
Anthony D. Kanagy

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File #: 217586

April 1, 2026

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: Pennsylvania Public Utility Commission, *et al* v. Peoples Natural Gas Company LLC
Docket Nos. R-2026-3060165, *et al.***

Dear Secretary Homsher:

Enclosed for filing on behalf of Peoples Natural Gas Company LLC (“Peoples” or the “Company”) in the above-referenced proceeding pursuant to Section 1307(f)(1) of the Public Utility Code, 66 Pa. C.S. § 1307(f)(1), is the Company’s direct testimony, exhibits, and Pro Forma Tariff Supplement.

The filing consists of 14 exhibits and 5 pieces of testimony. The testimony includes:

- Peoples Statement No. 1 - Direct Testimony of Carol A. Scanlon,
- Peoples Statement No. 2 - Direct Testimony of Steven P. Kolich;
- Peoples Statement No. 3 - Direct Testimony of Dawn Folks;
- Peoples Statement No. 4 - Direct Testimony of Anton Ribich; and
- Peoples Statement No. 5 - Direct Testimony of Scott Orkis

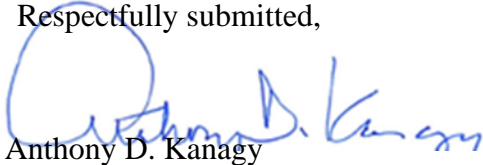
The Pro Forma Tariff Supplement contains proposed changes to the Peoples Retail Tariff Gas – Pa. P.U.C. No. 48 and the Peoples Supplier Tariff No. S-4 and is attached as Peoples Natural Gas Exhibit No. 5.

Matthew Homsher, Secretary
April 1, 2026
Page 2

A table showing the proposed rate changes for each of the Company's rate schedules is provided as Appendix A to this filing.

If you have any comments or questions regarding the attached, please contact the undersigned.

Respectfully submitted,



Anthony D. Kanagy
Principal

ADK/bfc
Attachments

cc: Administrative Law Judge Katrina L. Dunderdale (*via email; w/attachment*)
Administrative Law Judge Ann Quimby (*via email; w/attachment*)
Certificate of Service

APPENDIX A
Peoples Natural Gas Company LLC
Docket Nos. R-2026-3060165, et al.
Rate Effects of 2026 1307(f) Filing

<u>Peoples Natural Gas Company LLC</u>									
<u>Rate Schedule</u>	<u>Average Annual Usage (Mcf)</u>	<u>Existing Tariff Rates 1/</u>	<u>As-Filed Gas Cost Change</u>	<u>As-Filed Tariff Rates</u>	<u>Percent Change in Rates</u>	<u>Current Annual Bill</u>	<u>As-Filed Annual Bill</u>	<u>Difference Annual Bill</u>	<u>Percent Change Annual Bill</u>
RS	86	\$14.6377	(\$2.1297)	\$12.5079	-14.5%	\$1,466	\$1,283	(\$183)	-12.5%
SGS	250	\$11.9429	(\$2.0893)	\$9.8536	-17.5%	\$3,258	\$2,735	(\$522)	-16.0%
MGS	1,750	\$11.6439	(\$2.0893)	\$9.5545	-17.9%	\$21,625	\$17,960	(\$3,656)	-16.9%
LGS	50,000	\$10.4671	(\$2.0893)	\$8.3778	-20.0%	\$541,454	\$436,988	(\$104,467)	-19.3%

1/ Peoples Natural Gas net billing rate effective February 12, 2026.

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).

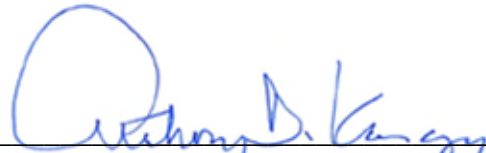
VIA E-MAIL

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Date: April 1, 2026



Anthony D. Kanagy

**PREPARED DIRECT TESTIMONY OF
CAROL A. SCANLON**

1 **Q. PLEASE STATE YOUR NAME AND ADDRESS.**

2 A. My name is Carol A. Scanlon. My business address is 375 North Shore Drive, Pittsburgh,
3 PA 15212.

4

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as Rates Manager.
7 In my position as Rates Manager, I provide rates and regulatory services to Peoples Natural
8 Gas Company LLC (“Peoples”, “Peoples Natural Gas”, or the “Company”). regulatory
9 services for PNG Companies.

10

11 **Q. PLEASE DESCRIBE BRIEFLY YOUR EDUCATIONAL BACKGROUND AND**
12 **WORK EXPERIENCE.**

13 A. I graduated from the University of Pittsburgh in 1994 with a Bachelor of Science Degree
14 in Business Administration with a concentration in Finance, and from Robert Morris
15 University in 2001 with a Master’s Degree in Business Administration. My career began
16 with the former Equitable Gas Company (“EGC”) in 2004, where I was employed in
17 various positions of increasing responsibility. I started with EGC as a Senior Financial
18 Analyst supporting the Collections and Compliance areas of the business. In March 2006,
19 I transitioned to the role of Supervisor of Collections and Analysis. I was in that role until
20 August of 2007, when I was promoted to the Manager of Account Maintenance, during
21 which time I directed the activities of the Audit and Back Office departments. In May 2009,

1 I was promoted to Manager of Commercial and Residential Analysis. In June 2010, I was
2 promoted to Manager of Rates. I continued in that role until December 17, 2013, at which
3 time EGC was acquired by PNG Companies and merged into Peoples Natural Gas. At that
4 time, I transitioned to Peoples Natural Gas as a Rate Consultant. In August 2017, I was
5 promoted to Manager of Transportation and Revenue. In this role, I managed revenue
6 reporting and the team responsible for all interactions with the Natural Gas Suppliers
7 (“NGSs”). In April 2018, I moved back to the Regulatory team as the Rates Manager.

8
9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

10 A. I am the witness with general responsibility for the information presented in support of the
11 2026 1307(f) Purchased Gas Cost filing (“1307(f)-2026”) for Peoples. My testimony will
12 identify the other Company witnesses, describe their case responsibilities, and review the
13 Company’s Federal Energy Regulatory Commission (“FERC”) activities and monitoring of
14 upstream pipelines that supply gas to subsidiaries of Peoples. I will also address the
15 Company’s customer retainage calculation that is presented in **Peoples Natural Gas**
16 **Company Exhibit No. 3**. Further, I will provide a status update to Settlement Terms 32 -
17 Hedging Program and 33 - Interim PGC Rate Filings from the Pennsylvania Public Utility
18 Commission (“Commission”) -approved Joint Petition for Settlement in the Company’s
19 2023-1307(f) proceeding at Docket No. R-2023-3037928. Lastly, I will discuss the
20 “Wagner” issue related to the Company’s proposal approved in the 2025-1307(f) proceeding
21 at Docket No. R-2025-3053184 and the current disposition of the matter.

1 **Q. PLEASE DESCRIBE THE GENERAL RESPONSIBILITIES OF THE OTHER**
2 **PEOPLES' WITNESSES.**

3 A. Steven Kolich, through **Peoples Natural Gas Statement No. 2**, will support the Company's
4 gas procurement policies, the historical period gas purchases, as well as the projected period
5 gas procurement plans. Dawn Folks will sponsor **Peoples Natural Gas Statement No. 3**,
6 which provides the calculation of the prior period over/under collections and supports the
7 rate calculations for the projected period. Anton Ribich will support the Company's Design
8 Peak Day Requirements through **Peoples Natural Gas Statement No. 4**. Finally, Scott Orkis
9 will sponsor **Peoples Natural Gas Statement No. 5**, which will discuss Unaccounted for
10 Gas ("UFG") and producer retainage.

11
12 **Q. WHAT IS THE OVERALL STRUCTURE AND FORMAT OF THE COMPANY'S**
13 **FILING?**

14 A. There are two major components of the Company's filing: (1) the pre-filing; and (2) the
15 annual filing. The pre-filing is made up of responses to the standard filing requirements as
16 well as standard exhibits required under Commission regulations at 52 Pa. Code §§ 53.64
17 and 53.65. The annual filing consists of the Company's direct testimony, accompanying
18 exhibits, and the Company's unnumbered, undated tariff supplement.

19
20 **Q. PLEASE DESCRIBE THE FILING REQUIREMENT RESPONSES PROVIDED IN**
21 **THE PRE-FILING.**

22 A. The Company provided responses to the standard filing requirements set forth in the
23 Commission's regulations at 52 Pa. Code § 53.64(c)(1) through 53.64(c)(14) and 53.64(i)(1).

1 In addition, the Company has responded to Section 53.65. For ease of reference, these
 2 responses are numbered the same as the regulation. The table below describes each filing
 3 requirement and identifies the Company’s witness responsible for the information provided.

FR No.	Filing Requirement	Witness ¹
53.64 (c) (1)	12 & 20 Month Supply	DMF
53.64 (c) (2)	Confidential Treatment	DMF
53.64 (c) (3)	Supply Not Chosen	SPK
53.64 (c) (4)	FERC Summary	CAS
53.64 (c) (5)	Gas Supply and Demand Projections	DMF
53.64 (c) (6)	Fuel Procurement	SPK
53.64 (c) (7)	Off System Sales & Capacity Release	SPK
53.64 (c) (8)	Transportation	DMF
53.64 (c) (9)	Transportation	DMF
53.64 (c) (10)	Schematic / Facilities	SPK
53.64 (c) (11)	Rate Structure Changes	DMF
53.64 (c) (12)	Three Day Peak Data	AR
53.64 (c) (13)	Peak Day Methodology	AR
53.64 (c) (14)	Min. Gas Entitlements	SPK
53.64 (i) (1)	Revenue and Expense Comparison (over/under)	DMF
53.65	Affiliated Gas Purchases	SPK

16 **Q. PLEASE DESCRIBE THE COMPANY’S EXHIBITS.**

17 A. The table below includes a description of each Exhibit and the Company’s sponsoring
 18 witness. These exhibits are numbered sequentially.

¹ Peoples witnesses include Carol Scanlon – Statement No. 1 (“CAS”), Steven P. Kolich – Statement No. 2 (“SPK”), Dawn Folks – Statement No. 3 (“DMF”), Anton Ribich – Statement No. 4 (“AR”), and Scott Orkis – Statement No. 5 (“SO”).

Ex. No.	Exhibit Name	Witness
1	Design Day - Requirements and Supply	AR/SPK
2	FERC Annotated List	CAS
3	Customer Retainage	CAS
4	Btu Factor Calculation	SPK
5	Tariff	DMF
6	12 Month Actuals	DMF/SPK
7	Interim Gas Cost Projections	DMF/SPK
8	Collection Period Gas Cost Projections	DMF/SPK
9	Over/Under Collections	DMF
10	Rate Calculation	DMF
11	Balancing Rate	DMF
12	Revenues and Expenses	DMF
13	UFG Mitigation Plan Results Summary	SO
14	3-Year History- UFG Volumes and Loss Rate	SO

Q. PLEASE EXPLAIN THE EXHIBITS THAT YOU WILL BE SPONSORING.

A. I am sponsoring **Peoples Natural Gas Company Exhibit No. 2**, which provides a detailed identification and explanation of all the various FERC proceedings involving the Company’s interstate pipeline providers and other FERC proceedings that Peoples monitored and/or participated in during 2025, and **Peoples Natural Gas Company Exhibit No. 3**, which displays the results of Peoples customer retainage calculation.

FERC PARTICIPATION

Q. WHY DOES PEOPLES PARTICIPATE IN PROCEEDINGS AT THE FERC?

A. As a distributor of natural gas, Peoples is concerned with minimizing the price and assuring adequate availability of its gas supplies in order to provide reasonably priced, reliable service to the Company’s residential, commercial and industrial ratepayers. Thus, the Company monitors and participates in various proceedings before the FERC – the federal agency that

1 regulates the price and terms of services of interstate pipelines from which the Company
2 obtains the delivery of a substantial portion of its gas supply – as a means of assuring for
3 Peoples’ ratepayers the future availability of reasonably priced, reliable gas supplies.

4 Peoples and its predecessors have monitored and participated in proceedings at the
5 FERC and the FERC’s predecessor agency, the Federal Power Commission, since the early
6 1950’s. Since 1985, Pennsylvania natural gas distribution companies have had a statutory
7 duty to participate in FERC proceedings in accordance with the requirements of the
8 Pennsylvania Public Utility Code, as amended by Act 74 of 1984 and as interpreted by the
9 Commission in Peoples’ 1307(f) proceedings. Peoples involvement in FERC-related
10 activities has been reviewed by the Commission in all of the Company’s 1307(f) proceedings
11 since that time.

12
13 **Q. DOES PEOPLES WORK WITH ANY OTHER ORGANIZATIONS IN MATTERS**
14 **BEFORE THE FERC?**

15 A. Peoples is a member of the American Gas Association (“AGA”). The AGA FERC
16 Regulatory Committee is charged with the responsibility to act upon federal and regulatory
17 policy issues of interest and importance to its members, which consist of more than 200 local
18 natural gas utility companies like Peoples.

19
20 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
21 **MARKED AS PEOPLES NATURAL GAS COMPANY EXHIBIT NO. 2?**

22 A. Yes. **Peoples Natural Gas Company Exhibit No. 2** provides a detailed identification and
23 explanation of all the various FERC proceedings involving Peoples’ interstate pipeline

1 providers and other FERC proceedings that Peoples monitored and/or participated in during
2 2025. I should note that the Company previously filed these materials with the Commission
3 on March 2, 2026, as part of the 30-day pre-filing required by the Commission’s 1307(f)
4 regulations. As this description of Peoples’ FERC activity reveals, Peoples has fully and
5 vigorously represented the interests of its ratepayers at FERC during the time periods
6 relevant to this case.

7
8 **CUSTOMER RETAINAGE**

9
10 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS COMPANY EXHIBIT NO. 3.**

11 A. The top section of the analysis shown in **Peoples Natural Gas Company Exhibit No. 3**
12 presents the most recent three-year average (2023-2025) for UFG and Company Use (“CU”)
13 gas. The average of UFG for the three-year period is 5.7%, while the average of CU for the
14 three-year period is 0.6%. Summing the two together results in a three-year average of 6.3%.
15 As seen in the bottom section of **Peoples Natural Gas Company Exhibit No. 3**, applying
16 the three-year average of UFG/CU to the projected usage for the Peoples system yields the
17 projected total system retainage requirements for the forecasted period. From that, the
18 Company deducted volumes retained from competitive customers, MLS customers, volumes
19 retained from producers, retainage on the Goodwin/Tombaugh system, and the imputed
20 retainage on storage gas. This calculation produces the net amount to be retained from sales
21 and the remaining transportation customers. Dividing this volume by the total volume of
22 customers paying the tariff retainage rate results in a retainage percentage of 6.8%.

1 **Q. DOES THE COMPANY DISCOUNT RETAINAGE RATES?**

2 A. Yes, in some circumstances. Please refer to the direct testimony of Dawn Folks at **Peoples**
3 **Natural Gas Statement No. 3** for further discussion of this topic.

4

5 **WAGNER E-FACTOR ADJUSTMENT**

6

7 **Q. ARE THERE ANY OTHER MATTERS WITH RESPECT TO E-FACTOR**
8 **ADJUSTMENTS IN THIS PROCEEDING?**

9 A. Yes. As shown in **Peoples Natural Gas Company Exhibit No. 9**, sponsored by Peoples
10 witness Dawn Folks, there are two distinct adjustment amounts to recover. One is titled
11 “Wagner Adjustment” in the amount of \$665,183 and the other is titled “Proposed Wagner
12 Final Adjustment” in the amount of \$434,817.

13

14 **Q. PLEASE EXPLAIN WHAT IS MEANT BY WAGNER ADJUSTMENT.**

15 A. Peoples was a defendant in a lawsuit that concerned an amount to be paid by Peoples for gas
16 supplied from a local gas meter in Indiana County, Pa. As mentioned above, Peoples
17 presented this matter initially in its 2025 1307(f) proceeding at Docket No. R-2025-3053184.

18

19 **Q. WHAT WAS THE OUTCOME OF THE WAGNER MATTER IN THE 2025-1307(F)**
20 **PROCEEDING?**

21 A. The following paragraph is the approved settlement term related to the Wagner matter in the
22 2025 – 1307(f) proceeding:

23 **WAGNER ADJUSTMENT**

1 26. Upon the final and unappealable resolution of the Wagner matter, Peoples will
2 be permitted to include up to \$665,183 of the awarded damages incurred by the
3 Company in the Company's e-factor for recovery when the amount of the awarded
4 damages and the payment date for the awarded damages are determined. Further,
5 Peoples retains the right to propose to recover additional damages, including
6 interest, which may result from the Wagner matter, in future PGC proceedings. All
7 parties reserve the right to review and address this issue in future proceedings.
8

9 On July 7, 2025, the Administrative Law Judge ("ALJ") issued a Recommended Decision
10 that recommended the Joint Petition for Settlement be approved without modification. On
11 August 14, 2025, the Commission affirmed the ALJ's Recommended Decision, and
12 approved the Joint the Settlement without modification, including the Wagner settlement
13 provision.
14

15 **Q. WHAT IS THE STATUS OF THE LAWSUIT?**

16 A. The Company recently reached a final and unappealable resolution of the Wagner matter.
17 Pursuant to the settlement language shown above, Peoples included \$665,183 of in its e-
18 factor for recovery as shown in **Peoples Natural Gas Company Exhibit No. 9**. This amount
19 is labeled as "Wagner Adjustment" in the exhibit. Peoples also adjusted its quarterly rate
20 effective April 1, 2026 for inclusion of this amount.
21

22 **Q. WHAT IS THE "PROPOSED WAGNER FINAL ADJUSTMENT AMOUNT" OF**
23 **\$434,817 SHOWN IN PEOPLES NATURAL GAS COMPANY EXHIBIT NO. 9?**

24 A. The final amount that Peoples paid in the Wagner case totaled \$1,100,000. The difference
25 between this final amount and the amount of \$665,183 approved for recovery in the prior
26 1307(f) proceeding is \$434,817. Peoples is proposing to recover the additional amount
27 through the e-factor in this 1307(f) proceeding.

1 **2023-1307(F) SETTLEMENT**

2 **HEDGING PROGRAM AND INTERIM PGC RATE FILINGS**

3
4 **Q. PLEASE DESCRIBE THE SETTLEMENT TERM FROM THE 2023-1307(f)**
5 **RELATED TO A HEDGING PROGRAM.**

6 A. In the Company's 2023-1307(f) proceeding, the Parties agreed to the following related to
7 a hedging program.

8 If the Company's rate in effect for commodity reaches \$5.00 or more for at least
9 two consecutive quarters, Peoples Natural Gas will propose a hedging program in
10 its then-next annual PGC filing. This provision will be in effect beginning with the
11 October 1, 2023, quarterly rate change and end after eight quarters.
12

13 **Q. HAS THE COMPANY MONITORED THE COMMODITY RATE IN EFFECT?**

14 A. Yes. Shown below is the commodity rate in effect each quarter beginning October 1, 2023,
15 through July 1, 2025. July 1, 2025 marks the eighth quarter since October 1, 2023 and
16 concludes the settlement agreement tracking parameter.

	Commodity Rate
Quarter	in Effect
1-Oct-23	\$ 2.9220
1-Jan-24	\$ 2.3664
1-Apr-24	\$ 1.9843
1-Jul-24	\$ 2.3200
1-Oct-24	\$ 2.2144
1-Jan-25	\$ 2.4859
1-Apr-25	\$ 4.1112
1-Jul-25	\$ 2.8829

17
18
19 **Q. IS PEOPLES PROPOSING A HEDGING PROGRAM IN THIS PROCEEDING?**

1 A. No. As shown in the table above, the commodity rate in effect has not reached the \$5.00
2 threshold for at least two consecutive quarters. Therefore, Peoples is not proposing a
3 hedging program in this proceeding.

4
5 **Q. PLEASE DESCRIBE THE SETTLEMENT TERM FROM THE 2023-1307(f)**
6 **RELATED TO INTERIM PGC RATE FILINGS.**

7 A. In the Company’s 2023-1307(f) proceeding, one of the elements the Parties agreed to in
8 settlement concerns interim PGC rate filings:

9 The Company will monitor natural gas commodity prices to consider making
10 interim filings in the future. The purpose of this monitoring is to avoid significant
11 over or under collections of gas cost commodity costs in the future.
12

13 **Q. HAS THE COMPANY MONITORED THE COMMODITY PRICES TO**
14 **CONSIDER MAKING INTERIM PGC FILINGS?**

15 A. Yes, Peoples has monitored the commodity prices monthly to consider making an interim
16 filing.

17
18 **Q. HAS THE COMPANY MADE ANY INTERIM PGC FILINGS? WHY OR WHY**
19 **NOT?**

20 A. Yes. Peoples made an interim rate filing on February 11 , 2026 for rates effective February
21 12, 2026. The reason for the interim filing was a considerable change in market commodity
22 pricing the latter part of January 2026 resulting in an under-collection of approximately
23 \$68.5M in the month of January. The commodity rate component increased 34.6% from
24 January 1, 2026 to February 12, 2026. For more information about the market commodity

1 pricing impact, please see **Peoples Natural Gas Company Statement No. 2**, the direct
2 testimony of Steven P. Kolich, pages 37-40.

3

4 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

5 A. Yes. I reserve the right to submit additional testimony if other issues arise during the course
6 of the proceeding. Thank you.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION

v.

PEOPLES NATURAL GAS COMPANY LLC

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Docket No. R-2026-3060165

**DIRECT TESTIMONY OF
STEVEN P. KOLICH**

On behalf of

PEOPLES NATURAL GAS COMPANY LLC

DATE SERVED: April 1, 2026

DATE ADMITTED: _____

Peoples Natural Gas Company Statement No. 2

**DIRECT TESTIMONY OF
STEVEN P. KOLICH**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Steven P. Kolich. My business address is 375 North Shore Drive,
3 Pittsburgh, Pennsylvania 15212.

4

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as the
7 Director, Gas Supply. In this position, I manage the team that provides the gas supply
8 acquisition services for Peoples Natural Gas Company LLC (“Peoples,” “Peoples
9 Natural Gas” or “the Company”).

10

11 **Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL
12 EXPERIENCE.**

13 A. I graduated from the University of Pittsburgh in 1989 with a Bachelor of Science degree
14 in Industrial Engineering. In 1989, I accepted a position with Columbia Gas of Ohio
15 as an Industrial Marketing Engineer in the Marketing Department. My career at PNG
16 began in 1991 in the Sales and Marketing Department as an Industrial Sales
17 Representative, after which I transitioned into a Technical Marketing Engineer
18 position. In 1997, I accepted the role of Supply Planning Analyst in the Gas Supply
19 Group for Consolidated Natural Gas Company, the then parent of PNG, where I was
20 responsible for the design and execution of the gas supply plan and capacity portfolio
21 for PNG.

1 In 2000, I moved back to PNG, where I worked as a Planning and Fuel
2 Forecasting Analyst until 2008, when I was promoted to Manager Sales and
3 Transportation. After PNG was acquired by SteelRiver Infrastructure Fund North
4 America LP, I remained the Manager Sales and Transportation until 2011 when I was
5 promoted to Manager Gas Supply, Requirement Forecasting and Transportation. In
6 2014, I transitioned to the role of Manager Transportation Services and Requirement
7 Forecasting. In July 2017, I was promoted to my current position of Director of Gas
8 Supply.

9

10 **Q. HAVE YOU TESTIFIED PREVIOUSLY IN ANY REGULATORY**
11 **PROCEEDINGS?**

12 A. Yes. I have testified in cases before the Pennsylvania Public Utility Commission
13 (“Commission”), including Peoples Natural Gas Company LLC’s 1307(f) filings at
14 Docket Nos. R-2018-2645278, R-2018-3000236, R-2019-3007612, R-2019-3007617,
15 R-2020-3017850, R-2021-3023965, R-2022-3030661, R-2023-3037928, R-2024-
16 3045945 and R-2025-3053184 and Peoples Gas Company LLC’s 1307(f) filings at
17 Docket Nos. R-2018-2645296, R-2019-3007613, 2020-3017846, R-2021-3023967 and
18 R-2022-3030664.

19

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS CASE?**

21 A. I am the Company’s gas supply witness. As the Company’s gas supply witness, I will
22 address the following subjects:

23

I. Gas Procurement Policy and Supply Planning

- 1 II. Supply Requirements
- 2 III. Interstate Pipeline Transportation and Storage Capacity Portfolio
- 3 IV. Natural Gas Supply Portfolio
- 4 V. Capacity Releases
- 5 VI. Off-System Sales
- 6 VII. Purchases from Affiliates
- 7 VIII. Shut-In Practices and Policies
- 8 IX. Renegotiation of Contracts
- 9 X. System Average BTU Value

10

11 Throughout my testimony, I will refer to the “1307(f)-2026 historical period” and
12 the “1307(f)-2026 projected period.” The “1307(f)-2026 historical period” is the 12-
13 month period of February 1, 2025, through January 31, 2026. That same 12-month period
14 was part of the projected period in Peoples’ 1307(f)-2025 proceeding. The projected
15 period in this proceeding is the 20-month period of February 1, 2026, through September
16 30, 2027, which is the “1307(f)-2026 projected period.” Peoples will have experienced a
17 part of that projected period before this case is over.

18

19 **Q. WHICH COMPONENTS OF THE COMPANY’S 1307(f)-2026 FILING ARE**
20 **YOU SPONSORING?**

21 A. I am sponsoring Filing Requirement sections 53.64(c)(3), 53.64(c)(6), 53.64(c)(7),
22 53.64(c)(10), 53.64(c)(14), and 53.65. I am also sponsoring or jointly sponsoring
23 **Peoples Natural Gas Exhibit Nos. 1, 4, 5, 6, 7 and 8.**

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I. PEOPLES' GAS PROCUREMENT POLICY AND SUPPLY PLANNING

Q. PLEASE DESCRIBE GENERALLY PEOPLES' GAS PROCUREMENT POLICY.

A. It is Peoples' policy to secure long-term reliable capacity and supply and to manage gas procurement so that the Company incurs the lowest overall gas costs. Peoples pursues that policy within the limitations of its existing facilities and its existing contracts. It also pursues that policy with the recognition that it must balance the goals of least cost and long-term reliable supply.

Q. PLEASE EXPLAIN HOW PEOPLES NATURAL GAS HAS PURSUED ITS GOAL OF LEAST COST RELIABLE SERVICE.

A. Peoples Natural Gas pursues its goal of least cost reliable service through a combination of local and interstate assets and supplies. The local assets are Peoples Natural Gas's on-system storage facility and a gathering and distribution system, which have allowed Peoples Natural Gas to deliver local natural gas supplies produced in Pennsylvania and purchased by Peoples Natural Gas from Pennsylvania producers.

Peoples Natural Gas's interstate assets consist of a portfolio of transportation and storage services that Peoples Natural Gas has contracted for with various Federal Energy Regulatory Commission ("FERC")-regulated pipelines, including Eastern Gas Transmission and Storage, Inc. ("EGTS") (f/k/a Dominion Energy Transmission, Inc.), Texas Eastern Transmission LP ("TETCO" or "Texas Eastern"), Equitrans L.P. ("Equitrans"), National Fuel Gas Supply Corporation ("NFG" or "National Fuel") and

1 Columbia Gas Transmission, LLC (“TCO”), The Company also has interconnects with
2 Tennessee Gas Pipeline Company, LLC (“Tennessee” or “TGP”), but does not currently
3 contract for either transportation or storage services on Tennessee. Those interstate assets
4 give Peoples Natural Gas access to a variety of locations at which it can receive gas
5 supplies that are produced upstream of the Peoples Natural Gas system. The interstate
6 storage assets allow Peoples Natural Gas to use its upstream assets more efficiently,
7 mitigate the effects of price swings in the natural gas market, and enhance the
8 deliverability of Peoples Natural Gas’s interstate natural gas supplies during periods of
9 peak demand. Peoples Natural Gas’s interstate supplies are primarily EQT Energy, LLC
10 (“EQT Energy”) and other Appalachian-produced gas that it purchases from suppliers
11 upstream of the Peoples Natural Gas system for delivery into various receipt points of the
12 interstate pipelines and occasionally purchases on a delivered basis at Peoples’ city-gate.

13

14 **Q. WHAT SPECIFIC ACTIVITIES ARE INVOLVED IN PEOPLES NATURAL**
15 **GAS’S PURSUIT OF ITS GAS SUPPLY GOAL?**

16 A. Peoples Natural Gas’s goal of safe, reliable, cost-effective gas supply involves two distinct
17 activities. The first activity is portfolio planning, which involves the assembly of a
18 portfolio of supply assets including indigenous and contracted storage as well as
19 transportation services. The second activity is the purchase of natural gas supplies to
20 satisfy the demands of its customers. The time horizon for this second activity is shorter
21 than that for portfolio planning. At all times, Peoples Natural Gas strives to minimize gas
22 costs, while concurrently considering many factors such as safety, reliability, the projected
23 range of gas requirements, the uncertainty of future gas prices, and all of the operational

1 and contractual characteristics of the components of its existing gas supply portfolio and
2 distribution system.

3

4 **Q. IN GENERAL, HOW DOES PEOPLES NATURAL GAS SELECT AMONG THE**
5 **VARIOUS SERVICES AND SUPPLIES AVAILABLE TO IT?**

6 A. Peoples Natural Gas prepares a supply plan as the point of departure. The plan includes
7 forecasts for requirements of its own supply (i.e., sales) customers on a monthly basis and
8 the sources from which those requirements will be filled on a monthly basis. The plan
9 also includes an estimate of services that its transportation customers, those who purchase
10 their natural gas supplies from natural gas suppliers (“NGSs”), will require on a monthly
11 basis. As the Company prepares to acquire gas each month, it “fine tunes” the plan to
12 consider storage levels, actual operational requirements and market conditions so that it
13 may acquire the least costly, reliable blend of gas that is available.

14

15 **Q. IS THERE A GUIDING PRINCIPLE THAT PEOPLES NATURAL GAS USES IN**
16 **PREPARING ITS GAS SUPPLY PLAN?**

17 A. Yes. Peoples Natural Gas’s guiding principle is to maximize reliability while minimizing
18 its gas costs. In general, Peoples Natural Gas does that through the “economic dispatch”
19 of supplies – that is, by using its least costly source of supply first, within the operational,
20 reliability and contractual limits of its system.

21

22 **Q. HOW DOES PEOPLES NATURAL GAS FORMULATE ITS GAS SUPPLY**
23 **PLAN ON AN ANNUAL BASIS?**

1 A. Each year, Peoples Natural Gas projects its total system requirements and available
2 sources of supply. On the requirements side of the analysis, Peoples Natural Gas develops
3 throughput projections. The Company then adds monthly projections for company use
4 and lost and unaccounted for gas to arrive at total projected system requirements on a
5 monthly basis.

6 Certain operational considerations play a role in the requirements analysis. For
7 example, the Company considers the radically different load profiles of the weather-
8 sensitive (generally residential and small and medium commercial) and non-weather-
9 sensitive (generally large volume industrial) customer classes, the geographic location of
10 its principal customer markets, the physical design and related operational capacity
11 limitations inherent in its pipeline system, and the sources of supply available at various
12 times during the year. There are also portions of the Company's service territory that are
13 not physically interconnected with the main portion of Peoples Natural Gas's facilities,
14 particularly in the Grove City area. Similarly, there are portions of the Company's service
15 territory that require support from specific interstate pipeline delivery points at times of
16 high demand. As a result, Peoples Natural Gas needs to specifically project the
17 requirements that it will have in those areas to assure that it will have supplies available
18 from the particular sources of supply needed to serve those areas.

19
20 **Q. WHAT DOES PEOPLES NATURAL GAS DO ON THE SUPPLY SIDE OF THE**
21 **ANALYSIS?**

22 A. Peoples Natural Gas uses an economic dispatch approach that considers reliability,
23 operational requirements, and contractual obligations. Under that approach, Peoples

1 Natural Gas reviews the cost of its various sources of supply and plans to use those that
2 are least costly. The Company starts with the existing pipeline supply assets and existing
3 gas supply agreements. These include the firm transportation and storage service
4 agreements with interstate pipelines and the long-term gas supply agreement with EQT
5 Energy.

6 Another component of the supply planning process is to factor in the portion of Allegheny
7 Valley Connector (“AVC”) storage gas used for balancing service that will be made
8 available for purchase by NGSs serving Non-Priority 1 (“NP-1”), or non-essential human
9 needs customers. Peoples Natural Gas maintains access to and manages the injections
10 and withdrawals of gas associated with balancing storage capacity on the AVC system.
11 Peoples recognizes the amount of AVC Storage balancing service purchased by NGSs
12 throughout the winter and incorporates that amount in the Company’s Gas Supply Plan.

13

14 **Q. PLEASE DESCRIBE HOW PEOPLES NATURAL GAS HAS IMPLEMENTED**
15 **THE ECONOMIC DISPATCH APPROACH IN FORMULATING ITS GAS**
16 **SUPPLY PLAN FOR THE TIME PERIODS THAT ARE RELEVANT TO THIS**
17 **PROCEEDING.**

18 A. Peoples Natural Gas formulates its supply plan each year for a 20-month period that
19 corresponds to the projected period in its annual 1307(f) filings. Peoples Natural Gas
20 formulated the supply plan that included the 1307(f)-2026 historical period – as part of
21 the then 20-month 1307(f)-2025 projected period – in early 2025 and the supply plan for
22 the 1307(f)-2026 projected period in early 2026. Peoples Natural Gas used the same
23 analysis in formulating both supply plans.

1 Peoples Natural Gas uses a two-step planning process to review and establish the
2 natural gas supply requirements of the Company’s distribution system. The first step
3 involves a review of the system's Design Peak Day requirements. The second step
4 involves using the system flow model to determine where gas must be sourced into the
5 system to satisfy both supply and pressure requirements. Each of these steps is required
6 to develop a reliable capacity and supply portfolio. Please refer to **Peoples Statement**
7 **No. 4, the Direct Testimony of Anton Ribich**, for further discussion of the first step
8 related to the Design Day study. I will address the second step.

9 First, Peoples Natural Gas maintains its historic practice of “base loading” local
10 gas; that is, using its supplies of local gas first as this gas is already behind the city-gate.
11 Peoples Natural Gas then estimates the local gas volumes it will receive and formulates a
12 plan for purchasing the balance of its projected requirements from other sources in its
13 portfolio, again using an economic dispatch approach. Peoples Natural Gas then utilizes
14 its Equitrans transportation capacity and EQT Energy supply contracts to deliver the
15 supply needed at Peoples Natural Gas’s city-gates and on Equitrans, which serves a
16 sizable portion of the Peoples Natural Gas requirements. Then, Peoples Natural Gas
17 evaluates service options for portions of the system that are isolated and cannot be served
18 by Equitrans or where the service from Equitrans needs to be supplemented. Peoples
19 Natural Gas reviews projected spot market prices and pipeline transportation rates and
20 considers various combinations of delivery routes for gas from Appalachia, as well as
21 various operational and contractual constraints and limits. Taking all those factors and
22 the need for reliability into consideration, Peoples Natural Gas selects the lowest cost
23 blend of gas from all the sources in its portfolio, on a monthly and/or daily basis.

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II. PEOPLES NATURAL GAS’S SUPPLY REQUIREMENTS

Q. WHAT ARE THE COMPONENTS OF PEOPLES NATURAL GAS’S SUPPLY REQUIREMENTS?

A. The Company’s supply components consist of: (a) supply service to those Peoples Natural Gas customers who purchase their supplies from Peoples Natural Gas; (b) standby service to those Peoples Natural Gas customers who purchase their supplies from NGSs and who either are required to subscribe or elect to subscribe to Peoples Natural Gas’s standby service, if applicable; (c) balancing service to Peoples Natural Gas customers who purchase their supplies from NGSs, but who are entitled to balancing service under the Commission’s regulations and the Peoples Natural Gas’s tariffs; and (d) gas that is used in Company operations or is lost or unaccounted for.

Q. WHAT ARE THE TIMEFRAMES USED TO DETERMINE PEOPLES NATURAL GAS’S CUSTOMERS’ REQUIREMENTS?

A. Peoples Natural Gas uses two timeframes when determining its customers’ requirements. The first is a “design peak day,” which is a 24-hour period that is based on extreme weather conditions, and the second is a forecast of customers’ day-to-day usage throughout the year.

Q. WHAT HAS PEOPLES NATURAL GAS USED AS ITS CUSTOMERS’ REQUIREMENTS ON A DESIGN PEAK DAY FOR PURPOSES OF THIS CASE?

1 A. The Company used 1,491.5 MMcf/day as the design day requirements of Peoples Natural
2 Gas, as discussed in the direct testimony of Peoples Natural Gas witness Anton Ribich
3 (Peoples Natural Gas Statement No. 4).

4

5 **Q. WILL PEOPLES NATURAL GAS SUPPLY THE ENTIRETY OF THAT 1,491.5**
6 **MMCF FOR ITS CUSTOMERS?**

7 A. No. Peoples Natural Gas will supply 1,197.5 MMcf of the Company's customers' design
8 day requirements of 1,491.5 MMcf. The supply of 1,197.5 MMcf per day includes the
9 following components:

- 10 • Projected local gas volumes of 8.3 MMcf. This volume is based on a projection of
11 the amount of local gas under contract to Peoples Natural Gas and available on a
12 design day.
- 13 • The on-system storage design day supply of 55.3 MMcf reflects the expected volume
14 of supplies available from the Company's on-system storage fields; and
- 15 • Interstate delivered gas of 1,133.8 MMcf projected to be received from Equitrans,
16 EGTS, TGP, TETCO, TCO and NFG.

17

18 **Q. WHY DOESN'T PEOPLES NATURAL GAS HAVE TO BE PREPARED TO**
19 **SUPPLY ALL OF ITS CUSTOMERS' DESIGN DAY REQUIREMENTS?**

20 A. Many of Peoples Natural Gas's customers, generally also its largest customers, that
21 purchase their supplies from NGSs – customers whom the Company refers to as Non-
22 Priority 1 or NP-1 – are responsible for acquiring their own design day assets at a level
23 sufficient to deliver their average daily usage during that month. The Company expects

1 those customers to deliver to the system 294.1 MMcf on a design day during the 1307(f)-
2 2026 projected period.

3

4 **Q. HOW DO THE DESIGN DAY REQUIREMENTS OF PEOPLES NATURAL**
5 **GAS’S SMALLER CUSTOMERS WHO PURCHASE THEIR SUPPLIES FROM**
6 **NGSs FIT INTO PEOPLES NATURAL GAS’S SUPPLY PORTFOLIO?**

7 A. When a substantial alternative supply market for those smaller Priority 1 (“P-1”), or
8 essential human needs customers first began to develop on Peoples Natural Gas’s system
9 in 1997, Peoples Natural Gas addressed the design day requirements of those customers
10 under a program of mandatory capacity assignment. Peoples Natural Gas’s tariff requires
11 that the P-1 customers acquire their design day capacity requirements from Peoples
12 Natural Gas by means of mandatory assignment of capacity and that the P-1 customers
13 must pay the costs of that assigned capacity through the capacity charge. The P-1 NGSs
14 are expected to utilize the assigned capacity to deliver to the system sufficient supplies to
15 meet the projected total usage for their P-1 customers on a design day during the 1307(f)-
16 2026 projected period.

17

18 **Q. IN ADDITION TO ITS CUSTOMERS’ DESIGN DAY CAPACITY AND SUPPLY**
19 **REQUIREMENTS, WHAT OTHER CUSTOMER REQUIREMENTS MUST**
20 **PEOPLES NATURAL GAS’S GAS SUPPLY PORTFOLIO SATISFY?**

21 A. Peoples Natural Gas must also satisfy the day-to-day supply requirements of Peoples
22 Natural Gas’s customers who purchase supplies from Peoples Natural Gas, the day-to-
23 day balancing requirements of NP-1 transportation customers, and the requirements for

1 gas that either will be used in Peoples Natural Gas’s operations (i.e., company-use gas) or
2 that will be “lost or unaccounted for” because of various reasons.

3

4 **Q. DOES PEOPLES NATURAL GAS USE ITS ANNUAL CONSUMPTION**
5 **PROJECTIONS FOR THOSE CUSTOMERS WHO LIKELY WILL BUY THEIR**
6 **SUPPLIES FROM NGSs FOR ANY PURPOSE IN THIS PROCEEDING?**

7 A. Yes. Although those customers’ capacity requirements are measured strictly by the
8 demands that they will place on Peoples Natural Gas’s system on a design peak day,
9 Peoples Natural Gas recovers the costs of meeting those requirements through each Mcf
10 that Peoples Natural Gas delivers to those customers throughout the year. In the case of
11 P-1 customers, Peoples Natural Gas recovers the costs through a capacity charge per Mcf
12 consumed. In the case of NP-1 customers, the recovery is through a balancing charge per
13 Mcf consumed.

14

15 **Q. HOW DO THE DESIGN DAY SUPPLY ASSETS COMPARE TO THE**
16 **PROJECTED DESIGN DAY REQUIREMENTS?**

17 A. As shown on **Peoples Natural Gas Exhibit No. 1**, the Company is projecting that its
18 design day supply assets will be within 0.06 MMcf of its design day requirements.

19

20 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
21 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 6?**

22 A. Yes. **Peoples Natural Gas Exhibit No. 6** is a document, prepared jointly by the Gas
23 Supply and Rates Departments, that illustrates monthly allocations of volumes by the

1 sources of supply, including storage, that Peoples Natural Gas projects to use to meet the
2 supply requirements of those of its customers who bought their supplies from Peoples
3 Natural Gas during the 1307(f)-2026 historical period of February 1, 2025 through
4 January 31, 2026, and a summary of the natural gas costs associated with those volumes.
5

6 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENTS THAT HAVE**
7 **BEEN MARKED AS PEOPLES NATURAL GAS EXHIBIT NOS. 7 AND 8?**

8 A. Yes. **Peoples Natural Gas Exhibit Nos. 7 and 8**, prepared jointly by the Gas Supply and
9 Rates Departments, illustrate monthly allocations of volumes by the sources of supply,
10 including storage, that Peoples Natural Gas expects to use to meet the supply requirements
11 of its customers who likely will buy their supplies from Peoples Natural Gas during the
12 1307(f)-2026 projected period of February 1, 2026, through September 30, 2027, as well
13 as a summary of the natural gas costs associated with those volumes. The allocation
14 displayed there reflects the application of the economic dispatch approach that I have
15 described. In her direct testimony (**Peoples Natural Gas Statement No. 3**), Dawn Folks
16 explains the pricing of the volumes that appear on these Exhibits, based, in part, on price
17 projections that I provided.
18

19 **Q. ARE THE PROJECTIONS OF MONTHLY ALLOCATIONS OF VOLUMES BY**
20 **SUPPLIER THAT ARE SET FORTH ON PEOPLES NATURAL GAS EXHIBIT**
21 **NOS. 7 AND 8 LIKELY TO CHANGE?**

22 A. Yes. The projections contained on **Peoples Natural Gas Exhibit Nos. 7 and 8** are
23 Peoples Natural Gas's best estimates of gas prices and conditions that affect its ability to

1 acquire gas and, accordingly, are Peoples Natural Gas’s best estimates of the lowest cost
2 supply mix consistent with its need for reliability. However, because projections are based
3 on factors that change over time, including prices, storage levels and customers’
4 requirements, each month Peoples Natural Gas fine tunes the plan as it prepares to acquire
5 gas for the following month to consider actual operational and market conditions and to
6 assure that its acquisition of gas supplies is based on the most current information. The
7 Company then makes further daily adjustments as necessary during each month.

8

9 **Q. PLEASE EXPLAIN THE FILING REQUIREMENTS IMPOSED BY SECTION**
10 **1317(c) OF THE PUBLIC UTILITY CODE.**

11 A. 66 Pa C.S. Section 1317(c) requires Peoples Natural Gas to file both a reliability plan and
12 a supply plan for the 1307(f) projected period.

13

14 **Q. HAS PEOPLES NATURAL GAS DONE SO?**

15 A. Yes. **Peoples Natural Gas Exhibit Nos. 1, 7, and 8**, as well as the testimony in support
16 of those exhibits, provide the required information.

17

18 **III. INTERSTATE PIPELINE TRANSPORTATION**
19 **AND STORAGE CAPACITY PORTFOLIO**

20

21 **Q. WHAT COMPRISES PEOPLES NATURAL GAS’S INTERSTATE CAPACITY**
22 **PORTFOLIO?**

23 A. Over the 1307(f)-2026 historical period, Peoples Natural Gas’s natural gas capacity
24 portfolio included: (1) interstate pipeline transportation and storage services from

1 Equitrans; (2) interstate pipeline transportation and storage services from EGTS; (3)
2 interstate pipeline transportation service from TETCO; (4) interstate pipeline
3 transportation and storage services from NFG; and (5) interstate pipeline transportation
4 and storage services from TCO. In addition, Peoples Natural Gas purchases winter-only,
5 city-gate delivered supply via Tennessee, TETCO, and TCO. Although these are gas
6 purchase arrangements, Peoples Natural Gas treats them the same as interstate capacity
7 for planning purposes because the Company requires deliveries at the respective delivery
8 points and would pursue firm capacity at these points if reliable city-gate delivered supply
9 was not available.

10

11 **Q. DOES PEOPLES NATURAL GAS ANTICIPATE THAT IT WILL HAVE THE**
12 **SAME PORTFOLIO THROUGHOUT THE 1307(f)-2026 PROJECTED**
13 **PERIOD?**

14 A. In large part, yes. However, Peoples Natural Gas also plans to continue to evaluate its
15 options regarding the amount and priority level of the city-gate, delivered contracts to the
16 Tennessee and TETCO interconnects.

17

18 **EQUITRANS**

19 **Q. PLEASE DESCRIBE THE SERVICES THAT EQUITRANS PROVIDES**
20 **PEOPLES NATURAL GAS.**

21 A. Equitrans provides Peoples Natural Gas firm transportation and firm storage services.
22 These services vary with the facilities used to provide them. As further explanation, there
23 are two parts to the Equitrans system: the Mainline system and the Allegheny Valley

1 Connector (“AVC”). The Mainline System is Equitrans’ traditional system in West
2 Virginia and Pennsylvania that has historically served Equitable Gas Company, among
3 other firm customers, and now also includes the Sunrise Pipeline system, which is a newer
4 pipeline extending from northern West Virginia to Waynesburg, Greene County,
5 Pennsylvania, that was developed to transport new gas production, primarily Marcellus
6 Shale production, to market. The AVC consists of the midstream assets – transmission
7 lines and storage fields – that were transferred by Peoples Natural Gas to Equitrans as part
8 of the Equitable acquisition.

9 Equitrans has provided Peoples Natural Gas’s former Equitable Division with a
10 menu of unbundled transportation and storage services on the Mainline System since
11 FERC’s promulgation of Order 636 in the 1990s. These services include firm
12 transportation service under Equitrans’ Rate Schedule EFT. Under this rate schedule,
13 the customer transports gas up to the maximum daily quantity stated in the customer’s
14 contract. Equitrans assesses a transportation usage charge for the actual quantities that
15 were delivered to the customer during the month. In addition, Equitrans assesses a
16 seasonal demand charge that is different for the winter period (November 1 through
17 March 31) than for the summer period (April 1 through October 31). Both charges are
18 calculated by multiplying the appropriate seasonal demand charge by its respective
19 maximum daily contract quantity.

20 Equitrans also provides no-notice firm transportation service under Equitrans’
21 Rate Schedule NOFT. No-notice firm transportation allows the Company to receive or
22 deliver gas on demand up to its firm entitlement on a daily basis without incurring daily
23 balancing and scheduling penalties. For this service, Equitrans assesses a

1 transportation usage charge for the actual quantities it delivers to the Company’s city-
2 gates during the month. As with Rate Schedule EFT service, there are winter and
3 summer demand charges associated with this NOFT contract that are calculated in a
4 similar fashion.

5 In addition to the firm pipeline transportation and the no-notice firm
6 transportation services, Equitrans also provides a base load storage service and a
7 peaking storage service. The base load storage service is provided under the Equitrans
8 115-SS Rate Schedule. This rate schedule provides for a 115-day storage service, with
9 a maximum daily withdrawal quantity (“MDWQ”) of 110% of 1/115 of the total annual
10 storage quantity, subject to ratchets as explained below. This service also permits the
11 Company to withdraw and inject gas year-round on a best-efforts basis.

12 The peaking storage service is provided under the Equitrans 60-SS Rate Schedule. The
13 MDWQ is based on 110% of 1/60 of the total annual storage quantity, subject to
14 ratchets, as also explained below. This service also permits the Company to withdraw
15 and inject gas year-round on a best-efforts basis.

16 For each storage service, Equitrans assesses four charges that are applicable for
17 the entire year. These charges consist of the storage demand charge, the storage space
18 charge, the storage injection charge, and the storage withdrawal charge. The storage
19 demand charge is equal to the storage demand rate multiplied by the MDWQ. The
20 storage space charge is equal to the storage space rate multiplied by the total annual
21 storage quantity. The storage withdrawal and injection charges are variable charges
22 that are assessed on the actual volumes withdrawn or injected during the month.

1 Beginning December 17, 2013, Equitrans began providing firm transportation and
2 firm storage services from Equitrans' AVC system to Peoples Natural Gas. The AVC
3 services consist of transportation service under Rate Schedule EFT, no-notice
4 transportation service under Rate Schedule FTSS, and Storage Service under Rate
5 Schedule GSS. The FTSS and GSS service agreements provide Peoples Natural Gas and
6 its customers with access to AVC storage capacity of 8.6 MMDth annually and maximum
7 deliverability of 200,000 Dth per day. The EFT service agreement provides Peoples
8 Natural Gas and its customers up to 251,700 Dth per day of firm transportation capacity.
9 These service agreements provide for a total of 451,700 Dth per day of firm capacity on
10 the AVC system.

11 Beginning April 1, 2014, Equitrans began providing Peoples Natural Gas firm
12 transportation service under Rate Schedule FTS from Equitrans' Mainline system. Gas
13 transported under this agreement is sourced from receipt points on the Sunrise section of
14 the Mainline system and delivered to Equitrans' Ginger Hill station, which is the point of
15 interconnection between Equitrans' Mainline and AVC systems. The capacity is seasonal,
16 and the maximum firm daily quantity is 251,700 Dth during November through March
17 and 62,000 Dth during April through October.

18 On December 10, 2013, Peoples entered into a firm storage agreement under
19 Equitrans Rate Schedule 60SS and a no-notice firm transportation agreement under
20 Equitrans Rate Schedule NOFT. The rates for both the storage and firm transportation
21 service are negotiated rates that are less than the Equitrans recourse rates for the
22 services and less than the cost available for this same capacity under the existing TCO
23 and EGTS agreements. In the Equitable Acquisition proceeding, Peoples received

1 approval by the Commission for the Equitrans storage and transportation agreements
2 pursuant to Section 2204(e)(4) of the Public Utility Code, 66 Pa.C.S. § 2204(e)(4).

3 The Equitrans contracts provided peak demand period daily deliverability of
4 27,500 Dth and storage capacity of 1,500,000 Dth for the storage withdrawal period of
5 November 1, 2014, through March 31, 2015. The deliverability under these contracts
6 increased to 33,917 Dth and storage capacity increased to 1,850,000 Dth for the
7 withdrawal period of November 1, 2015, through March 31, 2016. Effective April 1,
8 2018, the daily deliverability under these contracts increased to 44,917 Dth and storage
9 capacity increased to 2,450,000 Dth. Effective April 1, 2022, the daily deliverability
10 under these contracts increased to 72,417 Dth and storage capacity increased to
11 4,000,000 Dth.

12

13 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
14 **ARRANGEMENTS WITH EQUITRANS IN PEOPLES NATURAL GAS'S**
15 **1307(f)-2025 PROCEEDING?**

16 A. Yes. In Peoples' 1307(f)-2025 proceeding, Peoples Natural Gas described the various
17 service arrangements that would be in effect between Peoples Natural Gas and Equitrans
18 and the costs associated with them over what is now the 1307(f)-2026 historical period.
19 In its final order in that proceeding, the Commission approved rates for the collection of
20 Peoples Natural Gas's natural gas costs that included the costs associated with the
21 Equitrans service arrangements over what is now the 1307(f)-2026 historical period.

22

EGTS

1
2 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S CONTRACTUAL**
3 **ARRANGEMENTS WITH EGTS OVER THE 1307(f)-2026 HISTORICAL AND**
4 **PROJECTED PERIODS.**

5 A. For the 1307(f)-2026 historical period, EGTS provides service to Peoples Natural Gas
6 under four service agreements and three rate schedules which all have an expiration date
7 of March 31, 2034. EGTS provides year-round Rate FTNN no-notice transportation
8 service at 40,000 Dth/day, Rate FT firm transportation service of 40,000 Dth/day, and
9 Rate GSS storage service under two separate service agreements, one with capacity of 4.6
10 MMDth annually and maximum deliverability of 40,000 Dth/day and the other with
11 capacity 2.48 MMDth annually and up to 40,000 Dth/day of deliverability. These
12 agreements promote service reliability in parts of the Peoples Natural Gas distribution
13 system that are particularly well-suited for gas deliveries from EGTS.

14 Under a service agreement with EGTS that expires on March 31, 2029, Peoples
15 Natural Gas has 10,000 Dth/day of FT firm transportation service and 10,000 Dth/day
16 of GSS firm storage service with a storage capacity of 600,000 Dth.

17 Peoples Natural Gas additionally has 10,000 Dth/day of FT transportation
18 service that expires October 31, 2028. The reservation costs are equal to EGTS's
19 maximum tariff rate for FT service.

20
21 **Q. ARE THERE ANY DIFFERENCES IN THE EGTS SUPPLY ASSETS SHOWN**
22 **IN PEOPLES NATURAL GAS EXHIBIT NO. 1 BETWEEN 1307(f)-2025 AND**
23 **1307(f)-2026?**

1 A. No. When comparing last year's Peoples Natural Gas Exhibit No. 1 and Exhibit No. 1
2 of this 1307(f)-2026, the amount of EGTS assets shown is effectively the same.

3

4 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
5 **ARRANGEMENTS WITH EGTS IN PEOPLES NATURAL GAS'S 1307(f)-2025**
6 **PROCEEDING?**

7 A. In Peoples Natural Gas's 1307(f)-2025 proceeding, Peoples Natural Gas described the
8 various service arrangements that would be in effect between Peoples Natural Gas and
9 EGTS and the costs associated with them over what is now the 1307(f)-2026 historical
10 period. Under the settlement, the Parties agreed that the Commission should approve the
11 Company's gas supply, pipeline and storage capacity contracts. In its final order in that
12 proceeding, the Commission approved the settlement including the rates for the collection
13 of Peoples Natural Gas's natural gas costs that included the costs associated with the
14 EGTS service arrangements over what is now the 1307(f)-2026 historical period.

15

16

TETCO

17 **Q. PLEASE DESCRIBE THE SERVICES THAT TETCO PROVIDES TO PEOPLES**
18 **NATURAL GAS.**

19 A. TETCO provides Peoples Natural Gas with firm transportation service under Rate
20 Schedule FT-1 and also delivers to the city-gate purchases made by Peoples Natural Gas
21 from suppliers who are TETCO shippers. Peoples Natural Gas requires gas deliveries in
22 the eastern portion of its service territory at Ebensburg, Delmont, Claysburg, and
23 Rockwood and supplies into these delivery points are essential during the winter.

1 Peoples Natural Gas purchases gas on TETCO and moves it over TETCO's
2 facilities under its Rate FT-1 service agreement primarily to the Ebensburg and Delmont
3 delivery points. Peoples Natural Gas also contracts with gas suppliers for the purchase of
4 supply that is delivered on TETCO to Peoples Natural Gas's city-gates at the Claysburg
5 and Rockwood delivery points in addition to occasionally supplementing the firm
6 transportation deliveries at Ebensburg. TETCO also provides an operational balancing
7 agreement that helps Peoples Natural Gas manage the unanticipated swings in demand at
8 its physical interconnections with TETCO.

9

10 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S CONTRACTUAL**
11 **ARRANGEMENTS WITH TETCO OVER THE 1307(f)-2026 HISTORICAL AND**
12 **PROJECTED PERIODS.**

13 A. Peoples Natural Gas has 15,650 Dth/day of FT-1 firm transportation service under
14 contract from TETCO for the entire 1307(f)-2026 historical period. Gas supplies under
15 this transportation contract, which expires on April 30, 2027, are delivered by TETCO
16 primarily at Peoples Natural Gas's Ebensburg delivery point located in TETCO's market
17 zone M3. This service agreement may also be used to deliver gas supplies at Claysburg,
18 also in M3, and Rockwood, which is upstream of Ebensburg in TETCO's market zone
19 M2. Peoples Natural Gas plans to renew this TETCO FT-1 firm transportation service
20 agreement during the 1307(f)-2026 projected period.

21 TETCO also provides Peoples Natural Gas with firm transportation service of
22 10,000 Dth/day under Rate Schedule FT-1 for the entire 1307(f)-2026 historical period.
23 Peoples Natural Gas purchases gas on TETCO's market zone M-2 and moves it over

1 TETCO's facilities to an interconnection at Delmont, Westmoreland County, which is
2 also in market zone M-2. This negotiated rate agreement, which commenced on
3 November 1, 2015, and expires on October 31, 2030, allows the Company to purchase
4 gas in a very liquid and competitively low-priced commodity market and deliver it to
5 the eastern part of the Peoples' system to support service to the Allegheny Valley.

6

7 **Q. ARE THE FIRM DELIVERIES OF 25,650 DTH/DAY UNDER THESE**
8 **CONTRACTS SUFFICIENT TO MEET THE PEAK DAY SYSTEM NEEDS IN**
9 **THE EASTERN PORTION OF THE PEOPLES NATURAL GAS SERVICE**
10 **TERRITORY?**

11 A. Not entirely. The 2013-2014 and 2014-2015 colder-than-normal winters tested the
12 Peoples Natural Gas's system and gas supply capabilities, and for the most part, the
13 system and gas supply portfolio performed well in meeting the near-design day needs of
14 the Peoples' customers. However, the 2014-2015 winter was unique and insightful
15 because the Peoples experienced the coldest weather conditions, which were some of the
16 coldest in recent history, later in the winter season, during mid-February. The heating
17 degree days ("HDDs") on February 15th, 19th, and 20th were 64 HDDs, 63 HDDs and 64
18 HDD, respectively. The challenge with meeting design day or near design day conditions
19 this late in the winter season is that the deliverability provided by the Peoples' pipeline
20 storage contracts is reduced because as physical storage inventories are depleted, the daily
21 storage withdrawal quantities under the pipeline storage tariffs are correspondingly
22 ratcheted down or reduced.

23

1 **Q. HOW DID PEOPLES SATISFY ITS SYSTEM NEEDS IN THIS PART OF ITS**
2 **SERVICE TERRITORY AT THAT TIME?**

3 A. During these near-peak days in February 2015, the combined available supplies from the
4 Equitrans AVC storage and TETCO FT contracts were insufficient to meet customers'
5 requirements in this part of the system, necessitating the purchase of additional supplies.
6 The most operational and cost-effective option at the time was to purchase gas supplies
7 on the TETCO system for delivery at Ebensburg. During the coldest days of February 15,
8 19, and 20 of 2015, Peoples purchased and had delivered to the Ebensburg delivery point
9 24,000 Dth per day of supplies in addition to the firm supplies from TETCO to the
10 Rockwood and Claysburg points under existing supply agreements.

11
12 **Q. SINCE THE 2014-2015 WINTER HOW HAS PEOPLES SATISFIED ITS**
13 **SYSTEM NEEDS IN THIS PART OF ITS TERRITORY?**

14 A. Peoples Natural Gas proposed in the 1307(f)-2015 proceeding to put in place an
15 arrangement for additional firm gas deliveries of up to 25,000 Dth per Day to the
16 Ebensburg delivery point for the 2015-2016 winter period. In the following year's
17 1307(f)-2016 proceeding, Peoples recommended seeking proposals for similar
18 arrangements for the following winter, and this recommendation was accepted.
19 Subsequent Request for Proposals ("RFP") resulted in additional gas agreements covering
20 each winter period from 2016-2017 through 2025-2026. This most recent winter included
21 a very cold stretch of seven days in a row from January 27th through February 2nd, when
22 Peoples used its TETCO agreements to deliver approximately 33,700 Dth each day at

1 Ebensburg, which assisted effectively in holding up gas service in the eastern portion of
2 the Peoples service territory.

3

4 **Q. PLEASE DESCRIBE THE MARKET ZONE 2 (“M-2”) SERVICES THAT**
5 **PEOPLES NATURAL GAS RECEIVES VIA TETCO.**

6 A. Peoples Natural Gas can accept up to 15,000 Dth/day at its Rockwood interconnection
7 and 25,000 Dth/day at its Delmont interconnect with TETCO in TETCO’s market zone
8 M-2. Peoples Natural Gas utilizes its firm transportation service of 10,000 Dth/day
9 under Rate Schedule FT-1 to deliver supplies to its TETCO M2 interconnects but also
10 has entered into a series of annual agreements for delivered supply to supplement its firm
11 transportation agreement. From 2017 through 2026, Peoples Natural Gas issued RFPs
12 and contracted for delivered gas agreements for up to 11,000 Dth/day for each winter
13 season. Recent system upgrades and the drop in production from three Marcellus wells
14 in this area now allow for Peoples to utilize additional delivered supplies into its
15 Delmont TETCO M2 interconnect.

16

17 **Q. PLEASE DESCRIBE THE RECENT TETCO RFP PROCESS.**

18 A. In July 2025, Peoples Natural Gas issued an RFP for firm deliveries of up to 11,000
19 Dth/day at TETCO M2 Rockwood for the period of November 2025 through March
20 2026. Approximately twenty potential suppliers were solicited, and three proposals
21 were received. Peoples Natural Gas accepted an offer for up to 11,000 Dth/day
22 delivered to Rockwood. The offer was chosen because the total costs of its reservation
23 fee and variable commodity rate were anticipated to be the least cost option while

1 satisfying Peoples' service and delivery requirements. The accepted offer had no
2 reservation fee. The deal allowed for combinations of baseload and daily calls for
3 supply. Baseload supply would be priced at the INSIDE FERC's Gas Market Report,
4 Monthly Bidweek Spot Gas Price Index for Texas Eastern, M-2 Receipts for the month
5 of flow. Daily supply would be priced at Gas Daily midpoint pricing for Texas Eastern,
6 M-2 Receipts reported for the day of flow plus \$0.45. There were no minimum call
7 provision for baseload or daily supply to Rockwood.

8 In July 2025, Peoples Natural Gas issued an RFP for firm deliveries of up to
9 36,000 Dth/day at TETCO M3 Ebersburg for the period of November 2025 through
10 March 2026. Peoples Natural Gas received six proposals from three companies for
11 Ebersburg supply. Peoples accepted two of the proposals, neither of which included a
12 reservation fee. Both proposals also had essentially the same cost structure. The offers
13 were chosen because the total costs of their reservation fees and variable commodity
14 rates were anticipated to be the least cost options while satisfying Peoples' service and
15 delivery requirements. Both proposals provided delivery at a TETCO priority ranking
16 of three at a price related to IFERC TETCO M3 plus \$0.00 for monthly baseload calls,
17 and the Gas Daily midpoint for Texas Eastern M3 for daily calls. Neither of the
18 proposals included a minimum delivery requirement. One of the accepted proposals
19 included an option, but not an obligation, for Peoples to accept a lower priority of
20 delivery at a lower cost. However, Peoples did/does not expect to exercise this option.

21

1 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
2 **ARRANGEMENTS WITH TETCO AND SUPPLIERS IN PEOPLES NATURAL**
3 **GAS'S 1307(f)-2025 PROCEEDING?**

4 A. Yes. In Peoples' 1307(f)-2025 proceeding, Peoples described its service arrangements
5 with TETCO and its intent to enter into arrangements for delivered gas on TETCO that
6 would be in effect over what is now the 1307(f)-2026 historical period. Peoples also
7 included estimated costs for these arrangements and described the reasons why Peoples
8 Natural Gas entered into those firm supply arrangements. Under the settlement, the
9 Parties agreed that the Commission should approve the Company's gas supply, pipeline
10 and storage capacity contracts. In its final order in that proceeding, the Commission
11 approved the settlement including the rates for the collection of Peoples Natural Gas's
12 natural gas costs that included the costs associated with the TETCO service arrangements.

13
14 **Q. HOW DOES PEOPLES NATURAL GAS INTEND TO SATISFY ITS**
15 **REQUIREMENTS FOR TETCO DELIVERIES DURING THE 1307(f)-2026**
16 **PROJECTED PERIOD?**

17 A. Similar to prior years, in addition to utilizing the FT contracts the Company holds with
18 TETCO, the Company proposes to issue an RFP to potential suppliers for TETCO Zone
19 M-2 delivered supply up to 30,000 Dth/day for the winter period November 2026 through
20 March 2027 to assist in balancing out Design Peak Day Requirements as presented earlier.
21 For the same reason, the Company also proposes to issue a separate RFP to potential
22 suppliers for TETCO Zone M-3 delivered supply up to 20,000 Dth/day for the winter
23 period November 2026 through March 2027. Since the higher delivery ranking for its

1 Zone M3 supply that the Company contracted for during the 2025/2026 winter season
2 worked well at minimizing supply disruptions and overrun penalties, the Company plans
3 to request this same level of service in its 2026 RFP process. This is because TETCO
4 has increased the number of OFOs it has normally issued for Zone M-3 deliveries, and
5 the Company believes that this trend will continue due to the large electric generation load
6 now attached to this part of TETCO’s system.

7 Peoples has reached out to TETCO about contracting for additional M-3 FT-1 firm
8 transportation capacity but has been informed by TETCO that no additional capacity is
9 currently available. Therefore, the Company believes it is prudent to secure a higher-
10 ranking curtailment priority through delivered deals and expects to pay a reservation fee
11 of between \$1.0 - \$1.5 million for that reliability, which would be considerably less than
12 the approximate \$5 million for additional TETCO FT capacity, even if it were available.

13

14

NFG

15

Q. PLEASE DESCRIBE THE SERVICES THAT NFG PROVIDES PNG.

16

A. NFG provides Peoples Natural Gas with no-notice storage service and firm transportation
17 service under rates approved by the Federal Energy Regulatory Commission (“FERC”).
18 Peoples uses NFG’s services primarily to serve the isolated Grove City area of its service
19 territory. Peoples uses its storage service from NFG as a no-notice balancing service to
20 manage supply to an uncertain demand and to reduce natural gas costs, by buying supplies
21 when they generally are cheaper during the summer months and injecting them into
22 storage, and to enhance reliability, by withdrawing the volumes from storage during the

1 winter when demand is highest. Peoples utilizes its firm transportation service from NFG
2 both to support the NFG storage service and for deliveries from other supply sources.

3

4 **Q. PLEASE DESCRIBE PEOPLES' CONTRACTUAL ARRANGEMENTS WITH**
5 **NFG OVER THE 1307(f)-2026 HISTORICAL AND PROJECTED PERIODS.**

6 A. During the entire 1307(f)-2026 historical period and for the first two months of the
7 1307(f)-2026 projected period, NFG provided 9,793 Dth/day of no-notice storage service
8 to Peoples under its Rate ESS and 15,476 Dth/day of firm transportation service to Peoples
9 under its Rate EFT. Peoples entered into both of those contracts in the mid-1990s, and
10 the primary terms of those contracts expired on March 31, 2003. However, each of the
11 contracts specified a one-year notice of termination provision so that if neither party gives
12 the other one-year's notice of termination, the contracts automatically renew for another
13 year. The contracts have automatically renewed on April 1 of each year since 2003 but
14 this year, National Fuel requested that the term of this agreement be extended to March
15 31, 2030. Since Peoples requires this capacity to meet the needs of its customers in an
16 operationally isolated portion of its service area and this National Fuel contract has
17 worked well at fulfilling the supply needs in that area for over 30 years, Peoples executed
18 an agreement in June 2025 extending this contract through March 31, 2030.

19

20 **Q. DOES THE COMPANY PROPOSE ANY CHANGES TO ITS ARRANGEMENTS**
21 **WITH NFG?**

22 A. No.

23

1 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
2 **ARRANGEMENTS WITH NFG IN PEOPLES NATURAL GAS'S 1307(f)-2025**
3 **PROCEEDING?**

4 A. In Peoples Natural Gas's 1307(f)-2025 proceeding, Peoples Natural Gas described the
5 arrangements between Peoples Natural Gas and NFG that would be in effect over what is
6 now the 1307(f)-2026 historical period. Peoples Natural Gas also described the reasons
7 why Peoples Natural Gas entered into those arrangements and the costs associated with
8 them. Under the Company's 1307(f)-2025 settlement, the Parties agreed that the
9 Commission should approve the Company's gas supply, pipeline and storage capacity
10 contracts. In its final order in that proceeding, the Commission approved the settlement
11 including the rates for the collection of Peoples Natural Gas's natural gas costs that
12 included the costs associated with the NFG service arrangements over what is now the
13 1307(f)-2026 historical period.

14

15 **TCO**

16 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S CONTRACTUAL**
17 **ARRANGEMENTS WITH TCO OVER THE 1307(f)-2026 HISTORICAL**
18 **PERIOD AND PROJECTED PERIOD.**

19 A. For the 1307(f)-2026 historical period, TCO provided Peoples Natural Gas firm
20 transportation service under Rate FTS for up to 4,000 Dth/day. TCO also provided
21 firm storage service under Rate GSS and related firm transportation service under Rate
22 SST of up to 2,000 Dth/day with a total storage capacity of 112,860 Dth with an

1 expiration date of March 31, 2028. The Company utilizes the TCO services to maintain
2 system integrity in the Fairview and Hickory Corners area of the system.

3

4 **Q. DOES THE COMPANY PROPOSE ANY CHANGES TO ITS CONTRACTUAL**
5 **ARRANGEMENTS WITH TCO DURING THE PROJECTED PERIOD?**

6 A. Peoples does not propose any changes to the Company's TCO FTS, GSS and SST
7 contracts that expire on March 31, 2028.

8

9 **Q. ARE THE FIRM DELIVERIES OF 6,000 DTH/DAY UNDER THESE**
10 **CONTRACTS SUFFICIENT TO MEET THE PEAK DAY SYSTEM NEEDS IN**
11 **THE EASTERN PORTION OF THE PEOPLES NATURAL GAS SERVICE**
12 **TERRITORY?**

13 A. Not entirely. During the winter of 2024-2025, Peoples experienced two days with 59
14 and 61 HDDs on January 20 and 21, 2025 respectively. On those days, Peoples
15 required additional supply at its TCO Fairview and Hickory Corners interconnects and
16 the Company was able to secure 6,000 Dth each day at these points. This assisted
17 effectively in holding up gas service in the portion of Peoples service territory and
18 allowed the Company to avoid TCO OFO penalties.

19 Therefore, Peoples proposed in the 1307(f)-2025 proceeding to put in place an
20 arrangement for additional firm gas deliveries of up to 6,000 Dth per day at its TCO
21 Hickory Corners interconnects for the 2025-2026 winter period.

22

23 **Q. PLEASE DESCRIBE THE RECENT TCO RFP PROCESS.**

1 A. In August 2025 Peoples issued an RFP for up to 6,000 Dth per day to be delivered to
2 its Hickory Corners meter on TCO. Six proposals were received from three companies.
3 Peoples entered into an agreement with a supplier to make deliveries ranging from zero
4 Dth per day to 6,000 Dth per day. This offer was chosen because it had no reservation
5 fee and was able to meet Peoples' service and delivery requirements. The agreement
6 specified baseload supply pricing at the INSIDE FERC' Gas Market Report, Monthly
7 Bidweek Spot Gas Price Index for Columbia Gas, App. plus \$0.40 for the month of
8 flow. For daily requested quantities, the proposal specified pricing at Gas Daily
9 midpoint pricing for Columbia Gas, App. reported for the day of flow plus \$0.40. There
10 was no minimum call provision of baseload or daily supply to Peoples' Columbia
11 meter.

12
13 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
14 **ARRANGEMENTS WITH TCO?**

15 A. Yes. In Peoples Natural Gas's 1307(f)-2025 proceeding, Peoples Natural Gas
16 described the arrangements between Peoples and TCO that would be in effect, over
17 what is now the 1307(f)-2026 historic period. Peoples also described the reasons why
18 it entered into those arrangements and the costs associated with them. Under the
19 settlement, the Parties agreed that the Commission should approve the Company's gas
20 supply pipeline and storage capacity contracts. In the final order in that proceeding,
21 the Commission approved the settlement including the rates for the collection of
22 Peoples' natural gas costs that included the costs associated with the TCO service
23 arrangements over what is now the 1307(f)-2026 historical period.

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Q. HOW DOES PEOPLES NATURAL GAS INTEND TO SATISFY ITS REQUIREMENTS FOR TCO DELIVERIES DURING THE 1307(f)-2026 PROJECTED PERIOD?

A. Similar to last year, in addition to utilizing the FT contracts the Company holds with TCO, the Company proposes to issue another RFP to potential suppliers for delivered supplies to its Hickory Corners meter on TCO. Since the recent RFP for TCO delivered supply was effective in maintaining system integrity in the Fairview and Hickory Corners area of the system during the extended cold period from January 23rd through February 8th when the high temperature for those days did not exceed 32°F, the Company plans to issue an RFP in the summer of 2026 for deliveries ranging from zero Dth per day to 9,000 Dth per day for the winter of 2026 – 2027.

**CITY-GATE DELIVERED SUPPLY
VIA TENNESSEE**

Q. PLEASE DESCRIBE THE SERVICES THAT PEOPLES NATURAL GAS RECEIVES FROM TENNESSEE.

A. Peoples Natural Gas annually issues an RFP for city-gate delivered supply for the upcoming winter season. These delivered supply agreements require the supplier to utilize Tennessee pipeline delivery points directly into Peoples Natural Gas at Pittsburgh Terminal and Pulaski. In addition, the agreements also required deliveries into the Columbia Gas of Pennsylvania, Inc. (“CPA”) natural gas distribution system at New Castle, PA. This supply supports an exchange agreement under which CPA

1 delivers gas into the Grove City area of Peoples Natural Gas's service territory, which
2 is not physically integrated with the rest of the Peoples Natural Gas system.

3

4 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S CONTRACTUAL**
5 **ARRANGEMENTS FOR DELIVERED GAS ON TENNESSEE OVER THE**
6 **1307(f)-2026 HISTORICAL PERIOD.**

7 A. In July 2025, Peoples issued an RFP for up to 45,000 Dth per day to TGP meters at Pitt
8 Terminal, Pittsburgh Terminal (PNG Bradford Woods), Pulaski and New Castle was
9 sent to approximately twenty potential suppliers. Four offers were received from three
10 companies. Peoples entered into an agreement with a supplier to make deliveries
11 ranging from zero Dth per day to 45,000 Dth per day, across all of its TGP meters. This
12 offer was chosen because it had no reservation fee and was able to meet Peoples'
13 service and delivery requirements. The agreement specified baseload supply pricing at
14 the INSIDE FERC' Gas Market Report, Monthly Bidweek Spot Gas Price Index for
15 Tennessee, Zone 4-200 Leg for the month of flow plus zone 4 to zone 4 variables plus
16 \$0.085. For daily requested quantities, the proposal specified pricing at Gas Daily
17 midpoint pricing for Tennessee, Zone 4-200 Leg reported for the day of flow plus zone
18 4 to zone 4 variables plus \$0.085. There was no minimum call provision of baseload
19 or daily supply to Peoples' TGP meters.

20

21 **Q. DID PEOPLES NATURAL GAS ADVISE THE PARTIES OF ITS INTENT TO**
22 **ENTER INTO ARRANGEMENTS FOR DELIVERED GAS ON TENNESSEE IN**
23 **PEOPLES NATURAL GAS'S 1307(f)-2025 PROCEEDING?**

1 A. Yes. In Peoples Natural Gas’s 1307(f)-2025 proceeding, Peoples Natural Gas described
2 its intention to issue RFPs for delivered service arrangements on Tennessee that would be
3 in effect over what is now the 1307(f)-2026 historical period. Peoples Natural Gas also
4 included estimated costs for these arrangements and described the reasons why Peoples
5 Natural Gas entered into those supply arrangements. Under the 1307(f)-2025 settlement,
6 the Parties agreed that the Commission should approve the Company’s gas supply,
7 pipeline and storage capacity contracts. In its final order in that proceeding, the
8 Commission approved the settlement, including the rates for the collection of Peoples
9 Natural Gas’s natural gas costs that included the costs associated with this arrangement
10 over what is now the 1307(f)-2026 historical period.

11

12 **Q. HOW DOES PEOPLES NATURAL GAS INTEND TO SATISFY ITS**
13 **REQUIREMENTS FOR TENNESSEE DELIVERIES DURING THE 1307(f)-2026**
14 **PROJECTED PERIOD?**

15 A. The Company proposes to issue another RFP for delivered supply on Tennessee that will
16 provide for delivery of natural gas on a firm basis for up to 50,000 Dth/day delivered to
17 Peoples Natural Gas with 0 - 34,000 Dth/day delivered to Pittsburgh Terminal (meter
18 420199), 0-10,000 Dth/day delivered to Pittsburgh Terminal (meter 420385), 0-3,000
19 Dth/day delivered to Pulaski, and 0-3,000 Dth/day delivered to New Castle for the winter
20 period of November 2026 through March 2027. The Company has not experienced any
21 supply disruptions for these Tennessee deliveries in the past, and it is confident that, given
22 the location of its interconnects with Tennessee, entering into comparable winter only
23 supply deals is a reliable and cost-effective means of meeting its requirements for

1 Tennessee deliveries during the 1307(f)-2026 Projected Period as well as assisting in
2 balancing out Design Peak Day requirements as presented earlier.

3

4 **ACTUAL AND PROJECTED COSTS INCURRED**

5 **Q. WHAT COSTS DID PEOPLES NATURAL GAS INCUR FOR SUPPLIES**
6 **DELIVERED FROM INTERSTATE PIPELINES DURING THE 1307(f)-2026**
7 **HISTORICAL PERIOD?**

8 A. Peoples Natural Gas incurred the costs that are set forth on **Peoples Natural Gas Exhibit**
9 **No. 6**, as described by Company witness, Dawn Folks.

10

11 **Q. DID PEOPLES EXPERIENCE A SIGNIFICANT SPIKE IN SPOT NATURAL**
12 **GAS PRICES DURING THE 1307(F)-2026 HISTORICAL PERIOD?**

13 A. Yes. Beginning around January 23, 2026, and lasting through approximately February
14 9, 2026, Peoples observed a pronounced increase in day-ahead (Gas Daily) prices for
15 deliveries referencing EGTS-SP, TGP Z4-200, TETCO M2, TETCO M3 and TCO
16 App. The initial spike occurred for gas flow on the weekend of January 24-26, 2026
17 (as reflected in the Gas Daily weekend package), when Gas Daily Eastern South and
18 TETCO M3 reached historically high daily index prices. Prices remained elevated and
19 volatile for several days thereafter and continued to be materially higher than typical
20 winter levels through early February.

21

22 **Q. WHAT FACTORS DROVE THIS PRICE INCREASE?**

23 A. The primary driver was extreme winter weather associated with Winter Storm Fern and

1 the resulting, sustained period of much colder-than-normal temperatures across the
2 region, which sharply increased natural gas demand for both space heating and electric
3 generation. In addition, the U.S. Department of Energy (“DOE”) issued an emergency
4 order to PJM authorizing PJM to maximize electric generation regardless of certain
5 environmental restrictions or state law, which further increased natural gas-fired power
6 generation and tightened market conditions for spot gas during that period.

7

8 **Q. HOW DID THESE CONDITIONS AFFECT PEOPLES’ GAS SUPPLY**
9 **REQUIREMENTS AND PURCHASING ACTIVITY?**

10 A. During this period of unusually cold weather, Peoples’ customers used significantly
11 more natural gas for heating, and Peoples therefore needed to secure incremental, day-
12 to-day supply volumes to meet that increased heating load while maintaining safe and
13 reliable service. Consistent with Peoples’ operational and contractual constraints, the
14 Company purchased additional daily volumes priced at and/or delivered through the
15 market locations that support service to various parts of the system.

16

17 **Q. WHAT ACTIONS DID PEOPLES TAKE TO MITIGATE THE IMPACT OF**
18 **THE PRICE SPIKE ON CUSTOMERS?**

19 A. Peoples took steps to minimize the impact on customers by fully utilizing its lower-
20 cost resources first, consistent with reliability and operational requirements. In
21 particular, Peoples exhausted available on-system storage withdrawals and utilized its
22 interstate pipeline transportation and storage portfolio to the maximum extent
23 practicable before turning to incremental spot market purchases. Even with these

1 mitigation actions, the magnitude and duration of the cold-weather demand resulted in
2 a greater need for daily market-priced purchases during the late-January to early-
3 February period.

4
5 **Q. DID PEOPLES EXPERIENCE ANY PHYSICAL SUPPLY DISRUPTIONS**
6 **DURING THIS PERIOD?**

7 A. No. Peoples did not experience physical disruptions in natural gas supply in western
8 Pennsylvania during this period.

9
10 **Q. WERE THE COSTS SHOWN IN EXHIBIT NO. 6 THE SAME COSTS THAT**
11 **PEOPLES NATURAL GAS PROJECTED TO INCUR DURING THE 1307(f)-**
12 **2025 PROJECTED PERIOD?**

13 A. Generally, yes. Except for the previously mentioned price spike realized at the end of
14 January through early February. While the actual rates charged for interstate pipeline
15 services may have varied slightly from projections due to rate changes during the period,
16 the services used were the same as those projected to be used during the 1307(f)-2025
17 projected period with one exception. The exception involves overrun services. Even
18 though Peoples Natural Gas has utilized overrun services from Equitrans, EGTS and
19 TETCO historically, Peoples Natural Gas's practice is not to project use of overrun service
20 in the projected period. Accordingly, Peoples Natural Gas did not project the use of such
21 services for the 1307(f)-2025 projected period and did not include any projected costs for
22 such services.

23 During the 1307(f)-2026 historical period, Peoples Natural Gas incurred the
24 following overrun charges for exceeding pipeline conditions:

Month	Pipeline	Type	Dths	Charges	\$/Dth
April 2025	ETRN	Overrun	5,692	\$2,084.41	\$0.3662
April 2025	TETCO	Overrun	2,958	\$34,431.12	\$11.64
June 2025	ETRN	Overrun	7	\$2.00	\$0.2857
August 2025	EGTS	Overrun	992	\$739.73	\$0.7457
August 2025	EGTS	Overrun	50	\$37.29	\$0.7458
October 2025	EGTS	Overrun	2,734	\$2,039.02	\$0.7458
October 2025	ETRN	Overrun	9,182	\$2,344.16	\$0.2553
December 2025	EGTS	Overrun	133	\$99.24	\$0.7462
December 2025	TCO	Overrun	2,173	\$521.74	\$0.2401
December 2025	TCO	Overrun	651	\$292.42	\$0.4492
January 2026	ETRN	Overrun	519	\$148.12	\$0.2854
Total			25,091	\$42,739.25	\$1.7034

1

2 **Q. DOES PEOPLES BELIEVE IT IS PRUDENT TO RECOVER THE COST OF**
3 **THESE OVERRUN/OFO CHARGES FROM RATEPAYERS?**

4 A. Yes. Overrun charges, specifically, are usually the result of exceeding a pipeline's
5 capacity tolerances. Peoples does not routinely intend to exceed its capacity limits,
6 making overrun charges naturally temporary and incident-specific when they are incurred.
7 The temporary aspect of overrun charges always makes them less expensive than the cost
8 of acquiring extra, long-term capacity with higher tolerances. Peoples' alternative to
9 reducing overrun risk would be to acquire supply and capacity with higher limits and
10 delivery priorities. However, ratepayers would thus be encumbered with capacity that

1 may only be needed a few times per decade. It's unlikely that Peoples would "release"
2 such capacity since that would negate the reason for acquiring the capacity. Even if
3 releases were executed, by necessity, such capacity would be released as recallable at
4 Peoples' discretion. This would seriously diminish its value to any other party. The
5 necessary recallable status would make it very unlikely for Peoples to recover any
6 substantial amount of the capacity's reservation cost through pipeline capacity release
7 markets.

8 Overall, the Company realizes that it may incur overrun charges but accepts this
9 practice in order to maintain reliable deliveries to human needs customers and the integrity
10 of its system. Large OFO charges usually result from system resources becoming so
11 strained that human needs take precedence over temporary financial concerns. The
12 Company believes that, over time, it is prudent to incur occasional OFO charges in lieu of
13 near permanent capacity charges.

14

15 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR SUPPLIES**
16 **DELIVERED FROM INTERSTATE PIPELINES DURING THE 1307(f)-2026**
17 **PROJECTED PERIOD?**

18 A. Peoples Natural Gas projects to incur the costs that are set forth on **Peoples Natural Gas**
19 **Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe. The projected
20 commodity costs set forth on **Peoples Natural Gas Exhibit Nos. 7 and 8** will vary with
21 the actual purchases that Peoples Natural Gas will make to meet the actual requirements
22 of Peoples Natural Gas's customers. Amounts shown in **Peoples Natural Gas Exhibit**
23 **Nos. 7 and 8** are the best estimate the Company can make at this time of Peoples Natural

1 Gas's projected purchases, based on the assumptions that Peoples Natural Gas's system
2 will experience "normal" weather customer requirements and system balancing
3 requirements.

4

5

ON-SYSTEM STORAGE

6

Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S ON-SYSTEM STORAGE FACILITIES.

7

8

A. Peoples Natural Gas currently owns and operates five storage fields, which have
9 2,147,000 Mcf of storage capacity and 55,300 Mcf of maximum design day withdrawal
10 capacity.

10

11

Q. WHAT PURCHASED GAS COSTS DID PEOPLES NATURAL GAS INCUR FOR ITS ON-SYSTEM STORAGE FACILITIES OVER THE 1307(f)-2026 HISTORICAL PERIOD?

12

13

A. There are two categories of natural gas costs that Peoples Natural Gas incurs to own and
14 operate its on-system storage facilities. The first of those categories is the portion of
15 Peoples Natural Gas's requirements for company use and lost and unaccounted for gas
16 that was attributable to those facilities. The second is the weighted average cost that
17 Peoples Natural Gas assigns to each Mcf that is injected into and withdrawn from its on-
18 system (and interstate) storage facilities. For the 1307(f)-2026 historical period, the
19 weighted average cost was based on the cost of all supplies that Peoples Natural Gas
20 acquired over calendar year 2025. The total weighted average costs that Peoples Natural
21 Gas assigned to injections into and withdrawals from storage over the historical period are
22 those set forth on **Peoples Natural Gas Exhibit No. 6**, as described by Ms. Folks.

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23

Q. DID THE COMMISSION APPROVE THE USE OF PEOPLES NATURAL GAS'S ON-SYSTEM STORAGE FACILITIES AND THE COSTS ASSOCIATED WITH THEM IN PEOPLES NATURAL GAS'S 1307(f)-2025 PROCEEDING?

A. Yes. In Peoples Natural Gas's 1307(f)-2025 proceeding, Peoples Natural Gas set forth projections regarding the use of on-system storage over what is now the 1307(f)-2026 historical period. In that proceeding, Peoples Natural Gas described the projected weighted average costs assigned to the supplies that Peoples Natural Gas anticipated injecting into and withdrawing from its on-system and interstate storage facilities over that same period. In its final order in that proceeding, the Commission approved rates for the collection of Peoples Natural Gas's natural gas costs that included the weighted average costs of supplies that Peoples Natural Gas anticipated injecting into and withdrawing from storage over what is now the 1307(f)-2026 historical period. The rates approved by the Commission also included the cost of Peoples Natural Gas's projected requirements for company use and lost or unaccounted for gas, including the portion of those requirements attributable to its on-system storage facilities.

Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR THE USE OF ITS ON-SYSTEM STORAGE FACILITIES OVER THE 1307(f)-2026 PROJECTED PERIOD?

A. Peoples Natural Gas projects to incur the weighted average costs of supplies injected into and withdrawn from storage that are set forth on **Peoples Natural Gas Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe. While Peoples Natural Gas has done

1 its best to anticipate what those weighted average costs will be, when the Company looks
2 back next year, the weighted average costs likely will be different than what Peoples
3 Natural Gas is projecting here, again because of the inability to predict the exact price of
4 market-priced supplies.

5

6 **IV. PEOPLES NATURAL GAS'S GAS SUPPLY PORTFOLIO**

7

8 **LOCAL GAS SUPPLIES**

9 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S USE OF LOCAL GAS**
10 **SUPPLIES.**

11 A. Peoples and its customers continue to purchase a substantial amount of their gas supply
12 from Pennsylvania and Appalachian producers. Year-round base load gas supply is
13 purchased by Peoples from approximately 198 local Pennsylvania producers at
14 approximately 944 supply meters. The majority of this gas is produced from conventional
15 gas wells drilled into shallow upper Devonian formations (approximately 4,000 ft.). Over
16 the last 100 years, Peoples' pipeline system has been designed and operated to
17 accommodate local supply, which must be delivered at varying pressures.

18 The deliverability of Pennsylvania gas has historically declined as the gas wells
19 age. Such decline is characteristic of these small-volume local wells and thus, over time,
20 the deliverability of existing wells will continue to fall as these wells are depleted. Over
21 the last several years, the decline in new shallow well development resulted in production
22 from the new gas wells failing to offset the production deliverability declines of the
23 existing Pennsylvania gas wells. Production from Marcellus wells has accounted for

1 roughly 20% of the total local production into Peoples’ system. Adding new Marcellus
2 gas is limited due to the lower operating pressures of the gathering system and most
3 Marcellus production is sold to the transport market since its steady, year-round supply
4 matches up better with the less heat-sensitive large industrial load.

5

6 **Q. UNDER WHAT TYPES OF CONTRACTUAL ARRANGEMENTS DOES**
7 **PEOPLES NATURAL GAS ACQUIRE GAS FROM LOCAL PRODUCERS?**

8 A. With the implementation of Rate Appalachian Gathering Service as part of the settlement
9 approved in the resolution of Peoples Natural Gas’s general rate case at Docket No. R-
10 2018-3006818, Peoples has replaced and/or amended nearly all existing contracts to
11 implement approved terms and conditions. Among these replacements and/or
12 amendments is a requirement that any party desiring to transport gas through Peoples’
13 gathering system, as well as to deliver gas directly into Peoples’ distribution and
14 transmission system, must execute a Master Interconnect and Measurement Agreement
15 (“MIMA”). The MIMA supersedes and terminates any previously executed agreement(s)
16 between the parties for the transport and/or purchase of gas. The terms of the MIMA
17 include Peoples’ standard purchase price terms, as follows:

18 A price based on the Inside F.E.R.C.’s Gas Market Report, “Price of Spot Gas
19 Delivered to Pipelines,” for deliveries of Appalachian production into EGTS’s dry
20 transmission system for first of the month (a.k.a. Eastern South Point Index) was first used
21 as a pricing option in 1999 and has become the standard, local gas, purchase price for
22 Peoples. These contracts are for 1-year terms with a price at 100% of the index. Unless
23 terminated upon at least thirty (30) days’ advance notice by either party prior to the end

1 of the term, the agreement renews automatically for successive additional one-month
2 production period terms. Currently, approximately ninety-two percent (92%) of the local
3 gas purchased by Peoples is priced at this standard index price.

4 For the remaining non-standard index price agreements, of which there are three,
5 they will either be moved to the standard price index in 2026, be terminated due to a
6 failure to execute a MIMA, or be permitted to be sold into the transportation program.

7

8 **Q. WHAT COSTS DID PEOPLES NATURAL GAS INCUR FOR LOCAL GAS**
9 **SUPPLIES OVER THE 1307(f)-2026 HISTORICAL PERIOD?**

10 A. Peoples Natural Gas incurred the costs that are set forth in **Peoples Natural Gas Exhibit**
11 **No. 6**, as described by Ms. Folks.

12

13 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
14 **ARRANGEMENTS WITH LOCAL GAS SUPPLIERS IN PEOPLES NATURAL**
15 **GAS'S PRIOR 1307(f) PROCEEDING?**

16 A. Yes. In Peoples Natural Gas's 1307(f)-2025 proceeding, Peoples Natural Gas described
17 its contracts for local gas supplies that would be in effect over what is now the 1307(f)-
18 2026 historical period. Under the 1307(f) 2025 settlement, the Parties agreed that the
19 Commission should approve the Company's gas supply, pipeline and storage capacity
20 contracts. In its final order in that proceeding, the Commission approved the settlement
21 including the rates for the collection of Peoples Natural Gas's natural gas costs that
22 included the costs associated with the local gas contracts over what is now the 1307(f)-
23 2026 historical period.

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Q. DID PEOPLES NATURAL GAS’S LOCAL GAS SUPPLY CONTRACTS CHANGE DURING THE 1307(f)-2026 HISTORICAL PERIOD?

A. As mentioned earlier, most of Peoples’ local gas purchase agreements are priced at the standard first of the month Eastern South Point index and therefore do not need renegotiated due to the evergreen nature of the agreements. However, producers can decide to sell their production into the third party transportation market and during the 1307(f)-2026 historical period, more local production meters switched from system supply to transportation agreements then vice versa which resulted in the amount of local supplies Peoples Natural Gas purchased for its customers being approximately 15%% less than the 1307(f)-2025 historical period.

Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR LOCAL GAS SUPPLIES OVER THE 1307(f)-2026 PROJECTED PERIOD?

A. Peoples Natural Gas will incur the costs that are set forth on **Peoples Natural Gas Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe. The costs set forth on **Peoples Natural Gas Exhibit Nos. 7 and 8** obviously are not exact – they are based on projections that I provided to Ms. Folks and will vary with the actual use that Peoples Natural Gas makes of local gas supplies in response to the actual requirements of Peoples Natural Gas’s customers, with certain operational factors that I have identified and, to the extent the pricing is market based, with operation of the market.

1 **SPOT MARKET SUPPLIES**

2 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S USE OF SPOT MARKET**
3 **SUPPLIES.**

4 A. Peoples Natural Gas uses the spot market to purchase a substantial amount of its natural
5 gas requirements. A large portion of its interstate supply deals are done as day-ahead
6 deals and reference a published index for pricing, allowing the final pricing to be
7 determined by the market. Along with its local gas supplies, these are the supplies that
8 Peoples Natural Gas uses to meet the demands of those customers who continue to buy
9 their supplies from Peoples Natural Gas. These are also the supplies that Peoples Natural
10 Gas uses for its various interstate pipeline assets to transport and store.

11
12 **Q. PLEASE DESCRIBE THE MANNER IN WHICH PEOPLES NATURAL GAS**
13 **ACQUIRES SPOT MARKET SUPPLIES.**

14 A. Peoples Natural Gas continually adjusts its daily supply plan based on actual and projected
15 daily weather and customer usage. As part of that process, Peoples Natural Gas
16 determines if additional supply is required at various parts of its system or, during the
17 storage injection season, at various off-system storage receipt points. Peoples Natural Gas
18 monitors the New York Mercantile Exchange (“NYMEX”) futures prices and the
19 Intercontinental Exchange cash and forward prices and monitors various spot market gas
20 index prices for areas from which it purchases spot market supplies. With this
21 information, Peoples Natural Gas will determine the least cost option to serve areas of its
22 system that requires additional supply. Peoples Natural Gas is in frequent contact with
23 many gas suppliers who will agree to deliver spot market supplies to pipeline receipt

1 points from which Peoples Natural Gas is able to secure transportation to its city-gate or
2 to storage receipt points pursuant to off-system storage contracts.

3

4 **Q. WHAT COSTS DID PEOPLES NATURAL GAS INCUR FOR SPOT MARKET**
5 **SUPPLIES OVER THE 1307(f)-2026 HISTORICAL PERIOD?**

6 A. Peoples Natural Gas incurred the costs that are set forth on **Peoples Natural Gas Exhibit**
7 **No. 6**, as described by Ms. Folks.

8

9 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S SPOT**
10 **MARKET SUPPLIES IN PEOPLES NATURAL GAS'S 1307(f)-2025**
11 **PROCEEDING?**

12 A. In Peoples Natural Gas's 1307(f)-2025 proceeding, Peoples Natural Gas described the
13 manner in which Peoples Natural Gas expected to acquire and use spot market supplies
14 over what is now the 1307(f)-2026 historical period. Peoples Natural Gas also described
15 the reasons why Peoples Natural Gas acquires spot market supplies, the factors that affect
16 the costs of spot market supplies, and the costs for spot market supplies that Peoples
17 Natural Gas likely would incur over what is now the 1307(f)-2026 historical period.
18 Under the settlement, the Parties agreed that the Company's rates for purchased gas costs,
19 as the parties agreed upon in that proceeding, during the relevant time period were just
20 and reasonable and in compliance with 66 Pa.C.S. § 1318. In its final order in that
21 proceeding, the Commission approved the settlement including the rates for the collection
22 of Peoples Natural Gas's natural gas costs, which included the costs associated with

1 Peoples Natural Gas’s acquisition of spot market supplies over what is now the 1307(f)-
2 2026 historical period.

3

4 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR SPOT MARKET**
5 **SUPPLIES OVER THE 1307(f)-2026 PROJECTED PERIOD?**

6 A. Peoples Natural Gas projects to incur the costs that are set forth on **Peoples Natural Gas**
7 **Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe.

8

9 **GAS PURCHASE AGREEMENTS WITH EQT ENERGY, LLC**

10 **Q. PLEASE DESCRIBE THE GAS PURCHASES UNDER THE GAS SUPPLY**
11 **AGREEMENTS WITH EQT ENERGY, LLC OVER THE 1307(f)-2025**
12 **HISTORICAL PERIOD.**

13 A. The Company purchased gas under two EQT Energy gas purchase agreements during the
14 1307(f)-2025 historical period. The first agreement matches gas supply with the Equitrans
15 Sunrise/Mainline firm transportation contract of up to 251,700 Dth/day. The annual
16 quantity is 15 MMDth, and EQT Energy will deliver up to 251,700 Dth/day at active
17 receipt point interconnects with the Equitrans Sunrise and AVC system. The second
18 agreement matches a firm gas supply with the Equitrans firm transportation contract of up
19 to 164,935 Dth/day. The annual quantity is 20 MMDth, and EQT Energy will deliver up
20 to 164,935 Dth/day at active receipt point interconnects with the Equitrans Sunrise and
21 Mainline systems.

22 Purchases under both agreements scheduled at the beginning of the month for
23 steady daily delivery throughout the month are priced at the first of the month Eastern

1 South Point index price. During the winter season, Peoples Natural Gas is able to swing
2 between the first of the month scheduled quantity and the maximum daily quantity of the
3 applicable agreement on 24 hours' notice. Swing purchases scheduled after the first of
4 the month are priced at the daily Eastern South Point index price.

5
6 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**
7 **ACQUISITION OF EQT ENERGY SUPPLIES IN PEOPLES NATURAL GAS'S**
8 **1307(f)-2025 PROCEEDING?**

9 A. In Peoples Natural Gas's 1307(f)-2025 proceeding, Peoples Natural Gas described the
10 manner in which it expected to acquire and use EQT Energy supplies, and the costs
11 associated with them that Peoples Natural Gas likely would incur over what is now the
12 1307(f)-2026 historical period. Under the settlement, the Parties agreed that the rates for
13 purchased gas costs, as the parties agreed upon in that proceeding, during the relevant
14 time period were just and reasonable and in compliance with 66 Pa.C.S. § 1318. In its
15 final order in that consolidated proceeding, the Commission approved the settlement
16 including the rates for the collection of Peoples Natural Gas's natural gas costs that
17 included the costs associated with Peoples Natural Gas's acquisition of EQT Energy
18 supplies over what is now the 1307(f)-2026 historical period.

19
20 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR EQT ENERGY**
21 **SUPPLIES OVER THE 1307(f)-2026 PROJECTED PERIOD?**

1 A. Peoples Natural Gas projects to incur the costs that are set forth on **Peoples Natural Gas**
2 **Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe, and which show
3 Peoples Natural Gas's projected purchases of EQT Energy supplies.

4

5

HEDGING PROGRAM

6 **Q. DOES PEOPLES NATURAL GAS PRESENTLY HEDGE GAS PRICES AS**
7 **PART OF ITS NATURAL GAS SUPPLY PORTFOLIO?**

8 A. No. Peoples Natural Gas stopped purchasing financial hedges as of October 31, 2013,
9 and all financial hedges were completed by March 31, 2014.

10

11 **Q. IS PEOPLES NATURAL GAS PROPOSING A HEDGING PROGRAM IN THIS**
12 **1307(f) PROCEEDING?**

13 A. No. As part of Peoples Natural Gas's 1307(f) 2023 proceeding, the Company agreed to
14 propose a hedging program in its next annual PGC filing if the Company's rate in effect
15 for commodity reached \$5.00 or more for at least two consecutive quarters. This provision
16 went into effect beginning October 1, 2023, and ended after eight quarters.

17

18 **Q. HAS PEOPLES NATURAL GAS'S COMMODITY RATE REACHED \$5.00 OR**
19 **MORE FOR AT LEAST TWO CONSECUTIVE QUARTERS SINCE OCTOBER**
20 **1, 2023?**

21 A. No. Therefore, Peoples Natural Gas will not be proposing a hedging program in this
22 year's proceeding.

23

1 **V. CAPACITY RELEASES**

2

3 **Q. PLEASE EXPLAIN PEOPLES NATURAL GAS'S PRACTICES WITH**
4 **RESPECT TO CAPACITY RELEASES.**

5 A. The Company views capacity release primarily as a mitigation measure through which it
6 can recapture a portion of the capacity reservation costs that it pays to the pipelines from
7 replacement shippers who may be interested in buying the capacity when the Company
8 does not need it. As a general matter, however, Peoples Natural Gas historically has not
9 had a significant surplus of capacity for release purposes and does not expect to have to
10 in the future because it has assembled and will continue to have a highly efficient capacity
11 portfolio. Peoples Natural Gas uses transportation capacity during the summer months to
12 meet its non-heating load and to fill storage. During the winter months, Peoples Natural
13 Gas uses firm transportation capacity in conjunction with storage withdrawals to meet
14 higher cold weather demands and Peoples Natural Gas has contracted for firm
15 transportation services accordingly. Therefore, most of the capacity the Company has
16 under contract is used year-round, adjusted seasonally to match the Company's load
17 profile, or is capacity that may be needed in order to meet unexpected daily and seasonal
18 demands. Moreover, as a general rule, when Peoples Natural Gas does not need all of the
19 capacity it holds, the market generally does not need the capacity either, or the Company
20 can recover only a fraction of its costs through a release.

21

22 **Q. DOES PEOPLES NATURAL GAS HOLD ANY FIRM PIPELINE CAPACITY**
23 **THAT IS MORE PRACTICABLE FOR RELEASE THAN ITS OTHER**
24 **CAPACITY?**

1 A. Yes. Peoples Natural Gas holds 15,650 Dth/day of FT-1 firm transportation service under
2 contract from TETCO that has a primary receipt point in the TETCO supply zone and a
3 primary delivery point in market area zone M-3 at Algonquin Lambertville. This is the
4 capacity that Peoples Natural Gas utilizes for deliveries of gas to the Ebensburg
5 interconnection with TETCO. Because Ebensburg is in the capacity path between the
6 primary receipt point and the primary delivery point, reliable service can be maintained at
7 Ebensburg while the downstream segment of the capacity can still be used for deliveries
8 to other delivery points in TETCO market zone 3. Over the life of this contract, when
9 market conditions permit, Peoples Natural Gas has often used it to make off-system sales
10 that benefited both Peoples Natural Gas and the Company's 1307(f) customers.

11

12 **Q. WAS PEOPLES NATURAL GAS ABLE TO RELEASE ANY OF THIS TETCO**
13 **CAPACITY DURING THE HISTORICAL PERIOD?**

14 A. Yes. In July 2025, Peoples Natural Gas solicited proposals for an Asset Management
15 Agreement ("AMA") of its TETCO capacity for the period of November 2025 through
16 October 2026. The request stipulated that the asset manager would provide supply to
17 Peoples Natural Gas with the same operational availability of capacity as if Peoples
18 Natural Gas retained control of the TETCO capacity. Following the RFP, the AMA was
19 awarded for the entire period at a rate payable to Peoples Natural Gas of \$245,000 per
20 month, or \$2,940,000 total for the term of the arrangement, less any refunds or credits
21 received by Peoples Natural Gas as a result of a force majeure, curtailment or other
22 restriction prohibiting the use of the asset on a primary firm basis by the asset manager.
23 Peoples Natural Gas's TETCO capacity was then released at zero cost per month for the

1 same period. The AMA specifies that Peoples Natural Gas may call on the capacity at
2 specific points at monthly baseload or daily levels, or some combination. For monthly
3 baseload requested quantities, pricing is INSIDE FERC's Gas Market Report, Monthly
4 Bidweek Spot Gas Price Index for Texas Eastern, M-2 Receipts plus TETCO variable
5 costs to the requested meter in effect for the period. For daily requested quantities, pricing
6 is Gas Daily midpoint pricing for Texas Eastern, M-2 Receipts for the day of flow plus
7 TETCO variable costs to the requested meter in effect for the period. The arrangement
8 also provides that at times when TETCO is likely to restrict capacity, such as during
9 periods when TETCO declares an OFO, Peoples can request delivered supply at a P3 rank,
10 to be priced at Gas Daily M3. The ability to call for P3 ranked delivered should minimize
11 Peoples' exposure to TETCO OFO charges.

12

13 **Q. HOW DOES THIS RELEASE BENEFIT THE 1307(f) CUSTOMERS?**

14 A. 1307(f) customers will receive 75% of the proceeds from this release as a credit against
15 cost of the capacity. This credit will reduce the capacity charges that customers will pay
16 by approximately \$2,205,000 while maintaining the same level of service that has
17 historically been available from this capacity.

18

19 **Q. HAVE THERE BEEN ANY CHANGES TO PEOPLES NATURAL GAS'S**
20 **CAPACITY RELEASE SHARING MECHANISM?**

21 A. No. In the 1307(f)-2018 proceeding, Peoples Natural Gas proposed to indefinitely
22 continue the capacity release sharing mechanism wherein 1307(f) customers will
23 receive 75% and Peoples Natural Gas will receive 25% of these revenues. Under the

1 Commission-approved settlement, the mechanism has been extended indefinitely, but
2 parties can propose changes to the mechanism in future proceedings.

3

4 **Q. DID PEOPLES NATURAL GAS HAVE ANY RELEASES OF CAPACITY**
5 **DURING THE HISTORICAL PERIOD?**

6 A. Yes. Peoples Natural Gas realized \$2,184,600 of capacity release revenue during the
7 historical period. In addition to our regular contacts with industry participants, potential
8 replacement shippers can view and inspect all of Peoples Natural Gas's contracted
9 interstate capacity on each pipeline's Electronic Bulletin Board, or EBB. The Company
10 responds to any party that expresses interest in our capacity.

11

12 **Q. DOES THE COMPANY PROPOSE ANY CHANGES TO ITS CAPACITY**
13 **RELEASE SHARING MECHANISM?**

14 A. No.

15

16 **VI. OFF-SYSTEM SALES SHARING MECHANISM**

17

18 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S OFF-SYSTEM SALES**
19 **REVENUE SHARING MECHANISM.**

20 A. In the 1307(f)-2018 proceeding, Peoples Natural Gas proposed to indefinitely continue
21 the sharing mechanism for off-system sales that utilize off-system assets paid for by
22 1307(f) customers wherein customers will receive 75% and Peoples Natural Gas will
23 receive 25% of these revenues. Under the Commission-approved settlement in the 2018

1 proceeding, the mechanism has been extended indefinitely, but parties can propose
2 changes to the mechanism in future proceedings.

3

4 **Q. DID PEOPLES NATURAL GAS UNDERTAKE ANY OFF-SYSTEM SALES**
5 **THAT ARE SUBJECT TO THE SHARING MECHANISM IN THE 1307(f)-2026**
6 **HISTORICAL PERIOD?**

7 A. No. Peoples Natural Gas continually looks for opportunities to make off-system sales.
8 However, Peoples Natural Gas did not have an opportunity to make off-system sales
9 during the period where the spread was profitable and its ability to meet its firm
10 obligations was not compromised. As a result, Peoples Natural Gas did not make any
11 off-system sales during the 1307(f)-2026 historical period.

12

13 **Q. DOES THE COMPANY PROPOSE ANY CHANGES TO ITS OFF-SYSTEM**
14 **SALES SHARING MECHANISM?**

15 A. No.

16

17 **VII. PURCHASES FROM PEOPLES NATURAL GAS'S AFFILIATES**

18

19 **Q. IS PEOPLES NATURAL GAS AFFILIATED WITH ANY OF THE ENTITIES**
20 **FROM WHICH IT PURCHASED NATURAL GAS SUPPLIES OR**
21 **INTERSTATE CAPACITY?**

22 A. No.

23

24 **VIII. SHUT-IN POLICIES AND PRACTICES**

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Q. DOES PEOPLES NATURAL GAS SHUT-IN SUPPLIES THAT OTHERWISE WOULD BE CONTRACTUALLY AVAILABLE TO PEOPLES NATURAL GAS FOR USE AS PART OF ITS SUPPLY MIX?

A. In general, except for purposes of repairs, maintenance or safety, Peoples Natural Gas does not shut-in Pennsylvania production over which it has control where the expected result of such shut-in would be to require Peoples Natural Gas to acquire substitute supplies at a higher cost.

IX. RENEGOTIATION OF CONTRACTS

Q. TO WHAT EXTENT ARE PEOPLES NATURAL GAS’S EXISTING GAS PURCHASE CONTRACTS (“GPC”) WITH LOCAL PRODUCERS SUBJECT TO RENEGOTIATION?

A. Almost all of Peoples Natural Gas’s GPCs with local producers are subject to renegotiation. Roughly 92% of those GPCs are currently based on a standard index market base price, so Peoples Natural Gas has no need to renegotiate those agreements. Among the three non-standard index price agreements, all will either shift to the standard price index in 2026, be terminated for not executing a MIMA, or be allowed to sell into the transportation program.

1 **Q. WHAT OPPORTUNITY DOES PEOPLES NATURAL GAS HAVE TO**
2 **RENEGOTIATE SUPPLY CONTRACTS WITH SUPPLIERS WHO DELIVER**
3 **VIA INTERSTATE FACILITIES?**

4 A. Other than the two long term supply agreements with EQT Energy mentioned previously,
5 Peoples Natural Gas does not hold any other long-term supply contracts with Suppliers
6 since those would limit the flexibility Peoples Natural Gas needs to operate its system
7 and storage contracts during the winter months. Peoples Natural Gas purchases a large
8 portion of its supply delivered via interstate facilities during the summer months when
9 supply is plentiful, therefore there is little to no benefit to enter into term supply
10 agreements for that supply. When Peoples Natural Gas does purchase supply, it will
11 seek out and commit to the best deals available for the supplies that it needs considering
12 applicable operational and physical system constraints.

13
14 **Q. WHAT PLANS, IF ANY, DOES PEOPLES NATURAL GAS HAVE TO**
15 **RENEGOTIATE THE VARIOUS CONTRACTS THAT IT HAS IN PLACE**
16 **AND WILL HAVE IN PLACE FOR THE DELIVERY AND STORAGE OF**
17 **INTERSTATE SUPPLIES DURING THE 1307(f)-2026 PROJECTED PERIOD?**

18 A. Peoples Natural Gas has no such plans.

19

20 **X. SYSTEM AVERAGE BTU VALUE**

21

22 **Q. WHAT IS THE SIGNIFICANCE OF THE SYSTEM AVERAGE BTU VALUE?**

23 A. Gas is measured at a customer’s meter per thousand cubic feet (“Mcf”), which is a

1 volumetric measurement. Typically, gas is purchased based on dekatherms (“Dth”), a
2 thermal measurement equal to 1,000,000 British thermal units (“Btu”), which reflects
3 the heat content of the gas. An Mcf of gas with a higher heat content – more Btus –
4 than another Mcf of gas will represent more Dth. The Company uses the system
5 average Btu value to convert transportation customers’ metered Mcf consumption to
6 Dth. This conversion based on actual Btu values helps to balance receipts of gas on
7 behalf of General Pooling Service pools with the deliveries of gas to the pool members
8 (i.e., the transportation customers) and helps to allocate gas costs between purchase gas
9 cost and transportation customers.

10

11 **Q. WHAT WAS PEOPLES NATURAL GAS’S SYSTEM AVERAGE BTU VALUE**
12 **FOR THE MOST RECENT TWELVE-MONTH PERIOD AVAILABLE?**

13 A. **Peoples Natural Gas Exhibit No. 4** is a calculation of the Company’s system average
14 Btu value. For the twelve-month period ended December 31, 2025, Peoples Natural
15 Gas’s system average Btus per Mcf was 1,039,000, which converts to a Btu value of
16 1.039 MMBtu/Mcf.

17

18 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

19 A. Yes. I reserve the right to supplement my testimony as additional issues arise during
20 the course of the proceeding. Thank you.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY :
COMMISSION :
 :
v. : Docket No. R-2026-3060165
 :
PEOPLES NATURAL GAS COMPANY LLC :

**DIRECT TESTIMONY OF
DAWN M. FOLKS**

On behalf of

PEOPLES NATURAL GAS COMPANY LLC

DATE SERVED: April 1, 2026
DATE ADMITTED: _____

Peoples Natural Gas Company Statement No. 3

PREPARED DIRECT TESTIMONY OF DAWN M. FOLKS

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I. Witness Background

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Dawn M. Folks. My business address is 375 North Shore Drive, Pittsburgh, PA 15212.

Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?

A. I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as a Finance and Rates Analyst. I provide rates and regulatory services for Peoples Natural Gas Company LLC (“Peoples” or “the Company”).

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE IN THE GAS INDUSTRY.

A. I received my Master of Science Degree in Industrial Engineering from the University of Pittsburgh in 2005, and a Bachelor of Science Degree in Mathematics and a Bachelor of Arts Degree in Physics from Duquesne University in 2004. After graduation, I was employed as a Control Engineer with SMS Siemag LLC. I began my career within the gas industry when I started working for Peoples Natural Gas in January 2011. I initially worked in the Rates and Regulatory Affairs Department as the Gas Planning and Forecasting Analyst. In October 2011, I accepted my current position as a Finance and Rate Analyst in the Rates and Regulatory Affairs Department.

1

2 **Q. WHAT ARE YOUR RESPONSIBILITIES AS A FINANCE AND RATES**
3 **ANALYST?**

4 A. My general responsibilities include analyses, computations, and support of the rates and
5 regulatory functions for Peoples and its affiliated natural gas distribution company in
6 Kentucky.

7

8 **Q. HAVE YOU PREVIOUSLY OFFERED TESTIMONY IN REGULATORY**
9 **PROCEEDINGS?**

10 A. Yes. I have previously submitted testimony before the Pennsylvania Public Utility
11 Commission (“Commission”) in regulatory proceedings. I testified in Peoples Natural
12 Gas Company’s 1307(f) proceedings at Docket Nos. R-2025-3053184, Docket No. R-
13 2024-3045945, Docket No. R-2023-3037928, Docket No. R-2022-3030661, Peoples
14 Gas’s 1307(f) proceedings at Docket No. R-2023-3037928, Docket No. R-2022-3030664
15 and Docket No. R-2014-2399598 as well as Peoples Natural Gas’s 2023 Rate Case
16 Proceeding Docket No. R-2023-3044549 and Peoples Gas’s 2013 Rate Case Proceeding
17 Docket No. R-2013-2355886.

18

19

II. Purpose of Testimony

20

21 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

22 A. My testimony will discuss and support the Company’s position and/or adjustments in
23 the following areas:

- 1 • Waivers or discounts of retainage;
- 2 • Proposed tariff changes as shown in **Peoples Natural Gas Exhibit No. 5**;
- 3 • The compilation and presentation of all the purchased gas cost information that
- 4 appears in **Peoples Natural Gas Exhibit Nos. 6, 7, 8, 9, 10, 11, 12**;
- 5 • Over/Under collections of purchased gas costs; and
- 6 • The calculation of the projected purchased gas cost rates and the calculation of
- 7 Balancing Charges to become effective October 1, 2026.

8

9

III. Retainage Waivers and Discounts

10 **Q. DOES THE COMPANY WAIVE OR DISCOUNT RETAINAGE RATES?**

11 A. Yes, in certain highly competitive circumstances the Company discounts or waives
12 retainage.

13

14 **Q. HOW MANY CUSTOMERS CURRENTLY RECEIVE A FULL OR PARTIAL**
15 **WAIVER OF GAS RETAINAGE AS A RESULT OF THE REVIEW AND**
16 **APPROVALS IN RECENT 1307(f) CASES?**

17 A. There were seven Peoples customers receiving discounted gas retainage as of the last
18 1307(f) proceeding.

19

20 **Q. DID ANY OF THE CONTRACTS FOR THE CUSTOMERS THAT HAVE A**
21 **FULL OR PARTIAL WAIVER OF RETAINAGE EXPIRE, OR DO ANY**
22 **EXPIRE BEFORE SEPTEMBER 30, 2026?**

23 A. No.

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Q. HAVE ANY ADDITIONAL CUSTOMERS REQUESTED AND QUALIFIED FOR A WAIVER OF RETAINAGE?

A. No.

IV. Pro Forma Tariff Changes

Q. IS PEOPLES PROPOSING ANY RETAIL TARIFF CHANGES IN THIS FILING?

A. Yes. Peoples has updated the rates for capacity, commodity, over/under collections, transportation balancing, and retainage consistent with the Company’s testimony in this proceeding. These changes are included in the tariff and are described in this testimony, as well as the direct testimony of Peoples witness Carol Scanlon (**Peoples Natural Gas Statement No. 1**) and Peoples witness Steven Kolich (**Peoples Natural Gas Statement No. 2**). Updates are incorporated into the unnumbered, undated, retail tariff supplement that is attached as **Peoples Natural Gas Exhibit No. 5**.

Q. IS PEOPLES PROPOSING ANY SUPPLIER TARIFF CHANGES IN THIS FILING?

A. Yes. Peoples updated aggregation balancing language for Rate LGA customers. Updates are incorporated into the unnumbered, undated, supplier tariff supplement that is attached as **Peoples Natural Gas Exhibit No. 5**.

1 **V. Twelve-Month Historical and Twenty-Month Projected Periods**

2
3 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENTS THAT HAVE**
4 **BEEN MARKED AS PEOPLES NATURAL GAS EXHIBIT NOS. 6, 7, 8?**

5 **A. Yes. Peoples Natural Gas Exhibit No. 6** presents the actual gas costs for the 1307(f)-
6 2026 historical period of February 1, 2025, through January 31, 2026. **Peoples Natural**
7 **Gas Exhibit No. 7** presents the projected gas costs for the interim period of February
8 2026 – September 2026. **Peoples Natural Gas Exhibit No. 8** presents the gas costs
9 for the projected period of October 2026 – September 2027. **Peoples Natural Gas**
10 **Exhibit Nos. 7 and 8** break out the 20-month period from February 1, 2026, through
11 September 30, 2027, into the interim period and the projected period, respectively. I
12 and Peoples Natural Gas’s other witnesses may sometimes refer in our direct testimony
13 to this combined 20-month period as the projected period.

14
15 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS EXHIBIT NOS. 7 AND 8 IN**
16 **MORE DETAIL.**

17 **A. Peoples Natural Gas Exhibit Nos. 7 and 8** reflect Peoples Natural Gas’s projected: (1)
18 costs and volumes of locally purchased Pennsylvania supplies; (2) cost and volumes of
19 interstate supplies delivered through interstate pipelines or purchased at the city-gate; (3)
20 costs of storage services contracted for with interstate pipelines; (4) costs related to
21 storage injections and withdrawals; (5) purchased gas costs consisting of costs related to
22 supply/risk management, imbalance buyback costs, transportation costs associated with
23 certain local gas supplies, and exchange gas costs; and (6) capacity costs related to
24 Peoples Natural Gas’ service on Equitrans’ AVC system. Peoples Natural Gas witness

1 Steven P. Kolich describes in his direct testimony (**Peoples Natural Gas Statement No.**
2 **2**) how Peoples utilizes the underlying natural gas supply assets and the bases for the
3 costs that I have incorporated into these exhibits.

4

5 **Q. WHAT ARE PEOPLES' PROJECTED NATURAL GAS COSTS FOR THE**
6 **INTERIM AND PROJECTED PERIODS?**

7 A. The projected natural gas costs are \$234,154,157 for the 8-month interim period, as
8 shown on page 1 of **Peoples Natural Gas Exhibit No. 7**, and \$387,097,494 for the 12-
9 month projected period, as detailed on page 1 of **Peoples Natural Gas Exhibit No. 8**,
10 for a total of \$621,251,651 for the combined 20-month period.

11

12

VI. Historical Period

13

14 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
15 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 9?**

16 A. Yes. **Peoples Natural Gas Exhibit No. 9** is a document that demonstrates and illustrates
17 the derivation of the experienced net collection or "E" factor for the projected prior period
18 over/under collection through September 30, 2026.

19

20 **Q. ON PEOPLES NATURAL GAS EXHIBIT NO. 9, PAGE 1, WHAT IS THE**
21 **PROPOSED WAGNER ADJUSTMENT?**

22 A. This adjustment is explained in the direct testimony of Carol Scanlon (**Peoples Natural**
23 **Gas Statement No. 1**).

24

1 **Q. ON PEOPLES NATURAL GAS EXHIBIT NO. 9, PAGE 1, WHAT IS THE TCJA**
2 **ADJUSTMENT?**

3 **A.** Yes. Peoples is refunding an additional \$69,241 associated with the Tax Cuts and Jobs
4 Act (“TCJA”) balance as of February 2026. This amount represents the final amount to
5 be refunded from the form Peoples Gas Company’s TCJA adjustment. This adjustment
6 results from the Company's 2023 - Rate case proceeding at Docket No. R-2023-3044549
7 settlement agreement. Paragraph 58 on page 15 of the recommended decision in that case
8 provides for the following:

9 *58. The TCJA rate will recover or recoup any*
10 *over/under collection over a twelve-month period.*
11 *Any over/under collection amount remaining after*
12 *the twelve-month period will be refunded or*
13 *recouped in the Company’s next 1307(f) gas cost*
14 *proceeding.*

15

16 **VII. Proposed Rates for October 1, 2026**

17

18 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
19 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 10?**

20 **A.** Yes. **Peoples Natural Gas Exhibit No. 10** is a one-page document that illustrates the
21 development of the natural gas supply rates that the Company proposes to charge as of
22 October 1, 2026. Those supply rates include a commodity charge that will apply to all
23 sales and standby customers, a capacity charge, that will apply to all sales and Priority
24 One customers, a GCA charge that will apply to all sales customers, and the balancing

1 charge, that are used to provide balancing services, that will apply to Peoples Natural
2 Gas's Non-Priority One customers who buy their supplies from someone other than
3 Peoples.

4

5 **Q. ARE THESE THE ACTUAL RATES THAT PEOPLES INTENDS TO PUT**
6 **INTO EFFECT ON OCTOBER 1, 2026?**

7 A. Generally yes, but not exactly. The 1307(f)-2026 gas cost calculations are based on
8 natural gas price projections provided by Peoples' witness Steven P. Kolich. These
9 price projections are based, in part, on the latest available New York Mercantile
10 Exchange ("NYMEX") projections. As the Company has done in the last several
11 1307(f) proceedings, for Peoples' quarterly filings up to and including the
12 implementation filing, the Company will update the gas cost calculations, and the rates
13 based on those costs, for the 1307(f)-2026 projected period based on the latest available
14 NYMEX price projections for the remaining 1307(f)-2026 projected period.

15

16

VIII. Balancing Charges

17

18 **Q. PLEASE DISCUSS THE DERIVATION OF THE BALANCING CHARGES.**

19 A. The assets used to provide balancing services for Peoples' transportation customers
20 consist of storage, upstream pipeline storage that Peoples currently has under contract,
21 and on-system storage. The assets include storage services provided by Eastern Gas
22 Transmission and Storage, Inc. ("EGTS"), Equitrans LP ("ETRN"), National Fuel Gas
23 Supply Corporation ("NFG") and Columbia Gas Transmission, LLC ("TCO"). The
24 Peoples Natural Gas on-system storage is the Dice storage facility along with the

1 Kinter, Hughes, Portman and Vardy pools. However, since the costs for these facilities
2 are included in Peoples base rates, the cost of on-system storage is not reflected in the
3 balancing charge. The AVC storage assets are also used to provide balancing service.
4 The capacity cost of these storage and transmission assets been included in the
5 balancing charges. **Peoples Natural Gas Exhibit No. 11** provides the details of the
6 calculation of the balancing charges proposed in this proceeding.

7

8 **IX. Capacity Release/Off-System Sales Sharing Mechanism**

9

10 **Q. DOES THE COMPANY HAVE A CAPACITY RELEASE/OFF-SYSTEM SALES**
11 **REVENUE SHARING MECHANISM?**

12 A. Yes, the Company's capacity release/off-system sales sharing mechanism was approved
13 for an indefinite period in the Company's 1307(f)-2018 proceeding at Docket Nos. R-
14 2018-2645278 and R-2018-3000236. Under this sharing mechanism, 75% of revenues
15 from capacity releases and off-system sales are shared with 1307(f) customers, while the
16 remaining 25% of those revenues are retained by the Company. Peoples does not
17 propose any changes to this sharing mechanism.

18

19 **X. Revenues and Expenses**

20

21 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**
22 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 12?**

23 A. Yes. It is a one-page document that shows Peoples' gas cost revenues and expenses
24 for the 1307(f)-2026 historical period. When Peoples made its 1307(f) pre-filing on

1 March 1, 2026, the Company included estimates for the month of January 2026.
2 **Peoples Natural Gas Exhibit No. 12** updates the information provided in the pre-filing
3 to include January 2026 actuals.

4

5 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

6 A. Yes, it does. I reserve the right to submit supplemental testimony if other issues arise
7 during the course of the proceeding. Thank you.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY :
COMMISSION :
 :
v. : Docket No. R-2026-3060165
 :
PEOPLES NATURAL GAS COMPANY LLC :

**DIRECT TESTIMONY OF
ANTON RIBICH**

On behalf of

PEOPLES NATURAL GAS COMPANY LLC

DATE SERVED: April 1, 2026
DATE ADMITTED: _____

Peoples Natural Gas Company Statement No. 4

PREPARED DIRECT TESTIMONY OF ANTON RIBICH

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I. Witness Background

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Anton Ribich. My business address is 375 North Shore Drive, Pittsburgh, PA 15212.

Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?

A. I am employed by PNG Companies LLC (“PNG Companies”) as a Finance and Rates Analyst. I provide rates and regulatory services for Peoples Natural Gas Company LLC (“Peoples” or “the Company”).

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE IN THE GAS INDUSTRY.

A. I received a Bachelor of Arts degree in Accounting from Washington and Jefferson College in 2013 and a Master of Business Administration degree with a concentration in Business Analytics from California University of Pennsylvania (now known as Pennsylvania Western University) in 2021.

Prior to joining Peoples, my experience in the gas industry began when I was employed as a Regulatory Analyst for Columbia Gas of Pennsylvania and Columbia Gas of Maryland (both NiSource Inc. subsidiaries) from 2020 to 2024. As a Regulatory Analyst, I assisted in the coordination of regulatory activity, including rates and tariffs,

1 before the Pennsylvania Public Utility Commission (“Commission”) and the Public
2 Service Commission of Maryland. In March 2024, I joined Peoples in my current role as
3 a Finance and Rates Analyst.

4

5 **Q. WHAT ARE YOUR RESPONSIBILITIES IN YOUR CURRENT ROLE AS A**
6 **FINANCE AND RATES ANALYST?**

7 A. My general responsibilities include analyses, computations, and support of rates and
8 regulatory activity for Peoples.

9

10 **Q. HAVE YOU PREVIOUSLY OFFERED TESTIMONY IN REGULATORY**
11 **PROCEEDINGS?**

12 A. Yes. I have previously submitted testimony before the Maryland Public Service
13 Commission in regulatory proceedings, supporting Columbia Gas of Maryland’s
14 Purchased Gas Adjustment in Case No. 9510(r). I have also submitted testimony before
15 this Commission at Docket No. R-2025-3053184 supporting the Company’s 2025 annual
16 1307(f) Purchased Gas Cost proceeding as the Design Day Planning witness as well as
17 Peoples Natural Gas’s 2026 Base Rate Case proceeding at Docket No. R-2026-3060855
18 to support the Company’s cash working capital requirement.

19

20

II. Purpose of Testimony

21 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

1 A. My testimony will support Peoples' Design Day planning that appears in **Peoples**
2 **Natural Gas Exhibit No. 1**. Additionally, I am sponsoring Standard Filing Requirement
3 sections 53.64(c)(12), 53.64(c)(13), and 53.64(c)(14)¹.
4

5 **III. Design Day**

6 **Q. WHAT IS DESIGN DAY?**

7 A. Design Day is the 24 hour period, from 10:00 am through 9:59 am on the following day,
8 that reflects the maximum conditions, in the event of extremely cold weather, for which
9 the Company plans for Gas Supply purposes. Its primary purpose is to determine the
10 maximum amount of gas requirements that must be supplied for a 24-hour period to meet
11 these maximum conditions. Specifically, Peoples calculates the amount of capacity and
12 supply that is required to meet these maximum conditions, assuming they occur before
13 the end of January, after which the assumption is that the weather will not produce Design
14 Day conditions.

15 One of the challenges in forecasting Design Day is that Peoples' service territory
16 last experienced Design Day conditions on January 19, 1994. At that time, the service
17 territory looked much different.

18

19 **Q. FOR WHAT CONDITIONS DOES PEOPLES PREPARE?**

20 A. Peoples' Design Day is described as a late January weekday reaching 74 Heating Degree-
21 Days ("HDDs"), which equates to an average daily temperature of minus 9 degrees

¹ As required under the Pennsylvania Public Utility Commission's code at 52 Pa. Code §§ 53.64.

1 Fahrenheit. The time in January is relevant because it requires assumptions of how full
2 storage assets must be through the end of January.

3

4 **Q. HOW DOES PEOPLES FORECAST DESIGN DAY REQUIREMENTS?**

5 A. Peoples uses a regression analysis based upon daily sendout for the most recent four-year
6 period ending May 31st as the dependent variable. Temperature, winter month of the
7 year, binary cold weather variables for prior days' weather, and a binary weekend
8 variable (1 for weekend and 0 for weekday) are then tested for correlation.

9 To obtain heat sensitive sendout, large daily measured industrial throughput is
10 subtracted from the total daily sendout. Because this gas usage is not strictly related to
11 weather conditions, the Company is able to find a better correlation without this data in
12 the regression analysis. While the sendout data for these large, daily metered industrial
13 customers is not included in the regression analysis, it is later added to the total design
14 day requirements using a coincidental peak observation. The coincidental peak assumes
15 the Company's operating system will experience peak demand for these industrial
16 customers on a combined basis on the same day. Because design day is intended to
17 prepare for peak requirements during a 24-hour period, the coincidental peak method was
18 chosen as it aligns peak demand with an observed 24-hour peak period.

19 The test period for the regression analysis does not contain a Design Day.
20 However, it does contain a variety of weather, including days over 60 HDDs, which
21 allows the Company to draw reasonable conclusions to forecast sendout requirements
22 under Design Day conditions.

1 The Company allocates Design Day responsibility across its rate classes based
2 on the baseload and heat load requirements. This allocation is used to distribute capacity
3 costs between the balancing and capacity charges.

4

5 **Q. WHAT IS SENDOUT?**

6 A. Sendout is the total amount of gas received into the Company’s pipeline system. Daily
7 sendout is the amount of gas received during a given 24-hour period, usually from 10
8 a.m. to 10 a.m. Eastern Time, the industry standard gas day. Interstate pipelines report
9 and track daily measurement in this way. Local production, which is not typically
10 measured daily, especially for older production wells, must be estimated from monthly
11 meter readings.

12 Note that sendout is different from requirements. Requirements means the
13 amount of gas needed to serve customers during a similar period.

14

15 **Q. WHY DOES PEOPLES USE SENDOUT TO CALCULATE DESIGN DAY?**

16 A. Requirements for most customers are not daily measured, whereas the majority of
17 sendout received is from daily measured interstate pipelines. This makes sendout much
18 more accurate on a daily basis than requirements, especially on colder days. The monthly
19 volumes from local production are typically baseload in nature and can be reasonably
20 used to estimate a constant rate of daily flow of local production gas.

21

22 **Q. WHAT ARE THE RESULTING DESIGN DAY REQUIREMENTS?**

1 A. The analysis produced Design Day requirements of 1,491.5 MMcf for Peoples. This is
2 presented in Peoples Natural Gas Exhibit No. 1.

3

4 **Q. DOES THIS CONCLUDE YOUR PREPARED DIRECT TESTIMONY?**

5 A. Yes, it does. I reserve the right to submit supplemental testimony if other issues arise
6 during the course of this proceeding.

**PREPARED DIRECT TESTIMONY OF
SCOTT ORKIS**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Scott Orkis, and my business address is 375 North Shore Drive, Pittsburgh,
3 Pennsylvania 15212.

4

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as Director, Process
7 Operations. In this position, I provide oversight of operational processes including
8 Unaccounted for Gas (“UFG”) reduction and compliance activities for Peoples Natural Gas
9 Company LLC (“Peoples” or “the Company”).

10

11 **Q. BRIEFLY STATE YOUR EDUCATION BACKGROUND AND EMPLOYMENT
12 EXPERIENCE.**

13 A. I am a graduate of Allegheny College, with a Bachelor of Science Degree in Chemistry.
14 I joined Peoples in 2005 and have held a variety of positions across Gas Operations,
15 Engineering, and operational leadership. Over the course of my career, I have worked in roles
16 that supported field operations, engineering analysis, system design, system planning, and
17 process improvement. This experience has given me a comprehensive understanding of the
18 operating conditions, system behaviors, and process controls that influence Unaccounted-for
19 Gas (“UFG”).

20 In the summer of 2025, I was promoted to Director Process Operations for Peoples. I
21 have oversight of the Process Operations teams and UFG-related activities. This role provides

1 direct visibility into the operational and measurement factors that influence UFG across the
2 system.

3
4 **Q. HAVE YOU TESTIFIED PREVIOUSLY IN ANY REGULATORY PROCEEDINGS?**

5 A. No.

6
7 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

8 A. I am the witness with general responsibility for the activities related to UFG and producer
9 retainage charges.

10
11 **Q. PLEASE IDENTIFY THE EXHIBITS THAT YOU WILL BE SPONSORING.**

12 A. I am sponsoring **Peoples Natural Gas Exhibit Nos. 13 and 14**. A brief explanation of these
13 exhibits is provided immediately below.

14
15 **Q. PLEASE EXPLAIN PEOPLES NATURAL GAS EXHIBIT NO. 13.**

16 A. **Peoples Natural Gas Exhibit No. 13** displays the continuing results of the original 2018
17 Combined Four Year UFG Mitigation Plan for the Peoples Companies, which is provided for
18 reference from the 2023 proceedings and includes the actual 2022 through 2025 activity for
19 comparison.

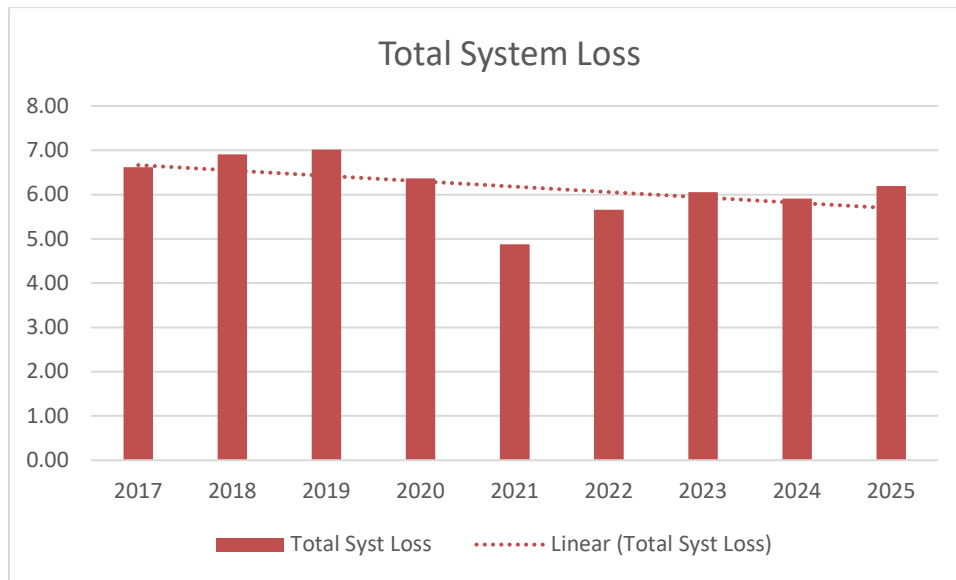
20
21 **Q. PLEASE EXPLAIN THE INFORMATION PRESENTED IN PEOPLES NATURAL**
22 **GAS EXHIBIT NO. 14.**

1 A. **Peoples Natural Gas Exhibit No. 14** is the exhibit that displays the volumes and loss rate for
2 the Company.

3 **UFG LEVELS**

4
5 **Q. PLEASE PROVIDE SOME HISTORY REGARDING UFG AT PEOPLES.**

6 A. Since 2010, Peoples has been working to reduce UFG. The Company’s UFG volume was 7.0
7 Bcf in 2019, which resulted in a loss rate of 4.46%. For the period ending August 31, 2025,
8 the overall Company system amount was 6.2 Bcf, which resulted in an overall system loss rate
9 of 4.23%. This is a volumetric reduction of 12% during this recent 6-year period as shown in
10 the table below. The throughput during this period dropped from 157 Bcf in 2019 and was only
11 146 Bcf in 2025 which explains why the percentage didn’t change as significantly. As the
12 graph shows below the total system loss is on a downward trend.



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16

1 The two main components of the Company’s overall UFG are Distribution UFG and
2 Gathering UFG. Distribution UFG for the last reporting period is 4.14 Bcf which results in a
3 loss rate of 2.9 % which is right at the Commission’s targeted loss rate for Distribution UFG.
4 Although this volume is less than the volumetric loss in 2019 and 2020, the percentage is higher
5 due to a more than 11 BCF decrease in system throughput which raises the loss rate.

6 The Gathering UFG for the 2025 reporting period is 2.0 Bcf¹ and equates to a loss rate
7 of 6.88%, down from 9.83% in 2017 when the Company began its most recent mitigation plan
8 focusing on gathering loss.

9 Despite the efforts to reduce UFG, Peoples remains challenged to reduce UFG on its
10 pipelines that gather gas from local production wells. The Peoples gathering system is
11 comprised of older (mostly pre-1970), low pressure pipe, much of which has provided service
12 for producers and customers for many years and is nearing the end of its useful life. The
13 customers are generally scattered across the gathering system in relatively rural areas, although
14 there are a few areas where there are high concentrations of customers. Since the Commission
15 adopted regulations beginning in 2014 requiring industry-wide UFG reporting, Peoples has
16 segmented the loss attributable to the gathering pipelines from the loss attributable to other
17 functional pipeline systems.

18
19 **Q. WERE PROSPECTIVE GATHERING LOSS RATE TARGETS ESTABLISHED IN**
20 **THE COMPANY’S 1307(f)-2018 PURCHASED GAS COST (“PGC”) PROCEEDING?**

21 A. Yes, gathering loss rate targets were established in the settlement of that proceeding and are
22 shown in the following table:

¹ This includes the impact of producer retainage.

1

PGC Period	UFG reporting Period	Gathering UFG target rate
2020	September 2018 – August 2019	9.0%
2021	September 2019 – August 2020	8.5%
2022	September 2020 – August 2021	7.5%

2

3 The 2018 settlement states that exceedance of the Gathering Target would create a rebuttable
4 presumption that the excess is unreasonable. It further provides as follows:

5 That presumption may be rebutted by a demonstration that
6 Peoples Gas has taken reasonable actions to reduce gathering
7 UFG and/or demonstration that other factors, such as but not
8 limited to, production on the gathering systems has declined
9 thereby increasing the percentage of gathering UFG
10 experienced. The overall level of Peoples Gas' UFG will also
11 be considered.
12

13 **Q. HOW DOES THE COMPANY'S LATEST PERFORMANCE COMPARE TO THE**
14 **PAST TARGETS?**

15 A. The historic gathering loss rates are shown in the following table. During this 4-year period,
16 Peoples has continued to execute and improve its UFG Mitigation Plan. The Company has
17 seen less and less local gas delivered into the Company's lines in recent years due to normal
18 production declines and decreased new drilling in these systems. As the total amount of gas
19 entering the gathering system is reduced, the same volumetric loss would result in a higher
20 UFG rate. In fact, a lower volumetric loss can still result in an increased UFG rate because
21 there is less gas flowing through the system. The production has declined 12.8 BCF since 2017
22 and by 1.2 BCF or 4% during the latest period, so the decreased production loss has impacted

1 UFG rates. Had the 2025 production stayed at the same rate as it was in 2023, the 2025 loss
2 rate would have been 6.2%.

3

PGC Period	UFG Reporting Period	Actual Gathering UFG Rate
2020	September 2018 – August 2019	7.5%
2021	September 2019 – August 2020	6.5%
2022	September 2020 – August 2021	6.4%
2023	September 2021 – August 2022	7.5%
2024	September 2022 – August 2023	7.3%
2025	September 2023 – August 2024	7.0%
2026	September 2024 – August 2025	6.9%

4

5 **Q. HOW DOES THE COMPANY’S LATEST PERFORMANCE COMPARE TO A**
6 **COMBINATION OF THE PAST GATHERING TARGET AND THE 3%**
7 **DISTRIBUTION TARGET?**

8 A. If the Distribution loss tolerance rate of 3% was applied to the current year’s Distribution
9 throughput and the prior loss target for gathering of 7.5% was applied to the current year’s

1 gathering throughput, the total targeted loss volume would be 6.51 Bcf. The current year total
2 system loss of 6.20 Bcf is below that threshold.

3
4 **UFG MITIGATION PLAN PROGRESS**

5
6 **Q. PLEASE DESCRIBE THE UFG MITIGATION PLAN ACTIVITIES AND PROGRESS**
7 **TO DATE.**

8 A. Peoples began working on its UFG mitigation plan even before it was filed in Docket Nos. R-
9 2018-2645278 and R-2018-3000236. **Peoples Natural Gas Exhibit No. 13** is a summary of
10 the specific actions taken since the 2018 plan inception and an update of ongoing activities
11 though the current PGC period.

12
13 **Q. DID PEOPLES TAKE OTHER ACTIONS DURING THE HISTORIC PERIOD OF**
14 **THIS CASE TO ADDRESS UFG?**

15 A. Yes. The Company continues to focus on its major gathering systems as contributors to UFG.
16 Additionally, the Company has installed upgraded measurement on one measuring project. The
17 Company will complete one more project for storage stations for 2026.

18
19 **Q. ARE THERE SPECIFIC ACCOMPLISHMENTS OF THE UFG MITIGATION PLAN**
20 **THAT YOU WANT TO MENTION?**

21 A. Yes. As displayed in **Exhibit 13**, the Company has abandoned and replaced nearly 23.6 miles
22 of gathering mains during 2025, compared to a plan of 23 miles. As the abandonment

opportunities reduce, the replacements become the focus of the mitigation efforts and the level of planned mileage reflects that shift of effort.

In addition, Peoples continued its audit process of producer meters and, as a result, found several wells that were operating outside of the Company’s standards and, in some cases, contributing to UFG. Peoples worked in each of these cases to have the issues remedied, which in many cases resulted in shutting in the production. This audit process will continue in 2026.

Finally, the following activities were also performed by the Company:

1. Expired and removed 121 Zero flow production meters.
2. Corrected 37 standards issues.
3. Conducted 1259 Meter Service/Repair Orders.

Q. WILL THERE BE A NEW MULTIYEAR-GATHERING UFG MITIGATION PLAN?

A. The Company is proposing to continue the activities in the table below.

Mitigation Effort	Distribution	Gathering	Goodwin/Tombaugh
At risk Pipe Replacement	LTIP	UFG Mitigation Plan	Aqua Acquisition commitment to replace within 7 years
Accelerated Survey	Leak Survey no less than every 3 years, even though code provides for 5-year surveys on plastic and cathodically protected steel	Leak survey of bare steel gathering is done on an annual basis	Leak survey of remaining Goodwin/Tombaugh pipe is completed annually
Leak Tracking and Prioritization	Leaks outstanding are updated and reported weekly for operational prioritization		
Removal of at risk pipe	All potential pipe replacement projects include a review to see if the pipeline is still necessary and if any synergy options exist with adjacent pipelines		
Segmentation	Systems are segmented from each other, and subsystems are created for high loss areas to better identify outcomes of mitigation efforts		

Measurement validation	Supply and delivery meters are past of either testing and/or replacement programs	Production meters are verified for proper production volume identification and compliance with gas quality standards; delivery meters are part of the testing and replacement programs
Loss modeling	UFG modeling is ongoing for each of the segments	
Automation	The company is working to create a warehouse of measurement information that will allow additional automated modeling of systems and subsystems	
Theft identification	Monitoring for theft at delivery points is ongoing	Monitoring for theft at production sites is ongoing

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The Company will also continue to review UFG results each year and determine the best mix of UFG mitigation activities and targets for the upcoming calendar year. Additional gathering lines with little or no production have been identified and are being verified for possible abandonment. Based on last year’s overall UFG results, Peoples has again targeted the removal of 23 miles by either abandonment or replacement for 2026. These potential reductions in legacy pipelines will be targeted, along with all other mitigation efforts, to continue reducing overall lost volume on the system.

In addition, Peoples will be using aerial laser technology in 2026 to quickly identify loss issues in the gathering areas. This technology allows the accelerated surveys of all gathering segmentation areas in days and provides results that allow for prioritized investigation and remediation, as necessary.

Because the gathering loss rate is higher than the distribution rate, most UFG reduction efforts have been targeted to control that loss. Additional efforts targeted to improve Distribution measurement have also been initiated. Specifically, we installed over 72,000 Intelis meters in 2025 on residential accounts which should improve the accuracy of that measurement. These meters have pressure sensing technology that allows automatic shutoff in the event of a houseline leak. This improves safety as well as measurement accuracy. The Company has targeted 80,000

1 meters to be installed in 2026. This is a complement to the significant activity in Peoples' LTIP
2 program and overall reduction to the Class 2 leak backlog from 539 in 2021 to 107 in 2025.
3 Additional efforts targeting quicker repair times are also being evaluated.
4

5 **PRODUCER RETAINAGE PROPOSALS**

6
7 **Q. PLEASE DESCRIBE THE COMPANY'S PROPOSALS FOR PRODUCER**
8 **RETAINAGE DURING THE PROJECTED PERIOD.**

9 A. Peoples proposes maintaining the current producer retainage rate of 2.61% for all conventional
10 production entering the Peoples' systems.

11 Peoples will continue to maintain measurement for the purpose of isolating gathering
12 areas from Distribution, Storage and Transmission. Measurement not only informs on the level
13 of gathering loss but is also a reference point in determining the producer retainage rate.

14 The rationale for a retainage charge remains the same. The producers are the primary
15 beneficiaries of the gathering system and should contribute to the costs of the UFG. Through
16 the allocation of some of the gathering system losses to the producers whose gas flows on those
17 systems, the Company will continue to incent the producers to partner with Peoples in
18 developing UFG mitigation initiatives, which have produced a number of cooperative system
19 improvements. Therefore, with UFG being an unavoidable cost component of gathering and
20 delivering local gas, and with both producers and customers benefitting from it, it is
21 appropriate for both producers and customers to continue to pay a portion of the UFG costs.
22

1 **Q. IS THERE OTHER COMPELLING LOGIC THAT WOULD INDICATE THAT THE**
2 **CURRENT LEVEL OF RECOVERY FROM CONVENTIONAL PRODUCERS IS**
3 **REASONABLE?**

4 A. Yes, there is. One factor to be considered is the value of service to the producer and the relative
5 gathering costs on the Peoples system. For some conventional producers, this is the only
6 economical way for their gas to get to market given today's prices. For others, maintaining the
7 gathering retainage charge will minimize the incentive to look for alternatives. The Company's
8 current gathering charges and retainage produce, on average, approximately the same
9 contribution as would occur on the other gathering pipelines and, therefore, should not force
10 producers to other gathering systems.

11
12 **Q. WHAT IS THE EXPECTED CONTRIBUTION TO RECOVERY OF UFG IN THE**
13 **PROJECTED PERIOD?**

14 A. Based on the current producer retainage rates, 613,177 Mcf would be contributed to recovery
15 of UFG.

16
17 **GOODWIN TOMBAUGH RETAINAGE RECOVERY**

18
19 **Q. ARE THERE ANY CHANGES EXPECTED FOR THE PRODUCER RETAINAGE**
20 **COLLECTED FROM THE GOODWIN TOMBAUGH SYSTEM DURING THE**
21 **PROJECTED PERIOD?**

22 A. Yes. As part of the settlement in the acquisition of the Peoples Companies by Aqua, Peoples
23 Natural Gas agreed to annually adjust the Goodwin system retainage rate to reflect the lower

1 of: 1) a retainage rate calculated by reducing the then-effective annual retainage rate by a
2 percentage (percentage rate of decline) that is equal to the annual rate of pipeline replacement
3 on the Goodwin system, either by abandonment or replacement, or 2) the actual level of loss.
4 As reflected in the Company's 2024 1307(f) Commission-approved joint settlement, the
5 current level of retainage on the Goodwin system is 42.3% which went into effect October 1,
6 2025.

7
8 **Q. PLEASE DESCRIBE THE COMPARATIVE CALCULATION FOR RETAINAGE**
9 **AND THE RESULTING LEVEL OF GOODWIN SYSTEM RETAINAGE THAT**
10 **PEOPLES PROPOSES FOR THE PROJECTED PERIOD.**

11 A. The Goodwin system's actual loss rate as of August 2022 was 94.1%. The original retainage
12 rate for the Goodwin System was 85%. At the end of 2025, approximately 66.1% of the system
13 had been replaced or abandoned, which would forecast a corresponding reduction to the
14 original 85% retainage rate of 33.9%, or to 28.8%². The lower of the two rates is 28.8% and is
15 the rate that will be applied beginning in October of 2026. Peoples has also committed to
16 reviewing the actual loss rate at 6-month intervals. Since most of the construction work on the
17 system is completed during late summer, we do not expect to see the full impacts of such
18 construction to be reflected in the rolling twelve-month loss rate until some time has passed.
19 Also, since little additional work is completed during the winter, the rate is likely to remain
20 relatively stable until the next construction cycle is completed and sufficient time has passed
21 for the results to be fully reflected in the UFG calculation.

² 85% * (1-.661) = 28.8%

1 **Q. WHAT IS THE EXPECTED CONTRIBUTION TO RECOVERY OF UFG IN THE**
2 **PROJECTED PERIOD?**

3 A. Based on the updated Goodwin retainage rate of 28.8% and the existing Tombaugh system rate
4 of 9.5%, Goodwin-Tombaugh producers would contribute an estimated 10,409 Mcf to
5 recovery of UFG, and total, system-wide, producer contribution to recovery of UFG is
6 projected to be 623,586 Mcf.

7
8 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

9 A. Yes. I reserve the right to submit additional testimony if other issues arise during the course
10 of the proceeding. Thank you.

Peoples Natural Gas
Peak Day Design (All Volumes in MMcf @ 14.73 Psia)
Design Day: 74 HDDs

<u>REQUIREMENTS</u>	<u>Jan Design</u> <i>2027</i>
<u>Peoples Supplied Customers</u>	
Residential	709.3
Small General Service	104.5
Medium General Service	44.6
Large General Service	3.1
Subtotal	861.6
<u>P-1 NGS Supplied Customers (Standby)</u>	
Priority One - Residential	82.2
Priority One - Small General Service	7.6
Priority One - Medium General Service	19.7
Priority One - Large General Service	2.0
	111.5
<u>Balancing</u>	
Residential	0.0
Small General Service	18.5
Medium General Service	63.5
Large General Service	58.3
Subtotal	140.4
<u>NP-1 NGS Supplied Customers</u>	
Residential	0.0
Small General Service	18.7
Medium General Service	69.0
Large General Service	193.2
Subtotal	280.9
Company Use	8.5
Unaccounted	88.7
	97.2
<u>TOTAL REQUIREMENTS</u>	1,491.5
<u>SUPPLY ASSETS</u>	
	<i>2027</i>
<u>Peoples' Supply Assets</u>	
Local Purchases	8.3
On-System Storage	55.3
Columbia FSS Storage	1.8
Columbia FT Capacity	3.6
Columbia - Delivered Supply	8.2
EGTS FT	9.6
EGTS FT/FTNN GSS Storage	66.9
Tennessee Delivered Supply	45.3
TETCO - Delivered Supply M2	28.7
TETCO - Delivered Supply M3	19.1
TETCO - FT	24.5
National Fuel EFT	5.5
National Fuel ESS Storage	9.4
Tennessee - Columbia of PA	2.9
Equitrans AVC Storage	192.7
Equitrans Sunrise/AVC FT	228.8
Equitrans 60ss Storage	202.1
Equitrans 115ss Storage	48.8
Equitrans FT	159.2
Equitrans NOFT	76.8
Subtotal	1,197.5
NP-1 Customer Supply Assets	294.1
<u>TOTAL SUPPLIES</u>	1,491.5
Supply (Deficiency) / Surplus	0.06

Peoples Natural Gas Company LLC
Docket No. R-2026-3060165
Annual 1307(f)-2026

For the Twelve Months Ending December 31, 2025

Section 53.64(c)(4):

An annotated listing of Federal Energy Regulatory Commission or other relevant non-Commission proceedings, including legal action necessary to relieve the utility from existing contract terms which are or may be adverse to the interests of its ratepayers, which affect the cost of the utility's gas supply, transportation, or storage or which might have an impact on the utility's efforts to provide its customers with reasonable gas service at the lowest price possible. This list shall include docket numbers and shall summarize what has transpired in the cases, and the degree of participation, if any, which the utility has had in the cases. The initial list filed under this paragraph shall include cases for the past three years. Subsequent lists need only update prior lists and add new cases.

* * * * *

Overview

Peoples Natural Gas Company LLC ("Peoples") monitored proceedings before the Federal Energy Regulatory Commission ("FERC") and undertook legal action as necessary to protect the interests of the ratepayers of Peoples during calendar year 2025. Peoples continually assessed strategic and cost-effective means of tracking the rate, tariff, and certificate filings of the interstate pipelines by which they are served, as well as significant generic FERC proceedings which may affect the cost of gas supplies purchased on the interstate system or otherwise affect the services that Peoples provided to their customers.

For calendar year 2025, Peoples monitored proceedings before the FERC. This Exhibit contains an annotated listing of FERC proceedings initiated by the interstate pipelines connected to and/or affecting Peoples for the period January 1, 2025 through December 31, 2025, including what has transpired in each case, and the degree of Peoples' participation, if any.

Representatives for Peoples will continue to participate in pertinent customer meetings, conference calls, webcasts and seminars sponsored by the interstate pipeline companies through which they are served. Historically, participation in these meetings and seminars and other industry programs has helped Peoples to remain informed about pending cases and current issues that could affect the cost and availability of their gas supplies on the interstate system.

FERC RULEMAKINGS AND OTHER INQUIRIES

Participation

From time to time, the FERC issues a notice of proposed rulemaking (“NOPR”), a notice of inquiry (“NOI”), or a policy statement on topics of interest to the natural gas industry. These notices are reviewed, and an assessment is made of Peoples’ interest in the subject matter. Peoples monitors the progress of all such proceedings of interest and will participate in a significant generic FERC proceeding if its interests are not covered by others.

In addition, Peoples’ personnel participate in certain industry organizations, which were formed to advance the collective interest of their members. These organizations often offer members access to full-time consultants without payroll expenses. Given the short lead times allowed for preparation of comments, associations can channel resources, information, and ideas into the federal rulemaking process with efficiency and at little cost.

The American Gas Association (“AGA”) is a group representing more than 200 energy companies that deliver natural gas throughout the United States. The AGA reports there are more than 79 million residential, commercial and industrial natural gas customers in the U.S., of which 94 percent — more than 74 million customers — receive their gas from AGA members. The AGA acts as an advocate for local natural gas utility companies who take service from virtually every interstate natural gas pipeline regulated by the FERC under the Natural Gas Act and participates in rulemakings and other generic policy dockets that affect its members’ interests. The AGA also monitors and participates from time to time in issues at other agencies and commissions (e.g., the Commodities Futures Trading Commission and the Pipeline and Hazardous Materials Safety Administration (“PHMSA”)) that impact gas utilities and energy consumers. Generally, with the active participation of the AGA FERC Regulatory Committee as an advocate for local natural gas utility companies, the need for individual local distribution companies to participate directly in rulemaking proceedings is minimized. Peoples’ representatives participate on AGA committees.

From time to time the AGA also files comments with regard to the FERC’s proposals to incorporate into its regulations business practice and electronic communications standards developed by the North American Energy Standards Board (“NAESB”). The NAESB holds itself out as an industry forum for the development and promotion of standards that will lead to a seamless marketplace for wholesale and retail natural gas and electricity. Formed in January 2002, the NAESB is an independent and voluntary organization that develops and promotes the use of business practices and electronic communications standards for the wholesale and retail natural gas and electricity industries.

For calendar year 2025, Peoples did not individually participate in FERC Rulemakings but rather participated with other LDCs and interested stakeholders in industry coalitions before FERC and other federal agencies.

PIPELINE PROCEEDINGS

Participation

From time to time, Peoples has intervened in, monitored the progress of and occasionally submitted written comments in FERC proceedings. Currently, Peoples monitors Eastern Gas Transmission and Storage Company (“EGTS”), Equitrans (“Equitrans” or “ETRN”), National Fuel Gas

Supply Corporation (“National Fuel” or “NFG”), Texas Eastern Transmission, LP (“Texas Eastern” or “TETCO”), Columbia Gas Transmission, LLC (“Columbia” or “TCO”) and Tennessee Gas Pipeline Company, LLC, (“Tennessee” or “TGP”) because the outcome of the FERC proceedings of these interstate pipelines may directly affect the services that Peoples provides to its customers.

Typically, Peoples did not intervene in the FERC proceedings of an interstate pipeline when they were not a customer of that pipeline or do not have a significant or direct interest in the outcome of that proceeding. Nonetheless, from time to time Peoples also monitored the rates and, on a more limited basis, reviewed the FERC proceedings of other interstate pipelines where they had a continuing interest due to historical relationships or potential interest in receiving service in the future (e.g., Rager Mountain Storage Company LLC (“Rager Mountain”). In addition, Peoples reviewed FERC orders on non-supplier pipelines that may have precedential value.

Annotated Listings of Proceedings

Schedule A includes an annotated listing of pipeline proceedings, including docket numbers, a summary of what has transpired in the case and its status, and the degree of participation for Peoples. The listing covers pipeline filings submitted during the period January 1, 2025, through December 31, 2025.

SCHEDULE A

PIPELINE PROCEEDINGS

Calendar Year 2025

53.64(c)(4) Annotated Listings of FERC Proceedings

COLUMBIA GAS TRANSMISSION, LLC

2024 Rate Case

RP24-1103

Summary:

On September 30, 2024, TCO filed for a general rate increase under Section 4 of the FERC regulations. Various parties filed Motions to Intervene, and/or Protests. On October 15, 2024, Peoples filed a Joint and Several Motion to Intervene, Protest, and Request for Investigation of the proposed rate increase.

Peoples has joined an informal Columbia distribution customer group (“CDC”) for purposes of consultant retention, settlement discussions, and potential litigation.

Peoples, as part of the CDC group, has participated in the proceeding at RP24-1103 in an effort to protect the interests of its customers. As part of that proceeding, the CDC group has substantively participated in settlement negotiations with TCO and worked with various other intervenors and FERC Staff in an effort to parse TCO’s various requests as part of the general rate increase filing. Settlement conferences have been held between TCO, FERC Staff, and the various intervenors (including the CDC group of which Peoples is a member of).

This matter included twelve (12) formal settlement conferences in addition to numerous additional informally-scheduled meetings and caucuses among and between the participants.

On August 13, 2025, Columbia filed a Stipulation and Agreement of Settlement, along with a transmittal letter, explanatory statement and certificate of service as required by Commission rules (altogether, the settlement).

On September 15, 2025, Presiding Administrative Law Judge Suzanne Krolkowski certified the settlement as uncontested to the Commission.

On October 30, 2025, FERC approved the uncontested Settlement as filed.

On December 3, 2025, Columbia submitted its tariff compliance filing.

On December 22, 2025, FERC approved the tariff compliance filing.

Prior Notice Request

CP25-35

Summary:

On December 5, 2024, Columbia submitted a prior notice request for authorization under its Blanket Certificate Prior Notice Procedures to construct, install, own, operate, and maintain certain facilities located in Greene County, PA, Marshall County, WV, Wetzel County, WV, and Monroe County, OH that comprise the Heartland Extension Project.

On February 18, 2025, Peoples intervened.

Since June 2024, EGTS has submitted weekly construction status reports and continues to do so. EGTS' most recent report was filed on February 11, 2026.

Peoples will continue to monitor the proceeding and participate as necessary to protect the interests of its customers.

Tariff Revisions

RP25-401

Summary:

On January 30, 2025, Columbia Gas Transmission, LLC filed tariff records to comply with Order No. 587-AA, which amended the Commission's regulations to incorporate by reference, with certain enumerated exceptions, Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board.

On February 18, 2025, Peoples intervened.

On April 21, 2025, the FERC accepted the filing via Letter Order.

Prior Notice Request

CP25-83

Summary:

On February 25, 2025, Columbia filed a prior notice request pursuant to sections 157.205 and 157.208 of the Commission's regulations under the Natural Gas Act (NGA), and Columbia Gas' blanket certificate issued in Docket No. CP82-76-000, for authorization to construct and operate a new booster compressor station and appurtenant facilities in Ottawa County, Ohio (D74 Booster Compressor Project) at an estimated cost of \$16 million.

On March 18, 2025, Peoples reviewed this filing.

Since June 2025, EGTS has submitted weekly construction status reports and continues to do so. EGTS' most recent report was filed February, 2026.

Peoples will continue to monitor the proceeding and participate as necessary to protect the interests of its customers.

Annual Report on Operational Transactions

RP25-573

Summary:

Pursuant to Section 49 (Operational Transactions) of the General Terms and Conditions of Columbia's tariff, Columbia is required to file a report on or before March 1 of each year detailing its operational transactions for the twelve-month period ending the preceding December 31. In accordance with Section 49.3, on February 18, 2025, Columbia provided a detailed report of its operational transactions for the twelve-month period ending December 31, 2024.

On March 18, 2025, Peoples intervened.

No further FERC action is expected.

Retainage Adjustment Mechanism

RP25-627

Summary:

On February 28, 2025, Columbia submitted tariff revisions to reflect the annual adjustment of its retainage percentages consistent with its Retainage Adjustment Mechanism, pursuant to section 35 of the GT&C of its Tariff.

On March 18, 2025, Peoples intervened.

On March 25, 2025, the FERC accepted the filing via Letter Order.

Electric Power Cost Adjustment

RP25-629

Summary:

On February 28, 2025, Columbia filed tariff records to reflect annual adjustments to its Electric Power Cost Rates, pursuant to section 44 of the General Terms and Conditions of its Tariff.

On March 18, 2025, Peoples intervened.

On March 25, 2025, the FERC accepted the filing via Letter Order.

Transportation Cost Rate Adjustment

RP25-630

Summary:

On February 28, 2025, Columbia filed tariff records to reflect the annual adjustment of its Transportation Cost Rate Adjustment rates for the annual period beginning April 1, 2025, pursuant to section 36 of the General Terms and Conditions of its tariff.

On March 18, 2025, Peoples intervened.

On March 25, 2025, the FERC accepted the tariff record revisions via Letter Order.

Operational Transaction Rate Adjustment - Winter

RP26-137

Summary:

On October 31, 2025, Columbia filed revised tariff record to adjust the Operational Transaction Rate Adjustment rates for the upcoming 2025 winter season pursuant to Part VII.49.4 of its tariff.

On November 12, 2025, Peoples intervened.

On November 18, 2025, FERC accepted the filing via Letter Order.

EASTERN GAS TRANSMISSION AND STORAGE COMPANY

Prior Notice Request

CP24-113

Summary:

On April 1, 2024, EGTS submitted a prior notice request for authorization under its Blanket Certificate Prior Notice Procedures to construct, install, own, operate, and maintain certain facilities located in Greene County, PA, Marshall County, WV, Wetzel County, WV, and Monroe County, OH that comprise the Heartland Extension Project.

On May 8, 2024, Peoples intervened.

Since June 2024, EGTS has submitted weekly construction status reports and continues to do so.

In December 2024, all facilities went on line.

In June 2025, EGTS submitted its final construction report.

Tariff Revisions

RP25-437

Summary:

On January 31, 2025, EGTS filed tariff records to comply with Order No. 587-AA, which amended the Commission's regulations to incorporate by reference, with certain enumerated exceptions, Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board.

On February 18, 2025, Peoples intervened.

On March 17, 2025, the FERC accepted the filing via Letter Order.

Tariff Filing – Fuel Retention Percentages

RP25-580

Summary:

On February 21, 2025, EGTS filed to update its Fuel Retention Percentages ("FRP") through the mechanism described in GT&C Section 16. In accordance with GT&C Section 16, the annual

filing is to be submitted on or before March 1 of each year to become effective on the following April 1.

On February 27, 2025, Peoples reviewed this EGTS filing.

On March 18, 2025, the FERC accepted the tariff record revisions via Letter Order.

Overrun and Penalty Revenue Disbursement

RP25-964

On June 24, 2025 EGTS submitted its annual report of annual revenue distribution and billing adjustments resulting from EGTS' collection of unauthorized overrun charges and penalty revenues for the twelve-month period ending March 31, 2025. Section 41 of the GT&C, Unauthorized Overrun and Penalty Crediting, requires distribution of such charges and revenues to non-offending customers on June 30 of each year, and filing of the related report within 30 days of the distribution.

On July 1, 2025 Peoples intervened.

No further action from FERC.

Transportation Cost Rate and Electric Power Cost Adjustments

RP25-1177; RP25-1178

Summary:

On September 30, 2025, Eastern Gas Transmission and Storage, Inc. filed tariff records to reflect its annual Transportation Cost Rate and Electric Power Cost Adjustments, pursuant to sections 15 and 17 of the General Terms and Conditions of its tariff.

On October 8, 2025, Peoples reviewed these filings.

On October 22, 2025, the FERC accepted the tariff record revisions via Letter Order.

EQUITRANS, L.P.

Tariff Revisions

RP25-475

Summary:

On February 3, 2025, ETRN filed tariff records to comply with Order No. 587-AA, which amended the Commission's regulations to incorporate by reference, with certain enumerated exceptions, Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board.

On February 18, 2025, Peoples intervened.

On July 28, 2025, the FERC accepted the filing via Letter Order.

AVC Storage Loss Retainage Factor

RP25-600

Summary:

On February 27, 2025, Equitrans submitted certain tariff sections to be included in the First Revised Volume No. 1 of its FERC Gas Tariff. Pursuant to Section 6.31(5) of the General Terms and Conditions of Equitrans' Tariff, Equitrans tracked the actual fuel and unaccounted for gas experienced to operate the storage facilities on Equitrans' Allegheny Valley Connector (AVC) system. Equitrans submitted a revised AVC Storage Loss Retainage factor of 4.10% for 2025.

On March 10, 2025, Peoples reviewed this filing.

On March 20, 2025, the FERC accepted the filing via Letter Order.

Request for Accounting Treatment

AC25-118

On July 11, 2025, Equitrans requested approval of proposed accounting for the sale of certain wells to CONSOL Pennsylvania Coal Company LLC.

On July 28, 2025 Peoples intervened.

On August 6, 2025, FERC approved the requested accounting treatment via Letter Order

Tariff Clean-Up

RP25-1047

Summary:

On August 1, 2025, Equitrans, L.P. filed revised tariff records to update references to URL and E-mail addresses throughout its tariff.

On August 13, 2025, Peoples intervened.

On August 19, 2025, the FERC accepted the filing via Letter Order.

Tariff Waiver

RP25-1082

Summary:

On August 25, 2025, as amended on September 4, 2025, Equitrans, L.P. filed a tariff record to remove the reference to extensions of time that it was previously granted to comply with certain of the North American Energy Standards Board Wholesale Gas Quadrant Version 4.0 business practice standards.

On September 8, 2025 Peoples intervened.

On September 25, 2025, the FERC accepted the filing via Letter Order.

Tariff Clean-Up

RP25-1140

Summary:

On September 4, 2025, Equitrans, L.P. filed revised tariff records to update the URL address.

On September 8, 2025, Peoples intervened.

On September 18, 2025, the FERC accepted the filing via Letter Order.

Operational Purchases and Sales

RP26-36

Summary:

On October 7, 2025 Pursuant to Section 4 of the Natural Gas Act, (15 U.S.C. §717c (2018)), Part 154 of the Federal Energy Regulatory Commission's ("Commission") regulations, and Section 6.45 of the General Terms and Conditions of its FERC Gas Tariff, Equitrans, L.P. ("Equitrans")

submits for filing a report of its Operational Purchases and Sales for the twelve-month period ending August 31, 2025.

On October 20, 2025, Peoples intervened.

No further action is expected on this matter.

TEXAS EASTERN TRANSMISSION, L.P.

Prior Notice Request

CP25-28

Summary:

On December 5, 2024, TETCO submitted a prior notice request for authorization under its Blanket Certificate Prior Notice Procedures to construct, install, own, operate, and maintain certain facilities located in Greene County, PA, Marshall County, WV, Wetzel County, WV, and Monroe County, OH that comprise the Heartland Extension Project.

On February 18, 2025 Peoples intervened.

February 2025, EGTS has submitted weekly construction status reports and continues to do so. EGTS' most recent report was filed in November 2025.

Peoples will continue to monitor the proceeding and participate as necessary to protect the interests of its customers.

Electric Power Cost Adjustment

RP25-314

Summary:

On December 30, 2024, Texas Eastern submitted certain sections to be included in its FERC Gas Tariff. Texas Eastern files revised rates on a semi-annual basis for each applicable zone path, rate schedule, and incremental service and to reflect the EPC Surcharge for each applicable zone path, rate schedule, and incremental service, which is designed to clear the balance in the Deferred EPC Account. The purpose of this filing is to include the revised Current Unit EPC Changes and revised EPC Surcharge.

On January 14, 2025, Peoples intervened.

On January 23, 2025, the FERC accepted the filing via Letter Order.

Tariff Revisions

RP25-411

Summary:

On January 30, 2025, TETCO filed tariff records to comply with Order No. 587-AA, which amended the Commission's regulations to incorporate by reference, with certain enumerated exceptions, Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board.

On February 18, 2025, Peoples intervened.

On July 28, 2025, the FERC accepted the filing via Letter Order.

Abbreviated Application for an Amendment to the CPCN

CP25-24

On November 22, 2024, EGTS submitted a prior notice request for authorization under its Blanket Certificate Prior Notice Procedures to construct, install, own, operate, and maintain certain facilities located in Greene County, PA, Marshall County, WV, Wetzel County, WV, and Monroe County, OH that comprise the Heartland Extension Project.

On February 18, 2025, Peoples reviewed and subscribed to this docket.

Since August 2025, construction commenced.

EGTS has submitted weekly construction status reports and continues to do so. EGTS' most recent report was filed February 2026.

Peoples will continue to monitor the proceeding and participate as necessary to protect the interests of its customers.

Notice of Application for a CPCN

CP25-379

Summary:

On April 30, 2025, TETCO, filed an application under section 7(c) of the Natural Gas Act (NGA) and Part 157 of the Commission's regulations requesting authorization for its Longwall Mining Panel M1Project (Project). The Project consists of the replacement of the following pipeline segments: (1) approximately 1.4 miles of 30-inch-diameter of Line 10; (2) approximately 1.4 miles of 30-inch-diameter of Line 15; (3) approximately 1.6 miles of 36-inch-diameter of Line 25; and (4) approximately 0.8 mile of 36-inch-diameter of Line 30, all located in Greene County, Pennsylvania.

On June 5, 2025, Peoples reviewed this filing.

On December 19, 2025, FERC granted TETCO's application with certain conditions.

Penalty Disbursement Report

RP25-960

Summary:

On June 20, 2025, TETCO filed a penalty disbursement report pursuant to section 4.3(A)(7) of the General Terms and Conditions of its FERC Gas Tariff which sets forth the total amount of penalties collected during Action Alerts and operational flow orders and the proposed credits for each non-offending customer.

On July 1, 2025, Peoples intervened.

On July 18, 2025, the FERC accepted the filing via Letter Order.

Electric Power Charge Adjustment

RP25-982

Summary:

On June 30, 2025, TETCO filed tariff records to reflect its semi-annual adjustments to its electric power cost rates pursuant to section 15.1 of the General Terms and Conditions of its tariff.

On July 11, 2025, Peoples intervened.

On August 1, 2025, the FERC accepted the filing via Letter Order.

Compliance Filing re: CP22-486

RP25-1012

On July 23, 2025, TETCO filed a tariff record in compliance with the Commission's Order Issuing Certificate in Docket No CP22-486-000.

On July 28, 2025 Peoples intervened.

On August 13, 2025, FERC accepted the filing via Letter Order.

Operational Entitlements

RP25-1108

Summary:

On August 28, 2025, Texas Eastern Transmission, LP filed its Operational Segment Capacity Entitlements Report pursuant to section 9.1 of the General Terms and Conditions of its tariff.

On September 8, 2025, Peoples intervened.

On September 29, 2025, the FERC accepted the filing via Letter Order.

Applicable Shrinkage Adjustment, et al.

RP26-114

Summary:

On October 30, 2025, Texas Eastern filed tariff records to reflect changes to its Applicable Shrinkage Adjustment percentages and surcharges, as well as the lost and unaccounted for percentages, for system customers and various incremental projects. In addition, Texas Eastern submitted its annual Interruptible Revenue Reconciliation Report for the twelve-month period ended June 30, 2025.

On November 12, 2025, Peoples intervened.

On November 18, 2025, the FERC accepted the filing via Letter Order.

NATIONAL FUEL GAS SUPPLY CORPORATION

Tariff Revisions

RP25-440

Summary:

On January 31, 2025, NFGS filed tariff records to comply with Order No. 587-AA, which amended the Commission's regulations to incorporate by reference, with certain enumerated exceptions, Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board.

On February 18, 2025, Peoples intervened.

On April 22, 2025, the FERC accepted the filing via Letter Order.

Fuel Tracker Filing

RP25-581

Summary:

On February 21, 2025, National Fuel filed revised tariff records to adjust its Company Use Retention ("TFUR"), Transportation LAUF Retention ("TLAUF") and Storage Operating and LAUF Retention ("SOLR") pursuant to GT&C §41 of its tariff.

On March 3, 2025, Peoples reviewed this filing.

On March 7, 2025, FERC accepted the filing by Letter Order.

Prior Notice Request

CP25-541

Summary:

On August 29, 2025, National Fuel filed a prior notice request pursuant to sections 157.205, 157.208, 157.210, and 157.211 of the Commission's regulations under the Natural Gas Act (NGA), and National Fuel's blanket certificate issued in Docket No. CP83-4-000, for authorization to construct, own, operate, and maintain approximately 7.26 miles of 24-inch-diameter pipeline and appurtenances, a metering and regulating station/delivery point, a pipeline tie-in, and modifications to certain existing facilities and appurtenances, all located in Beaver and Mercer Counties, Pennsylvania (Shippingport Lateral Project). The project will allow National Fuel to provide 205,000 dekatherms per day (Dth/day) of incremental firm

transportation service on its system, transporting these volumes from a receipt point on National Fuel's Line N pipeline to a new interconnection with the Shippingport Power Station (SPS Facility). The estimated cost for the project is \$57,300,000.

On September 19, 2025 Peoples intervened.

On January 29, 2026, National Fuel submitted to FERC its Erosion and Settlement Control General Permit from DEP.

Peoples will continue to monitor this docket.

Transportation and Storage Cost Adjustment Termination Filing

RP25-1199

Summary:

On September 30, 2025, National Fuel filed revised tariff records to terminate the Transportation and Storage Cost Adjustments mechanism applicable to Rate Schedule EFT.

On October 9, 2025, Peoples reviewed this filing.

On October 16, 2025, the FERC issued a Letter Order accepting the filing.

TENNESSEE GAS PIPELINE COMPANY, LLC

Tariff Revisions

RP25-545

Summary:

On February 3, 2025, TGP filed tariff records to comply with Order No. 587-AA, which amended the Commission's regulations to incorporate by reference, with certain enumerated exceptions, Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board.

On February 18, 2025, Peoples intervened.

On July 28, 2025, the FERC accepted the filing via Letter Order.

Fuel and Loss / EPCA

RP25-644

Summary:

On February 28, 2025, Tennessee Gas Pipeline Company, L.L.C. filed tariff records, pursuant to Article XXXVII of the General Terms and Conditions of its tariff, to reflect revised fuel and loss retention percentages and electric power cost rates.

On Marh 18, 2025, Peoples intervened.

On March 20, 2025, the FERC accepted the filing via Letter Order.

Reservation Charge Crediting/Curtailment

RP25-673

On February 28, 2025, Tennessee Gas Pipeline Company, L.L.C. (Tennessee) filed tariff records, to reflect changes to its curtailment of scheduled quantities procedures and its reservation charge crediting mechanism.

On March 10, 2025, a Peoples affiliate intervened.

On March 31, 2025, FERC rejected Tennessee's proposed tariff records.

PSGHG Surcharges

RP25-1199

Summary:

On September 30, 2025, Tennessee Gas Pipeline Company, L.L.C. filed tariff records to reflect revised Pipeline Safety and Greenhouse Gas Surcharges pursuant to Article XXXVIII of the General Terms & Conditions of its tariff.

On October 14, 2025, Peoples reviewed this filing.

On October 23, 2025, the FERC accepted this filing via Letter Order.

RAGER MOUNTAIN STORAGE COMPANY LLC

NAESB Tariff Filing

RP25-476

Summary:

On February 3, 2025, Rager filed tariff records to comply with Order No. 587-AA, which amended the Commission's regulations to incorporate by reference, with certain enumerated exceptions, Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board.

On February 18, 2025, Peoples reviewed this filing.

On July 28, 2025, the FERC issued a Notational Order accepting various tariff compliance filings.

NAESB Tariff Filing

RP25-1084

Summary:

On August 25, 2025, as amended on September 4, 2025, Rager Mountain Storage Company LLC filed a tariff record to remove the reference to extensions of time that it was previously granted to comply with certain of the North American Energy Standards Board Wholesale Gas Quadrant Version 4.0 business practice standards.

On September 4, 2025, Peoples reviewed this filing.

On September 25, 2025, FERC partially accepted and partially rejected Rager's filing.

Tariff Clean-Up

RP25-1142

Summary:

On September 4, 2025, Rager filed revised tariff records to update the URL address.

On September 8, 2025, Peoples reviewed this filing.

On September 30, 2025, the FERC accepted the filing via Letter Order.

Peoples Natural Gas Company Exhibit No. 3

Peoples Natural Gas Company LLC
Calculation of Retainage

<u>Line No.</u>	<u>Description</u>	<u>12 Mths Ended August 31, 2023</u>	<u>12 Mths Ended August 31, 2024</u>	<u>12 Mths Ended August 31, 2025</u>	<u>3-Year Average</u>
	Volumes in MCF				
1	<u>Overall System - Retainage Recovery Requirement</u>				
2	Unaccounted for Gas	8,158,973	8,027,897	7,830,887	8,005,919
3	Company Use	<u>817,868</u>	<u>797,006</u>	<u>841,189</u>	<u>818,688</u>
4	Recovery Requirement	8,976,841	8,824,903	8,672,076	8,824,607
5	Total System Supplies	139,796,475	135,282,159	146,469,549	140,516,061
6	Unaccounted for Gas Percentage	5.8%	5.9%	5.3%	5.7%
7	Company Use Percentage	0.6%	0.6%	0.6%	0.6%
8	Percent to Recover	6.4%	6.5%	5.9%	6.3%
9	2026 Proposed Retainage Rate				
10	Target Retainage to be Recovered	146,350,475	6.3%	9,191,016	
11	less: Retainage from Discounted Transport			(343,569)	
12	less: Retainage from MLS			(29,107)	
13	less: Retainage from Producers			(781,189)	
14	less: Retainage from Goodwin/Tombaugh 1/			(10,409)	
15	less: Imputed Retainage on Storage Gas			<u>(111,945)</u>	
16	Net Retainage to be Recovered			7,914,797	
17	Proposed Retainage Rate	115,846,548	6.8%		

1/ Adjusted for new Goodwin retainage rate effective October 1, 2026. Further explanation can be found in Statement 5 - Direct Testimony of Scott Orkis.

Peoples Natural Gas 2025

	BTU
January	1.037
February	1.040
March	1.040
April	1.036
May	1.037
June	1.038
July	1.036
August	1.037
September	1.036
October	1.037
November	1.040
December	1.042
Weighted Average	1.039

**PRO FORMA TO
GAS — PA PUC No. 48**

PEOPLES NATURAL GAS COMPANY LLC

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

ISSUED: _____

EFFECTIVE: _____

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

NOTICE

1307(f)-2026 ANNUAL GAS COST FILING

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

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48
REVIS~~ED~~ PAGE NO. 2
CANCELLING PAGE NO. 2LIST OF CHANGES

<u>RATE CHANGES</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase/ (Decrease)</u>
<u>Rate GS-SB</u>			
Rate RS, SGS, MGS, LGS	\$1.8641	\$1.4376	\$(0.4265)
<u>Rider PGC</u>			
<u>Rate RS, SGS, MGS, LGS, NGPV</u>			
Capacity Charge	\$1.8641	\$1.4376	\$(0.4265)
Gas Cost Adjustment Charge	\$0.3471	\$0.2548	\$(0.0923)
Natural Gas Supply Charge	\$5.5107	\$3.9473	\$(1.5634)
<u>Rider MFC – Merchant Function Charge</u>			
RS	\$0.1699	\$0.1240	\$(0.0459)
SGS, MGS, LGS	\$0.0256	\$0.0187	\$(0.0069)
RS-T	\$0.0410	\$0.0316	\$(0.0094)
<u>Balancing Charges</u>			
SGS, MGS	\$0.8300	\$0.7555	\$(0.0745)
LGS	\$0.1740	\$0.2432	\$0.0692
<u>Retainage Charges</u>			
	6.5%	6.8%	0.3%

ISSUED: _____

EFFECTIVE: _____

	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	\$ 1.4376					\$ 0.0316						\$ 1.4692
Price to Compare - PTC	\$ 0.2548	\$ 3.9473				\$ 0.0924		\$ 1.0955	\$ 0.0865			\$ 4.3810
Delivery Charge			\$ 5.3537					\$ 0.2378		\$ (0.0329)		\$ 6.6540
State Tax Surcharge				\$ 0.0037								\$ 0.0037
Total per MCF						\$ 0.1240						\$ 12.5079
Small General Service (SGS)												
Customer Charge				\$ 22.00		\$ 0.0036				\$ 0.7854	\$ (0.1352)	\$ 22.6538
0 to 499 MCF/Yr				\$ 44.00		\$ 0.0036				\$ 1.5708	\$ (0.2704)	\$ 45.3040
500 to 999 MCF/Yr												
1/ Capacity	\$ 0.7555											\$ 0.7555
Price to Compare - PTC	\$ 0.6821	\$ 0.2548	\$ 3.9473			\$ 0.0187		\$ 0.0865				\$ 4.9894
Delivery Charge			\$ 3.9844					\$ 0.1460		\$ (0.0245)		\$ 4.1059
State Tax Surcharge				\$ 0.0028								\$ 0.0028
Total per MCF	\$ 1.4376											\$ 9.8536
Medium General Service (MGS)												
Customer Charge				\$ 101.00						\$ 3.6057	\$ (0.6207)	\$ 103.9850
1,000 to 2,499 MCF/Yr				\$ 145.00						\$ 5.1765	\$ (0.8912)	\$ 149.2853
2,500 to 24,999 MCF/Yr												
1/ Capacity	\$ 0.7555											\$ 0.7555
Price to Compare - PTC	\$ 0.6821	\$ 0.2548	\$ 3.9473			\$ 0.0187		\$ 0.0865				\$ 4.9894
Delivery Charge			\$ 3.6941					\$ 0.1356		\$ (0.0227)		\$ 3.8070
State Tax Surcharge				\$ 0.0026								\$ 0.0026
Total per MCF	\$ 1.4376											\$ 9.5545
Large General Service (LGS)												
Customer Charge				\$ 940.00						\$ 33.5580	\$ (5.7772)	\$ 967.7808
25,000 to 49,999 MCF/Yr				\$ 1,465.00						\$ 52.3005	\$ (9.0039)	\$ 1,508.2966
50,000 to 99,999 MCF/Yr				\$ 2,130.00						\$ 76.0410	\$ (13.0910)	\$ 2,192.9500
100,000 to 199,999 MCF/Yr				\$ 5,630.00						\$ 200.9910	\$ (34.6020)	\$ 5,796.3890
Over 200,000 MCF/Yr												
1/ Capacity	\$ 0.2432											\$ 0.2432
Price to Compare - PTC	\$ 1.1944	\$ 0.2548	\$ 3.9473			\$ 0.0187		\$ 0.0865				\$ 5.5017
Delivery Charge			\$ 2.6360	\$ 0.0018				\$ 0.0979		\$ (0.0162)		\$ 2.7195
25,000 - 49,999 MCF/Yr			\$ 2.5519	\$ 0.0018				\$ 0.0949		\$ (0.0157)		\$ 2.6329
50,000 - 99,999 MCF/Yr			\$ 2.4335	\$ 0.0017				\$ 0.0906		\$ (0.0150)		\$ 2.5109
100,000 - 199,999 MCF/Yr			\$ 2.1937	\$ 0.0015				\$ 0.0821		\$ (0.0135)		\$ 2.2638
200,000 to 749,999 MCF/Yr			\$ 1.9097	\$ 0.0013				\$ 0.0719		\$ (0.0117)		\$ 1.9712
750,000 to 1,999,999 MCF/Yr			\$ 1.4431	\$ 0.0010				\$ 0.0553		\$ (0.0089)		\$ 1.4905
Over 2,000,000 MCF/Yr												\$ 1.4905
2/ Total per MCF	\$ 1.4376											\$ 8.4644
Mainline Service (MLS)												
Customer Charge				\$ 5,630.00							\$ (34.6020)	\$ 5,595.3980
Over 500,000 MCF/Yr												
1/ Capacity	\$ 0.2432											\$ 0.2432
Price to Compare - PTC	\$ 1.1944	\$ 0.2548	\$ 3.9473			\$ 0.0187		\$ 0.0865				\$ 5.5017
Delivery Charge			\$ 0.7430	\$ 0.0005						\$ (0.0046)		\$ 0.7390
PNG transmission line			\$ 0.4422	\$ 0.0003						\$ (0.0027)		\$ 0.4398
Interstate pipeline												\$ 0.4398
Total per MCF												\$ 6.4839

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.

ISSUED:

Effective:

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISÉD PAGE NO. 4

CANCELLING REVISÉD PAGE NO. 4

Peoples Natural Gas

	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			\$ 0.0316		\$ 1.4376					\$ 1.4692
Delivery Charge	\$ 5.3537			\$ 1.0955			\$ 0.2314	\$ (0.0329)		\$ 6.6477
State Tax Surcharge		\$ 0.0037								\$ 0.0037
Total per MCF										\$ 8.1206
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					\$ 0.7555					\$ 0.7555
Delivery Charge	\$ 3.9844						\$ 0.1422	\$ (0.0245)		\$ 4.1022
State Tax Surcharge		\$ 0.0028								\$ 0.0028
Total per MCF										\$ 4.8604
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					\$ 0.7555					\$ 0.7555
Delivery Charge	\$ 3.6941						\$ 0.1319	\$ (0.0227)		\$ 3.8033
State Tax Surcharge		\$ 0.0026								\$ 0.0026
Total per MCF										\$ 4.5614
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					\$ 0.2432					\$ 0.2432
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										\$ 2.9589
Mainline Service (MLS)										
Customer Charge										
Over 500,000 MCF/Yr	\$ 5,630.0000							\$ (34.6020)		\$ 5,595.3980
1/ Capacity/BB&A					\$ 0.2432					\$ 0.2432
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										\$ 0.9822

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.

ISSUED:

Effective:

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 52

CANCELLING _____ PAGE NO. 52

RATE GS-T
GENERAL SERVICE - TRANSPORTATION

RULES AND DELIVERY TERMS (Continued)

- 2) All standby volumes contracted for the month by the customer.

Transportation customers whose nominated daily volume are received in whole by the Company shall not be affected by the provisions in this subparagraph No. 8.

At least six hours prior to the beginning of an "upset day," the utility will provide notice to any one of three persons designated by the customer. After contact is attempted by the Company with the three persons designated by the customer, the Company will be deemed to have satisfied its notice obligations.

- (9) Unless otherwise agreed under paragraph (17) below, the Company will arrange its utilization of available capacity by endeavoring to fairly accommodate, to the extent practicable, the interests of its retail and transportation customers.
- a. Available System Capacity for Transportation Service: Capacity for the transportation of customer-owned gas is available on the Company's system to the same extent as capacity is available for the general system supplies that the Company acquires for its retail customers, except where operational constraints may require otherwise. Those operational constraints can include the safety of persons or property and the displacement of locally produced or purchased retail gas supplies.
 - b. Actual Unavailability of or Restrictions on Capacity: In the event that capacity on the Company's system either is unavailable for the transportation of customer-owned gas or is available but restricted, the Company will provide its transportation customer or the customer's designated representative with a written explanation of why capacity is unavailable or restricted and the steps examined by the Company to alleviate the unavailability or restriction. Where capacity is restricted, the Company will allocate capacity to its transportation customers without regard to the sources of the customers' natural gas supplies.
 - c. Anticipated Unavailability of or Restrictions on Capacity: Whenever the Company anticipates that an extraordinary activity or occurrence will make capacity either unavailable or available but restricted, the Company will provide written notice to Pennsylvania producers, as early as possible, of the specific portions of the Company's system on which capacity may be unavailable or available but restricted and of the length of time that the unavailability or restriction likely will last.
- (10) As soon as practical after the customer learns of any disruption or interruption in its supply of gas, the customer shall notify the Company.
- (11) The measurements at the point of receipt and delivery shall be the responsibility of the Company. All quantities of gas received, transported, and delivered shall be expressed in terms of "Mcf." A customer's gas received by the Company in Btus will be converted to Mcf using the current applicable conversion factor as determined annually in the Company's 1307(f) proceeding.
- (12) The Company shall retain 6.8 percent of the total volume of gas received into its system on behalf of all customers as gas used in Company operations and for unaccounted-for gas under Transportation Agreements that have been or are entered into pursuant to this rate, except in the following circumstances, where the Company may exercise its discretion to waive retainage in conjunction with a positive cost/benefit analysis: **(I)**

(I)- Indicates Increase.

ISSUED: _____

EFFECTIVE: _____

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 59

CANCELLING _____ PAGE NO. 59

RATE GS-SB
GENERAL SERVICE - STANDBY**AVAILABILITY**

This service is available to transportation service customers served under Rate GS-T and/or customers who need or use the Company as backup service to service from an alternate supplier.

RULES AND DELIVERY TERMS**Priority-One Transportation Customers**

Priority One customers must pay for standby service through a transportation standby charge applicable to all volumes transported under Rate Schedule GS-T. Backup service for Priority-One customers shall be provided pursuant to the applicable retail rate schedules.

Non-Priority-One Transportation Customers

The customer may execute a Standby Contract for a specified monthly volume. The term of the Standby Contract will be a minimum period of not less than one year. Customers that execute a Standby Contract will pay for standby service through a capacity charge applicable to contracted for monthly volumes and through a standby commodity charge applicable to all standby volumes actually purchased under Rate Schedule GS-SB.

Back-up Standby Service

If a customer is using the Company as back-up service to service from an alternative supplier, the Company shall charge the customer the standby service fees set forth in the rate table below. The Company reserves the right to determine when and the level to which a customer is using the Company as a backup supplier. In situations where the alternative supply is from local well production and before the Company provides backup standby service under the terms of this rate schedule, the Company shall have the right to inspect the pipeline and related facilities of the customer and require that the customer install, at its own expense, any necessary equipment to protect the integrity and safe operation of the Company's system.

RATE TABLE**Capacity Charges Applicable under the Rate Schedule:**

RS Capacity Charge per Mcf	\$1.4376	(D)
SGS Capacity Charge per Mcf	\$1.4376	(D)
MGS Capacity Charge per Mcf	\$1.4376	(D)
LGS Capacity Charge per Mcf	\$1.4376	(D)

Standby Charges for Priority One Transportation Customers

For customers that pay the capacity charge, the Company may release pipeline capacity, the terms of which will be pursuant to the capacity-release terms of the Company's Supplier tariff and this rate schedule.

Priority-One customers who take service under this rate schedule, or their agents, must take assignment of a pro-rata or other agreed upon share of the pipeline and storage capacity and Pennsylvania produced gas supplies ("assigned capacity") that would otherwise be utilized by the Company to meet the customer's service requirements. Assigned capacity shall be subject to recall pursuant to the conditions described in the Company's Supplier Tariff, in which case the Company will provide for the delivery of necessary gas supplies pursuant to the terms of this rate schedule. More specific terms with respect to capacity assignment requirements may be set forth in the Company's Supplier Tariff and in its contracts with Priority One NGSs. However, such additional terms with respect to capacity assignment requirements shall be subject to review in the Company's annual Section 1307(f) proceeding.

(D) – Indicates decrease.

ISSUED: _____

EFFECTIVE: _____

**PRO FORMA TO
Gas - PA PUC No. S-4**

PEOPLES NATURAL GAS COMPANY LLC

RATES AND RULES GOVERNING THE FURNISHING OF SERVICE TO NATURAL GAS SUPPLIERS

ISSUED: _____

EFFECTIVE: _____

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

NOTICE

1307(f)-2026 ANNUAL GAS COST FILING

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. S-4
_____ REVISED PAGE NO. 2
CANCELING _____ PAGE NO. 2

LIST OF CHANGES

<u>Page</u>	<u>Page Description</u>	<u>Revision Description</u>
33	Rate LGA – Aggregation Balancing	Update cashout methodology

ISSUED: _____

EFFECTIVE: _____

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. S-4
_____ REVISED PAGE NO. 33
CANCELING _____ PAGE NO. 33

RATE LGA
LOCAL GAS AGGREGATION SERVICE

AVAILABILITY

Service under this rate schedule is available to any Aggregator who has entered into a Local Gas Aggregation Agreement with the Company and demonstrates to the Company's satisfaction that it has met the Company's creditworthiness standards and bonding requirements.

The locally produced gas nominated out of the Local Gas Aggregation Pool will be balanced monthly with actual production delivered into the Company's system.

RULES AND CONDITIONS

1. Points of Receipt

The points of receipt for local gas aggregation shall be those metering stations identified by the Aggregator in its Measurement Operating Agreement with the Company or any other designated point where gas is delivered into the Company's system. The Aggregator will pay for any investment costs required to receive gas into the Company's system at agreed-upon transportation gas receipt points. The Company will own and maintain each natural gas connection's tapping tee or pipe and valve.

2. Nomination of Aggregated Production

Refer to Rule 11 of the Rules and Regulations.

3. Aggregation Balancing

Volumes nominated into a Local Gas Aggregation Pool shall equal the volumes delivered out of the Local Gas Aggregation Pool. Aggregators will not be permitted to deliver more gas out of the pool than is nominated into the pool in any given month. If daily volumes nominated into a Local Gas Aggregation Pool are greater than the daily volumes delivered out of the Local Gas Aggregation Pool, those volumes shall be sold to the Company at lowest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Eastern South for the month multiplied by 85%.

4. Procedures When a Local Gas Aggregator Exits the System

Refer to Rule 11, part (c).

ISSUED: _____

EFFECTIVE: _____

**PRO FORMA TO
Gas - PA PUC No. S-4**

PEOPLES NATURAL GAS COMPANY LLC

RATES AND RULES GOVERNING THE FURNISHING OF SERVICE TO NATURAL GAS SUPPLIERS

ISSUED: _____

EFFECTIVE: _____

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

NOTICE

1307(f)-2026 ANNUAL GAS COST FILING

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. S-4
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LIST OF CHANGES

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Balancing

Revision Description
Update cashout methodology

ISSUED: _____

EFFECTIVE: _____

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. S-4

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RATE LGA
LOCAL GAS AGGREGATION SERVICE

AVAILABILITY

Service under this rate schedule is available to any Aggregator who has entered into a Local Gas Aggregation Agreement with the Company and demonstrates to the Company's satisfaction that it has met the Company's creditworthiness standards and bonding requirements.

The locally produced gas nominated out of the Local Gas Aggregation Pool will be balanced monthly with actual production delivered into the Company's system.

RULES AND CONDITIONS

1. Points of Receipt

The points of receipt for local gas aggregation shall be those metering stations identified by the Aggregator in its Measurement Operating Agreement with the Company or any other designated point where gas is delivered into the Company's system. The Aggregator will pay for any investment costs required to receive gas into the Company's system at agreed-upon transportation gas receipt points. The Company will own and maintain each natural gas connection's tapping tee or pipe and valve.

2. Nomination of Aggregated Production

Refer to Rule 11 of the Rules and Regulations.

3. Aggregation Balancing

Volumes nominated into a Local Gas Aggregation Pool shall equal the volumes delivered out of the Local Gas Aggregation Pool. Aggregators will not be permitted to deliver more gas out of the pool than is nominated into the pool in any given month. If daily volumes nominated into a Local Gas Aggregation Pool are greater than the daily volumes delivered out of the Local Gas Aggregation Pool, those volumes shall be sold to the Company at lowest Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Eastern South for the month multiplied by 85%. ~~the Midpoint price published in Platts, Gas Daily publication, under the heading Appalachia, Eastern South on the day the excess occurs multiplied by 85%.~~

4. Procedures When a Local Gas Aggregator Exits the System

Refer to Rule 11, part (c).

Peoples Natural Gas Company LLC
Actual Purchased Gas Costs
1307(f)-2026

	2025 February ACTUAL	2025 March ACTUAL	2025 April ACTUAL	2025 May ACTUAL	2025 June ACTUAL	2025 July ACTUAL	2025 August ACTUAL	2025 September ACTUAL	2025 October ACTUAL	2025 November ACTUAL	2025 December ACTUAL	2026 January ACTUAL	12-Mth Total
Local / Gathered Purchases													
Quantity - Mcf	253,218	289,721	260,369	276,642	294,048	314,058	286,756	294,430	298,784	269,823	257,894	198,453	3,294,196
Rate per Mcf	\$3.1993	\$3.6072	\$3.2660	\$2.4496	\$2.2223	\$2.1902	\$2.3828	\$1.9308	\$1.7622	\$2.7529	\$3.9117	\$4.2900	\$2.7642
Cost	\$810,108	\$1,045,082	\$850,371	\$677,656	\$653,460	\$687,840	\$683,292	\$568,485	\$526,528	\$742,802	\$1,008,808	\$851,362	\$ 9,105,794
Interstate Pipeline Purchases													
Quantity - Mcf	5,589,142	939,445	5,442,367	5,213,184	3,636,928	5,158,861	5,595,026	5,443,534	5,380,796	4,696,150	8,921,128	7,943,339	63,959,900
Rate per Mcf	\$4.5931	\$3.8023	\$3.2439	\$2.4223	\$2.1752	\$2.4194	\$2.3067	\$1.8659	\$2.0107	\$3.4980	\$3.9202	\$13.0919	\$4.2088
Cost	\$25,671,488	\$3,572,028	\$17,654,669	\$12,627,729	\$7,911,125	\$12,481,371	\$12,905,804	\$10,156,981	\$10,819,195	\$16,427,287	\$34,972,900	\$103,993,521	\$ 269,194,099
Total Commodity Purchases													
Quantity - Mcf	5,842,360	1,229,166	5,702,736	5,489,826	3,930,976	5,472,919	5,881,782	5,737,964	5,679,580	4,965,973	9,179,022	8,141,792	67,254,096
Rate per Mcf	\$4.5327	\$3.7563	\$3.2449	\$2.4236	\$2.1787	\$2.4062	\$2.3104	\$1.8692	\$1.9976	\$3.4575	\$3.9200	\$12.8774	\$4.1380
Cost	\$26,481,596	\$4,617,110	\$18,505,040	\$13,305,386	\$8,564,585	\$13,169,211	\$13,589,096	\$10,725,466	\$11,345,723	\$17,170,090	\$35,981,708	\$104,844,883	\$ 278,299,892
Storage (Injection)/Withdrawals - WACCOG													
Quantity - Mcf	5,177,898	3,637,226	(2,340,721)	(3,851,395)	(2,145,186)	(4,378,209)	(4,456,350)	(3,830,299)	(2,488,189)	2,400,887	3,560,200	6,620,291	(2,093,847)
WACCOG Rate per Mcf	\$1.8371	\$1.8365	\$4.0061	\$2.5518	\$2.2407	\$2.4899	\$2.4385	\$2.0042	\$2.0399	\$2.1242	\$2.1126	\$2.2383	\$ 1,502,095
Cost	\$9,512,187	\$6,679,870	(\$9,377,132)	(\$9,827,859)	(\$4,806,648)	(\$10,901,474)	(\$10,866,861)	(\$7,676,634)	(\$5,075,746)	\$5,099,900	\$7,521,152	\$14,818,019	\$ (14,901,225)
Injection/Withdrawal Costs	\$57,434	\$35,311	\$44,235	\$59,741	\$43,813	\$69,092	\$63,300	\$55,154	\$44,244	\$34,938	\$63,708	\$78,948	\$ 649,918
Pipeline Transportation Charges	\$681,099	\$229,844	\$651,999	\$504,692	\$318,825	\$574,529	\$612,039	\$570,954	\$689,143	\$537,606	\$824,670	\$668,859	\$ 6,864,259
Other Purchased Gas Costs													
Other Gas Costs - Mcf	(653,664)	465,466	381,557	587,667	187,660	225,300	196,888	135,669	369,578	117,525	56,567	396,143	2,466,356
Gas Admin Costs	\$13,840	\$15,320	\$16,800	\$18,280	\$16,800	\$16,800	\$13,840	\$6,920	\$18,280	\$16,044	\$14,942	\$16,492	\$ 184,358
Imbalance Buyback Costs	\$415,998	\$674,152	\$1,239,309	\$942,006	\$547,481	\$653,734	\$545,840	\$459,330	\$497,759	\$275,084	\$642,139	\$1,426,733	\$ 8,319,565
Exchange Costs	(\$2,878,201)	\$1,185,277	\$433,462	\$658,025	(\$84,590)	(\$84,648)	(\$46,749)	(\$79,369)	\$287,171	\$2,696	(\$666,746)	(\$228,422)	\$ (1,502,095)
Compressed Natural Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ -
Subtotal	(\$2,448,363)	\$1,874,749	\$1,689,571	\$1,618,311	\$479,691	\$585,885	\$12,931	\$386,881	\$803,210	\$293,825	(\$9,664)	\$1,214,803	\$ 7,001,828
Capacity Costs - Firm Transportation	\$7,804,814	\$8,027,517	\$3,677,347	\$3,715,987	\$3,602,244	\$3,639,706	\$3,644,223	\$3,644,223	\$5,048,583	\$13,061,529	\$13,223,775	\$13,218,713	\$ 82,308,662
Capacity Costs - Firm Storage	\$1,634,351	\$1,634,351	\$1,648,602	\$1,648,602	\$1,637,696	\$1,637,696	\$1,637,696	\$1,637,696	\$3,326,996	\$3,304,500	\$3,327,212	\$3,327,212	\$ 26,402,611
AVC Capacity Costs 1/	\$6,608,366	\$6,720,786	\$3,070,536	\$3,070,536	\$3,070,536	\$3,070,536	\$3,070,536	\$3,070,536	\$0	\$0	\$0	\$0	\$ 31,752,369
	\$16,047,531	\$16,382,654	\$8,396,486	\$8,435,126	\$8,310,476	\$8,347,938	\$8,352,455	\$8,352,455	\$8,375,579	\$16,366,029	\$16,550,987	\$16,545,925	\$ 140,463,641
Total 1307(f) Gas Costs	\$ 50,331,483	\$ 29,819,538	\$ 19,910,199	\$ 14,095,398	\$ 12,910,741	\$ 11,845,182	\$ 12,262,961	\$ 12,414,275	\$ 16,182,152	\$ 39,502,387	\$ 60,932,561	\$ 138,171,436	\$ 418,378,313
Total - w/o AVC	\$ 43,723,117	\$ 23,098,752	\$ 16,839,663	\$ 11,024,862	\$ 9,840,205	\$ 8,774,646	\$ 9,192,425	\$ 9,343,739	\$24,673,376	\$43,199,823	\$60,815,940	\$49,103,888	\$ 309,630,435
Capacity	\$ 9,439,165	\$ 9,661,868	\$ 5,325,950	\$ 5,364,590	\$ 5,239,940	\$ 5,277,402	\$ 5,281,919	\$ 5,281,919	\$4,744,923	\$8,827,103	\$8,792,846	\$8,555,471	\$ 81,793,096
Commodity	\$ 34,283,952	\$ 13,436,884	\$ 11,513,713	\$ 5,660,272	\$ 4,600,265	\$ 3,497,243	\$ 3,910,506	\$ 4,061,820	\$19,928,453	\$34,372,720	\$52,023,094	\$40,548,417	\$ 227,837,339
1307(f) Mcf	10,366,594	5,331,858	3,743,572	2,226,098	1,973,450	1,320,010	1,622,320	2,043,334	3,560,969	7,484,385	12,795,789	15,158,226	67,626,605

1/ AVC Capacity Costs are included in the Firm Transportation Capacity Costs and Firm Storage Capacity Costs starting October 2025

Peoples Natural Gas Company LLC
Annual 1307(f)-2026
Interim Period Projected Gas Costs
SUMMARY

	<u>2026</u> <u>February</u>	<u>2026</u> <u>March</u>	<u>2026</u> <u>April</u>	<u>2026</u> <u>May</u>	<u>2026</u> <u>June</u>	<u>2026</u> <u>July</u>	<u>2026</u> <u>August</u>	<u>2026</u> <u>September</u>	
<u>Local / Gathered Purchases</u>									
Quantity - Mcf	257,101	277,302	282,763	295,502	270,023	270,735	280,746	266,337	
Rate per Mcf	\$7.3645	\$4.0160	\$3.4809	\$3.2733	\$3.3619	\$3.5411	\$3.5072	\$3.1760	
Cost	\$1,893,420	\$1,113,637	\$984,265	\$967,279	\$907,796	\$958,711	\$984,618	\$845,888	
<u>Interstate Pipeline Purchases</u>									
Quantity - Mcf	6,509,557	3,897,742	8,836,522	6,633,327	5,068,783	4,880,706	4,923,177	4,658,807	
Rate per Mcf	\$7.7923	\$4.1869	\$3.6142	\$3.4032	\$3.4982	\$3.6862	\$3.6521	\$3.3099	
Cost	\$50,724,618	\$16,319,417	\$31,937,155	\$22,574,852	\$17,731,774	\$17,991,365	\$17,979,740	\$15,420,153	
<u>Total Commodity Purchases</u>									
Quantity - Mcf	6,766,658	4,175,044	9,119,285	6,928,829	5,338,806	5,151,441	5,203,923	4,925,144	
Rate per Mcf	\$7.7761	\$4.1755	\$3.6101	\$3.3977	\$3.4913	\$3.6786	\$3.6442	\$3.3027	
Cost	\$52,618,038	\$17,433,053	\$32,921,420	\$23,542,130	\$18,639,569	\$18,950,075	\$18,964,358	\$16,266,041	
<u>Storage (Injection)/Withdrawals</u>									
Quantity - Mcf	5,094,680	5,801,466	(2,770,214)	(3,493,453)	(3,582,204)	(3,910,626)	(4,050,853)	(3,622,450)	
WACCOG Rate per Mcf	\$2.4632	\$2.4632	\$3.6439	\$3.4432	\$3.5506	\$3.7441	\$3.7104	\$3.3613	
Cost	\$12,549,216	\$14,290,171	(\$10,094,269)	(\$12,028,616)	(\$12,718,914)	(\$14,641,649)	(\$15,030,355)	(\$12,176,112)	
Injection/Withdrawal Costs	\$52,280	\$45,932	\$292,647	\$299,812	\$300,986	\$321,950	\$329,048	\$273,485	
<u>Other Purchased Gas Costs</u>									
Other Gas Costs - Mcf	0	0	0	0	0	0	0	0	
Risk Mgmt / Gas Admin Costs	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	
Imbalance Buyback Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Exchange Costs	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
Subtotal	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	
Capacity Costs - Firm Transportation	\$9,553,365	\$9,771,598	\$3,624,791	\$3,624,791	\$3,624,791	\$3,624,791	\$3,624,791	\$3,624,791	
Capacity Costs - Firm Storage	<u>\$6,789,018</u>	<u>\$6,789,018</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	
Total Capacity	\$16,342,383	\$16,560,617	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	
<u>Total 1307(f) Gas Costs</u>	<u>\$ 81,577,237</u>	<u>\$ 48,345,093</u>	<u>\$ 31,423,168</u>	<u>\$ 20,116,696</u>	<u>\$ 14,525,012</u>	<u>\$ 12,933,746</u>	<u>\$ 12,566,421</u>	<u>\$ 12,666,785</u>	<u>\$ 234,154,157</u>
Commodity	\$65,234,854	\$31,784,477	\$23,135,118	\$11,828,646	\$6,236,962	\$4,645,696	\$4,278,371	\$4,378,735	\$151,522,858
Capacity	\$16,342,383	\$16,560,617	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$82,631,299
1307(f) Mcf	11,861,338	9,976,510	6,349,071	3,435,376	1,756,602	1,240,815	1,153,070	1,302,694	

Peoples Natural Gas Company LLC
Annual 1307(f)-2026
Interim Period Projected Gas Costs
Local Purchases

	2026	2026	2026	2026	2026	2026	2026	2026	
	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>Total</u>
<u>Local / Gathered Purchases</u>									
Quantity - Mcf	257,101	277,302	282,763	295,502	270,023	270,735	280,746	266,337	2,200,509
Rate per Mcf	\$ 7.365	\$ 4.016	\$ 3.481	\$ 3.273	\$ 3.362	\$ 3.541	\$ 3.507	\$ 3.176	\$ 3.933
Cost	\$ 1,893,420	\$ 1,113,637	\$ 984,265	\$ 967,279	\$ 907,796	\$ 958,711	\$ 984,618	\$ 845,888	\$ 8,655,613

Peoples Natural Gas Company LLC
Annual 1307(f)-2026
Interim Period Projected Gas Costs
Interstate Pipeline Purchases

	2026 <u>February</u>	2026 <u>March</u>	2026 <u>April</u>	2026 <u>May</u>	2026 <u>June</u>	2026 <u>July</u>	2026 <u>August</u>	2026 <u>September</u>	<u>TOTAL</u>
<u>City-Gate Mcf</u>									
EQT - NAESB	5,942,457	3,520,742	8,106,022	6,019,827	4,284,283	4,038,606	4,036,077	3,813,807	39,761,821
EGT&S SP	0	0	410,000	395,000	470,000	521,500	566,500	530,000	2,893,000
Tennessee Gas Pipeline	281,600	155,000	30,000	15,500	15,000	15,500	15,500	15,000	543,100
Texas Eastern Transmission	165,000	130,000	120,000	6,000	90,000	90,000	90,000	90,000	781,000
National Fuel Gas Supply	14,500	0	102,000	155,000	168,000	173,600	173,600	168,000	954,700
Columbia Gas Transmission	50,000	32,000	23,500	22,000	21,500	21,500	21,500	22,000	214,000
Tennessee into Columbia	<u>56,000</u>	<u>60,000</u>	<u>45,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>261,000</u>
TOTAL MCF	6,509,557	3,897,742	8,836,522	6,633,327	5,068,783	4,880,706	4,923,177	4,658,807	45,408,621

Interstate Pricing

EQT - NAESB	\$7.5902	\$4.1499	\$3.6145	\$3.4098	\$3.5076	\$3.6996	\$3.6647	\$3.3159
EGT&S SP	\$7.5384	\$4.1160	\$3.5691	\$3.3569	\$3.4475	\$3.6306	\$3.5959	\$3.2575
Tennessee Gas Pipeline	\$7.9352	\$4.4216	\$3.8839	\$3.7133	\$3.6884	\$3.9369	\$3.9364	\$3.5162
Texas Eastern Transmission	\$14.7992	\$4.6114	\$3.6759	\$3.4429	\$3.5194	\$3.8875	\$3.9026	\$3.3342
National Fuel Gas Supply	\$7.5762	\$4.1436	\$3.5951	\$3.3824	\$3.4732	\$3.6569	\$3.6221	\$3.2826
Columbia Gas Transmission	\$7.7625	\$4.2709	\$3.7603	\$3.7216	\$3.6935	\$3.8911	\$3.8720	\$3.6241
Tennessee into Columbia	\$7.9352	\$4.4216	\$3.8839	\$3.7133	\$3.6884	\$3.9369	\$3.9364	\$3.5162

Interstate Purchase Cost

EQT - NAESB	\$45,104,209	\$14,610,903	\$29,299,090	\$20,526,360	\$15,027,668	\$14,941,252	\$14,791,048	\$12,646,114	\$166,946,642
EGT&S SP	0	0	1,463,316	1,325,990	1,620,312	1,893,384	2,037,083	1,726,451	10,066,536
Tennessee Gas Pipeline	2,234,552	685,342	116,516	57,556	55,325	61,022	61,014	52,744	3,324,072
Texas Eastern Transmission	2,441,868	599,477	441,106	20,658	316,742	349,877	351,234	300,082	4,821,043
National Fuel Gas Supply	109,855	0	366,704	524,270	583,496	634,839	628,790	551,479	3,399,432
Columbia Gas Transmission	388,125	136,668	88,366	81,875	79,411	83,658	83,248	79,731	1,021,082
EQT NOFT Delivery Costs	1,638	21,734	(12,718)	(36,124)	(24,948)	(51,405)	(51,405)	(6,770)	(160,000)
Tennessee into Columbia	<u>444,371</u>	<u>265,294</u>	<u>174,775</u>	<u>74,266</u>	<u>73,767</u>	<u>78,738</u>	<u>78,728</u>	<u>70,325</u>	<u>1,260,264</u>
TOTAL COST	\$50,724,618	\$16,319,417	\$31,937,155	\$22,574,852	\$17,731,774	\$17,991,365	\$17,979,740	\$15,420,153	\$190,679,072

Peoples Natural Gas Company
Annual 1307(f)-2026
Interim Period Projected Gas Costs
WACCOG Storage Inventory Pricing

	2026 <u>February</u>	2026 <u>March</u>	2026 <u>April</u>	2026 <u>May</u>	2026 <u>June</u>	2026 <u>July</u>	2026 <u>August</u>	2026 <u>September</u>	<u>Total</u>
<u>WACCOG Storage Inventory Pricing</u>									
(Injection)/Withdrawal Mcf									
60SS/115SS - 863/865	2,150,000	2,311,393	(1,700,000)	(1,700,000)	(1,555,000)	(1,475,000)	(1,595,000)	(1,575,000)	(5,138,607)
EGT&S GSS - 300196	465,000	343,902	(285,000)	(295,000)	(345,000)	(356,500)	(356,500)	(330,000)	(1,159,098)
EQT AVC GSS	850,000	1,680,000	(725,000)	(575,000)	(525,000)	(525,000)	(525,000)	(525,000)	(870,000)
EGT&S GSS - PNG	314,000	248,000	40,000	(100,000)	(200,000)	(200,000)	(210,000)	(195,000)	(303,000)
NFGS ESS	135,000	118,000	(40,000)	(95,000)	(100,000)	(105,000)	(105,000)	(100,000)	(292,000)
On-System - PNG	220,000	195,000	280,000	(25,000)	(105,000)	(295,000)	(310,000)	(310,000)	(350,000)
Columbia Gas - PG	15,758	14,308	(10,483)	(17,216)	(18,104)	(18,707)	(13,934)	(11,030)	(59,408)
EGT&S - PG	108,550	112,043	(86,622)	(89,509)	(86,622)	(89,509)	(89,509)	(72,185)	(293,363)
EQT - PG	766,372	668,820	(433,109)	(596,728)	(577,478)	(745,910)	(745,910)	(404,235)	(2,068,178)
On-System - PG	70,000	110,000	190,000	-	(70,000)	(100,000)	(100,000)	(100,000)	-
TOTAL	5,094,680	5,801,466	(2,770,214)	(3,493,453)	(3,582,204)	(3,910,626)	(4,050,853)	(3,622,450)	(10,533,654)

WACCOG Storage Inventory Rate	\$ 2.4632	\$ 2.4632	\$ 3.6439	\$ 3.4432	\$ 3.5506	\$ 3.7441	\$ 3.7104	\$ 3.3613	
WACCOG Storage Inventory Cost	\$ 12,549,216	\$ 14,290,171	\$ (10,094,269)	\$ (12,028,616)	\$ (12,718,914)	\$ (14,641,649)	\$ (15,030,355)	\$ (12,176,112)	\$ (49,850,528)

	2026 <u>April</u>	2026 <u>May</u>	2026 <u>June</u>	2026 <u>July</u>	2026 <u>August</u>	2026 <u>September</u>	2026 <u>October</u>	
Local Purchases - Mcf	282,763	295,502	270,023	270,735	280,746	266,337	274,840	
Interstate Purchases - Mcf	<u>8,836,522</u>	<u>6,633,327</u>	<u>5,068,783</u>	<u>4,880,706</u>	<u>4,923,177</u>	<u>4,658,807</u>	<u>5,038,446</u>	
	9,119,285	6,928,829	5,338,806	5,151,441	5,203,923	4,925,144	5,313,286	41,980,714
Local Purchases - Cost	\$984,265	\$967,279	\$907,796	\$958,711	\$984,618	\$845,888	\$824,910	
Interstate Purchases - Cost	\$31,937,155	\$22,574,852	\$17,731,774	\$17,991,365	\$17,979,740	\$15,420,153	\$15,782,775	
Injection/Withdrawal Costs	\$292,647	\$299,812	\$300,986	\$321,950	\$329,048	\$273,485	\$230,518	
Other Purchased Gas Costs	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>	
	\$33,229,387	\$23,857,262	\$18,955,875	\$19,287,345	\$19,308,726	\$16,554,846	\$16,853,524	\$148,046,966
WACCOG Inventory Pricing	\$ 3.6439	\$ 3.4432	\$ 3.5506	\$ 3.7441	\$ 3.7104	\$ 3.3613	\$ 3.1720	\$ 3.5265

Peoples Natural Gas Company
Annual 1307(f)-2026
Interim Period Projected Gas Costs
Storage Injection / Withdrawal Costs

		2026	2026	2026	2026	2026	2026	2026	2026	
		February	March	April	May	June	July	August	September	Total
Storage Injection/Withdrawal Costs										
<u>EQT AVC GSS</u>										
(Injection)/Withdrawal Mcf		850,000	1,680,000	(725,000)	(575,000)	(525,000)	(525,000)	(525,000)	(525,000)	(870,000)
Fuel on Injection	4.28%	\$ -	\$ -	\$ 0.1539	\$ 0.1448	\$ 0.1487	\$ 0.1566	\$ 0.1551	\$ 0.1405	
Injection Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Withdrawal Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ -	\$ -	\$ 0.1539	\$ 0.1448	\$ 0.1487	\$ 0.1566	\$ 0.1551	\$ 0.1405	
EQT AVC GSS Cost		\$ -	\$ -	\$ 111,592	\$ 83,262	\$ 78,064	\$ 82,197	\$ 81,413	\$ 73,777	\$ 510,306
<u>EQT 60SS/115SS</u>										
(Injection)/Withdrawal Mcf		2,150,000	2,311,393	(1,700,000)	(1,700,000)	(1,555,000)	(1,475,000)	(1,595,000)	(1,575,000)	(5,138,607)
Fuel on Injection	1.88%	\$ -	\$ -	\$ 0.0703	\$ 0.0663	\$ 0.0680	\$ 0.0715	\$ 0.0708	\$ 0.0644	
Injection Charge		\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0069	\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0069	\$ 0.0069	\$ 0.0772	\$ 0.0732	\$ 0.0749	\$ 0.0784	\$ 0.0777	\$ 0.0713	
EQT 60SS/115SS Cost		\$ 14,835	\$ 15,949	\$ 131,306	\$ 124,474	\$ 116,525	\$ 115,649	\$ 124,008	\$ 112,353	\$ 755,098
<u>EGT&S GSS - PNG</u>										
(Injection)/Withdrawal Mcf		314,000	248,000	40,000	(100,000)	(200,000)	(200,000)	(210,000)	(195,000)	(303,000)
Fuel on Injection	1.49%	\$ -	\$ -	\$ 0.0532	\$ 0.0501	\$ 0.0514	\$ 0.0542	\$ 0.0536	\$ 0.0486	
Injection Charge		\$ -	\$ -	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	
Withdrawal Charge		\$ 0.0269	\$ 0.0269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0269	\$ 0.0269	\$ 0.0935	\$ 0.0904	\$ 0.0917	\$ 0.0945	\$ 0.0939	\$ 0.0889	
DTI GSS COSTS - PNG		\$ 8,447	\$ 6,671	\$ (3,742)	\$ 9,038	\$ 18,347	\$ 18,893	\$ 19,729	\$ 17,335	\$ 94,719
<u>EGT&S GSS - EGC</u>										
(Injection)/Withdrawal Mcf		465,000	343,902	(285,000)	(295,000)	(345,000)	(356,500)	(356,500)	(330,000)	(1,159,098)
Fuel on Injection	1.49%	\$ -	\$ -	\$ 0.0532	\$ 0.0501	\$ 0.0514	\$ 0.0542	\$ 0.0536	\$ 0.0486	
Injection Charge		\$ -	\$ -	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	
Withdrawal Charge		\$ 0.0269	\$ 0.0269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0269	\$ 0.0269	\$ 0.0935	\$ 0.0904	\$ 0.0917	\$ 0.0945	\$ 0.0939	\$ 0.0889	
DTI GSS COSTS - EGC		\$ 12,509	\$ 9,251	\$ 26,661	\$ 26,663	\$ 31,648	\$ 33,677	\$ 33,493	\$ 29,337	\$ 203,239
<u>NFGS ESS</u>										
(Injection)/Withdrawal Mcf		135,000	118,000	(40,000)	(95,000)	(100,000)	(105,000)	(105,000)	(100,000)	(292,000)
Fuel on Injection	0.85%	\$ -	\$ -	\$ 0.0305	\$ 0.0287	\$ 0.0294	\$ 0.0310	\$ 0.0307	\$ 0.0278	
Injection Charge		\$ -	\$ -	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	
Withdrawal Charge		\$ 0.0411	\$ 0.0411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0411	\$ 0.0411	\$ 0.0716	\$ 0.0698	\$ 0.0705	\$ 0.0721	\$ 0.0718	\$ 0.0689	
NFGS ESS Cost		\$ 5,549	\$ 4,850	\$ 2,862	\$ 6,627	\$ 7,052	\$ 7,568	\$ 7,537	\$ 6,891	\$ 48,935
Storage Injection/Withdrawal Costs										
		2026	2026	2026	2026	2026	2026	2026	2026	
		February	March	April	May	June	July	August	September	
<u>Columbia Gas Transmission - FSS</u>										
(Injection)/Withdrawal Mcf		15,758	14,308	(10,483)	(17,216)	(18,104)	(18,707)	(13,934)	(11,030)	(59,408)
SST Delivery to FSS Charge		\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	
SST Fuel Charge	1.86%	\$0.1364	\$0.0750	\$0.0661	\$0.0654	\$0.0649	\$0.0684	\$0.0680	\$0.0637	
FSS Injection Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
FSS Fuel Charge	0.55%	\$0.0408	\$0.0225	\$0.0198	\$0.0196	\$0.0195	\$0.0205	\$0.0204	\$0.0191	
FSS Withdrawal Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
SST Fuel Charge to City-Gate	1.86%	\$0.1402	\$0.0774	\$0.0682	\$0.0675	\$0.0670	\$0.0706	\$0.0702	\$0.0658	
SST Delivery to City-Gate		\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	
		\$0.1734	\$0.1106	\$0.1191	\$0.1182	\$0.1176	\$0.1221	\$0.1216	\$0.1160	
CGT FSS Cost		\$ 2,733	\$ 1,583	\$ 1,248	\$ 2,035	\$ 2,128	\$ 2,284	\$ 1,695	\$ 1,279	\$ 14,986
<u>Eastern Gas Storage and Transmission GSS</u>										
(Injection)/Withdrawal Mcf		108,550	112,043	(86,622)	(89,509)	(86,622)	(89,509)	(89,509)	(72,185)	(293,363)
Fuel on Injection	1.49%	\$ 0.1067	\$ 0.0582	\$ 0.0504	\$ 0.0474	\$ 0.0487	\$ 0.0513	\$ 0.0508	\$ 0.0460	
Injection Charge		\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	
Withdrawal Charge		\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	
		\$ 0.0269	\$ 0.0269	\$ 0.0907	\$ 0.0877	\$ 0.0890	\$ 0.0916	\$ 0.0911	\$ 0.0863	
DTI GSS Cost		\$ 2,920	\$ 3,014	\$ (7,858)	\$ 7,851	\$ 7,709	\$ 8,198	\$ 8,154	\$ 6,230	\$ 36,218
<u>Equitrans, LP 60SS</u>										
(Injection)/Withdrawal Mcf		766,372	668,820	(433,109)	(596,728)	(577,478)	(745,910)	(745,910)	(404,235)	(2,068,178)
Fuel on Injection	1.88%	\$ 0.1348	\$ 0.0735	\$ 0.0637	\$ 0.0599	\$ 0.0615	\$ 0.0648	\$ 0.0642	\$ 0.0581	
Injection Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
		\$ 0.0069	\$ 0.0069	\$ 0.0706	\$ 0.0668	\$ 0.0684	\$ 0.0717	\$ 0.0711	\$ 0.0650	
EQT 60SS Cost		\$ 5,288	\$ 4,615	\$ 30,577	\$ 39,862	\$ 39,512	\$ 53,483	\$ 53,019	\$ 26,283	\$ 252,640
TOTAL STORAGE INJ/WD COST		\$ 52,280	\$ 45,932	\$ 292,647	\$ 299,812	\$ 300,986	\$ 321,950	\$ 329,048	\$ 273,485	\$ 1,916,140

Peoples Natural Gas Company
Annual 1307(f)-2026
Interim Period Projected Gas Costs

Interstate Pipeline Demand and Capacity Costs

	2026 February	2026 March	2026 April	2026 May	2026 June	2026 July	2026 August	2026 September	Total
Interstate Transportation									
<u>Equitrans</u>									
EFT - 1565									
Demand Determinant - Dth	251,700	251,700	62,000	62,000	62,000	62,000	62,000	62,000	
Demand Rate - \$/Dth	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	
Demand Cost - \$	\$ 2,155,232	\$ 2,155,232	\$ 530,887	\$ 530,887	\$ 530,887	\$ 530,887	\$ 530,887	\$ 530,887	\$ 7,495,788
<u>Equitrans</u>									
NOFT - 860									
Demand Determinant - Dth	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	
Demand Rate - \$/Dth	\$ 8.291	\$ 8.291	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	
Demand Cost - \$	\$ 659,500	\$ 659,500	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 4,907,545
<u>Equitrans</u>									
EFT - 1559									
Demand Determinant - Dth	164,936	164,936	164,936	164,936	164,936	164,936	164,936	164,936	
Demand Rate - \$/Dth	\$ 6.121	\$ 6.121	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	
Demand Cost - \$	\$ 1,009,507	\$ 1,009,507	\$ 916,368	\$ 916,368	\$ 916,368	\$ 916,368	\$ 916,368	\$ 916,368	\$ 7,517,222
<u>Equitrans</u>									
AVC - 1576									
Demand Determinant - Dth	251,700	251,700	62,000	62,000	62,000	62,000	62,000	62,000	
Demand Rate - \$/Dth	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	
Demand Cost - \$	\$ 2,803,686	\$ 2,803,686	\$ 690,618	\$ 690,618	\$ 690,618	\$ 690,618	\$ 690,618	\$ 690,618	\$ 9,751,081
<u>Eastern GT&S</u>									
FTNN - 100119									
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.946	\$ 5.946	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 242,252	\$ 242,252	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 1,938,711
<u>Eastern GT&S</u>									
FT - 200654									
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.946	\$ 5.946	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 237,856	\$ 237,856	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 1,903,544
<u>Texas Eastern Transmission</u>									
FT-910089									
Demand Determinant - Dth	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	
Demand Rate - \$/Dth	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	
Demand Cost - \$	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 2,225,680
<u>National Fuel Gas Supply</u>									
EFT									
Demand Determinant - Dth	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	
Demand Rate - \$/Dth	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	
Demand Cost - \$	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 864,985
<u>Columbia Gas Transmission</u>									
FTS - 307787									
Demand Determinant - Dth	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	
Demand Rate - \$/Dth	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	
Demand Cost - \$	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 426,176
<u>Texas Eastern Transmission</u>									
FT - 911299									
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	
Demand Cost - \$	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 745,344
<u>Eastern GT&S</u>									
FT-200855									
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 5.9464	\$ 5.9464	\$ 5.9464	\$ 5.9464	\$ 5.9464	\$ 5.9464	\$ 5.9464	\$ 5.9464	
Demand Cost - \$	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,464	\$ 475,712
Equitable Energy - NAESB									
Demand Determinant - Dth	11,665,780	12,915,685	-	-	-	-	-	-	
Demand Rate - \$/Dth	\$ 0.1746	\$ 0.1746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Demand Cost - \$	\$ 2,036,845	\$ 2,255,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,291,924
TGP Winter Reservation - Z4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TETCO Winter Reservation - M3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TETCO - AMA	\$ (183,750)	\$ (183,750)	\$ (183,750)	\$ (183,750)	\$ (183,750)	\$ (183,750)	\$ (183,750)	\$ (183,750)	\$ (1,470,000)
<u>Total Demand and Capacity Costs</u>									
Demand Determinant - Dth	883,007	883,007	503,607	503,607	503,607	503,607	503,607	503,607	
Demand Cost - \$	\$ 9,553,365	\$ 9,771,598	\$ 3,624,791	\$ 3,624,791	\$ 3,624,791	\$ 3,624,791	\$ 3,624,791	\$ 3,624,791	\$ 41,073,711

1/ EGT&S Contract 100119 Capacity Charges include additional costs for HUB III project.

2/ Reflects 75% of the AMA capacity release revenues.

Peoples Natural Gas Company LLC
Annual 1307(f)-2026
Projected Period Gas Costs
SUMMARY

	2026 <u>October</u>	2026 <u>November</u>	2026 <u>December</u>	2027 <u>January</u>	2027 <u>February</u>	2027 <u>March</u>	2027 <u>April</u>	2027 <u>May</u>	2027 <u>June</u>	2027 <u>July</u>	2027 <u>August</u>	2027 <u>September</u>	12-Mth <u>Total</u>
<u>Local / Gathered Purchases</u>													
Quantity - Mcf	274,840	271,106	254,539	251,917	237,449	257,490	264,873	275,988	249,630	250,404	260,559	246,396	3,095,191
Rate per Mcf	\$3.0014	\$3.5844	\$4.4331	\$4.8019	\$4.2946	\$3.3140	\$2.8423	\$2.6414	\$2.7207	\$2.8691	\$2.7753	\$2.4998	\$3.3039
Cost	\$824,910	\$971,752	\$1,128,402	\$1,209,670	\$1,019,745	\$853,328	\$752,845	\$729,004	\$679,180	\$718,425	\$723,139	\$615,943	\$10,226,343
<u>Interstate Pipeline Purchases</u>													
Quantity - Mcf	5,038,446	1,905,508	4,443,075	4,913,759	6,383,581	4,074,092	9,011,837	6,790,874	5,104,684	4,898,760	4,930,682	4,705,975	62,201,273
Rate per Mcf	\$3.1325	\$3.7766	\$4.7363	\$5.2714	\$4.5555	\$3.4564	\$2.9571	\$2.7525	\$2.8411	\$2.9937	\$2.8979	\$2.6165	\$3.4436
Cost	\$15,782,775	\$7,196,305	\$21,043,763	\$25,902,289	\$29,080,314	\$14,081,834	\$26,649,353	\$18,691,874	\$14,502,921	\$14,665,370	\$14,288,489	\$12,313,244	\$214,198,531
<u>Total Commodity Purchases</u>													
Quantity - Mcf	5,313,286	2,176,614	4,697,614	5,165,676	6,621,030	4,331,582	9,276,710	7,066,862	5,354,314	5,149,164	5,191,241	4,952,371	65,296,464
Rate per Mcf	\$3.1257	\$3.7526	\$4.7199	\$5.2485	\$4.5461	\$3.4480	\$2.9539	\$2.7482	\$2.8355	\$2.9876	\$2.8917	\$2.6107	\$3.4370
Cost	\$16,607,686	\$8,168,058	\$22,172,165	\$27,111,959	\$30,100,059	\$14,935,163	\$27,402,197	\$19,420,878	\$15,182,101	\$15,383,795	\$15,011,627	\$12,929,187	\$224,424,875
<u>Storage (Injection)/Withdrawals - WACCOG</u>													
Quantity - Mcf	(3,049,539)	2,565,500	4,578,000	6,634,000	5,377,000	5,688,673	(2,895,214)	(3,613,453)	(3,587,204)	(3,899,126)	(4,029,353)	(3,640,450)	128,834
WACCOG Rate per Mcf	\$3.1720	\$3.5265	\$3.5265	\$3.5265	\$3.5265	\$3.5265	\$2.9851	\$2.7900	\$2.8891	\$3.0464	\$2.9507	\$2.6636	
Cost	(\$9,673,012)	\$9,047,357	\$16,144,533	\$23,395,114	\$18,962,244	\$20,061,373	(\$8,642,641)	(\$10,081,400)	(\$10,363,717)	(\$11,878,489)	(\$11,889,520)	(\$9,696,598)	\$15,385,243
Injection/Withdrawal Costs	\$230,518	\$30,428	\$50,412	\$72,503	\$50,519	\$41,959	\$274,831	\$280,085	\$271,617	\$287,551	\$290,987	\$246,486	\$2,127,896
Pipeline Transportation Charges													\$0
<u>Other Purchased Gas Costs</u>													
Other Gas Costs - Mcf	-	-	-	-	-	-	-	-	-	-	-	-	0
Risk Mgmt / Gas Admin Costs	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$183,840
Imbalance Buyback Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Exchange Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Compressed Natural Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$183,840
Capacity Costs - Firm Transportation	\$3,624,791	\$9,882,604	\$9,955,348	\$9,955,348	\$9,737,115	\$9,955,348	\$3,808,454	\$3,808,454	\$3,808,454	\$3,808,454	\$3,808,454	\$3,808,454	\$75,961,281
Capacity Costs - Firm Storage	\$4,676,377	\$6,788,878	\$6,788,878	\$7,057,198	\$7,057,198	\$7,057,198	\$4,931,439	\$4,931,439	\$4,931,439	\$4,931,439	\$4,931,439	\$4,931,439	\$69,014,359
Total Capacity	\$8,301,168	\$16,671,482	\$16,744,227	\$17,012,547	\$16,794,313	\$17,012,547	\$8,739,893	\$8,739,893	\$8,739,893	\$8,739,893	\$8,739,893	\$8,739,893	\$144,975,641
<u>Total 1307(f) Gas Costs</u>													
	<u>\$ 15,481,680</u>	<u>\$ 33,932,645</u>	<u>\$ 55,126,656</u>	<u>\$ 67,607,442</u>	<u>\$ 65,922,455</u>	<u>\$ 52,066,362</u>	<u>\$ 27,789,600</u>	<u>\$ 18,374,776</u>	<u>\$ 13,845,214</u>	<u>\$ 12,548,070</u>	<u>\$ 12,168,307</u>	<u>\$ 12,234,288</u>	<u>\$ 387,097,494</u>
Capacity	\$ 8,301,168	\$ 16,671,482	\$ 16,744,227	\$ 17,012,547	\$ 16,794,313	\$ 17,012,547	\$ 8,739,893	\$ 8,739,893	\$ 8,739,893	\$ 8,739,893	\$ 8,739,893	\$ 8,739,893	\$ 144,975,641
Commodity	\$ 7,180,512	\$ 17,261,163	\$ 38,382,429	\$ 50,594,895	\$ 49,128,141	\$ 35,053,815	\$ 19,049,707	\$ 9,634,883	\$ 5,105,321	\$ 3,808,177	\$ 3,428,414	\$ 3,494,395	\$ 242,121,853
1307(f) Mcf	2,263,747	4,742,114	9,275,614	11,799,676	11,998,030	10,020,255	6,381,496	3,453,409	1,767,110	1,250,038	1,161,888	1,311,921	65,425,298

Peoples Natural Gas Company LLC
Annual 1307(f)-2026
Projected Period Gas Costs
Local Purchases

	2026 <u>October</u>	2026 <u>November</u>	2026 <u>December</u>	2027 <u>January</u>	2027 <u>February</u>	2027 <u>March</u>	2027 <u>April</u>	2027 <u>May</u>	2027 <u>June</u>	2027 <u>July</u>	2027 <u>August</u>	2027 <u>September</u>	12-Mth <u>Collection</u>
<u>Local / Gathered Purchases</u>													
Quantity - Mcf	274,840	271,106	254,539	251,917	237,449	257,490	264,873	275,988	249,630	250,404	260,559	246,396	3,095,191
Rate per Mcf	\$ 3.001	\$ 3.584	\$ 4.433	\$ 4.802	\$ 4.295	\$ 3.314	\$ 2.842	\$ 2.641	\$ 2.721	\$ 2.869	\$ 2.775	\$ 2.500	\$ 3.304
Cost	\$ 824,910	\$ 971,752	\$ 1,128,402	\$ 1,209,670	\$ 1,019,745	\$ 853,328	\$ 752,845	\$ 729,004	\$ 679,180	\$ 718,425	\$ 723,139	\$ 615,943	\$ 10,226,343

Peoples Natural Gas Company LLC
Annual 1307(f)-2026
Projected Period Gas Costs
Interstate Pipeline Purchases

	2026 <u>October</u>	2026 <u>November</u>	2026 <u>December</u>	2027 <u>January</u>	2027 <u>February</u>	2027 <u>March</u>	2027 <u>April</u>	2027 <u>May</u>	2027 <u>June</u>	2027 <u>July</u>	2027 <u>August</u>	2027 <u>September</u>	12-Mth <u>Collection</u>
City-Gate Mcf													
EQT - NAESB	4,198,946	1,495,508	3,549,575	4,161,259	5,948,081	3,852,092	8,251,337	6,067,874	4,260,184	4,048,660	4,080,582	3,845,975	53,760,073
EGT&S SP	485,000	0	0	0	0	0	470,000	520,000	545,000	545,000	545,000	545,000	3,655,000
Tennessee Gas Pipeline	20,000	150,000	310,000	210,000	150,000	0	0	0	0	0	0	15,000	855,000
Texas Eastern Transmission	90,000	140,000	310,000	285,000	165,000	130,000	120,000	6,000	90,000	90,000	90,000	90,000	1,606,000
National Fuel Gas Supply	186,000	60,000	108,500	77,500	14,500	0	102,000	155,000	168,000	173,600	173,600	168,000	1,386,700
Columbia Gas Transmission	23,500	20,000	90,000	100,000	50,000	32,000	23,500	22,000	21,500	21,500	21,500	22,000	447,500
Tennessee into Columbia	<u>35,000</u>	<u>40,000</u>	<u>75,000</u>	<u>80,000</u>	<u>56,000</u>	<u>60,000</u>	<u>45,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>491,000</u>
TOTAL MCF	5,038,446	1,905,508	4,443,075	4,913,759	6,383,581	4,074,092	9,011,837	6,790,874	5,104,684	4,898,760	4,930,682	4,705,975	62,201,273
Interstate Pricing													
EQT - NAESB	\$3.1282	\$3.7066	\$4.5785	\$4.9574	\$4.4362	\$3.4288	\$2.9581	\$2.7604	\$2.8491	\$3.0090	\$2.9124	\$2.6209	
EGT&S SP	\$3.0790	\$3.6749	\$4.5423	\$4.9192	\$4.4007	\$3.3985	\$2.9164	\$2.7111	\$2.7921	\$2.9437	\$2.8479	\$2.5663	
Tennessee Gas Pipeline	\$3.3374	\$3.8324	\$4.7362	\$5.2723	\$4.7419	\$3.7882	\$3.2495	\$3.0441	\$3.0332	\$3.2219	\$3.1533	\$2.7815	
Texas Eastern Transmission	\$3.2568	\$4.1600	\$6.6602	\$9.9783	\$8.5639	\$3.8948	\$3.0415	\$2.8803	\$2.9916	\$3.1595	\$3.0675	\$2.7035	
National Fuel Gas Supply	\$3.1036	\$3.7013	\$4.5713	\$4.9493	\$4.4293	\$3.4241	\$2.9405	\$2.7346	\$2.8159	\$2.9680	\$2.8719	\$2.5895	
Columbia Gas Transmission	\$3.4631	\$4.0018	\$4.8085	\$5.3413	\$4.7534	\$3.6522	\$3.0452	\$3.0187	\$3.0526	\$3.0621	\$3.0505	\$2.9843	
Tennessee into Columbia	\$3.3374	\$3.8324	\$4.7362	\$5.2723	\$4.7419	\$3.7882	\$3.2495	\$3.0441	\$3.0332	\$3.2219	\$3.1533	\$2.7815	
Interstate Purchase Cost													
EQT - NAESB	\$13,135,020	\$5,543,196	\$16,251,805	\$20,628,848	\$26,386,837	\$13,207,999	\$24,408,679	\$16,749,792	\$12,137,540	\$12,182,567	\$11,884,483	\$10,080,016	\$182,596,782
EGT&S SP	1,493,322	0	0	0	0	0	1,370,692	1,409,763	1,521,718	1,604,337	1,552,127	1,398,651	10,350,611
Tennessee Gas Pipeline	66,747	574,860	1,468,210	1,107,179	711,282	0	0	0	0	0	0	41,722	3,970,000
Texas Eastern Transmission	293,108	582,400	2,064,650	2,843,810	1,413,040	506,324	364,978	17,282	269,240	284,357	276,073	243,313	9,158,575
National Fuel Gas Supply	577,278	222,075	495,982	383,567	64,224	0	299,933	423,868	473,076	515,240	498,560	435,028	4,388,832
Columbia Gas Transmission	81,383	80,036	432,764	534,134	237,670	116,870	71,562	66,412	65,631	65,836	65,585	65,654	1,883,538
EQT NOFT Delivery Costs	19,109	40,443	(24,859)	(17,031)	1,715	23,349	(12,718)	(36,124)	(24,948)	(51,405)	(51,405)	(6,770)	(140,646)
Tennessee into Columbia	<u>116,808</u>	<u>153,296</u>	<u>355,212</u>	<u>421,782</u>	<u>265,545</u>	<u>227,292</u>	<u>146,227</u>	<u>60,882</u>	<u>60,663</u>	<u>64,438</u>	<u>63,066</u>	<u>55,630</u>	<u>1,990,840</u>
TOTAL COST	\$15,782,775	\$7,196,305	\$21,043,763	\$25,902,289	\$29,080,314	\$14,081,834	\$26,649,353	\$18,691,874	\$14,502,921	\$14,665,370	\$14,288,489	\$12,313,244	\$214,198,531

Peoples Natural Gas Company
Annual 1307(f)-2026
Projected Period Gas Costs
WACCOG Storage Inventory Pricing

	2026 <u>October</u>	2026 <u>November</u>	2026 <u>December</u>	2027 <u>January</u>	2027 <u>February</u>	2027 <u>March</u>	2027 <u>April</u>	2027 <u>May</u>	2027 <u>June</u>	2027 <u>July</u>	2027 <u>August</u>	2027 <u>September</u>	12-Mth <u>Collection</u>
WACCOG Storage Inventory Pricing													
(Injection)/Withdrawal Mcf													
60SS/115SS - 863/865	(1,425,000)	1,400,000	2,000,000	2,950,000	2,375,000	2,300,000	(1,700,000)	(1,700,000)	(1,555,000)	(1,475,000)	(1,595,000)	(1,575,000)	-
EGT&S GSS - 300196	(295,000)	250,000	460,000	750,000	470,000	350,000	(285,000)	(325,000)	(345,000)	(345,000)	(345,000)	(345,000)	(5,000)
EQT AVC GSS	(500,000)	-	450,000	925,000	875,000	1,680,000	(725,000)	(575,000)	(525,000)	(525,000)	(525,000)	(525,000)	30,000
EGT&S GSS - PNG	(190,000)	125,000	230,000	470,000	250,000	150,000	(60,000)	(195,000)	(200,000)	(200,000)	(200,000)	(200,000)	(20,000)
NFGS ESS	(80,000)	64,000	146,000	160,000	140,000	115,000	(40,000)	(90,000)	(105,000)	(105,000)	(105,000)	(98,000)	2,000
On-System - PNG	(155,000)	40,000	230,000	302,000	285,000	185,000	280,000	(25,000)	(105,000)	(105,000)	(310,000)	(310,000)	122,000
Columbia Gas - PG	(3,192)	14,500	22,000	25,000	16,000	15,000	(10,483)	(17,216)	(18,104)	(18,707)	(13,934)	(11,030)	(166)
EGT&S - PG	(47,738)	94,000	120,000	125,000	110,000	112,694	(86,622)	(89,509)	(86,622)	(89,509)	(89,509)	(72,185)	-
EQT - PG	(253,609)	578,000	895,000	857,000	766,000	660,979	(433,109)	(596,728)	(577,478)	(745,910)	(745,910)	(404,235)	-
On-System - PG	(100,000)	-	25,000	70,000	90,000	120,000	165,000	-	(70,000)	(100,000)	(100,000)	(100,000)	-
TOTAL	(3,049,539)	2,565,500	4,578,000	6,634,000	5,377,000	5,688,673	(2,895,214)	(3,613,453)	(3,587,204)	(3,899,126)	(4,029,353)	(3,640,450)	128,834
WACCOG Storage Inventory Rate	\$ 3.1720	\$ 3.5265	\$ 3.5265	\$ 3.5265	\$ 3.5265	\$ 3.5265	\$ 2.9851	\$ 2.7900	\$ 2.8891	\$ 3.0464	\$ 2.9507	\$ 2.6636	
WACCOG Storage Inventory Cost	\$ (9,673,012)	\$ 9,047,357	\$ 16,144,533	\$ 23,395,114	\$ 18,962,244	\$ 20,061,373	\$ (8,642,641)	\$ (10,081,400)	\$ (10,363,717)	\$ (11,878,489)	\$ (11,889,520)	\$ (9,696,598)	\$ 15,385,243
	2026 April	2026 May	2026 June	2026 July	2026 August	2026 September							
Local Purchases - Mcf	264,873	275,988	249,630	250,404	260,559	246,396							
Interstate Purchases - Mcf	<u>9,011,837</u>	<u>6,790,874</u>	<u>5,104,684</u>	<u>4,898,760</u>	<u>4,930,682</u>	<u>4,705,975</u>							
	9,276,710	7,066,862	5,354,314	5,149,164	5,191,241	4,952,371							
Local Purchases - Cost	\$752,845	\$729,004	\$679,180	\$718,425	\$723,139	\$615,943							
Interstate Purchases - Cost	\$26,649,353	\$18,691,874	\$14,502,921	\$14,665,370	\$14,288,489	\$12,313,244							
Injection/Withdrawal Costs	\$274,831	\$280,085	\$271,617	\$287,551	\$290,987	\$246,486							
Other Purchased Gas Costs	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>	<u>\$15,320</u>							
	\$27,692,348	\$19,716,283	\$15,469,038	\$15,686,667	\$15,317,935	\$13,190,993							
WACCOG Inventory Pricing	\$ 2.9851	\$ 2.7900	\$ 2.8891	\$ 3.0464	\$ 2.9507	\$ 2.6636							

Peoples Natural Gas Company
Annual 1307(f)-2026
Projected Period Gas Costs
Storage Injection / Withdrawal Costs

		2026	2026	2026	2027	2027	2027	2027	2027	2027	2027	2027	2027	12-Mth
		October	November	December	January	February	March	April	May	June	July	August	September	Collection
Storage Injection/Withdrawal Costs														
EQT AVC GSS														
(Injection)/Withdrawal Mcf		(500,000)	-	450,000	925,000	875,000	1,680,000	(725,000)	(575,000)	(525,000)	(525,000)	(525,000)	(525,000)	30,000
Fuel on Injection	4.28%	\$ 0.1329	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1259	\$ 0.1170	\$ 0.1205	\$ 0.1270	\$ 0.1229	\$ 0.1108	
Injection Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Withdrawal Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.1329	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1259	\$ 0.1170	\$ 0.1205	\$ 0.1270	\$ 0.1229	\$ 0.1108	
EQT AVC GSS Cost		\$ 66,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,256	\$ 67,303	\$ 63,279	\$ 66,699	\$ 64,538	\$ 58,184	\$ 477,689
EQT 60SS/115SS														
(Injection)/Withdrawal Mcf		(1,425,000)	1,400,000	2,000,000	2,950,000	2,375,000	2,300,000	(1,700,000)	(1,700,000)	(1,555,000)	(1,475,000)	(1,595,000)	(1,575,000)	-
Fuel on Injection	1.88%	\$ 0.0611	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0703	\$ 0.0663	\$ 0.0680	\$ 0.0715	\$ 0.0708	\$ 0.0644	
Injection Charge		\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0680	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0772	\$ 0.0732	\$ 0.0749	\$ 0.0784	\$ 0.0777	\$ 0.0713	
EQT 60SS/115SS Cost		\$ 96,835	\$ 9,660	\$ 13,800	\$ 20,355	\$ 16,388	\$ 15,870	\$ 131,306	\$ 124,474	\$ 116,525	\$ 115,649	\$ 124,008	\$ 112,353	\$ 897,222
EGT&S GSS - PNG														
(Injection)/Withdrawal Mcf		(190,000)	125,000	230,000	470,000	250,000	150,000	(60,000)	(195,000)	(200,000)	(200,000)	(200,000)	(200,000)	(20,000)
Fuel on Injection	1.49%	\$ 0.0459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0435	\$ 0.0404	\$ 0.0417	\$ 0.0439	\$ 0.0425	\$ 0.0383	
Injection Charge		\$ 0.0403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	
Withdrawal Charge		\$ -	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0862	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0838	\$ 0.0807	\$ 0.0820	\$ 0.0842	\$ 0.0828	\$ 0.0786	
DTI GSS COSTS - PNG		\$ 16,385	\$ 3,363	\$ 6,187	\$ 12,643	\$ 6,725	\$ 4,035	\$ 5,029	\$ 15,746	\$ 16,391	\$ 16,844	\$ 16,558	\$ 15,718	\$ 135,622
EGT&S GSS - EGC														
(Injection)/Withdrawal Mcf		(295,000)	250,000	460,000	750,000	470,000	350,000	(285,000)	(325,000)	(345,000)	(345,000)	(345,000)	(345,000)	(5,000)
Fuel on Injection	1.49%	\$ 0.0459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0435	\$ 0.0404	\$ 0.0417	\$ 0.0439	\$ 0.0425	\$ 0.0383	
Injection Charge		\$ 0.0403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	
Withdrawal Charge		\$ -	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0862	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0838	\$ 0.0807	\$ 0.0820	\$ 0.0842	\$ 0.0828	\$ 0.0786	
DTI GSS COSTS - EGC		\$ 25,440	\$ 6,725	\$ 12,374	\$ 20,175	\$ 12,643	\$ 9,415	\$ 23,886	\$ 26,243	\$ 28,275	\$ 29,055	\$ 28,562	\$ 27,113	\$ 249,906
NFGS ESS														
(Injection)/Withdrawal Mcf		(80,000)	64,000	146,000	160,000	140,000	115,000	(40,000)	(90,000)	(105,000)	(105,000)	(105,000)	(98,000)	2,000
Fuel on Injection	0.85%	\$ 0.0263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0249	\$ 0.0232	\$ 0.0239	\$ 0.0251	\$ 0.0243	\$ 0.0219	
Injection Charge		\$ 0.0411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	
Withdrawal Charge		\$ -	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0674	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0411	\$ 0.0660	\$ 0.0643	\$ 0.0650	\$ 0.0662	\$ 0.0654	\$ 0.0630	
NFGS ESS Cost		\$ 5,391	\$ 2,630	\$ 6,001	\$ 6,576	\$ 5,754	\$ 4,727	\$ 2,640	\$ 5,784	\$ 6,820	\$ 6,955	\$ 6,870	\$ 6,177	\$ 66,326
		\$ 210,481	\$ 22,378	\$ 38,362	\$ 59,749	\$ 41,510	\$ 34,047	\$ 254,117	\$ 239,549	\$ 231,290	\$ 235,203	\$ 240,536	\$ 219,545	\$ 1,826,765
Storage Injection/Withdrawal Costs														
Columbia Gas Transmission - FSS														
(Injection)/Withdrawal Mcf		(3,192)	14,500	22,000	25,000	16,000	15,000	(10,483)	(17,216)	(18,104)	(18,707)	(13,934)	(11,030)	(166)
SST Delivery to FSS Charge		\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	
SST Fuel Charge	1.86%	\$0.0608	\$0.0703	\$0.0845	\$0.0938	\$0.0835	\$0.0642	\$0.0535	\$0.0530	\$0.0536	\$0.0538	\$0.0536	\$0.0524	
FSS Injection Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0242	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
FSS Fuel Charge	0.55%	\$0.0183	\$0.0211	\$0.0253	\$0.0282	\$0.0250	\$0.0193	\$0.0161	\$0.0159	\$0.0161	\$0.0162	\$0.0161	\$0.0158	
FSS Withdrawal Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0242	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
SST Fuel Charge to City-Gate	1.86%	\$0.0629	\$0.0726	\$0.0871	\$0.0970	\$0.0861	\$0.0663	\$0.0554	\$0.0549	\$0.0555	\$0.0557	\$0.0555	\$0.0543	
SST Delivery to City-Gate		\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	\$0.0179	
		\$0.1123	\$0.1058	\$0.1203	\$0.1391	\$0.1193	\$0.0995	\$0.1028	\$0.1022	\$0.1029	\$0.1032	\$0.1029	\$0.1014	
CGT FSS Cost		\$ 358	\$ 1,534	\$ 2,646	\$ 3,478	\$ 1,909	\$ 1,492	\$ 1,077	\$ 1,759	\$ 1,864	\$ 1,930	\$ 1,434	\$ 1,118	\$ 20,599
Eastern Gas Storage and Transmission GSS														
(Injection)/Withdrawal Mcf		(47,738)	94,000	120,000	125,000	110,000	112,694	(86,622)	(89,509)	(86,622)	(89,509)	(89,509)	(72,185)	-
Fuel on Injection	1.49%	\$ 0.0435	\$ 0.0519	\$ 0.0642	\$ 0.0696	\$ 0.0622	\$ 0.0480	\$ 0.0412	\$ 0.0383	\$ 0.0394	\$ 0.0416	\$ 0.0402	\$ 0.0362	
Injection Charge		\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0403	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	
Withdrawal Charge		\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0269	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	
		\$0.0838	\$0.0269	\$0.0269	\$0.0269	\$0.0165	\$0.0165	\$0.0679	\$0.0650	\$0.0661	\$0.0683	\$0.0669	\$0.0629	
DTI GSS Cost		\$ 3,999	\$ 2,529	\$ 3,228	\$ 3,363	\$ 1,815	\$ 1,859	\$ (5,879)	\$ 5,815	\$ 5,727	\$ 6,110	\$ 5,988	\$ 4,541	\$ 39,094
Equitrans, LP 60SS														
(Injection)/Withdrawal Mcf		(253,609)	578,000	895,000	857,000	766,000	660,979	(433,109)	(596,728)	(577,478)	(745,910)	(745,910)	(404,235)	-
Fuel on Injection	1.88%	\$ 0.0549	\$ 0.0656	\$ 0.0811	\$ 0.0879	\$ 0.0786	\$ 0.0606	\$ 0.0520	\$ 0.0483	\$ 0.0498	\$ 0.0525	\$ 0.0508	\$ 0.0457	
Injection Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
Withdrawal Charge		\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	
		\$0.0618	\$0.0699	\$0.0699	\$0.0699	\$0.0699	\$0.0699	\$0.0589	\$0.0552	\$0.0567	\$0.0594	\$0.0577	\$0.0526	
EQT 60SS Cost		\$ 15,679	\$ 3,988	\$ 6,176	\$ 5,913	\$ 5,285	\$ 4,561	\$ 25,516	\$ 32,962	\$ 32,737	\$ 44,309	\$ 43,030	\$ 21,281	\$ 241,437
		\$ 20,037	\$ 8,051	\$ 12,050	\$ 12,754	\$ 9,009	\$ 7,913	\$ 20,714	\$ 40,535	\$ 40,327	\$ 52,349	\$ 50,452	\$ 26,941	\$ 301,130
TOTAL STORAGE INI/WD COST		\$ 230,518	\$ 30,428	\$ 50,412	\$ 72,503	\$ 50,519	\$ 41,959	\$ 274,831	\$ 280,085	\$ 271,617	\$ 287,551	\$ 290,987	\$ 246,486	\$ 2,127,896

Peoples Natural Gas Company
Annual 1307(f)-2026
Projected Period Gas Costs

Interstate Pipeline Demand and Capacity Costs

	2026 October	2026 November	2026 December	2027 January	2027 February	2027 March	2027 April	2027 May	2027 June	2027 July	2027 August	2027 September	12-Mth Collection
Interstate Transportation													
<u>Equitrans</u>													
EFT - 1565													
Demand Determinant - Dth	62,000	251,700	251,700	251,700	251,700	251,700	62,000	62,000	62,000	62,000	62,000	62,000	
Demand Rate - \$/Dth	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	\$ 8.563	
Demand Cost - \$	\$ 530,887	\$ 2,155,232	\$ 2,155,232	\$ 2,155,232	\$ 2,155,232	\$ 2,155,232	\$ 530,887	\$ 530,887	\$ 530,887	\$ 530,887	\$ 530,887	\$ 530,887	\$ 14,492,370
<u>Equitrans</u>													
NOFT - 860													
Demand Determinant - Dth	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	79,545	
Demand Rate - \$/Dth	\$ 7.519	\$ 8.291	\$ 8.291	\$ 8.291	\$ 8.291	\$ 8.291	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	\$ 7.519	
Demand Cost - \$	\$ 598,091	\$ 659,500	\$ 659,500	\$ 659,500	\$ 659,500	\$ 659,500	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 598,091	\$ 7,484,135
<u>Equitrans</u>													
EFT - 1559													
Demand Determinant - Dth	164,936	164,936	164,936	164,936	164,936	164,936	164,936	164,936	164,936	164,936	164,936	164,936	
Demand Rate - \$/Dth	\$ 5.556	\$ 6.121	\$ 6.121	\$ 6.121	\$ 6.121	\$ 6.121	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	\$ 5.556	
Demand Cost - \$	\$ 916,368	\$ 1,009,507	\$ 1,009,507	\$ 1,009,507	\$ 1,009,507	\$ 1,009,507	\$ 916,368	\$ 916,368	\$ 916,368	\$ 916,368	\$ 916,368	\$ 916,368	\$ 11,462,112
<u>Equitrans</u>													
AVC - 1576													
Demand Determinant - Dth	62,000	251,700	251,700	251,700	251,700	251,700	62,000	62,000	62,000	62,000	62,000	62,000	
Demand Rate - \$/Dth	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	\$ 11.1390	
Demand Cost - \$	\$ 690,618	\$ 2,803,686	\$ 2,803,686	\$ 2,803,686	\$ 2,803,686	\$ 2,803,686	\$ 690,618	\$ 690,618	\$ 690,618	\$ 690,618	\$ 690,618	\$ 690,618	\$ 18,852,758
<u>Eastern GT&S</u>													
FTNN - 100119													
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.949	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 242,368	\$ 242,252	\$ 242,252	\$ 242,252	\$ 242,252	\$ 242,252	\$ 242,252	\$ 242,252	\$ 242,252	\$ 242,252	\$ 242,252	\$ 242,252	\$ 2,907,139
<u>Eastern GT&S</u>													
FT - 200654													
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.949	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 237,972	\$ 237,856	\$ 237,856	\$ 237,856	\$ 237,856	\$ 237,856	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 2,855,084
<u>Texas Eastern Transmission</u>													
FT-910089													
Demand Determinant - Dth	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	
Demand Rate - \$/Dth	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	\$ 17.777	
Demand Cost - \$	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 278,210	\$ 3,338,521
<u>National Fuel Gas Supply</u>													
FT-E00532													
Demand Determinant - Dth	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	15,476	
Demand Rate - \$/Dth	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	\$ 6.987	
Demand Cost - \$	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 108,123	\$ 1,297,477
<u>Columbia Gas Transmission</u>													
FTS - 307787													
Demand Determinant - Dth	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	
Demand Rate - \$/Dth	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	\$ 13.3180	
Demand Cost - \$	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 53,272	\$ 639,264
<u>Texas Eastern Transmission</u>													
FT - 911299													
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	\$ 9.3168	
Demand Cost - \$	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 93,168	\$ 1,118,016
<u>Eastern GT&S</u>													
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.946	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,464	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 713,742
<u>Equitable Energy - NAESB</u>													
Demand Determinant - Dth	-	12,499,050	12,915,685	12,915,685	11,665,780	12,915,685	-	-	-	-	-	-	
Demand Rate - \$/Dth	\$ -	\$ 0.1746	\$ 0.1746	\$ 0.1746	\$ 0.1746	\$ 0.1746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Demand Cost - \$	\$ -	\$ 2,182,334	\$ 2,255,079	\$ 2,255,079	\$ 2,036,845	\$ 2,255,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,984,415
TGP Winter Reservation - Z4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TETCO Winter Reservation - M3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TETCO - AMA 2/	\$ (183,750)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (183,750)
<u>Total Demand and Capacity Costs</u>													
Demand Determinant - Dth	503,607	883,007	883,007	883,007	883,007	883,007	503,607	503,607	503,607	503,607	503,607	503,607	
Demand Cost - \$	\$ 3,624,791	\$ 9,882,604	\$ 9,955,348	\$ 9,955,348	\$ 9,737,115	\$ 9,955,348	\$ 3,808,454	\$ 3,808,454	\$ 3,808,454	\$ 3,808,454	\$ 3,808,454	\$ 3,808,454	\$ 75,961,281

1/ EGT&S Contract 100119 Capacity Charges include additional costs for HUB III project.

2/ Reflects 75% of the AMA capacity release revenues.

'E' Factor Calculation - COMBINED

Line		TOTAL	CAPACITY	COMMODITY
1	Actual Over/ (Under) Balance Through September 30, 2025	\$ (24,212,557)	\$ (3,496,759)	\$ (20,715,799)
2	PLUS: Over/ (Under) Commodity October 2025 - January 2026	\$ (77,890,183)		\$ (77,890,183)
3	PLUS: Over/ (Under) Commodity February 2026 - September 2026	\$ 61,964,298		\$ 61,964,298
4	PLUS: Over/ (Under) Capacity October 2025 - January 2026	\$ 25,494,549	\$ 25,494,549	
5	PLUS: Over/ (Under) Capacity February 2026 - September 2026	\$ (1,549,298)	\$ (1,549,298)	
6	PLUS: Over/ (Under) Capacity GCA Revenue October 2025 - January 2026	\$ 1,724,995	\$ 1,724,995	
7	PLUS: Over/ (Under) Capacity GCA Revenue February 2026 - September 2026	\$ 2,248,082	\$ 2,248,082	
8	PLUS: Over/ (Under) GCA Revenue October 2025 - January 2026	\$ 12,459,316		\$ 12,459,316
9	PLUS: Over/ (Under) GCA Revenue February 2026 - September 2026	\$ 11,888,333		\$ 11,888,333
10	PLUS: Projected Interest October 2025 - September 2026	\$ 299,455	\$ 2,603,726	\$ (2,304,271)
11	PLUS: Wagner Adjustment 1/	\$ (665,183)		\$ (665,183)
12	PLUS: Proposed Wagner Final Adjustment 2/	\$ (434,817)		\$ (434,817)
13	PLUS: TCJA Adjustment 3/	\$ 69,241		\$ 69,241
14	Total Projected Prior Period Over/(Under) Collection through September 30, 2026	\$ 11,396,231	\$ 27,025,295	\$ (15,629,064)

1/ Refer to Statement No. 1 – Direct Testimony of Carol Scanlon in the Company’s 2025 – 1307(f) proceeding at Docket No. R-2025-3053184 and settlement for more information.

2/ Refer to Statement No. 1 – Direct Testimony of Carol Scanlon in the Company’s 2026 – 1307(f) proceeding at Docket No. R-2026-3060165 for more information.

3/ TCJA balance as of February 2026 - Refer to the Company’s 2023 - Rate case proceeding at Docket No. R-2023-3044549 settlement and Refer to Statement No. 3 – Direct Testimony of Dawn Folks in the Company’s 2026 – 1307(f) proceeding at Docket No. R-2026-3060165 for more information.

Peoples Natural Gas Company LLC
Actual and Projected Gas Costs
for the Period October 2024 through September 2025

	2024 <u>October</u>	2024 <u>November</u>	2024 <u>December</u>	2025 <u>January</u>	2025 <u>February</u>	2025 <u>March</u>	2025 <u>April</u>	2025 <u>May</u>	2025 <u>June</u>	2025 <u>July</u>	2025 <u>August</u>	2025 <u>September</u>	<u>TOTAL</u>
	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	ACT	
<u>Local / Gathered Purchases</u>													
Quantity - Mcf	405,612	361,636	317,687	238,132	253,218	289,721	260,369	276,642	294,048	314,058	286,756	294,430	3,592,309
Rate per Mcf	\$1.6992	\$1.8203	\$3.0797	\$3.1767	\$3.1993	\$3.6072	\$3.2660	\$2.4496	\$2.2223	\$2.1902	\$2.3828	\$1.9308	\$2.5217
Cost	689,232	658,297	978,381	756,477	810,108	1,045,082	850,371	677,656	653,460	687,840	683,292	568,485	\$9,058,681
<u>Interstate Pipeline Purchases</u>													
Quantity - Mcf	5,336,364	3,323,754	6,863,571	8,535,024	5,589,142	939,445	5,442,367	5,213,184	3,636,928	5,158,861	5,595,026	5,443,534	61,077,200
Rate per Mcf	\$1.6626	\$2.5220	\$2.9348	\$5.3337	\$4.5931	\$3.8023	\$3.2439	\$2.4223	\$2.1752	\$2.4194	\$2.3067	\$1.8659	\$3.0437
Cost	8,872,005	8,382,435	20,143,342	45,522,943	25,671,488	3,572,028	17,654,669	12,627,729	7,911,125	12,481,371	12,905,804	10,156,981	\$185,901,920
<u>Total Commodity Purchases</u>													
Quantity - Mcf	5,741,976	3,685,390	7,181,258	8,773,156	5,842,360	1,229,166	5,702,736	5,489,826	3,930,976	5,472,919	5,881,782	5,737,964	64,669,509
Rate per Mcf	\$1.6651	\$2.4531	\$2.9412	\$5.2751	\$4.5327	\$3.7563	\$3.2449	\$2.4236	\$2.1787	\$2.4062	\$2.3104	\$1.8692	\$3.0147
Cost	9,561,236	9,040,733	21,121,722	46,279,420	26,481,596	4,617,110	18,505,040	13,305,386	8,564,585	13,169,211	13,589,096	10,725,466	\$194,960,600
<u>Storage (Injection)/Withdrawals - WACCOG</u>													
Quantity - Mcf	(2,493,335)	2,316,307	2,947,508	6,485,804	5,177,898	3,637,226	(2,340,721)	(3,851,395)	(2,145,186)	(4,378,209)	(4,456,350)	(3,830,299)	(2,930,752)
WACCOG Rate per Mcf	\$1.7579	\$1.6153	\$1.5222	\$1.7335	\$1.8371	\$1.8365	\$4.0061	\$2.5518	\$2.2407	\$2.4899	\$2.4385	\$2.0042	
Cost	(4,383,063)	3,741,601	4,486,563	11,243,405	9,512,187	6,679,870	(9,377,132)	(9,827,859)	(4,806,648)	(10,901,474)	(10,866,861)	(7,676,634)	(\$22,176,044)
Injection/Withdrawal Costs	35,129	35,464	52,420	112,575	57,434	35,311	44,235	59,741	43,813	69,092	63,300	55,154	\$663,669
Pipeline Transportation Charges	626,096	413,445	625,097	822,668	681,099	229,844	651,999	504,692	318,825	574,529	612,039	570,954	\$6,631,287
<u>Other Purchased Gas Costs</u>													
Other Gas Costs - Mcf	195,749	195,856	11,559	606,064	(653,664)	465,466	381,557	587,667	187,660	225,300	196,888	135,669	2,535,771
Gas Admin Costs	15,250	16,660	15,250	15,320	13,840	15,320	16,800	18,280	16,800	16,800	13,840	6,920	\$181,080
Imbalance Buyback Costs	165,968	655,415	192,369	1,039,099	415,998	674,152	1,239,309	942,006	547,481	653,734	545,840	459,330	\$7,530,700
Exchange Costs	190,679	(232,176)	(197,043)	912,359	(2,878,201)	1,185,277	433,462	658,025	(84,590)	(84,648)	(46,749)	(79,369)	(\$222,974)
Compressed Natural Gas	0	0	0	0	0	0	0	0	0	0	0	0	\$0
Subtotal	\$371,897	\$439,899	\$10,576	\$1,966,778	(\$2,448,363)	\$1,874,749	\$1,689,571	\$1,618,311	\$479,691	\$585,885	\$512,931	\$386,881	\$7,488,805
Capacity Costs - Firm Transportation	3,438,014	8,271,483	\$8,027,643	\$8,026,713	\$7,804,814	\$8,027,517	\$3,677,347	\$3,715,987	\$3,602,244	\$3,639,706	\$3,644,223	\$3,644,223	\$65,519,915
Capacity Costs - Firm Storage	1,634,054	1,329,407	\$1,634,351	\$1,634,351	\$1,634,351	\$1,634,351	\$1,648,602	\$1,648,602	\$1,637,696	\$1,637,696	\$1,637,696	\$1,637,696	\$19,348,855
AVC Capacity Costs	<u>2,958,116</u>	<u>6,608,366</u>	<u>6,608,366</u>	<u>6,608,366</u>	<u>6,608,366</u>	<u>6,720,786</u>	<u>3,070,536</u>	<u>3,070,536</u>	<u>3,070,536</u>	<u>3,070,536</u>	<u>3,070,536</u>	<u>3,070,536</u>	<u>54,535,584</u>
	\$8,030,184	\$16,209,257	\$16,270,361	\$16,269,431	\$16,047,531	\$16,382,654	\$8,396,486	\$8,435,126	\$8,310,476	\$8,347,938	\$8,352,455	\$8,352,455	\$139,404,354
<u>Total 1307(f) Gas Costs</u>													
	<u>\$ 14,241,480</u>	<u>\$ 29,880,399</u>	<u>\$ 42,566,740</u>	<u>\$ 76,694,275</u>	<u>\$ 50,331,483</u>	<u>\$ 29,819,538</u>	<u>\$ 19,910,199</u>	<u>\$ 14,095,398</u>	<u>\$ 12,910,741</u>	<u>\$ 11,845,182</u>	<u>\$ 12,262,961</u>	<u>\$ 12,414,275</u>	<u>\$ 326,972,671</u>
Total - w/o AVC	\$11,283,364	\$23,272,033	\$ 35,958,373	\$ 70,085,909	\$ 43,723,117	\$ 23,098,752	\$ 16,839,663	\$ 11,024,862	\$ 9,840,205	\$ 8,774,646	\$ 9,192,425	\$ 9,343,739	\$272,437,087
Capacity	\$5,072,068	\$9,600,890	\$ 9,661,994	\$ 9,661,064	\$ 9,439,165	\$ 9,661,868	\$ 5,325,950	\$ 5,364,590	\$ 5,239,940	\$ 5,277,402	\$ 5,281,919	\$ 5,281,919	\$84,868,770
Commodity	\$6,211,295	\$13,671,142	\$ 26,296,379	\$ 60,424,844	\$ 34,283,952	\$ 13,436,884	\$ 11,513,713	\$ 5,660,272	\$ 4,600,265	\$ 3,497,243	\$ 3,910,506	\$ 4,061,820	\$187,568,317
1307(f) Mcf	3,444,390	6,197,553	10,140,325	15,865,024	10,366,594	5,331,858	3,743,572	2,226,098	1,973,450	1,320,010	1,622,320	2,043,334	64,274,528

Peoples Natural Gas Company LLC
Actual and Projected Gas Costs
for the Period October 2025 through September 2026

	2025 <u>October</u>	2025 <u>November</u>	2025 <u>December</u>	2026 <u>January</u>	2026 <u>February</u>	2026 <u>March</u>	2026 <u>April</u>	2026 <u>May</u>	2026 <u>June</u>	2026 <u>July</u>	2026 <u>August</u>	2026 <u>September</u>	<u>TOTAL</u>
	ACT	ACT	ACT	ACT	EST	Projected	Projected	Projected	Projected	Projected	Projected	Projected	
<u>Local / Gathered Purchases</u>													
Quantity - Mcf	298,784	269,823	257,894	198,453	249,000	277,302	282,763	295,502	270,023	270,735	280,746	266,337	3,217,362
Rate per Mcf	\$1.7622	\$2.7529	\$3.9117	\$4.2900	\$7.4217	\$4.0160	\$3.4809	\$3.2733	\$3.3619	\$3.5411	\$3.5072	\$3.1760	\$3.6489
Cost	526,528	742,802	1,008,808	851,362	1,848,000	1,113,637	984,265	967,279	907,796	958,711	984,618	845,888	\$11,739,692
<u>Interstate Pipeline Purchases</u>													
Quantity - Mcf	5,380,796	4,696,150	8,921,128	7,943,339	5,901,575	3,897,742	8,836,522	6,633,327	5,068,783	4,880,706	4,923,177	4,658,807	71,742,052
Rate per Mcf	\$2.0107	\$3.4980	\$3.9202	\$13.0919	\$3.7668	\$4.1869	\$3.6142	\$3.4032	\$3.4982	\$3.6862	\$3.6521	\$3.3099	\$4.5775
Cost	10,819,195	16,427,287	34,972,900	103,993,521	22,230,195	16,319,417	31,937,155	22,574,852	17,731,774	17,991,365	17,979,740	15,420,153	\$328,397,553
<u>Total Commodity Purchases</u>													
Quantity - Mcf	5,679,580	4,965,973	9,179,022	8,141,792	6,150,575	4,175,044	9,119,285	6,928,829	5,338,806	5,151,441	5,203,923	4,925,144	74,959,414
Rate per Mcf	\$1.9976	\$3.4575	\$3.9200	\$12.8774	\$3.9148	\$4.1755	\$3.6101	\$3.3977	\$3.4913	\$3.6786	\$3.6442	\$3.3027	\$4.5376
Cost	11,345,723	17,170,090	35,981,708	104,844,883	24,078,195	17,433,053	32,921,420	23,542,130	18,639,569	18,950,075	18,964,358	16,266,041	\$340,137,245
<u>Storage (Injection)/Withdrawals - WACCOG</u>													
Quantity - Mcf	(2,488,189)	2,400,887	3,560,200	6,620,291	4,369,121	5,801,466	(2,770,214)	(3,493,453)	(3,582,204)	(3,910,626)	(4,050,853)	(3,622,450)	(1,166,024)
WACCOG Rate per Mcf	\$2.0399	\$2.1242	\$2.1126	\$2.2383	\$2.5369	\$2.4632	\$3.6439	\$3.4432	\$3.5506	\$3.7441	\$3.7104	\$3.3613	
Cost	(5,075,746)	5,099,900	7,521,152	14,818,019	11,084,072	14,290,171	(10,094,269)	(12,028,616)	(12,718,914)	(14,641,649)	(15,030,355)	(12,176,112)	(\$28,952,346)
Injection/Withdrawal Costs	44,244	34,938	63,708	78,948	54,049	45,932	292,647	299,812	300,986	321,950	329,048	273,485	\$2,139,747
Pipeline Transportation Charges	689,143	537,606	824,670	668,859	522,361								\$3,242,639
<u>Other Purchased Gas Costs</u>													
Other Gas Costs - Mcf	369,578	117,525	56,567	396,143		0	0	0	0	0	0	0	939,813
Gas Admin Costs	18,280	16,044	14,942	16,492		15,320	15,320	15,320	15,320	15,320	15,320	15,320	\$172,998
Imbalance Buyback Costs	497,759	275,084	642,139	1,426,733		0	0	0	0	0	0	0	\$2,841,715
Exchange Costs	287,171	2,696	(666,746)	(228,422)		0	0	0	0	0	0	0	(\$605,301)
Compressed Natural Gas	0	0	0										<u>\$0</u>
Subtotal	\$803,210	\$293,825	(\$9,664)	\$1,214,803	\$0	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$2,409,412
Capacity Costs - Firm Transportation	\$5,048,583	\$13,061,529	\$13,223,775	\$13,218,713	\$13,008,971	\$9,771,598	\$3,624,791	\$3,624,791	\$3,624,791	\$3,624,791	\$3,624,791	\$3,624,791	\$89,081,917
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>\$3,327,212</u>	<u>\$6,789,018</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	<u>\$4,663,259</u>	\$51,381,702
	\$8,375,579	\$16,366,029	\$16,550,987	\$16,545,925	\$16,336,183	\$16,560,617	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$140,463,619
<u>Total 1307(f) Gas Costs</u>	<u>\$ 16,182,152</u>	<u>\$ 39,502,387</u>	<u>\$ 60,932,561</u>	<u>\$ 138,171,436</u>	<u>\$ 52,074,860</u>	<u>\$ 48,345,093</u>	<u>\$ 31,423,168</u>	<u>\$ 20,116,696</u>	<u>\$ 14,525,012</u>	<u>\$ 12,933,746</u>	<u>\$ 12,566,421</u>	<u>\$ 12,666,785</u>	<u>\$ 459,440,316</u>
Capacity	\$8,375,579	\$16,366,029	\$16,550,987	\$16,545,925	\$16,336,183	\$16,560,617	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$8,288,050	\$140,463,619
Commodity	\$7,806,574	\$23,136,358	\$44,381,573	\$121,625,511	\$35,738,677	\$31,784,477	\$23,135,118	\$11,828,646	\$6,236,962	\$4,645,696	\$4,278,371	\$4,378,735	\$318,976,697
1307(f) Mcf	3,560,969	7,484,385	12,795,789	15,158,226	10,519,696	9,976,510	6,349,071	3,435,376	1,756,602	1,240,815	1,153,070	1,302,694	74,733,203

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

Line No.	Description	Sales	Revenue	Purchased Gas Cost	Commodity Over/(Under) Collection
		(1) Mcf	(2) \$	(3) 1/ \$	(4)=(2)-(3) \$
1	October 2024*	2,667,371	\$6,143,532	\$6,211,295	\$ (67,763)
2	November 2024*	5,559,442	\$12,373,578	\$13,671,142	\$ (1,297,564)
3	December 2024*	10,037,877	\$22,352,517	\$26,296,379	\$ (3,943,862)
4	January 2025*	14,274,921	\$36,085,226	\$60,424,844	\$ (24,339,619)
5	February 2025*	10,431,981	\$26,665,608	\$34,283,952	\$ (7,618,344)
6	March 2025*	6,505,139	\$25,381,052	\$13,436,884	\$ 11,944,169
7	April 2025*	4,082,559	\$17,223,343	\$11,513,713	\$ 5,709,629
8	May 2025*	2,144,444	\$9,418,918	\$5,660,272	\$ 3,758,647
9	June 2025*	1,058,071	\$4,540,998	\$4,600,265	\$ (59,267)
10	July 2025*	989,162	\$3,188,277	\$3,497,243	\$ (308,967)
11	August 2025*	932,485	\$2,810,075	\$3,910,506	\$ (1,100,431)
12	September 2025*	1,103,933	\$3,231,945	\$4,061,820	\$ (829,875)
		<u>59,787,384</u>	<u>\$ 169,415,070</u>	<u>\$ 187,568,317</u>	<u>\$ (18,153,247)</u>

1/ NP1 storage adjustment made to the period of April 2025 - August 2025 to correct a computational error

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

Line No.	Description	Sales	Revenue	Purchased Gas Cost	Commodity Over/(Under) Collection
		(1) Mcf	(2) \$	(3) \$	(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	\$121,625,511	\$ (70,244,642)
5	February 2026	10,657,758	\$53,892,593	\$35,738,677	\$ 18,153,916
6	March 2026				\$ -
7	April 2026				\$ -
8	May 2026				\$ -
9	June 2026				\$ -
10	July 2026				\$ -
11	August 2026				\$ -
12	September 2026				\$ -
		<u>46,719,855</u>	<u>\$ 172,952,426</u>	<u>\$ 232,688,693</u>	<u>\$ (59,736,268)</u>

Peoples Natural Gas Company LLC
PURCHASED GAS COST REVENUE - COMMODITY

*Actuals

October 2024 *

Oct 2024 Quarterly 1307(f) Rate	1,935,077	2.2144	4,285,034
Prior Quarters and Adjustments	728,263		1,637,894
Imbalance Sales	3,987		217,353
Off-System Sales, Parks & Loans	-		-
Gas Sale-in-Place	-		-
Line Hit Recoveries	44		3,251
Rider H- Ratepayer Credit			
Total	<u>2,667,371</u>		<u>\$ 6,143,532</u>

November 2024 *

Oct 2024 Quarterly 1307(f) Rate	5,556,207	2.2144	12,303,664
Prior Quarters and Adjustments	1,057		2,730
Imbalance Sales	2,174		65,206
Off-System Sales, Parks & Loans	-		-
Gas Sale-in-Place	-		-
Line Hit Recoveries	4		1,977
Rider H- Ratepayer Credit			
Total	<u>5,559,442</u>		<u>\$ 12,373,578</u>

December 2024 *

Oct 2024 Quarterly 1307(f) Rate	10,025,822	2.2144	22,201,181
Prior Quarters and Adjustments	4,262		11,899
Imbalance Sales	7,789		136,011
Off-System Sales, Parks & Loans	-		-
Gas Sale-in-Place	-		-
Line Hit Recoveries	4		3,426
Rider H- Ratepayer Credit			
Total	<u>10,037,877</u>		<u>\$ 22,352,517</u>

January 2025 *

Jan 2025 Quarterly 1307(f) Rate	242,962	2.4859	603,980
Prior Quarters and Adjustments	14,031,958		34,610,304
Imbalance Sales	-		865,703
Off-System Sales, Parks & Loans	-		-
Gas Sale-in-Place	-		-
Line Hit Recoveries	-		5,239
Rider H- Ratepayer Credit			
Total	<u>14,274,921</u>		<u>\$ 36,085,226</u>

February 2025*

Jan 2025 Quarterly 1307(f) Rate	10,423,383	\$2.4859	\$25,911,487
Prior Quarters and Adjustments	8,598		\$20,696
Imbalance Sales			\$ 724,007.70
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 9,416.94
Rider H- Ratepayer Credit			\$0
Total	<u>10,431,981</u>		<u>\$26,665,608</u>

Peoples Natural Gas Company LLC
PURCHASED GAS COST REVENUE - COMMODITY

*Actuals

March 2025*

Jan 2025 Quarterly 1307(f) Rate	1,100,863	\$3.5884	\$3,950,338
Prior Quarters and Adjustments	5,404,275		\$19,669,243
Imbalance Sales			\$ 1,761,386.79
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 84.52
Rider H- Ratepayer Credit			\$0
Total	<u>6,505,139</u>		<u>\$25,381,052</u>

April 2025*

April 2025 Quarterly 1307(f) Rate	996,449	\$4.1112	\$4,096,602
Prior Quarters and Adjustments	3,086,109		\$12,525,722
Imbalance Sales			\$ 599,959.14
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 1,059.73
Rider H- Ratepayer Credit			\$0
Total	<u>4,082,559</u>		<u>\$17,223,343</u>

May 2025*

April 2025 Quarterly 1307(f) Rate	2,140,730	\$4.1112	\$8,800,968
Prior Quarters and Adjustments	3,714		\$7,798
Imbalance Sales			\$ 607,510.81
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 2,641.18
Rider H- Ratepayer Credit			\$0
Total	<u>2,144,444</u>		<u>\$9,418,918</u>

June 2025*

April 2025 Quarterly 1307(f) Rate	1,055,344	\$4.1112	\$4,338,731
Prior Quarters and Adjustments	2,727		\$7,224
Imbalance Sales			\$ 185,094.65
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 9,947.14
Rider H- Ratepayer Credit			\$1
Total	<u>1,058,071</u>		<u>\$4,540,998</u>

July 2025*

July 2025 Quarterly 1307(f) Rate	440,706	\$2.8829	\$1,270,510
Prior Quarters and Adjustments	548,457		\$1,610,046
Imbalance Sales			\$ 306,334.02
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 1,386.16
Rider H- Ratepayer Credit			\$0
Total	<u>989,162</u>		<u>\$3,188,277</u>

August 2025*

July 2025 Quarterly 1307(f) Rate	930,040	\$2.8829	\$2,681,211
Prior Quarters and Adjustments	2,446		\$7,009
Imbalance Sales			\$ 104,847.21
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 17,006.87
Rider H- Ratepayer Credit			\$1
Total	<u>932,485</u>		<u>\$2,810,075</u>

September 2025*

July 2025 Quarterly 1307(f) Rate	1,099,314	\$2.8829	\$3,169,213
Prior Quarters and Adjustments	4,619		\$16,708
Imbalance Sales			\$ 42,765.30
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 3,259.35
Rider H- Ratepayer Credit			\$0
Total	<u>1,103,933</u>		<u>\$3,231,945</u>

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

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>

February 2026*

Jan 2025 Quarterly 1307(f) Rate	8,854,997	\$3.5239	\$31,204,124
Prior Quarters and Adjustments	1,802,761		\$20,633,462
Imbalance Sales			\$ 2,052,096.43
Off-System Sales, Parks & Loans			\$0
Gas Sale-in-Place			\$0
Line Hit Recoveries			\$ 2,910.74
Rider H- Ratepayer Credit			\$0
Total	<u>10,657,758</u>		<u>\$53,892,593</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 2024*	2,663,340	\$3,363,708	\$590,929	\$5,072,068	\$ (1,117,431)
2	November 2024*	5,557,264	\$6,965,478	\$870,645	\$9,600,890	\$ (1,764,768)
3	December 2024*	10,030,085	\$12,603,025	\$1,273,513	\$9,661,994	\$ 4,214,544
4	January 2025*	14,274,921	\$17,606,589	\$1,624,152	\$9,661,064	\$ 9,569,676
5	February 2025*	10,431,981	\$12,287,093	\$1,286,888	\$9,439,165	\$ 4,134,816
6	March 2025*	6,505,139	\$7,396,071	\$871,339	\$9,661,868	\$ (1,394,458)
7	April 2025*	4,082,559	\$4,769,222	\$675,316	\$5,325,950	\$ 118,588
8	May 2025*	2,144,444	\$2,595,874	\$486,268	\$5,364,590	\$ (2,282,448)
9	June 2025*	1,058,071	\$1,194,951	\$370,549	\$5,239,940	\$ (3,674,440)
10	July 2025*	989,162	\$1,231,192	\$371,249	\$5,277,402	\$ (3,674,962)
11	August 2025*	932,485	\$1,158,219	\$364,463	\$5,281,919	\$ (3,759,238)
12	September 2025*	1,103,933	\$1,545,454	\$394,474	\$5,281,919	\$ (3,341,991)
		<u>59,773,382</u>	<u>\$ 72,716,875</u>	<u>\$ 9,179,783</u>	<u>\$ 84,868,770</u>	<u>\$ (2,972,113)</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	10,657,758	\$22,015,254	\$2,279,071	\$16,336,183	\$ 7,958,142
6	March 2026				\$	\$ -
7	April 2026				\$	\$ -
8	May 2026				\$	\$ -
9	June 2026				\$	\$ -
10	July 2026				\$	\$ -
11	August 2026				\$	\$ -
12	September 2026				\$	\$ -
		<u>46,719,855</u>	<u>\$ 96,582,579</u>	<u>\$ 11,044,816</u>	<u>\$ 74,174,703</u>	<u>\$ 33,452,692</u>

Peoples Natural Gas Company LLC
PURCHASED GAS COST REVENUE - CAPACITY

October 2024 *

October 2024 Quarterly 1307(f) Rate	1,935,077	\$1.0764	\$2,082,917
Prior Quarters and Adjustments	728,263		\$778,740
Priority One Standby			\$498,236
Standby Service			\$3,816
Balancing			\$590,929
Total	<u>2,663,340</u>		<u>\$3,954,637</u>

November 2024 *

October 2024 Quarterly 1307(f) Rate	5,556,207	\$1.0764	\$5,980,701
Prior Quarters and Adjustments	1,057		\$41,938
Priority One Standby			\$939,181
Standby Service			\$3,659
Balancing			\$870,645
Total	<u>5,557,264</u>		<u>\$7,836,122</u>

December 2024 *

October 2024 Quarterly 1307(f) Rate	10,025,822	\$1.0764	\$10,791,795
Prior Quarters and Adjustments	4,262		\$22,016
Priority One Standby			\$1,784,938
Standby Service			\$4,276
Balancing			\$1,273,513
Total	<u>10,030,085</u>		<u>\$13,876,538</u>

January 2025 *

January 2025 Quarterly 1307(f) Rate	242,962	\$1.0764	261,525
Prior Quarters and Adjustments	14,031,958		15,130,585
Priority One Standby			2,210,619
Standby Service			3,861
Balancing			1,624,152
Total	<u>14,274,921</u>		<u>\$19,230,741</u>

Peoples Natural Gas Company LLC
PURCHASED GAS COST REVENUE - CAPACITY

February 2025*

January 2025 Quarterly 1307(f) Rate	10,423,383	\$1.0764	\$11,219,729
Prior Quarters and Adjustments	8,598		(\$555,928)
Priority One Standby			\$1,619,552
Standby Service			\$3,739
Balancing			\$1,286,888
Total	<u>10,431,981</u>		<u>\$13,573,981</u>

March 2025*

January 2025 Quarterly 1307(f) Rate	6,499,361	\$1.0764	\$6,995,912
Prior Quarters and Adjustments	5,778		(\$698,276)
Priority One Standby			\$1,094,347
Standby Service			\$4,088
Balancing			\$871,339
Total	<u>6,505,139</u>		<u>\$8,267,410</u>

April 2025*

April 2025 Quarterly 1307(f) Rate	996,449	\$1.0764	\$1,072,578
Prior Quarters and Adjustments	3,086,109		\$2,978,848
Priority One Standby			\$712,998
Standby Service			\$4,798
Balancing			\$675,316
Total	<u>4,082,559</u>		<u>\$5,444,538</u>

May 2025*

April 2025 Quarterly 1307(f) Rate	2,140,730	\$1.0764	\$2,304,282
Prior Quarters and Adjustments	3,714		\$45,642
Priority One Standby			\$241,763
Standby Service			\$4,187
Balancing			\$486,268
Total	<u>2,144,444</u>		<u>\$3,082,141</u>

June 2025*

April 2025 Quarterly 1307(f) Rate	1,055,344	\$1.0764	\$1,135,972
Prior Quarters and Adjustments	2,727		(\$168,029)
Priority One Standby			\$222,452
Standby Service			\$4,556
Balancing			\$370,549
Total	<u>1,058,071</u>		<u>\$1,565,500</u>

July 2025*

July 2025 Quarterly 1307(f) Rate	440,706	\$1.0764	\$474,376
Prior Quarters and Adjustments	548,457		\$563,706
Priority One Standby			\$188,446
Standby Service			\$4,665
Balancing			\$371,249
Total	<u>989,162</u>		<u>\$1,602,441</u>

August 2025*

July 2025 Quarterly 1307(f) Rate	930,040	\$1.0764	\$1,001,095
Prior Quarters and Adjustments	2,446		(\$16,503)
Priority One Standby			\$169,141
Standby Service			\$4,486
Balancing			\$364,463
Total	<u>932,485</u>		<u>\$1,522,681</u>

September 2025*

July 2025 Quarterly 1307(f) Rate	1,099,314	\$1.0764	\$1,183,302
Prior Quarters and Adjustments	4,619		\$126,781
Priority One Standby			\$230,795
Standby Service			\$4,576
Balancing			\$394,474
Total	<u>1,103,933</u>		<u>\$1,939,928</u>

Peoples Natural Gas Company LLC
PURCHASED GAS COST REVENUE - CAPACITY

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>

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>

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>

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>

February 2026*

Jan 2025 Quarterly 1307(f) Rate	8,854,997	\$1.8137	\$16,060,308
Prior Quarters and Adjustments	1,802,761		\$3,007,534
Priority One Standby			\$2,940,948
Standby Service			\$6,464
Balancing			\$2,279,071
Total	<u>10,657,758</u>		<u>\$24,294,325</u>

Peoples Natural Gas Company LLC
"E" FACTOR REVENUE
 (* Actuals)

Actual Recoveries/ (Refunds)

	<u>Month</u>	<u>GCA</u>
	(1)	(2)
October 2024*		\$ (172,391)
November 2024*		\$ (382,878)
December 2024*		\$ (692,169)
January 2025*		\$ (545,557)
February 2025*		\$ (373,795)
March 2025*		\$ (234,849)
April 2025*		\$ (147,624)
May 2025*		\$ (78,322)
June 2025*		\$ (38,289)
July 2025*		\$ (35,979)
August 2025*		\$ (33,794)
September 2025*		\$ (39,579)
		<u><u>\$ (2,775,227)</u></u>

Peoples Natural Gas Company LLC
"E" FACTOR REVENUE
 (* Actuals)

Actual Recoveries/ (Refunds)

	<u>Month</u>	<u>GCA</u>
	(1)	(2)
October 2025*		\$ 1,041,743
November 2025*		\$ 2,424,009
December 2025*		\$ 4,005,678
January 2026*		\$ 4,987,886
February 2026		\$ 3,693,868
March 2026		
April 2026		
May 2026		
June 2026		
July 2026		
August 2026		
September 2026		
		<u><u>\$ 16,153,184</u></u>

Peoples Natural Gas Company LLC
CAPACITY "E" FACTOR REVENUE
FOR THE PERIOD OCTOBER 2024 THROUGH SEPTEMBER 2025
(* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Amount</u> (2)
October 2024*	\$383,328
November 2024*	\$807,914
December 2024*	\$1,512,487
January 2025*	\$2,654,450
February 2025*	\$2,606,060
March 2025*	\$2,026,991
April 2025*	\$1,165,893
May 2025*	\$534,639
June 2025*	\$397,744
July 2025*	\$222,321
August 2025*	\$201,538
September 2025*	<u>\$71,786</u>
Total	<u>\$12,585,151</u>

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

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	\$887,128
March 2026	
April 2026	
May 2026	
June 2026	
July 2026	
August 2026	
September 2026	
Total	<u>\$2,612,123</u>

Peoples Natural Gas Company LLC

Interim Period Projections for Over/ (Under)

Commodity						
	Projected Volumes	Commodity Rate	Projected Commodity Revenue	Projected Commodity Cost	Projected Commodity Over/(Under)	
Mar 2026	9,329,949	\$5.5107	\$51,414,451	\$31,784,477	\$19,629,974	
Apr	5,954,917	\$5.5107	\$32,815,697	\$23,135,118	\$9,680,579	
May	3,220,537	\$5.5107	\$17,747,377	\$11,828,646	\$5,918,730	
Jun	1,640,740	\$5.5107	\$9,041,606	\$6,236,962	\$2,804,644	
Jul	1,158,134	\$5.5107	\$6,382,116	\$4,645,696	\$1,736,421	
Aug	1,075,361	\$5.5107	\$5,925,978	\$4,278,371	\$1,647,607	
Sep 2026	1,228,732	\$5.5107	\$6,771,162	\$4,378,735	\$2,392,427	
	23,608,370		\$6,771,162	\$86,288,004	\$43,810,383	

Capacity							
	Projected Volumes	Capacity Rate	Projected Capacity Revenue	Projected BB&A Capacity Revenue	Projected Capacity Cost	Projected Capacity Over/(Under)	
Mar 2026	10,589,705	\$1.8137	\$19,206,547	\$2,248,845	\$16,560,617	\$4,894,776	
Apr	6,803,114	\$1.8137	\$12,338,808	\$1,572,576	\$8,288,050	\$5,623,335	
May	3,698,807	\$1.8137	\$6,708,526	\$1,107,154	\$8,288,050	(\$472,370)	
Jun	1,903,585	\$1.8137	\$3,452,531	\$805,978	\$8,288,050	(\$4,029,541)	
Jul	1,342,178	\$1.8137	\$2,434,309	\$691,446	\$8,288,050	(\$5,162,295)	
Aug	1,249,221	\$1.8137	\$2,265,712	\$662,839	\$8,288,050	(\$5,359,499)	
Sep 2026	1,416,439	\$1.8137	\$2,568,995	\$717,208	\$8,288,050	(\$5,001,847)	
	27,003,048		\$48,975,429	\$7,806,047	\$66,288,916	(\$9,507,440)	

Gas Cost Adjustment			
	Projected Volumes	Gas Cost Adjustment Rate	Projected Gas Cost Adjustment Revenue
Mar 2026	9,329,949	\$0.3471	\$3,238,425
Apr	5,954,917	\$0.3471	\$2,066,952
May	3,220,537	\$0.3471	\$1,117,848
Jun	1,640,740	\$0.3471	\$569,501
Jul	1,158,134	\$0.3471	\$401,988
Aug	1,075,361	\$0.3471	\$373,258
Sep 2026	1,228,732	\$0.3471	\$426,493
	1,228,732		\$8,194,465

Capacity E-Factor			
	Projected Volumes	Capacity E-Factor	Projected Capacity E-Factor Revenue
Mar 2026	10,589,705	\$0.0504	\$533,721
Apr	6,803,114	\$0.0504	\$342,877
May	3,698,807	\$0.0504	\$186,420
Jun	1,903,585	\$0.0504	\$95,941
Jul	1,342,178	\$0.0504	\$67,646
Aug	1,249,221	\$0.0504	\$62,961
Sep 2026	1,416,439	\$0.0504	\$71,389
	1,416,439		\$1,360,954

Peoples Natural Gas Company LLC

Calculation of Interest on Commodity and Capacity Over/Under Collections
(*Actual)

Line No.	Description	Over/(Under) Collection (1)	Time Period Years (2)	Interest Rate (3) 1/	TOTAL Actual Interest (4)=(1)x(2)x(3)	Line No.	Description	Capacity Over/(Under) Collection (1)	Time Period Years (2) Years	Interest Rate (3)	Actual Interest (4)=(1)x(2)x(3)	Line No.	Description	Commodity Over/(Under) Collection (1)	Time Period Years (2) Years	Interest Rate (3)	Actual Interest (4)=(1)x(2)x(3)
1	October 2025*	\$ 1,069,101	1.5000	6.75%	\$ 108,246	1	October 2025*	\$ (731,238)	1.5000	6.75%	\$ (74,038)	1	October 2025*	\$ 1,800,339	1.5000	6.75%	\$ 182,284
2	November 2025*	\$ (1,435,667)	1.4167	6.75%	\$ (137,286)	2	November 2025*	\$ 35,028	1.4167	6.75%	\$ 3,350	2	November 2025*	\$ (1,470,694)	1.4167	6.75%	\$ (140,635)
3	December 2025*	\$ 1,931,890	1.3333	6.75%	\$ 173,870	3	December 2025*	\$ 9,907,076	1.3333	6.75%	\$ 891,637	3	December 2025*	\$ (7,975,186)	1.3333	6.75%	\$ (717,767)
4	January 2026*	\$ (53,960,958)	1.2500	6.75%	\$ (4,552,956)	4	January 2026*	\$ 16,283,685	1.2500	6.75%	\$ 1,373,936	4	January 2026*	\$ (70,244,642)	1.2500	6.75%	\$ (5,926,892)
5	Total	\$ (52,395,634)			\$ (4,408,125)	5	Total	\$ 25,494,549			\$ 2,194,884	5	Total	\$ (77,890,183)			\$ (6,603,009)
Interim Period						Interim Period						Interim Period					
6	February 2026	\$ 26,112,058	1.1667	6.75%	\$ 2,056,325	6	February 2026	\$ 7,958,142	1.1667	6.75%	\$ 626,704	6	February 2026	\$ 18,153,916	1.1667	6.75%	\$ 1,429,621
7	March 2026	\$ 24,524,750	1.0833	6.75%	\$ 1,793,372	7	March 2026	\$ 4,894,776	1.0833	6.75%	\$ 357,930	7	March 2026	\$ 19,629,974	1.0833	6.75%	\$ 1,435,442
8	April 2026	\$ 15,303,914	1.0000	6.75%	\$ 1,033,014	8	April 2026	\$ 5,623,335	1.0000	6.75%	\$ 379,575	8	April 2026	\$ 9,680,579	1.0000	6.75%	\$ 653,439
9	May 2026	\$ 5,446,361	0.9167	6.75%	\$ 336,994	9	May 2026	\$ (472,370)	0.9167	6.75%	\$ (29,228)	9	May 2026	\$ 5,918,730	0.9167	6.75%	\$ 366,221
10	June 2026	\$ (1,224,896)	0.8333	6.75%	\$ (68,900)	10	June 2026	\$ (4,029,541)	0.8333	6.75%	\$ (226,662)	10	June 2026	\$ 2,804,644	0.8333	6.75%	\$ 157,761
11	July 2026	\$ (3,425,874)	0.7500	6.75%	\$ (173,435)	11	July 2026	\$ (5,162,295)	0.7500	6.75%	\$ (261,341)	11	July 2026	\$ 1,736,421	0.7500	6.75%	\$ 87,906
12	August 2026	\$ (3,711,892)	0.6667	6.75%	\$ (167,043)	12	August 2026	\$ (5,359,499)	0.6667	6.75%	\$ (241,190)	12	August 2026	\$ 1,647,607	0.6667	6.75%	\$ 74,146
13	September 2026	\$ (2,609,419)	0.5833	6.75%	\$ (102,746)	13	September 2026	\$ (5,001,847)	0.5833	6.75%	\$ (196,948)	13	September 2026	\$ 2,392,427	0.5833	6.75%	\$ 94,202
14	Total Interim	60,415,000			\$ 4,707,580	14	Total Interim	(1,549,298)			\$ 408,841	14	Total Interim	61,964,298			\$ 4,298,739
15	Total Interest Due (PNG) or Customer				\$ 299,455	15	Total Interest				\$ 2,603,726	15	Total Interest				\$ (2,304,271)

1/ Prime Rate in effect 60 days prior to the annual filing made on April 1, 2026.

Peoples Natural Gas Company LLC

<u>Projected Throughput - Mcf</u>

		<u>Sales</u>	<u>P-1 Transport</u>	<u>Total</u>
October	2026	2,131,932	322,899	2,454,831
November		4,367,709	638,322	5,006,031
December		8,684,982	1,172,352	9,857,334
January	2027	11,122,659	1,453,053	12,575,712
February		11,291,041	1,442,524	12,733,565
March		9,380,155	1,198,867	10,579,022
April		5,985,197	808,747	6,793,945
May		3,237,378	456,806	3,694,185
June		1,650,561	252,196	1,902,757
July		1,166,762	176,918	1,343,680
August		1,083,611	167,374	1,250,985
September		<u>1,237,362</u>	<u>180,049</u>	<u>1,417,410</u>
TOTAL		<u>61,339,349</u>	<u>8,270,107</u>	<u>69,609,456</u>

Annual 1307(f)
October 1, 2026

Peoples Natural Gas Company LLC
QUARTERLY 1307(f) Rate Calculation
Effective: OCTOBER 1, 2026

<u>Line No.</u>		<u>Costs and Volumes</u>	<u>\$/Mcf Rates</u>
1	DC = Projected Annual Capacity Costs (Including AVC Capacity)	\$144,975,641	
2	MINUS: Projected Balancing Revenue Credits	<u>\$17,882,940</u>	
3	Projected Annual "Current" Period Capacity Costs (line 1 - line 2)	\$127,092,701	
4	S + SBAC = Projected Annual Sales and Standby Volumes - October 2026 through September 2027 (Mcf)	<u>69,609,456</u>	
5	Projected "Current" Period Capacity Costs per Mcf (line 3 / line 4)		\$1.8258
6	Capacity Over/(Under) "E-Factor" Collection	\$27,025,295	
7	S + SBAC = Projected Annual Sales and Standby Volumes - October 2026 through September 2027 (Mcf)	<u>69,609,456</u>	
8	Capacity "E-Factor" Cost per Mcf (line 6 / line 7)		<u>\$0.3882</u>
9	Projected Total Capacity Cost of Gas per Mcf (line 5 - line 8)		\$1.4376
10	CC = Projected Commodity Costs	\$242,121,853	
11	S = Projected Sales Volumes October 2026 through September 2027 (Mcf)	<u>61,339,349</u>	
12	Projected Commodity Cost of Gas per Mcf (line 10 / line 11)		\$3.9473
13	MINUS: Current Commodity Over/(Under) Collection	\$0	
14	S = Projected Annual Sales Volumes (Mcf)	<u>61,339,349</u>	
15	Current Commodity Over/(Under) Collection Commodity Cost of Gas per Mcf (line 13 / line 14)		<u>\$0.0000</u>
16	Projected Commodity Cost of Gas per Mcf (line 12 - line 15)		\$3.9473
17	Total Projected Cost of Gas per Mcf (line 9 + line 16)		\$5.3849
18	Total Prior Period Over/(Under) Collection Balance	<u>(\$15,629,064)</u>	
19	S = Projected Annual Sales Volumes (Mcf)	<u>61,339,349</u>	
20	MINUS: E = Prior Period Over/(Under) Collection Rate per Mcf (line 18 / line 19)		(\$0.2548)
21	Overall Gas Cost Rate per Mcf (line 17 - line 20 - line 21)		\$5.6397

Peoples Natural Gas Company
Calculation Of Balancing Charge

I. Balancing Recoverable Costs

<u>A. Total Storage Costs</u>	<u>Annual Amount</u>
EGTS GSS	\$11,306,124
EGTS FTNN	\$6,475,791
NFG ESS & EFT	\$2,205,737
EQT 60SS/115SS	\$7,375,042
EQT FSS	\$12,045,761
EQT NOFT	\$7,484,135
GSS Variable Charges	\$2,127,896
TCO FS	\$181,288
TCO SST	\$236,124
AVC GSS	\$20,274,867
AVC FTGSS	<u>\$15,973,326</u>
Total	\$85,686,090
Annualized Storage Demand (Mcf)	7,406,749
Average Storage Charge (\$/Mcf)	\$11.5687

<u>B. PNG System Storage/Contract Storage Split</u>	<u>MDWQ Volumes (Mcf)</u>	<u>Percent To Total</u>
PNG On-System Storage	55,300	8.22%
AVC Storage	192,493	28.62%
EGTS GSS Storage	86,622	12.88%
National Fuel ESS Storage	9,425	1.40%
ETRN 60SS/115SS	250,205	37.20%
Equitrans NOFT	76,559	11.38%
TCO FSS	1,925	0.29%
Total	<u>672,529</u>	<u>100.00%</u>

<u>C. Balancing Recovery Of Contract Storage Costs</u>	
Balancing Peak Day Requirements (Mcf)	140,358
Contract Storage Percentage	<u>91.78%</u>
Contract Storage Related Balancing Requirements (Mcf)	128,817
Average Storage Charge (\$/Mcf)	<u>\$11.5687</u>
Monthly Balancing Storage Cost Recovery	\$1,490,245
Annual Balancing Storage Cost Recovery	<u>\$17,882,940</u>

II. Balancing Peak Day Requirements/Balancing Charge Development

<u>A. Balancing Peak Day Requirements</u>	<u>Volumes (Mcf)</u>
SGS & MGS	82,031
LGS	<u>58,328</u>
Total Balancing Peak Day Requirements	<u>140,358</u>

B. Balancing Peak Day Requirements Allocated To Customer Classes

<u>NGS Supplied Customer Class</u>	<u>Balancing Requirements (Mcf)</u>	<u>Percent To Total</u>
SGS & MGS	82,031	58.44%
LGS	<u>58,328</u>	<u>41.56%</u>
Total	<u>140,358</u>	<u>100.00%</u>

<u>C. Balancing Charge Development</u>	<u>Contract Storage Costs</u>	<u>NGS Supplied Volumes (Mcf)</u>	<u>Balancing Unit Rate (\$/Mcf)</u>
<u>NGS Supplied Customer Class</u>			
SGS & MGS	\$10,444,346	13,824,069	\$0.7555
LGS	<u>\$7,321,441</u>	<u>30,099,223</u>	<u>\$0.2432</u>
Total	<u>\$17,765,786</u>	<u>43,923,291</u>	<u>\$0.4045</u>

PEOPLES NATURAL GAS COMPANY LLC
Gas Cost Revenues and Expenses
February 2025 through January 2026

		<u>Purchased Gas Revenues ^{1/}</u>	<u>Purchased Gas Expenses</u>	<u>Over / (Under) Collections</u>
February	2025	\$48,911,194	\$50,331,483	(\$1,420,289)
March		\$39,094,336	\$29,819,538	\$9,274,798
April		\$26,324,095	\$19,910,199	\$6,413,896
May		\$14,612,148	\$14,095,398	\$516,750
June		\$7,295,906	\$12,910,741	(\$5,614,835)
July		\$5,938,261	\$11,845,182	(\$5,906,921)
August		\$5,410,891	\$12,262,961	(\$6,852,070)
September		\$6,400,336	\$12,414,275	(\$6,013,940)
October		\$17,251,253	\$16,182,152	\$1,069,101
November		\$38,066,721	\$39,502,387	(\$1,435,667)
December		\$62,864,451	\$60,932,561	\$1,931,890
January	2026	<u>\$84,210,478</u>	<u>\$138,171,436</u>	<u>(\$53,960,958)</u>
		<u>\$356,380,069</u>	<u>\$418,378,313</u>	<u>(\$61,998,244)</u>

1/ Purchased gas revenues do not include GCA or Capacity "E" factor revenues

PEOPLES' UFG MITIGATION PLAN

Activity and Cost Data Related to Removal and Replacement of Gathering Lines

January 1, 2018 through December 31, 2025

	<u>Historic Performance</u>					
	Actual Performance to Date (2018-2021)	Original 4 year Plan	2022 Actual	2023 Actual	2024 Actual	2025 Actual
<u>Gathering Lines - Miles Abandoned</u>						
Total	122.10	115.20	36.50	18.50	21.72	18.60
<u>Gathering Lines - Miles Repaired/Replaced</u>						
Total	50.70	19.98	12.20	10.80	6.62	5.00
<hr/>						
<u>Gathering Lines (Abandoned)- \$millions</u>						
Total	\$ 1.08	\$ 3.77	\$ 0.17	\$ 0.19	\$ 0.22	\$ 0.18
<u>Gathering Lines (Repaired/Replaced) - \$millions</u>						
Total	\$ 16.48	\$ 16.15	\$ 5.13	\$ 4.83	\$ 2.21	\$ 1.56
<u>Gathering Lines - TOTAL - \$millions</u>						
Total	\$ 17.55	\$ 19.92	\$ 5.30	\$ 5.02	\$ 2.43	\$ 1.74

Row	1307(f) Reporting Year	2024	2025	2026
A. Gas Received				
1	From Production Facilities	32,703,916	35,871,557	33,161,987
2	From Transmission Facilities	-	-	-
3	From Storage Facilities	1,497,678	1,523,248	1,538,795
4	From Interstate Pipeline directly into the Distribution System	104,939,692	97,312,471	111,114,051
5	From Other Sources (i.e. propane etc.)	655,189	574,883	654,716
6	Total Gas Received	139,796,475	135,282,159	146,469,549
B. Gas Delivered				
	To Customers (i.e. transportation, residential, commercial, industrial etc.)			
7	Total To Customers	126,547,322	122,530,816	133,190,026
8	To Storage	-	-	-
9	Storage injection	1,445,136	1,155,028	2,026,247
10	Total To Storage	-	-	-
	Total To Transmission system/Off system			
11	Other exchanges	1,742,567	1,797,899	1,293,192
12		351,979	281,052	410,683
13	Total Gas Delivered	130,087,004	125,764,795	136,920,148
C. Adjustments				
14	Company use	817,868	797,006	841,189
15	Storage loss	141,810	136,119	134,685
16	Other Adjustments	2,693,115	2,397,246	2,377,835
17	Total Adjustments	3,652,793	3,330,371	3,353,709
D. Total UFG (= A-B-C)				
18	Total	6,056,678	6,186,993	6,195,692
E. Total Percent UFG (= D/A)				
19	Percentage	4.33%	4.57%	4.23%