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Carol Scanlon
Manager, Rates

PNG Companies LLC
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February 11, 2026

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

**Re: Docket No. R-2025-3053184
Peoples Natural Gas Company LLC
Supplement No. 20 to Tariff Gas – PA PUC No. 48
1307(f)-2025 Interim Recalculation and Reconciliation of Purchased Gas Cost Rates and
Rider USR Recalculation**

Dear Secretary Homsher:

In the 2023 1307(f) proceeding at Docket No. R-2023-3037928, the Company agreed to monitor natural gas commodity prices to consider making an interim filing. The purpose of this monitoring is to avoid significant over or under collections of gas commodity costs. Commodity prices have changed to the extent that Peoples is submitting this interim rate filing to be effective February 12, 2026. Please accept the following materials for filing with the Commission on behalf of Peoples Natural Gas Company LLC (“Peoples Natural Gas”):

1. Supplement No. 20 to Peoples Natural Gas Tariff Gas – PA PUC No. 48 which has an effective date of February 12, 2026;
2. Schedules that support the rates contained in Supplement No. 20.

Supplement No. 20 will accomplish the following:

- 1) Implement Peoples Natural Gas’ interim recalculation and reconciliation of natural gas costs for the period of December 1, 2025 through January 31, 2026;
- 2) Update the Rider USR – Universal Service Program charge; and,
- 3) Update Rider MFC – Merchant Function Charge.

Copies of this filing have been served in accordance with the attached Certificate of Service. Thank you for your attention to this matter.

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: February 11, 2026

EFFECTIVE: February 12, 2026

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

NOTICE

February 12, 2026 Interim 1307F, Rider MFC
And Rider USP Filing

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

LIST OF CHANGES

	<u>Current</u>	<u>Proposed</u>	<u>Increase/ (Decrease)</u>
Rider PGC			
<u>Rate RS, SGS, MGS, LGS, NGPV</u>			
Natural Gas Supply Charge	\$3.5239	\$5.5107	\$1.9868
<u>Rider MFC – Merchant Function Charge</u>			
RS	\$0.1262	\$0.1699	\$0.0437
SGS, MGS, LGS	\$0.0190	\$0.0256	\$0.0066
<u>Rider USP - Universal Service Program</u>	\$0.9226	\$1.0955	\$0.1729

	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)									
Peoples Natural Gas												
Residential Sales					0.07%					3.57%	-0.6146%	
Customer Charge				\$ 16.80			\$ 0.0036			\$ 0.5998	\$ (0.1033)	\$ 17.3001
Capacity	\$ 1.8641					\$ 0.0410						\$ 1.9051
Price to Compare - PTC		\$ 0.3471	\$ 5.5107			\$ 0.1289		\$ 0.0865				\$ 6.0732
Delivery Charge				\$ 5.3537			\$ 1.0955		\$ 0.2394	\$ (0.0329)		\$ 6.6557
State Tax Surcharge					\$ 0.0037							\$ 0.0037
Total per MCF						\$ 0.1699						\$ 14.6377
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	\$ 1.0341	\$ 0.3471	\$ 5.5107			\$ 0.0256		\$ 0.0865				\$ 7.0040
Delivery Charge				\$ 3.9844					\$ 0.1462	\$ (0.0245)		\$ 4.1062
State Tax Surcharge					\$ 0.0028							\$ 0.0028
Total per MCF	\$ 1.8641											\$ 11.9429
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	\$ 1.0341	\$ 0.3471	\$ 5.5107			\$ 0.0256		\$ 0.0865				\$ 7.0040
Delivery Charge				\$ 3.6941					\$ 0.1359	\$ (0.0227)		\$ 3.8073
State Tax Surcharge					\$ 0.0026							\$ 0.0026
Total per MCF	\$ 1.8641											\$ 11.6439
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	\$ 1.6901	\$ 0.3471	\$ 5.5107			\$ 0.0256		\$ 0.0865				\$ 7.6600
Delivery Charge												
25,000 - 49,999 MCF/Yr				\$ 2.6360	\$ 0.0018				\$ 0.0981	\$ (0.0162)		\$ 2.7198
50,000 - 99,999 MCF/Yr				\$ 2.5519	\$ 0.0018				\$ 0.0951	\$ (0.0157)		\$ 2.6331
100,000 - 199,999 MCF/Yr				\$ 2.4335	\$ 0.0017				\$ 0.0909	\$ (0.0150)		\$ 2.5111
200,000 to 749,999 MCF/Yr				\$ 2.1937	\$ 0.0015				\$ 0.0823	\$ (0.0135)		\$ 2.2641
750,000 to 1,999,999 MCF/Yr				\$ 1.9097	\$ 0.0013				\$ 0.0722	\$ (0.0117)		\$ 1.9715
Over 2,000,000 MCF/Yr				\$ 1.4431	\$ 0.0010				\$ 0.0555	\$ (0.0089)		\$ 1.4908
2/ Total per MCF	\$ 1.8641											\$ 10.5537
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	\$ 1.6901	\$ 0.3471	\$ 5.5107			\$ 0.0256		\$ 0.0865				\$ 7.6600
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												\$ 8.5729

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			\$ 0.0410		\$ 1.8641					\$ 1.9051
Delivery Charge	\$ 5.3537			\$ 1.0955			\$ 0.2317	\$ (0.0329)		\$ 6.6480
State Tax Surcharge		\$ 0.0037								\$ 0.0037
Total per MCF										\$ 8.5568
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.

VERIFICATION

I, Carol Scanlon, hereby state that I am Manager, Rates, of Peoples Natural Gas Company 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 Peoples Natural Gas posted Supplement No. 20 to Tariff Gas-PA PUC No. 48 on its Web Page in accordance with the Commission's Secretarial Letter of March 30, 1998. 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: February 11, 2026



Carol Scanlon

Peoples Natural Gas Company LLC
 INTERIM 1307(f) Rate Calculation
 Effective: FEBRUARY 12, 2026

Interim 1307(f)
 February 12, 2026
 Page 1/10

Line No.		Costs and Volumes	\$/Mcf Rates
1	DC = Projected Annual Capacity Costs (Including AVC Capacity)	\$143,276,708	
2	MINUS: Projected Balancing Revenue Credits	<u>\$17,451,960</u>	
3	Projected Annual "Current" Period Capacity Costs (line 1 - line 2)	\$125,824,748	
4	S + SBAC = Projected Annual Sales and Standby Volumes - October 2025 through September 2026 (Mcf)	<u>69,373,007</u>	
5	Projected "Current" Period Capacity Costs per Mcf (line 3 / line 4)		\$1.8137
6	Capacity Over/(Under) "E-Factor" Collection	(\$3,496,759)	
7	S + SBAC = Projected Annual Sales and Standby Volumes - October 2025 through September 2026 (Mcf)	<u>69,373,007</u>	
8	Capacity "E-Factor" Cost per Mcf (line 6 / line 7)		(\$0.0504)
9	Projected Total Capacity Cost of Gas per Mcf (line 5 - line 8)		\$1.8641
10	CC = Projected Commodity Costs	\$122,203,002	
11	S = Projected Sales Volumes February 2026 through September 2026 (Mcf)	<u>28,866,754</u>	
12	Projected Commodity Cost of Gas per Mcf (line 10 / line 11)		\$4.2333
13	MINUS: Current Commodity Over/(Under) Collection	(\$76,241,746)	
14	S = Projected Annual Sales Volumes (Mcf)	<u>59,685,608</u>	
15	Current Commodity Over/(Under) Collection Commodity Cost of Gas per Mcf (line 13 / line 14)		(\$1.2774)
16	Projected Commodity Cost of Gas per Mcf (line 12 - line 15)		\$5.5107
17	Total Projected Cost of Gas per Mcf (line 9 + line 16)		\$7.3748
18	Total Prior Period Over/(Under) Collection Balance	<u>(\$20,715,799)</u>	
19	S = Projected Annual Sales Volumes (Mcf)	<u>59,685,608</u>	
20	MINUS: E = Prior Period Over/(Under) Collection Rate per Mcf (line 18 / line 19)		(\$0.3471)
21	Overall Gas Cost Rate per Mcf (line 17 - line 20 - line 21)		\$7.7219

	2025 <u>October</u> ACT	2025 <u>November</u> ACT	2025 <u>December</u> ACT	2026 <u>January</u> EST	2026 <u>February</u> Projected	2026 <u>March</u> Projected	2026 <u>April</u> Projected	2026 <u>May</u> Projected	2026 <u>June</u> Projected	2026 <u>July</u> Projected	2026 <u>August</u> Projected	2026 <u>September</u> Projected	TOTAL
<u>Local / Gathered Purchases</u>													
Quantity - Mcf	298,784	269,823	257,894	276,000	336,173	341,578	330,699	327,402	322,620	323,534	322,348	319,192	3,726,047
Rate per Mcf	\$1.7622	\$2.7529	\$3.9117	\$4.2138	\$7.3645	\$4.0160	\$3.4809	\$3.2733	\$3.3619	\$3.5411	\$3.5072	\$3.1760	\$3.7268
Cost	526,528	742,802	1,008,808	1,163,000	2,475,746	1,371,767	1,151,125	1,071,698	1,084,623	1,145,679	1,130,523	1,013,755	\$13,886,054
<u>Interstate Pipeline Purchases</u>													
Quantity - Mcf	5,380,796	4,696,150	9,071,352	8,049,156	5,189,900	2,329,970	6,461,192	5,719,436	4,783,849	4,833,829	4,892,963	4,524,752	65,933,345
Rate per Mcf	\$2.0107	\$3.4980	\$3.8553	\$12.8347	\$7.8344	\$4.1955	\$3.6187	\$3.4037	\$3.4975	\$3.6846	\$3.6506	\$3.3101	\$4.9473
Cost	10,819,195	16,427,287	34,972,900	103,308,400	40,659,919	9,775,367	23,380,886	19,467,476	16,731,713	17,810,627	17,862,214	14,977,315	\$326,193,299
<u>Total Commodity Purchases</u>													
Quantity - Mcf	5,679,580	4,965,973	9,329,246	8,325,156	5,526,073	2,671,548	6,791,891	6,046,838	5,106,469	5,157,363	5,215,311	4,843,944	69,659,392
Rate per Mcf	\$1.9976	\$3.4575	\$3.8569	\$12.5489	\$7.8058	\$4.1725	\$3.6120	\$3.3967	\$3.4890	\$3.6756	\$3.6417	\$3.3013	\$4.8820
Cost	11,345,723	17,170,090	35,981,708	104,471,400	43,135,665	11,147,134	24,532,011	20,539,174	17,816,336	18,956,306	18,992,737	15,991,070	\$340,079,354
<u>Storage (Injection)/Withdrawals - WACCOG</u>													
Quantity - Mcf	(2,488,189)	2,400,887	3,560,200	6,620,386	5,594,232	5,688,000	(2,565,214)	(3,741,453)	(3,809,945)	(4,069,126)	(4,129,353)	(3,532,450)	(472,025)
WACCOG Rate per Mcf	\$2.0399	\$2.1242	\$2.1126	\$2.2360	\$2.4273	\$2.4273	\$3.6481	\$3.4415	\$3.5406	\$3.7309	\$3.6976	\$3.3482	\$3.3482
Cost	(5,075,746)	5,099,900	7,521,152	14,803,446	13,578,752	13,806,353	(9,358,168)	(12,876,061)	(13,489,452)	(15,181,453)	(15,268,700)	(11,827,417)	(\$28,267,394)
Injection/Withdrawal Costs	44,244	34,938	63,708	71,335	51,241	42,809	230,195	255,459	248,257	269,916	276,082	212,196	\$1,800,380
Pipeline Transportation Charges	689,143	537,606	824,670	630,893									\$2,682,312
<u>Other Purchased Gas Costs</u>													
Other Gas Costs - Mcf	369,578	117,525	14,942		0	0	0	0	0	0	0	0	502,045
Gas Admin Costs	18,280	16,044	14,942		15,320	15,320	15,320	15,320	15,320	15,320	15,320	15,320	\$171,826
Imbalance Buyback Costs	497,759	275,084	642,139		0	0	0	0	0	0	0	0	\$1,414,982
Exchange Costs	287,171	2,696	(666,746)		0	0	0	0	0	0	0	0	(\$376,879)
Compressed Natural Gas	0	0	0		0	0	0	0	0	0	0	0	\$0
Subtotal	\$803,210	\$293,825	(\$9,664)	\$0	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$1,209,929
Capacity Costs - Firm Transportation	\$5,048,583	\$13,061,529	\$13,223,775	\$13,218,713	\$9,501,497	\$9,719,730	\$3,737,075	\$3,737,075	\$3,737,075	\$3,737,075	\$3,737,075	\$3,737,075	\$86,196,276
Capacity Costs - Firm Storage	<u>\$3,326,996</u>	<u>\$3,304,500</u>	<u>\$3,327,212</u>	<u>\$3,327,212</u>	<u>\$7,048,513</u>	<u>\$7,048,513</u>	<u>\$4,925,039</u>	<u>\$4,925,039</u>	<u>\$4,925,039</u>	<u>\$4,925,039</u>	<u>\$4,925,039</u>	<u>\$4,925,039</u>	\$56,933,180
	\$8,375,579	\$16,366,029	\$16,550,987	\$16,545,925	\$16,550,010	\$16,768,244	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$143,129,456
					0	0	0	0	0	0	0	0	
Total 1307(f) Gas Costs	<u>\$ 16,182,152</u>	<u>\$ 39,502,387</u>	<u>\$ 60,932,561</u>	<u>\$ 136,522,999</u>	<u>\$ 73,330,988</u>	<u>\$ 41,779,859</u>	<u>\$ 24,081,472</u>	<u>\$ 16,596,006</u>	<u>\$ 13,252,574</u>	<u>\$ 12,722,202</u>	<u>\$ 12,677,553</u>	<u>\$ 13,053,283</u>	<u>\$ 460,634,037</u>
Capacity	\$8,375,579	\$16,366,029	\$16,550,987	\$16,545,925	\$16,550,010	\$16,768,244	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$143,129,456
Commodity	\$7,806,574	\$23,136,358	\$44,381,573	\$119,977,074	\$56,780,978	\$25,011,615	\$15,419,359	\$7,933,892	\$4,590,461	\$4,060,088	\$4,015,439	\$4,391,170	\$317,504,581
1307(f) Mcf	3,560,969	7,484,385	12,904,388	14,945,542	11,120,305	8,359,548	4,226,677	2,305,385	1,296,524	1,088,237	1,085,958	1,311,494	69,689,412

'E' Factor Calculation - COMBINED

Line		TOTAL	CAPACITY	COMMODITY
1	Actual Over/ (Under) Balance Through September 30, 2024	\$ (9,527,518)	\$ (11,658,885)	\$ 2,131,368
2	PLUS: Over/ (Under) Commodity October 2024 - September 2025	\$ (18,153,247)		\$ (18,153,247)
3	PLUS: Over/ (Under) Capacity October 2024 - September 2025	\$ (2,972,113)	\$ (2,972,113)	
4	PLUS: Over/ (Under) Capacity GCA Revenue October 2024 - September 2025	\$ 12,585,151	\$ 12,585,151	
5	PLUS: Over/ (Under) GCA Revenue October 2024 - September 2025	\$ (2,775,227)		\$ (2,775,227)
6	PLUS: AVC Over/(Under) Balance through Sep 2025 including interest	\$ (1,790,074)	\$ (1,790,074)	
7	PLUS: Interest October 2024 - September 2025	\$ (1,608,328)	\$ 335,314	\$ (1,943,642)
8	PLUS: 2019-2022 PUC Purchase Gas Audits (D-2023-3041985 and D-2023-3037510) 1/	\$ 28,799	\$ 3,849	\$ 24,950
13	Total Projected Prior Period Over/(Under) Collection through September 30, 2025	\$ (24,212,557)	\$ (3,496,759)	\$ (20,715,799)

1/ Findings and interest per the PUC purchase gas audit reports at Docket Nos. D-2023-3041985 and D-2023-3037510. Also refer to Docket No. R-2025-3053184, Statement No. 1 – Direct Testimony of Carol Scanlon for more information. See page 19 for details.

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

Line No.	Description	Sales (1) Mcf	Revenue (2) \$	Purchased Gas Cost (3) \$	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 2025*	3,106,908	\$9,606,913	\$7,806,574	\$ 1,800,339
2	November 2025*	7,001,439	\$21,665,664	\$23,136,358	\$ (1,470,694)
3	December 2025*	11,575,370	\$36,406,388	\$44,381,573	\$ (7,975,186)
4	January 2026	14,378,380	\$51,380,869	\$119,977,074	\$ (68,596,206)
5	February 2026				\$ -
6	March 2026				\$ -
7	April 2026				\$ -
8	May 2026				\$ -
9	June 2026				\$ -
10	July 2026				\$ -
11	August 2026				\$ -
12	September 2026				\$ -
		36,062,097	\$ 119,059,833	\$ 195,301,579	\$ (76,241,746)

Peoples Natural Gas Company LLC
PURCHASED GAS COST REVENUE - COMMODITY
 *Actuals

Interim 1307(f)
February 12, 2026
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October 2025*

Oct 2025 Quarterly 1307(f) Rate	2,461,099	\$3.0831	\$7,587,816
Prior Quarters and Adjustments	645,809		\$1,902,680
Imbalance Sales			\$ 115,502.91
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 914.36
Rider H- Ratepayer Credit			\$0
Total	<u>3,106,908</u>		<u>\$9,606,913</u>

November 2025*

Oct 2025 Quarterly 1307(f) Rate	5,888,591	\$3.0831	\$18,155,115
Prior Quarters and Adjustments	1,112,848		\$3,427,669
Imbalance Sales			\$ 82,141.74
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 738.57
Rider H- Ratepayer Credit			\$0
Total	<u>7,001,439</u>		<u>\$21,665,664</u>

December 2025*

Oct 2025 Quarterly 1307(f) Rate	11,571,388	\$3.0831	\$35,675,745
Prior Quarters and Adjustments	3,982		\$14,980
Imbalance Sales			\$ 715,444.64
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 218.53
Rider H- Ratepayer Credit			\$0
Total	<u>11,575,370</u>		<u>\$36,406,388</u>

January 2026*

Jan 2025 Quarterly 1307(f) Rate	7,700,270	\$3.5239	\$27,134,980
Prior Quarters and Adjustments	6,678,111		\$23,322,458
Imbalance Sales			\$ 923,046.17
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 384.29
Rider H- Ratepayer Credit			\$0
Total	<u>14,378,380</u>		<u>\$51,380,869</u>

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

Line No.	Description	Sales	Sales Revenue	Balancing Revenue	Capacity Cost	Capacity Over/(Under) Collection
		(1) Mcf	(2) \$	(3) \$	(4) \$	(5)=(2)+(3)-(4) \$
1	October 2025*	3,106,908	\$6,520,156	\$1,124,184	\$8,375,579	\$ (731,238)
2	November 2025*	7,001,439	\$14,524,994	\$1,876,063	\$16,366,029	\$ 35,028
3	December 2025*	11,575,370	\$23,872,959	\$2,585,104	\$16,550,987	\$ 9,907,076
4	January 2026	14,378,380	\$29,649,216	\$3,180,394	\$16,545,925	\$ 16,283,685
5	February 2026					\$ -
6	March 2026					\$ -
7	April 2026					\$ -
8	May 2026					\$ -
9	June 2026					\$ -
10	July 2026					\$ -
11	August 2026					\$ -
12	September 2026					\$ -
		36,062,097	\$ 74,567,325	\$ 8,765,744	\$ 57,838,520	\$ 25,494,549

Peoples Natural Gas Company LLC
PURCHASED GAS COST REVENUE - CAPACITY

Interim 1307(f)
 February 12, 2026
 Page 7/10

October 2025*

Oct 2025 Quarterly 1307(f) Rate	2,461,099	\$1.8137	\$4,463,696
Prior Quarters and Adjustments	645,809		\$1,226,996
Priority One Standby			\$823,058
Standby Service			\$6,405
Balancing			\$1,124,184

Total	<u>3,106,908</u>		<u>\$7,644,340</u>
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November 2025*

Oct 2025 Quarterly 1307(f) Rate	5,888,591	\$1.8137	\$10,680,137
Prior Quarters and Adjustments	1,112,848		\$2,106,725
Priority One Standby			\$1,732,066
Standby Service			\$6,066
Balancing			\$1,876,063

Total	<u>7,001,439</u>		<u>\$16,401,057</u>
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December 2025*

Oct 2025 Quarterly 1307(f) Rate	11,571,388	\$1.8137	\$20,987,026
Prior Quarters and Adjustments	3,982		(\$122,720)
Priority One Standby			\$3,001,517
Standby Service			\$7,137
Balancing			\$2,585,104

Total	<u>11,575,370</u>		<u>\$26,458,063</u>
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January 2026*

Jan 2025 Quarterly 1307(f) Rate	7,700,270	\$1.8137	\$13,965,979
Prior Quarters and Adjustments	6,678,111		\$12,142,125
Priority One Standby			\$3,534,835
Standby Service			\$6,276
Balancing			\$3,180,394

Total	<u>14,378,380</u>		<u>\$32,829,609</u>
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Peoples Natural Gas Company LLC
"E" FACTOR REVENUE
(* Actuals)

Interim 1307(f)
February 12, 2026
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Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>GCA</u> (2)
October 2025*	\$ 1,041,743
November 2025*	\$ 2,424,009
December 2025*	\$ 4,005,678
January 2026	\$ 4,987,886
February 2026	
March 2026	
April 2026	
May 2026	
June 2026	
July 2026	
August 2026	
September 2026	
	<u>\$ 12,459,316</u>

Peoples Natural Gas Company LLC
CAPACITY "E" FACTOR REVENUE
FOR THE PERIOD OCTOBER 2025 THROUGH SEPTEMBER 2026
(* Actuals)

Interim 1307(f)
February 12, 2026
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Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Amount</u> (2)
October 2025*	\$92,439
November 2025*	\$211,090
December 2025*	\$654,687
January 2026	\$766,779
February 2026	
March 2026	
April 2026	
May 2026	
June 2026	
July 2026	
August 2026	
September 2026	
Total	<u>\$1,724,995</u>

Projected Throughput - Mcf

		<u>Sales</u>	<u>P-1 Transport</u>	<u>Total</u>
October	2025	3,024,677	544,785	3,569,462
November		6,235,439	1,082,501	7,317,940
December		10,021,602	1,601,864	11,623,466
January	2026	11,537,136	1,761,549	13,298,685
February		10,405,813	1,568,126	11,973,939
March		7,801,749	1,224,578	9,026,327
April		3,986,432	643,607	4,630,040
May		2,176,320	391,472	2,567,792
June		1,221,540	230,823	1,452,364
July		1,027,304	191,180	1,218,484
August		1,025,699	202,342	1,228,041
September		<u>1,221,896</u>	<u>244,572</u>	<u>1,466,468</u>
TOTAL		59,685,608	9,687,399	69,373,007

28,866,754 Throughput Feb 2026-Sept 2026

MERCHANT
FUNCTION
CHARGE
CALCULATION

Peoples Natural Gas Company LLC

Calculation of Uncollectible Natural Gas Costs
Effective: **February 12, 2026**

<u>Line</u> <u>No.</u>	<u>Description</u>			
1	Natural Gas Supply Charge	\$	7.7219	/Mcf
	<u>Uncollectible Write-Off Factor</u>			
2	Residential			2.2000%
3	Commercial & Industrial			0.3320%
	<u>Merchant Function Charge (MFC) added to PTC</u>			
4	Residential	(Line 1 x Line 2) \$	0.1699	/Mcf
5	Commercial & Industrial	(Line 1 x Line 3) \$	0.0256	/Mcf

**UNIVERSAL
SERVICE
CHARGE
CALCULATION**

Peoples Natural Gas Company LLC
Rider Universal Service Costs
Effective 2/12/2026

CAP

CAP Credit (Shortfall or deficiency)	Page 2	\$	41,843,789	^{2/}
Arrearage Forgiveness	Page 2	\$	5,751,816	^{2/}
CAP Administration - Third Party Administrator	Page 3	\$	1,441,385	
Total CAP Expenses		\$	49,036,990	

Other Universal Services

LIURP	Page 3	\$	5,997,528	^{1/}
Emergency Line Repair	Page 3	\$	1,500,000	^{3/}
Billing System Modifications to Support LIHEAP State Plan	Page 3	\$	-	
Total Other Universal Services		\$	7,497,528	

Total Projected Universal Service Program Costs **\$ 56,534,518**

Residential Non-CAP Throughput 51,091,555

Proposed Rider Universal Surcharge per Mcf \$ 1.1065

Plus: Reconciliation Adjustment Dollars - (Over)/Under Recovery Page 4 \$ (565,410)

Plus: Reconciliation Adjustment Amount - (Over)/Under Recovery Page 4 \$ (0.0111)

Total Proposed Rider Universal Service Surcharge per Mcf	\$ 1.0955
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^{1/} Adjusted to reflect Low Income Stipulation at Docket No. R-2023-3044549.

^{2/} Includes E-CAP Customers

^{3/} Per commitment from Aqua acquisition at Docket A-2018-3006061, Peoples agreed to recover LIURP emergency furnace repair three years post closing in universal service rider.

Peoples Natural Gas Company LLC
Rider Universal Service Costs
Calculation of CAP Credits and Arrearage Forgiveness

<u>CAP Credit Calculation</u>		
1 Active CAP Accounts (including E-CAP) + Projected Enrollments		39,100
2 CAP enrollment level as established @ Docket R-2023-3044549		30,800
3 Current Average CAP Payment		53 ^{1/}
4 Average CAP Usage		112
 <u>Average Bill Calculation</u>		
5 Monthly Service Charge		\$ 17,2965
6 Usage charge per MCF		\$ 13.5031
7 Average Annual Bill	(Line 5 * 12) + (Line 4 * Line 6)	\$ 1,721
8 Annual average CAP Payments per customer	(Line 3 * 12)	\$ 640
9 Annual average CAP Credit per customer	(Line 7 - Line 8)	\$ 1,081
10 Projected CAP credit (shortfall)	(Line 2 * Line 9)	\$ 33,293,517
 <u>Incremental Enrollments</u>		
11 Incremental enrollment above established level (Including E-CAP customers)	(Line 1- Line 2)	8,300
12 Projected Cap Credit for incremental enrollments	(Line 9 * Line 11)	\$ 8,971,954
13 Bad Debt Offset for Incremental enrollments	(4.70% * Line 12)	\$ 421,682 ^{3/}
14 Net Projected CAP Credit (shortfall) for Incremental Enrollments	(Line 12 - Line 13)	\$ 8,550,272
 <u>Total CAP Credits</u>		
15 Total Projected CAP Credits	(Line 10 + Line 14)	\$ 41,843,789
 <u>Arrearage Forgiveness</u>		
<u>Enrollments to Established level</u>		
16 Enrollments up to established level		30,800
17 Average Arrearage Forgiveness per cust.		\$ 149 ^{2/}
18 Total Projected Annual Arrearage Forgiveness	(Line 16 * Line 17)	\$ 4,576,502
 <u>Incremental Enrollments</u>		
19 Projected Incremental Enrollment above established level (Including E-CAP custo	(Line 11)	8,300
20 Average Arrearage Forgiveness per cust.	(Line 17)	\$ 149 ^{2/}
21 Total Projected Annual Arrearage Forgiveness	(Line 19 * Line 20)	\$ 1,233,278
22 Bad Debt Offset for Incremental Enrollments	(4.70% * Line 21)	\$ 57,964 ^{3/}
23 Net Annual Arrearage Forgiveness for Incremental Enrollments	(Line 21 - Line 22)	\$ 1,175,314
24 Total Projected Annual Arrearage Forgiveness	(Line 18 + Line 23)	\$ 5,751,816

^{1/} Per Docket No. M-2018-3003177, monthly CAP Plus charges eliminated and no longer included in the total monthly CAP payment.

^{2/} Projected Arrearage Forgiveness is based upon average forgiveness per customer over the Jan 2025 - Dec 2025 period.

^{3/} Bad Debt Offset percentage modified to 4.70% from base rate case R-2023-3044549

**Peoples Natural Gas Company LLC
Rider Universal Service Costs
Universal Service Programs and Administrative Costs**

		<u>Annual Cost</u>
<u>CAP Administration</u>		
1	Third Party Administrator	\$ 1,441,385
<u>Other Universal Services</u>		
2	Low Income Usage Reduction Program (LIURP)	\$ 5,997,528 ^{2/}
3	Emergency Line Repair	\$ 1,500,000 ^{3/}
4	Billing System Modifications to Support LIHEAP State Plan	\$ - ^{1/}
5	Total Program Costs -- Other Universal Services	\$ 7,497,528
	(Lines 2 through 4)	
6	Total Administrative & Program Costs	\$ 8,938,913
	(Line 1 + Line 5)	

^{1/} Billing System Modifications to Support the LIHEAP State Plan were approved through Peoples' base rate proceeding at Docket No. R-2012-2285985.

^{2/} Adjusted to reflect Low Income Stipulation at Docket No. R-2023-3044549.

^{3/} Peoples filed and served Petition at Docket P-2025-3053645 which was approved to amend 2019 USECP to increase annual budget for Emergency Furnace and Service Line repair to \$1,500,000.

Peoples Natural Gas Company LLC
Rider Universal Service - Annual Reconciliation and Rate Adjustment
Effective 1/1/2026
Annual Reconciliation of CAP Costs to CAP Recoveries

	<u>Reconciliation</u>
	<u>Rate Adjustment</u>
Prior Period Over/ (Under) Collection	\$ (8,076,204)
Actual Total CAP Costs	\$ 29,797,693
Less:	
<hr/> Cost Offsets for Customers	\$ (95,924)
Audit Adjustment	\$ 94,108 ^{1/}
Total CAP Recoveries	<hr/> \$ 38,437,491
Over / (Under) Recoveries	\$ 565,410
Residential throughput (Mcf)	<hr/> \$ 51,091,555
Reconciliation Rate Adjustment	<hr/> <hr/> \$ (0.0111)

^{1/} Per audit findings from PNG Universal Service Rider audit at Docket Nos. D-2023-3037511 and D-2024-3041986, an adjustment made to recover costs due to prior miscalculation.

CERTIFICATE OF SERVICE

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

VIA E-MAIL

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Date: February 11, 2026



Carol Scanlon