831	236,702
	Book to Tax Difference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16,586	77,218	191,993	324,863	482,892	680,211
	Tax Rate (Federal)	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
	DITs (Federal)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3,483	16,216	40,319	68,221	101,407	142,844

CERTIFICATE OF SERVICE
(Docket No. M-2025-3053185)

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of §1.54 (relating to service by a participant).

VIA EMAIL

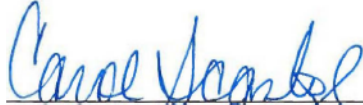
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Dated: December 19, 2025



Carol Scanlon