



March 27, 2026

VIA ELECTRONIC FILING

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, Pennsylvania 17120

Re: National Fuel Gas Distribution Corporation Annual Depreciation Report

Dear Secretary Homsher:

Attached, please find an electronic copy of National Fuel Gas Distribution Corporation's Annual Depreciation Report as required by the Commission's regulations at 52 Pa. Code § 73.3(c). Copies of the attached will also be served upon the Office of Special Assistants, the Office of Consumer Advocate and the Office of Small Business Advocate.

National Fuel's Annual Depreciation Report is being electronically filed. No additional paper copies will be sent. Supporting excel files will be submitted to the Secretary's SharePoint site for processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rebecca Hillery".

Rebecca Hillery
Managing Director
Rates and Regulatory Affairs

Enclosure
cc: Certificate of Service

CERTIFICATE OF SERVICE

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

VIA E-MAIL

Anthony D. Kanagy, Esquire
Post & Schell, P.C.
17 North Second Street
12th Floor
Harrisburg, PA 17101-1601

Office of Special Assistants
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 3rd Floor East
Harrisburg, PA 17105-3265

Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Office of Small Business Advocate
555 Walnut Street
Forum Place, 1st Floor
Harrisburg, PA 17101-1923

Dated this 27th day of March 2026.



Rebecca Hillery
Managing Director
Rates and Regulatory Affairs

NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION

ANNUAL DEPRECIATION REPORT TO THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION
(CODE 121850-ADR-2026)

MARCH 2026

NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION

ANNUAL DEPRECIATION REPORT TO THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

MARCH 2026

EXECUTIVE SUMMARY

This report is prepared in response to the requirements related to the monitoring of depreciation practices set forth in 52 Pa. Code Chapter 73.9(a). In accordance with the requirements, the report presents a comparison of annual and accrued depreciation by function at September 30, 2023, September 30, 2024 and September 30, 2025; a calculation of remaining life depreciation accrual rates as of September 30, 2025; the 2025 retirements expressed as a percent of the original cost; a summary of the depreciation reserve activity, including the reserve as a percent of original cost; an explanation of any unusual retirements; the net salvage amortization amount for 2026 based on 2021 through 2025 experience; and an explanation of exclusions from the experienced net salvage.

The survivor curves presented herein were based on the results of a service life study incorporating statistical analyses of data through fiscal 2022. The same methods of depreciation were used in this report as were used in last year's Annual Depreciation Report.

Table 1 sets forth a comparison of the original cost, book reserve and calculated annual depreciation accruals by function at September 30, 2023, September 30, 2024 and September 30, 2025. The annual accrual amounts, as summarized, are presented as a percent of original cost for each function and for the total Company.

The composite annual depreciation rate related to total depreciable gas plant was 2.40 percent as of September 30, 2023 increased to 2.47 percent as of September 30, 2024 and increased to 2.50 percent as of September 30, 2025. The overall composite rate increased slightly from September 30, 2023 to September 30, 2024 due to high growth and a resulting lower reserve to plant ratio. The overall composite rate increased from September 30, 2024 to September 30, 2025 due to high growth in distribution and general plant and a resulting lower reserve to plant ratio.

The overall composite rate for Intangible Plant from September 30, 2023 to September 30, 2024 was basically unchanged. The overall composite rate from September 30, 2024 to September 30, 2025 decreased due to low growth and a higher reserve to plant ratio. The composite rate for Production Plant decreased from September 30, 2023 to September 30, 2024 due to low growth and the resulting higher reserve to plant ratio. The composite rate increased from September 30, 2024 to September 30, 2025 due to growth in Account 334.00, Measuring and Regulating Station Equipment. The composite rate for Transmission Plant increased slightly from September 30, 2023 to September 30, 2024 due to growth in Account 367.1, Mains – Excluding Cathodic Protection. The composite rate decreased slightly from September 30, 2024 to September 30, 2025 due to low growth. The Distribution Plant composite rate from September 30, 2023 to September 30, 2024 is basically unchanged. The composite rate from September 30, 2024 to September 30, 2025 slightly increased due to growth in Account 376.1, Mains – Excluding Cathodic Protection and Account 380.00, Services. The composite rate for General Plant increased from September 30, 2023 to September 30, 2024 due to the high growth in Account 392.00, Transportation Equipment and

Account 396.00, Power Operated Equipment. The composite rate continued to increase from September 30, 2024 to September 30, 2025 due to high growth and a lower reserve to plant ratio.

Table 2 summarizes the calculated annual depreciation accrual rates and book depreciation reserve as of September 30, 2025. Tables 3 and 4 present a summary of plant and reserve activity, respectively, for 2025. A review of any unusual entries is set forth in the section “2025 Plant and Reserve Activity” beginning on page 9. Table 5 sets forth the net salvage accruals for fiscal year 2026 as determined by the five-year amortization of the experience during the prior period, 2021-2025.

REMAINING LIFE DEPRECIATION ACCRUAL RATES

The annual depreciation accrual rates to be used during fiscal year 2025 are calculated as of September 30, 2025 and are based on the straight line remaining life method using the average service life procedure for property installed prior to 1982 and the equal life group procedure for property installed subsequent to 1981. The annual depreciation accrual rates are set forth in column 7 of Table 2 on pages 12 and 13. The annual accrual rate equals the pro forma annual accrual in column 6 divided by the original cost in column 3.

For the purpose of calculating the composite remaining life accrual rates as of September 30, 2025 the book reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account as of September 30, 2025. Descriptions of the derivation of remaining life accruals at a given point in time for the vintages calculated by the average service life (ASL) procedure and for the vintages calculated by the equal life group (ELG) procedure follow. An example of the calculation is presented on pages 5 through 7.

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION
ACCOUNT 376.1 MAINS - EXCLUDING CATHODIC PROTECTION
CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF SEPTEMBER 30, 2025**

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REMAINING LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE: IOWA 70-L1.5						
NET SALVAGE PERCENT: 0						
1883	4,328.49	4,002	3,757	571	11.65	49
1884	1,216.00	1,116	1,048	168	12.92	13
1885	2,485.56	2,266	2,127	359	13.81	26
1886	19,870.37	18,261	17,143	2,727	12.28	222
1887	46,736.01	42,642	40,031	6,705	13.28	505
1888	38,729.68	35,081	32,933	5,797	14.28	406
1889	265.08	242	227	38	12.67	3
1890	29.15	26	24	5		
1891	581.52	531	498	84	12.00	7
1892	1,112.59	1,008	946	167	13.92	12
1893	535.23	481	452	83	13.83	6
1894	242.42	220	207	35	11.67	3
1895	472.70	425	399	74	14.80	5
1896	265.51	237	222	44	14.67	3
1897	158.61	142	133	26	13.00	2
1898	74.02	66	62	12	12.00	1
1899	50,685.03	45,434	42,652	8,033	14.58	551
1901	289.35	259	243	46	15.33	3
1902	851.96	756	710	142	15.78	9
1903	627.82	553	519	109	15.57	7
1904	56.60	50	47	10	10.00	1
1905	420.60	369	346	75	18.75	4
1906	21.02	19	18	3		
1909	130.54	114	107	24	24.00	1
1910	38.38	34	32	6		
1911	4,604.22	3,998	3,753	851	17.37	49
1912	2,129.30	1,833	1,721	408	18.55	22
1913	2,146.90	1,856	1,742	405	17.61	23
1914	1,723.55	1,476	1,386	338	18.78	18
1915	493.05	424	398	95	19.00	5
1916	109,668.91	93,460	87,738	21,931	18.96	1,157
1917	2,061.80	1,763	1,655	407	18.50	22
1918	2,353.21	1,994	1,872	481	19.24	25
1919	18,397.82	15,638	14,681	3,717	18.77	198
1920	5,336.52	4,493	4,218	1,119	19.63	57
1921	14,550.81	12,287	11,535	3,016	19.21	157
1922	13,902.61	11,770	11,049	2,854	18.65	153
1923	7,046.75	5,908	5,546	1,501	19.75	76
1924	32,811.92	27,575	25,887	6,925	19.24	360
1925	60,628.81	50,449	47,360	13,269	20.23	656
1926	120,582.08	100,529	94,374	26,208	19.79	1,324
1927	79,440.67	65,562	61,548	17,893	20.81	860
1928	46,866.61	38,740	36,368	10,499	20.39	515
1929	81,117.46	67,149	63,038	18,079	20.02	903
1930	94,243.96	77,205	72,478	21,766	21.03	1,035
1931	44,267.75	36,300	34,078	10,190	20.67	493
1932	22,913.19	18,589	17,451	5,462	21.67	252
1933	6,079.23	4,935	4,633	1,446	21.26	68
1934	24,632.61	20,004	18,779	5,854	21.13	277
1935	35,050.08	28,152	26,428	8,622	22.11	390
1936	33,577.56	26,969	25,318	8,260	21.85	378
1937	47,799.56	38,388	36,038	11,762	21.62	544
1938	45,448.15	36,086	33,877	11,571	22.64	511

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION
ACCOUNT 376.1 MAINS - EXCLUDING CATHODIC PROTECTION
CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF SEPTEMBER 30, 2025**

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REMAINING LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE: IOWA 70-L1.5						
NET SALVAGE PERCENT: 0						
1939	31,778.94	25,217	23,673	8,106	22.45	361
1940	23,229.51	18,416	17,288	5,942	22.25	267
1941	32,656.40	25,586	24,020	8,636	23.28	371
1942	8,231.30	6,442	6,048	2,183	23.22	94
1943	3,053.80	2,386	2,240	814	23.26	35
1944	4,215.64	3,288	3,087	1,129	23.04	49
1945	8,589.11	6,617	6,212	2,377	24.01	99
1946	35,058.28	26,949	25,299	9,759	23.86	409
1947	114,715.46	87,964	82,578	32,137	23.81	1,350
1948	113,243.04	86,608	81,306	31,937	23.76	1,344
1949	206,183.50	155,648	146,119	60,064	24.76	2,426
1950	269,798.57	203,023	190,593	79,206	24.75	3,200
1951	278,815.18	209,084	196,283	82,532	24.76	3,333
1952	178,746.88	133,560	125,383	53,364	24.77	2,154
1953	178,891.44	133,131	124,980	53,911	24.83	2,171
1954	264,151.22	195,736	183,752	80,399	24.90	3,229
1955	749,728.96	553,000	519,143	230,586	24.99	9,227
1956	852,828.10	625,976	587,651	265,177	25.09	10,569
1957	450,375.40	328,909	308,772	141,603	25.21	5,617
1958	222,907.38	161,898	151,986	70,921	25.34	2,799
1959	358,458.81	256,477	240,774	117,685	26.34	4,468
1960	209,594.48	149,064	139,938	69,656	26.50	2,629
1961	219,597.57	156,617	147,028	72,570	25.84	2,808
1962	196,332.25	139,082	130,567	65,765	26.04	2,526
1963	291,532.10	205,064	192,509	99,023	26.25	3,772
1964	365,835.03	255,426	239,788	126,047	26.47	4,762
1965	707,870.51	490,483	460,454	247,417	26.70	9,267
1966	1,260,213.94	866,145	813,116	447,098	26.96	16,584
1967	1,489,152.62	1,014,858	952,724	536,429	27.22	19,707
1968	1,366,827.06	923,428	866,892	499,935	27.49	18,186
1969	1,443,720.30	966,426	907,257	536,463	27.78	19,311
1970	1,463,896.05	978,615	918,700	545,196	27.40	19,898
1971	1,935,717.47	1,281,058	1,202,626	733,091	27.72	26,446
1972	1,595,608.76	1,045,124	981,137	614,472	28.05	21,906
1973	2,026,417.46	1,312,916	1,232,534	793,883	28.40	27,954
1974	1,890,921.32	1,221,157	1,146,393	744,528	28.11	26,486
1975	1,172,263.57	748,139	702,335	469,929	28.49	16,495
1976	1,279,539.01	806,621	757,236	522,303	28.88	18,085
1977	3,322,847.63	2,068,140	1,941,520	1,381,328	29.27	47,193
1978	3,082,716.10	1,908,201	1,791,373	1,291,343	29.08	44,407
1979	2,316,096.40	1,413,977	1,327,408	988,688	29.51	33,503
1980	3,278,777.19	1,988,250	1,866,521	1,412,256	29.37	48,085
1981	2,792,481.56	1,668,228	1,566,092	1,226,390	29.82	41,126
1982	2,923,042.82	1,719,334	1,614,069	1,308,974	30.28	43,229
1983	3,784,340.37	2,206,270	2,071,193	1,713,147	30.22	56,689
1984	4,595,007.03	2,634,777	2,473,465	2,121,542	30.69	69,128
1985	5,552,132.81	3,150,835	2,957,928	2,594,205	30.67	84,584
1986	6,102,701.88	3,401,646	3,193,383	2,909,319	31.17	93,337
1987	4,548,909.98	2,505,540	2,352,141	2,196,769	31.19	70,432
1988	7,159,153.74	3,866,659	3,629,926	3,529,228	31.72	111,262
1989	6,308,727.31	3,361,921	3,156,090	3,152,637	31.78	99,202
1990	6,138,232.63	3,202,316	3,006,257	3,131,976	32.32	96,905
1991	6,976,734.59	3,584,646	3,365,179	3,611,556	32.41	111,433
1992	7,124,920.92	3,577,423	3,358,399	3,766,522	32.97	114,241
1993	7,906,970.29	3,901,299	3,662,446	4,244,524	33.11	128,195

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RELATED TO ORIGINAL COST AS OF SEPTEMBER 30, 2025**

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REMAINING LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE: IOWA 70-L1.5						
NET SALVAGE PERCENT: 0						
1994	6,024,621.36	2,899,048	2,721,556	3,303,065	33.69	98,043
1995	6,534,111.79	3,083,447	2,894,666	3,639,446	33.85	107,517
1996	5,782,921.42	2,655,518	2,492,936	3,289,985	34.45	95,500
1997	7,283,760.80	3,271,865	3,071,548	4,212,213	34.64	121,600
1998	5,139,525.38	2,240,833	2,103,640	3,035,885	35.25	86,124
1999	5,447,280.89	2,316,184	2,174,378	3,272,903	35.48	92,246
2000	5,708,670.00	2,349,689	2,205,831	3,502,839	36.10	97,032
2001	4,160,474.63	1,654,621	1,553,318	2,607,157	36.73	70,982
2002	5,330,699.45	2,057,650	1,931,672	3,399,027	36.99	91,890
2003	5,265,962.14	1,956,832	1,837,027	3,428,935	37.63	91,122
2004	4,706,238.96	1,690,010	1,586,541	3,119,698	37.92	82,271
2005	3,081,899.05	1,060,790	995,844	2,086,055	38.58	54,071
2006	5,197,924.58	1,721,033	1,615,664	3,582,261	38.89	92,113
2007	7,064,323.76	2,230,207	2,093,665	4,970,659	39.55	125,680
2008	6,040,573.70	1,823,649	1,711,998	4,328,576	39.89	108,513
2009	6,672,935.49	1,908,460	1,791,616	4,881,319	40.57	120,318
2010	5,606,345.70	1,521,562	1,428,406	4,177,940	40.93	102,075
2011	6,270,557.78	1,599,619	1,501,684	4,768,874	41.61	114,609
2012	5,436,496.39	1,303,672	1,223,856	4,212,640	42.00	100,301
2013	7,438,122.05	1,658,701	1,557,148	5,880,974	42.69	137,760
2014	5,649,819.44	1,169,513	1,097,911	4,551,908	43.10	105,613
2015	7,809,248.85	1,480,634	1,389,983	6,419,266	43.81	146,525
2016	9,736,105.09	1,684,346	1,581,223	8,154,882	44.22	184,416
2017	7,102,506.66	1,101,599	1,034,155	6,068,352	44.94	135,032
2018	9,036,691.20	1,245,256	1,169,016	7,867,675	45.38	173,373
2019	9,572,527.86	1,148,703	1,078,375	8,494,153	45.83	185,340
2020	12,502,899.31	1,266,544	1,189,001	11,313,898	46.56	242,996
2021	11,256,296.91	933,147	876,016	10,380,281	47.03	220,716
2022	10,487,286.75	671,186	630,093	9,857,194	47.51	207,476
2023	27,846,761.69	1,247,535	1,171,156	26,675,606	48.00	555,742
2024	28,669,627.50	722,475	678,242	27,991,386	48.26	580,012
2025	14,817,234.70	228,185	214,215	14,603,020	48.03	304,040
	377,025,040.28	116,815,979	109,664,023	267,361,017		6,646,760

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.20 1.76

For vintages prior to 1982, for which the ASL procedure is applicable, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the average remaining life (expectancy) of the vintage. The average remaining life is derived directly from the estimated future survivor curve in accordance with the average service life procedure.

For vintages beginning with 1982, for which the ELG procedure is applicable, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the composite remaining life for the surviving original cost of that vintage. The composite remaining life is derived by compositing the individual equal life group remaining lives in accordance with the following equation:

$$\text{Composite Remaining Life} = \frac{\sum \left(\frac{\text{Book Cost}}{\text{Life}} \times \text{Remaining Life} \right)}{\sum \frac{\text{Book Cost}}{\text{Life}}}$$

The book costs and lives of the several equal life groups which are summed in the foregoing equation are defined by the estimated future survivor curve.

Inasmuch as book cost divided by life equals the whole life annual accrual, the foregoing equation reduces to the following form:

$$\text{Composite Remaining Life} = \frac{\sum \text{Whole Life Future Accruals}}{\sum \text{Whole Life Annual Accruals}}$$

or

$$\text{Composite Remaining Life} = \frac{\sum \text{Book Cost} - \text{Calc. Reserve}}{\sum \text{Whole Life Annual Accrual}}$$

The composite remaining life calculations were made using computer software that utilizes detailed ELG calculations of whole life future accruals and annual accruals in

order to derive the vintage composite remaining lives for the ELG vintages.

The annual accrual rate for each account is equal to the sum of the remaining life annual accruals divided by the total original cost. The composite remaining life is calculated by dividing the sum of the future book accruals by the sum of the remaining life annual accruals.

2025 PLANT AND RESERVE ACTIVITY

Tables 3 and 4 on pages 14 and 15 present summaries by account of the plant and reserve accounting activity for fiscal year 2025. Table 3 sets forth the original cost as of September 30, 2024 the beginning of the fiscal year; additions; retirements; transfers or adjustments; the balance at the end of the year, September 30, 2025; and the retirements expressed as a percent of the beginning plant balance.

The high additions in Account 367.10, Mains – Excluding Cathodic Protection; Account 376.10, Mains – Excluding Cathodic Protection; and Account 380.00, Services, are the result of growth and an upgrade of the infrastructure. The high additions and retirements for Account 392.00, Transportation Equipment and Account 396.00, Power Operated Equipment are the result of the continued effort to purchase a new fleet of vehicles and rolling stock instead of leasing equipment.

Table 4 on page 15 sets forth the book depreciation reserve balance at the beginning of the fiscal year, September 30, 2024; annual accruals; retirements; gross salvage; cost of removal; transfers or adjustments; the balance at the end of the year, September 30, 2025; and the book reserve as a percent of the plant balance as of September 30, 2025.

AMORTIZATION OF NET SALVAGE

The 2026 amortization amount for experienced negative net salvage is \$1,648,567 based on the experienced negative net salvage during the five-year period, 2021 through 2025. The calculation of the amortization amount by plant account is set forth in Table 5, on page 16. The tabulation sets forth the cost of removal, gross salvage, net salvage and the amortization amount which is one-fifth of the total negative net salvage for the five-year period.

The data in Table 5 for the years 2021 through 2024 are the same as the data that were submitted in March 2025.

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION**

**TABLE 1. ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL
DEPRECIATION ACCRUALS BY FUNCTION RELATED TO GAS PLANT
AT SEPTEMBER 30, 2023, SEPTEMBER 30, 2024 AND SEPTEMBER 30, 2025**

	<u>2023</u>	<u>2024</u>	<u>2025</u>
INTANGIBLE PLANT			
ORIGINAL COST (DEPRECIABLE)	24,582,984.30	24,323,011.20	24,487,946.38
BOOK ACCRUED DEPRECIATION	16,917,578	18,801,514	20,948,041
BOOK RESERVE % OF ORIGINAL COST	0.6882	0.7730	0.8554
ORIGINAL COST DEPRECIATED	7,665,406	5,521,497	3,539,905
ANNUAL DEPRECIATION EXPENSE	2,151,382	2,124,805	1,645,363
ANNUAL % OF ORIGINAL COST	0.0875	0.0874	0.0672
PRODUCTION PLANT			
ORIGINAL COST (DEPRECIABLE)	3,573,554.16	3,535,705.56	3,782,005.67
BOOK ACCRUED DEPRECIATION	1,824,841	1,881,065	1,923,431
BOOK RESERVE % OF ORIGINAL COST	0.5107	0.5320	0.5086
ORIGINAL COST DEPRECIATED	1,748,713	1,654,640	1,858,575
ANNUAL DEPRECIATION EXPENSE	95,861	88,530	104,414
ANNUAL % OF ORIGINAL COST	0.0268	0.0250	0.0276
TRANSMISSION PLANT			
ORIGINAL COST (DEPRECIABLE)	68,632,653.80	73,904,184.64	76,544,701.71
BOOK ACCRUED DEPRECIATION	25,575,569	26,330,745	27,241,612
BOOK RESERVE % OF ORIGINAL COST	0.3726	0.3563	0.3559
ORIGINAL COST DEPRECIATED	43,057,084	47,573,439	49,303,090
ANNUAL DEPRECIATION EXPENSE	1,109,657	1,215,764	1,220,196
ANNUAL % OF ORIGINAL COST	0.0162	0.0165	0.0159
DISTRIBUTION PLANT			
ORIGINAL COST (DEPRECIABLE)	591,169,667.47	634,762,936.42	672,973,589.22
BOOK ACCRUED DEPRECIATION	211,011,204	217,493,957	224,508,098
BOOK RESERVE % OF ORIGINAL COST	0.3569	0.3426	0.3336
ORIGINAL COST DEPRECIATED	380,158,467	417,268,979	448,465,494
ANNUAL DEPRECIATION EXPENSE	11,103,967	12,002,166	12,912,627
ANNUAL % OF ORIGINAL COST	0.0188	0.0189	0.0192
GENERAL PLANT			
ORIGINAL COST (DEPRECIABLE)	31,863,700.84	37,230,277.73	45,567,075.71
BOOK ACCRUED DEPRECIATION	15,378,741	16,492,956	17,760,999
BOOK RESERVE % OF ORIGINAL COST	0.4826	0.4430	0.3898
ORIGINAL COST DEPRECIATED	16,484,959	20,737,322	27,806,077
ANNUAL DEPRECIATION EXPENSE	2,813,013	3,652,028	4,710,455
ANNUAL % OF ORIGINAL COST	0.0883	0.0981	0.1034
TOTAL COMPANY			
ORIGINAL COST (DEPRECIABLE)	719,822,560.57	773,756,115.55	823,355,318.69
BOOK ACCRUED DEPRECIATION	270,707,933	281,000,237	292,382,180
BOOK RESERVE % OF ORIGINAL COST	0.3761	0.3632	0.3551
ORIGINAL COST DEPRECIATED	449,114,629	492,755,877	530,973,141
ANNUAL DEPRECIATION EXPENSE	17,273,880	19,083,293	20,593,055
ANNUAL % OF ORIGINAL COST	0.0240	0.0247	0.0250
NONDEPRECIABLE PLANT			
LAND AND LAND RIGHTS	1,056,702.26	1,155,631.99	1,155,204.30
TOTAL PLANT IN SERVICE	720,879,262.83	774,911,747.54	824,510,522.99

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION**

**TABLE 2. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK RESERVE AND
CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AS OF SEPTEMBER 30, 2025**

DEPRECIABLE GROUP		SURVIVOR CURVE	ORIGINAL COST AS OF SEPTEMBER 30, 2025	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL		COMPOSITE REMAINING LIFE
						AMOUNT	RATE	
(1)		(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
DEPRECIABLE PLANT								
303	MISCELLANEOUS INTANGIBLE PLANT	10-SQ	24,487,946.38	20,948,041	3,539,905	1,645,363	6.72	2.2
PRODUCTION PLANT								
325.4	RIGHTS OF WAY	70-R4	49,880.62	36,419	13,462	419	0.84	32.1
328	MEASURING AND REGULATING STATION STRUCTURES	30-L2.5	10,095.84	9,957	139	16	0.16	8.7
329	OTHER STRUCTURES	40-SQ	2,650.00	1,384	1,266	68	2.57	18.6
332	FIELD LINES	50-R1.5	444,586.00	169,496	275,090	10,822	2.43	25.4
334	MEASURING AND REGULATING STATION EQUIPMENT	32-O1	<u>3,274,793.21</u>	<u>1,706,176</u>	<u>1,568,618</u>	<u>93,089</u>	2.84	16.9
TOTAL PRODUCTION PLANT			3,782,005.67	1,923,431	1,858,575	104,414	2.76	
TRANSMISSION PLANT								
365.2	RIGHTS OF WAY	80-R4	2,453,606.71	665,680	1,787,927	30,794	1.26	58.1
366.2	MEASURING AND REGULATING STATION STRUCTURES	60-R2	215,723.34	116,213	99,510	3,830	1.78	26.0
366.3	OTHER STRUCTURES	60-R2	3,811.68	3,637	174	8	0.21	21.8
367.1	MAINS - EXCLUDING CATHODIC PROTECTION	70-R2	62,556,320.47	19,860,314	42,696,007	969,581	1.55	44.0
367.2	MAINS - CATHODIC PROTECTION	27-S2.5	3,785,338.94	2,211,073	1,574,266	113,534	3.00	13.9
369	MEASURING AND REGULATING STATION EQUIPMENT							
	1980 AND PRIOR	30-R0.5	290,199.76	290,200	0	0	-	-
	1981 AND SUBSEQUENT	40-R1.5	<u>7,239,700.81</u>	<u>4,094,495</u>	<u>3,145,206</u>	<u>102,449</u>	1.42	30.7
	TOTAL ACCOUNT 369		7,529,900.57	4,384,695	3,145,206	102,449	1.36	30.7
TOTAL TRANSMISSION PLANT			76,544,701.71	27,241,612	49,303,090	1,220,196	1.59	
DISTRIBUTION PLANT								
374.2	RIGHTS OF WAY	80-R4	15,094,770.41	3,275,141	11,819,630	193,674	1.28	61.0
375.3	STRUCTURES AND IMPROVEMENTS - LARGE	VARIOUS *	11,456,732.03	5,863,903	5,592,830	363,216	3.17	15.4
375.4	STRUCTURES AND IMPROVEMENTS - SMALL	40-R0.5	815,772.72	320,500	495,273	17,385	2.13	28.5
376.1	MAINS - EXCLUDING CATHODIC PROTECTION	70-L1.5	377,025,040.28	109,664,023	267,361,017	6,646,760	1.76	40.2
376.2	MAINS - CATHODIC PROTECTION	27-S2.5	2,507,932.83	1,684,792	823,141	63,300	2.52	13.0
378	MEASURING AND REGULATING STATION EQUIPMENT	40-R0.5	10,421,765.98	3,971,454	6,450,312	310,366	2.98	20.8
380	SERVICES	55-R0.5	216,577,440.01	83,883,689	132,693,751	4,422,643	2.04	30.0
381	METERS	37-R1.5	16,837,506.89	6,166,777	10,670,730	507,801	3.02	21.0
382	METER INSTALLATIONS	55-R0.5	3,323,679.35	1,888,692	1,434,988	49,895	1.50	28.8
384	HOUSE REGULATOR INSTALLATIONS	55-R0.5	1,159,025.60	590,253	568,773	18,904	1.63	30.1
385	INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	55-R2	<u>17,753,923.12</u>	<u>7,198,874</u>	<u>10,555,049</u>	<u>318,683</u>	1.80	33.1
TOTAL DISTRIBUTION PLANT			672,973,589.22	224,508,098	448,465,494	12,912,627	1.92	

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION**

**TABLE 2. SUMMARY OF ESTIMATED SURVIVOR CURVE, ORIGINAL COST, BOOK RESERVE AND
CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AS OF SEPTEMBER 30, 2025**

<u>DEPRECIABLE GROUP</u>		<u>SURVIVOR CURVE</u>	<u>ORIGINAL COST AS OF SEPTEMBER 30, 2025</u>	<u>BOOK DEPRECIATION RESERVE</u>	<u>FUTURE ACCRUALS</u>	<u>CALCULATED ANNUAL ACCRUAL</u>		<u>COMPOSITE REMAINING LIFE</u>
(1)		(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)
GENERAL PLANT								
390.11	OTHER SMALL STRUCTURES	40-R0.5	1,412,106.29	30,192	1,381,914	76,676	5.43	18.0
391.1	OFFICE FURNITURE AND EQUIPMENT - FURNITURE	25-SQ	267,456.09	128,890	138,566	8,624	3.22	16.1
391.2	OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	15-SQ	218,003.15	218,003	0	0	-	-
391.3	OFFICE FURNITURE AND EQUIPMENT - COMPUTERS	5-SQ	7,472,860.23	3,372,033	4,100,827	1,458,489	19.52	2.8
392	TRANSPORTATION EQUIPMENT		13,402,345.26	6,913,935	6,488,410	1,585,125	**	
394	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	8,426,595.72	2,052,863	6,373,733	335,107	3.98	19.0
396	POWER OPERATED EQUIPMENT AND TOOLS		9,970,754.52	2,822,852	7,147,902	819,021	**	
397	COMMUNICATION EQUIPMENT	10-SQ	4,396,954.45	2,222,231	2,174,724	427,413	9.72	5.1
TOTAL GENERAL PLANT			45,567,075.71	17,760,999	27,806,077	4,710,455	10.34	
TOTAL DEPRECIABLE GAS PLANT			823,355,318.69	292,382,180	530,973,141	20,593,055	2.50	
AMORTIZATION OF NET SALVAGE						1,648,567		
NONDEPRECIABLE PLANT								
INTANGIBLE PLANT			123,845.54					
PRODUCTION PLANT			2,840.80					
TRANSMISSION PLANT			17,652.36					
DISTRIBUTION PLANT			958,663.92	20,997				
GENERAL PLANT			52,201.68	(16,289)				
TOTAL NONDEPRECIABLE PLANT			1,155,204.30	4,708				
TOTAL GAS PLANT			824,510,522.99	292,386,888	530,973,141	22,241,622		

* LIFE SPAN PROCEDURE WAS USED. INTERIM SURVIVOR CURVES ARE 60-S0 AND 40-R0.5.

** ASSETS ARE INDIVIDUALLY DEPRECIATED.

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION**

TABLE 3. SUMMARY OF PLANT IN SERVICE ACTIVITY FOR THE YEAR ENDED SEPTEMBER 30, 2025

ACCOUNT	BALANCE AT BEGINNING OF YEAR	ADDITIONS	RETIREMENTS	TRANSFERS AND ADJUSTMENTS	BALANCE AT END OF YEAR	PERCENT OF ORIGINAL COST RETIRED
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(4)/(2)
301 ORGANIZATION	116,457.07				116,457.07	0.0
302 FRANCHISES AND CONSENTS	7,388.47				7,388.47	0.0
303 MISCELLANEOUS INTANGIBLE PLANT	24,323,011.20	164,935.18			24,487,946.38	0.0
325.4 RIGHTS OF WAY	49,880.62				49,880.62	0.0
325.5 OTHER LAND AND LAND RIGHTS	2,840.80				2,840.80	0.0
328 MEASURING AND REGULATING STATION STRUCTURES	10,095.84				10,095.84	0.0
329 OTHER STRUCTURES	2,650.00				2,650.00	0.0
332 FIELD LINES	444,586.00				444,586.00	0.0
334 MEASURING AND REGULATING STATION EQUIPMENT	3,028,493.10	247,082.50	44,208.29	43,425.90	3,274,793.21	1.5
365.1 LAND AND LAND RIGHTS	17,652.36				17,652.36	0.0
365.2 RIGHTS OF WAY	2,318,603.83	9,818.97		125,183.91	2,453,606.71	0.0
366.2 MEASURING AND REGULATING STATION STRUCTURES	213,539.01	2,184.33			215,723.34	0.0
366.3 OTHER STRUCTURES	3,811.68				3,811.68	0.0
367.1 MAINS - EXCLUDING CATHODIC PROTECTION	60,524,856.55	2,055,416.76	284,616.57	260,663.73	62,556,320.47	0.5
367.2 MAINS - CATHODIC PROTECTION	3,673,487.57	88,820.36		23,031.01	3,785,338.94	0.0
369 MEASURING AND REGULATING STATION EQUIPMENT	7,169,886.00	230,743.38	19,584.68	148,855.87	7,529,900.57	0.3
374.1 LAND AND LAND RIGHTS	959,494.75		830.83		958,663.92	0.1
374.2 RIGHTS OF WAY	13,849,069.49	1,008,955.19	977.56	237,723.29	15,094,770.41	0.0
375 STRUCTURES AND IMPROVEMENTS	11,862,567.40	421,492.63	55,285.27	43,729.99	12,272,504.75	0.5
376.1 MAINS - EXCLUDING CATHODIC PROTECTION	351,763,558.21	21,223,046.30	2,008,866.49	6,047,302.26	377,025,040.28	0.6
376.2 MAINS - CATHODIC PROTECTION	2,433,262.43	13,586.54		61,083.86	2,507,932.83	0.0
378 MEASURING AND REGULATING STATION EQUIPMENT	9,242,679.00	1,517,195.61	399,560.13	61,451.50	10,421,765.98	4.3
380 SERVICES	210,328,378.04	8,418,607.94	2,325,865.35	156,319.38	216,577,440.01	1.1
381 METERS	14,556,942.76		143,009.40	2,423,573.53	16,837,506.89	1.0
382 METER INSTALLATIONS	3,334,008.02	39,915.00	50,243.67		3,323,679.35	1.5
384 HOUSE REGULATOR INSTALLATIONS	1,145,736.46	23,100.00	9,810.86		1,159,025.60	0.9
385 INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT	16,246,734.61	643,062.94	63,848.80	927,974.37	17,753,923.12	0.4
389 LAND AND LAND RIGHTS	51,798.54			403.14	52,201.68	0.0
390.11 OTHER SMALL STRUCTURES	108,080.48			1,304,025.81	1,412,106.29	0.0
391.1 OFFICE FURNITURE AND EQUIPMENT - FURNITURE	267,456.09				267,456.09	0.0
391.2 OFFICE FURNITURE AND EQUIPMENT - EQUIPMENT	218,003.15				218,003.15	0.0
391.3 OFFICE FURNITURE AND EQUIPMENT - COMPUTERS	5,260,904.88	1,542,057.25		669,898.10	7,472,860.23	0.0
392 TRANSPORTATION EQUIPMENT	12,634,687.75	2,053,131.96	1,285,474.45		13,402,345.26	10.2
394 TOOLS, SHOP AND GARAGE EQUIPMENT	7,238,135.74	1,188,459.98			8,426,595.72	0.0
396 POWER OPERATED EQUIPMENT	8,187,767.65	3,455,368.17	1,672,381.30		9,970,754.52	20.4
397 COMMUNICATION EQUIPMENT	3,315,241.99	935,711.39		146,001.07	4,396,954.45	0.0
TOTAL	774,911,747.54	45,282,692.38	8,364,563.65	12,680,646.72	824,510,522.99	

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION**

TABLE 4. SUMMARY OF BOOK RESERVE ACTIVITY FOR THE YEAR ENDED SEPTEMBER 30, 2025

	BOOK RESERVE AT BEGINNING OF YEAR	ANNUAL ACCRUAL	RETIREMENTS	GROSS SALVAGE	COST OF REMOVAL	TRANSFERS AND ADJUSTMENTS	BOOK RESERVE AT END OF YEAR	BOOK RESERVE AS A PERCENT ORIGINAL COST
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
303	18,801,514	2,146,528					20,948,041	85.54
325.4	36,002	416					36,419	73.01
328	9,935	22					9,957	98.63
329	1,317	67					1,384	52.21
332	157,691	11,804					169,496	38.12
334	1,676,120	82,597	44,208		8,333		1,706,176	52.10
365.2	636,657	29,023					665,680	27.13
366.2	111,981	4,232					116,213	53.87
366.3	3,637	-					3,637	95.42
367.1	19,221,430	1,045,150	284,617		121,648		19,860,314	31.75
367.2	2,095,400	116,128			455		2,211,073	58.41
369	4,261,639	153,017	19,585		10,377		4,384,695	58.23
374.1	24,801	-	831		2,974		20,997	2.19
374.2	3,089,067	188,648	978		1,597		3,275,141	21.70
375	5,833,540	451,709	55,285		45,561		6,184,403	50.39
376.1	105,494,908	7,343,838	2,008,866		1,165,857		109,664,023	29.09
376.2	1,610,612	74,180					1,684,792	67.18
378	4,098,370	371,833	399,560		99,189		3,971,454	38.11
380	82,021,910	4,711,373	2,325,865		523,729		83,883,689	38.73
381	5,896,890	412,897	143,009				6,166,777	36.63
382	1,889,449	49,487	50,244				1,888,692	56.83
384	581,114	18,950	9,811				590,253	50.93
385	6,978,099	311,361	63,849		26,737		7,198,874	40.55
389	(16,289)	-					(16,289)	(31.20)
390	25,714	4,478					30,192	2.14
391.1	117,163	11,727					128,890	48.19
391.2	213,836	25,762				(21,595)	218,003	100.00
391.3	2,390,217	960,221				21,595	3,372,033	45.12
392	6,481,532	1,585,125	1,285,474			132,753	6,913,935	51.59
394	1,765,326	287,537					2,052,863	24.36
396	3,599,039	819,021	1,672,381			77,173	2,822,852	28.31
397	1,900,129	322,102					2,222,231	50.54
TOTAL	281,008,750	21,539,232	8,364,564	-	2,006,455	209,926	292,386,889	

NATIONAL FUEL GAS DISTRIBUTION CORPORATION
PENNSYLVANIA DIVISION

TABLE 5. CALCULATION OF NET SALVAGE ACCRUAL FOR THE YEAR 2026

ACCOUNT	2021		2022		2023		2024		2025		NET SALVAGE (12)*	SALVAGE ACCRUAL (13)=(12)/5
	GROSS SALVAGE (2)	COST OF REMOVAL (3)	GROSS SALVAGE (4)	COST OF REMOVAL (5)	GROSS SALVAGE (6)	COST OF REMOVAL (7)	GROSS SALVAGE (8)	COST OF REMOVAL (9)	GROSS SALVAGE (10)	COST OF REMOVAL (11)		
334.00		4,910.71		4,970.85		1,448.50		5,217.60		8,332.68	(24,880.34)	(4,976)
366.20								1,202.58			(1,202.58)	(241)
367.10		117,441.79		28,763.67		5,665.57		57,623.78		121,648.30	(331,143.11)	(66,229)
367.20		219.75		198.09		979.24		219.03		454.86	(2,070.97)	(414)
369.00		15,090.22		5,432.55		8,681.35		6,731.04		10,376.84	(46,312.00)	(9,262)
374.10					11,154.00	6,697.10	(10,168.60)	12,578.00		2,973.56	(21,263.26)	(4,253)
374.20						456.66				1,596.99	(2,053.65)	(411)
375.00		72,182.50		66,671.18	50.00	154,258.11		34,621.65		45,560.60	(373,244.04)	(74,649)
376.10		754,656.81	24,600.36	671,967.90	4,016.83	859,668.17	16,961.74	1,694,252.35		1,165,856.83	(5,100,823.13)	(1,020,165)
376.20		554.72				2,271.96		45.12			(2,871.80)	(574)
378.00		48,112.59		91,460.00		38,865.63		36,321.76		99,188.50	(313,948.48)	(62,790)
380.00		482,041.77		268,817.58		274,336.97		359,987.72		523,728.59	(1,908,912.63)	(381,783)
385.00		13,720.71	2.19	12,608.15		10,669.49	0.96	49,516.78		26,736.86	(113,248.84)	(22,650)
390.00						852.37					(852.37)	(170)
TOTAL	0.00	1,508,931.57	24,602.55	1,150,889.97	15,220.83	1,364,851.12	6,794.10	2,258,317.41	0.00	2,006,454.61	(8,242,827.20)	(1,648,567)

* COLUMN (12) EQUALS THE SUMMATION OF COLUMNS (2) THROUGH (11).