

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY  
COMMISSION

v.

PEOPLES NATURAL GAS COMPANY LLC

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Docket No. R-2025-3053184

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**DIRECT TESTIMONY OF  
CAROL A. SCANLON**

**On behalf of**

**PEOPLES NATURAL GAS COMPANY LLC**

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**PUBLIC VERSION**

DATE SERVED: April 1, 2025

DATE ADMITTED: \_\_\_\_\_

Peoples Natural Gas Company Statement No. 1

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

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

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

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

**A.** I am employed by PNG Companies LLC (“PNG Companies” or “PNG”) as Rates Manager. I note that effective with the implementation of new base rates on September 27, 2024, in Peoples Natural Gas Company LLC’s (“Peoples” or “the Company”) base rate proceeding at Docket No. R-2023-3044549, the rates and tariffs of the former Peoples Natural Gas Company LLC – Peoples Natural Gas Division (“PNGD” or “Peoples Natural Gas Division”) and the former Peoples Natural Gas Company LLC – Peoples Gas Division (“PGD” or “Peoples Gas Division”) were combined. As a condition of settlement, the requirement to maintain separate books and records for PNGD and PGD was terminated. Peoples’ books and records for the 12 months ended December 31, 2024, and thereafter are on a consolidated basis. Further, all reports and filings submitted to the Pennsylvania Public Utility Commission (“Commission”) are no longer provided by division and are now reported on a consolidated basis. In my position as Rates Manager, I provide rates and regulatory services for PNG Companies.

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

1    **A.**    I graduated from the University of Pittsburgh in 1994 with a Bachelor of Science Degree  
2           in Business Administration with a concentration in Finance, and from Robert Morris  
3           University in 2001 with a Master’s Degree in Business Administration. My career began  
4           with the former Equitable Gas Company (“EGC”) in 2004, where I was employed in  
5           various positions of increasing responsibility. I started with EGC as a Senior Financial  
6           Analyst supporting the Collections and Compliance areas of the business. In March 2006,  
7           I transitioned to the role of Supervisor of Collections and Analysis. I was in that role until  
8           August of 2007, when I was promoted to the Manager of Account Maintenance, during  
9           which time I directed the activities of the Audit and Back Office departments. In May  
10          2009, I was promoted to Manager of Commercial and Residential Analysis. In June 2010,  
11          I was promoted to the Manager of Rates. I continued in that role until December 17, 2013,  
12          at which time EGC was acquired by PNG Companies and merged into Peoples Natural  
13          Gas. At that time, I transitioned to Peoples Natural Gas as a Rate Consultant. In August  
14          2017, I was promoted to Manager of Transportation and Revenue. In this role, I managed  
15          revenue reporting and the team responsible for all interactions with the Natural Gas  
16          Suppliers (“NGSs”). In 2018, I transferred to PNG Companies. In April of the same year,  
17          I moved back to the Regulatory team as the Rates Manager.

18  
19    **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

20    **A.**    I am the witness with general responsibility for the information presented in support of the  
21           2025 1307(f) Purchased Gas Cost filing (“1307(f)-2025”) for Peoples. My testimony will  
22           identify the other Company witnesses, describe their case responsibilities, and review the  
23           Company’s Federal Energy Regulatory Commission (“FERC”) activities and monitoring of

1 upstream pipelines that supply gas to subsidiaries of Peoples. I will also address the  
2 Company's customer retainage calculation and support the proposed retainage applicable to  
3 Mainline Service Rate ("MLS") customers that is presented in **Peoples Natural Gas**  
4 **Company Exhibit No. 5**, sponsored by Peoples witness Dawn Folks. Further, I will address  
5 parts of former PNGD's and former PGD's Purchased Gas Cost audit reports for the 12-  
6 month periods ended January 31, 2022, January 31, 2021, and January 31, 2020, and provide  
7 a status update to Settlement Terms 32 - Hedging Program and 33 - Interim PGC Rate Filings  
8 from the Commission-approved Joint Petition for Settlement in the Company's 2023-1307(f)  
9 proceeding at Docket No. R-2023-3037928. Lastly, I will discuss the "Wagner" issue related  
10 to the adjustment in Peoples' E-factor calculation proposed for October 1, 2025, shown in  
11 **Peoples Natural Gas Company Exhibit No. 9**.

12  
13 **Q. PLEASE DESCRIBE THE GENERAL RESPONSIBILITIES OF THE OTHER**  
14 **PEOPLES' WITNESSES.**

15 **A.** Steven Kolich, through **Peoples Natural Gas Statement No. 2**, will support the Company's  
16 gas procurement policies, the historical period gas purchases, as well as the projected period  
17 gas procurement plans. Dawn Folks will sponsor **Peoples Natural Gas Statement No. 3**,  
18 which provides the calculation of the prior period over/under collections and supports the  
19 rate calculations for the projected period. Anton Ribich will support the Company's Design  
20 Peak Day Requirements through **Peoples Natural Gas Statement No. 4**. Finally, Lynda  
21 Petrichevich will sponsor **Peoples Natural Gas Statement No. 5**, which will discuss  
22 Unaccounted for Gas ("UFG") and producer retainage.

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

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

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

A. The Company provided responses to the standard filing requirements set forth in the Commission's regulations at 52 Pa. Code § 53.64(c)(1) through 53.64(c)(14) and 53.64(i)(1). In addition, the Company has responded to Section 53.65. For ease of reference, these responses are numbered the same as the regulation. The table below describes each filing requirement and identifies the Company's witness responsible for the information provided.

<b>FR No.</b>	<b>Filing Requirement</b>	<b>Witness<sup>1</sup></b>
<b>53.64 (c) (1)</b>	12 & 20 Month Supply	DMF
<b>53.64 (c) (2)</b>	Confidential Treatment	DMF
<b>53.64 (c) (3)</b>	Supply Not Chosen	SPK
<b>53.64 (c) (4)</b>	FERC Summary	CAS
<b>53.64 (c) (5)</b>	Gas Supply and Demand Projections	DMF
<b>53.64 (c) (6)</b>	Fuel Procurement	SPK
<b>53.64 (c) (7)</b>	Off System Sales & Capacity Release	SPK
<b>53.64 (c) (8)</b>	Transportation	DMF

<sup>1</sup> 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 Lynda Petricevich – Statement No. 5 (“LWP”).

FR No.	Filing Requirement	Witness <sup>1</sup>
<b>53.64 (c) (9)</b>	Transportation	DMF
<b>53.64 (c) (10)</b>	Schematic / Facilities	SPK
<b>53.64 (c) (11)</b>	Rate Structure Changes	DMF
<b>53.64 (c) (12)</b>	Three Day Peak Data	AR
<b>53.64 (c) (13)</b>	Peak Day Methodology	AR
<b>53.64 (c) (14)</b>	Min. Gas Entitlements	SPK
<b>53.64 (i) (1)</b>	Revenue and Expense Comparison (over/under)	DMF
<b>53.65</b>	Affiliated Gas Purchases	SPK

**Q. PLEASE DESCRIBE THE COMPANY'S EXHIBITS.**

- A.** The table below includes a description of each Exhibit and the Company's sponsoring witness. These exhibits are numbered sequentially.

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	LWP
14	3-Year History- UFG Volumes and Loss Rate	LWP

**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 2024, 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 regulates the price and terms of services of interstate pipelines from which the Company obtains the delivery of a substantial portion of its gas supply – as a means of assuring for Peoples' ratepayers the future availability of reasonably priced, reliable gas supplies.

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

1 **Q. DOES PEOPLES WORK WITH ANY OTHER ORGANIZATIONS IN MATTERS**  
2 **BEFORE THE FERC?**

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

7  
8 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**  
9 **MARKED AS PEOPLES NATURAL GAS COMPANY EXHIBIT NO. 2?**

10 **A.** Yes. **Peoples Natural Gas Company Exhibit No. 2** provides a detailed identification and  
11 explanation of all the various FERC proceedings involving Peoples’ interstate pipeline  
12 providers and other FERC proceedings that Peoples monitored and/or participated in during  
13 2024. I should note that the Company previously filed these materials with the Commission  
14 on February 28, 2025, as part of the 30-day pre-filing required by the Commission’s 1307(f)  
15 regulations. As this description of Peoples’ FERC activity reveals, Peoples has fully and  
16 vigorously represented the interests of its ratepayers at FERC during the time periods  
17 relevant to this case.

18  
19 **CUSTOMER RETAINAGE**  
20

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

22 **A.** The top section of the analysis shown in **Peoples Natural Gas Company Exhibit No. 3**  
23 presents the most recent three-year average (2022-2024) for UFG and Company Use (“CU”)



1 gas. The average of UFG for the three-year period is 5.6%, while the average of CU for the  
2 three-year period is 0.6%. Summing the two together results in a three-year average of 6.2%.  
3 I note that Peoples anticipates filing a revised UFG report for the twelve-month period ending  
4 August 31, 2024 in the near future. **Peoples Natural Gas Company Exhibit No. 3**  
5 incorporates the revised data figures in the calculation.

6 As seen in the bottom section of **Peoples Natural Gas Company Exhibit No. 3**,  
7 applying the three-year average of UFG/CU to the projected usage for the Peoples system  
8 yields the projected total system retainage requirements for the forecasted period. From that,  
9 the Company deducted volumes retained from competitive customers, volumes retained from  
10 producers, retainage on the Goodwin/Tombaugh system, and the imputed retainage on storage  
11 gas. This calculation produces the net amount to be retained from sales and the remaining  
12 transportation customers. Dividing this volume by the total volume of customers paying the  
13 tariff retainage rate results in a retainage percentage of 6.5%.

14  
15 **Q. DOES THE COMPANY DISCOUNT RETAINAGE RATES?**

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

18  
19 **MAINLINE SERVICE RETAINAGE**

20 **Q. IS PEOPLES PROPOSING A MODIFICATION TO THE TARIFF RETAINAGE**  
21 **AMOUNT PAID BY MAINLINE SERVICE RATE CUSTOMERS?**

22 **A.** Yes.  
23

1 **Q. PLEASE EXPLAIN.**

2 **A.** In **Peoples Natural Gas Company Exhibit No. 5**, the Company is proposing to add a section  
3 to the Mainline Service Rate (“MLS”) schedule, beginning on page 62 of the tariff, to include  
4 specificity on the retainage rate that applies to this customer group. More specifically, Peoples  
5 is proposing that if the actual lost and unaccounted for gas percentage can be measured for  
6 the facility used to serve the MLS customer, that the retainage rate applied to that customer is  
7 the greater of the actual lost and unaccounted for gas percentage for the facility being used, or  
8 one percent (1%). In cases that it is not possible to measure the actual lost and unaccounted  
9 for gas percentage for the facility, Peoples is proposing the retainage rate will be the  
10 Distribution UFG percentage per the most recently filed UFG report with the Commission.

11  
12 **Q. WHY IS IT NECESSARY TO MAKE THIS MODIFICATION?**

13 **A.** The mainline service rate was designed for customers that are connected directly to the  
14 Company’s transmission system and not using the distribution system; or customers that  
15 are connected directly to interstate pipelines through facilities constructed by the Company.  
16 In either case, the MLS customer does not use the high-pressure distribution system, or at  
17 most, utilizes a very minimal portion of it. As a result, the Company believes it is  
18 appropriate to charge MLS customers for the actual lost and unaccounted for gas percentage  
19 of the facility used to serve the customer versus the retainage rate for the entirety of the  
20 distribution system. However, to effectuate this, measurement of the facility used to serve a  
21 particular MLS customer must be available and in cases where it is not available, the Company  
22 proposes the retainage rate be the Distribution UFG percentage per the most recently filed  
23 UFG report with the Commission. In general, the appropriate default measure for the

1 otherwise applicable retainage rate would be the system average as presented in **Peoples**  
2 **Natural Gas Company Exhibit No. 3**. Yet, as described above, the MLS rate schedule was  
3 designed for customers that are not using the distribution system, or at most, using a minimal  
4 portion of it. Without measurement, it is difficult to derive the appropriate retainage to charge,  
5 and is the reason Peoples proposes to use the filed Distribution UFG percentage. However, to  
6 qualify for the MLS rate, a customer must have an annual throughput requirement of greater  
7 than 500,000 mcf. That said, it is evident that gathering facilities would not be used to serve  
8 any MLS customers. The proposed system average retainage rate presented in **Peoples**  
9 **Natural Gas Company Exhibit No. 3**, includes gathering loss, and for that reason is why  
10 Peoples proposes an alternate “default” retainage rate for MLS customers where measurement  
11 of the facility used to serve that customer is not available.

12  
13 **AUDIT FINDINGS**  
14

15 **Q. WHAT IS THE STATUS OF THE PURCHASED GAS COST AUDITS YOU**  
16 **MENTION?**

17 **A.** The Purchased Gas Cost audits for the former PNGD and the former PGD for the 12-month  
18 periods ended January 31, 2022, January 31, 2021, and January 31, 2020 were finalized and  
19 approved for release to the public by the Commission at its Public Meeting held on January  
20 23, 2025.

1 **Q. IN LAST YEAR’S 1307(F) PROCEEDING, PEOPLES ADDRESSED A CHANGE TO**  
2 **THE STORAGE VALUATION METHODOLOGY RESULTING FROM**  
3 **DISCUSSIONS WITH AUDITS. WHAT IS THE STATUS OF THIS CHANGE?**

4 **A.** As discussed in last year’s 1307(f) proceeding, Peoples and Audits were discussing a change  
5 in methodology to the storage valuation process at the time the 1307(f) proceeding was  
6 underway. Peoples anticipated an audit finding related to this subject and was amenable to  
7 making the change that Audits recommended. The matter was a finding in the audit reports  
8 of both the former PNGD and former PGD. Peoples included a total adjustment of  
9 (\$3,211,471) in the E-factor of the October 1, 2024 rate for the storage valuation adjustment  
10 amount and interest. In the January 1, 2025 filing, Peoples adjusted the amount in the E-  
11 factor to (\$3,669,668) for two reasons. The first reason was to true-up the estimated amounts  
12 for August 2024 and September 2024 that were included in the October 1, 2024 filing  
13 amounts. The second reason was to revise the time period included for the former PGD. In  
14 rebuttal testimony at **Peoples Natural Gas Company Statement No. 1-R** of the 2024-  
15 1307(f) proceeding, the Company agreed to change the beginning time period of the  
16 adjustment from October 2022 to April 2020 at Audits’ request. The adjustment amount in  
17 the October 1, 2024 filing inadvertently excluded this time period but Peoples made the  
18 adjustment to include the period of April 2020 – October 2022 for PGD in the January 1,  
19 2025 filing amount.

20  
21 **Q. DO YOU HAVE ANY OTHER COMMENTS RELATED TO THE STORAGE**  
22 **VALUATION ADJUSTMENT?**

1 A. Yes. During further discussions and analysis with Audits of the adjustment amount included  
2 in the January 1, 2025 rate filing, it was discovered that there was a formula revision needed  
3 in Peoples calculation when including the April 2020 – October 2022 period for PGD. With  
4 the formula change, Peoples owes the customers an additional refund of \$12,273. Peoples  
5 agreed to include this amount plus applicable interest in the E-factor of the October 1, 2025  
6 rate filing. Refer to **Peoples Natural Gas Company Exhibit No. 9** and **Peoples Natural Gas**  
7 **Company Exhibit No. 10** for the detailed calculations.

8  
9 Q. **ARE THERE OTHER AUDIT FINDINGS YOU WOULD LIKE TO DISCUSS?**

10 A. Yes, two. Through discussions with Audits, there are two areas of concern raised where the  
11 recommendation is to present the topic in the 1307(f) proceeding to seek consensus on the  
12 proper approach for handling.

13  
14 Q. **WHAT IS THE FIRST ONE?**

15 A. The first matter relates to a finding in the former PNGD report. Peoples recovers an annual  
16 fee of \$16,725 for operation and maintenance (“O&M”) expenses in relation to a tap  
17 agreement with Eastern Gas Transmission and Storage, Inc. (formerly Dominion  
18 Transmission (“DTI”). The Company’s position is that the O&M costs charged to Peoples  
19 under the Tap Agreement are properly recorded and recovered as purchased gas costs. O&M  
20 costs are generally included in all pipeline rates charged by a pipeline to a customer under  
21 firm service agreements. Audits’ view is that recovering these O&M costs as a purchased  
22 gas cost is improper and believes the cost should be recovered through base rates. In **Peoples**  
23 **Natural Gas Company Exhibit No. 6**, Peoples has included the annual O&M expense of

1 \$16,725 in relation to the Tap agreement with Eastern Gas Transmission and Storage, Inc.  
2 for recovery as a purchased gas cost. Further, Peoples proposes to continue including  
3 recovery of this specific expense as a gas cost expense going forward.  
4

5 **Q. WHAT IS THE SECOND ONE?**

6 **A.** The second topic relates to a finding that is included in both the former PNGD report and the  
7 former PGD report. Peoples' tariff is silent on how a supplier refund is to be handled; whether  
8 it should be included in the next E-factor and include interest from the time the refund was  
9 received by Peoples through the mid-point of the period the refund is refunded to the  
10 customers or through the current period costs.  
11

12 **Q. WHAT IS PEOPLES' POSITION ON THIS MATTER?**

13 **A.** Peoples' current practice is to include supplier refunds in current period costs in the month  
14 it is received by the Company. While the supplier refund will include interest from the  
15 supplier from the time of occurrence to when the refund is delivered to the Company, Peoples  
16 does not include additional interest because Peoples does not hold the refund for any length  
17 of time. It is flowed back to customers through current period gas costs in the month it is  
18 received by the Company.  
19

20 **Q. WHY DOES PEOPLES BELIEVE THIS APPROACH IS APPROPRIATE?**

21 **A.** Peoples deems it appropriate to provide the refund to customers as soon as possible rather  
22 than holding the refund to incorporate it in the next E-factor.  
23

1 **Q. WHAT IS PEOPLES PROPOSING IN THIS PROCEEDING?**

2 **A.** Peoples is proposing to continue its current practice of providing supplier refunds to  
3 customers as soon as possible through current period gas costs in the month the refund is  
4 received. Peoples is proposing revised tariff language to this effect **in Peoples Natural Gas**  
5 **Company Exhibit No. 5.** Peoples will also comply with Audit's recommendation that if  
6 there is a reduction in current period costs for a supplier refund, it will be footnoted to ensure  
7 regulatory transparency.

8  
9 **WAGNER E-FACTOR ADJUSTMENT**

10  
11 **Q. ARE THERE ANY OTHER MATTERS WITH RESPECT TO E-FACTOR**  
12 **ADJUSTMENTS IN THIS PROCEEDING?**

13 **A.** Yes. As shown in **Peoples Natural Gas Company Exhibit No. 9**, sponsored by Peoples  
14 witness Dawn Folks, there is an adjustment to recover \$665,183 titled as "Proposed Wagner  
15 Adjustment".

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17 **BEGIN HIGHLY CONFIDENTIAL SECTION**  
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**END HIGHLY CONFIDENTIAL SECTION****2023-1307(F) SETTLEMENT****HEDGING PROGRAM AND INTERIM PGC RATE FILINGS**

**Q. PLEASE DESCRIBE THE SETTLEMENT TERM FROM THE 2023-1307(F) RELATED TO A HEDGING PROGRAM.**

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

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

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

**A.** Yes. Shown below is the commodity rate in effect each quarter beginning October 1, 2023, through April 1, 2025, the filing date of this testimony.

	<b>Commodity Rate</b>
<b>Quarter</b>	<b>in Effect</b>
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

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

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

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

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

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

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

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

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

**A.** Yes. Peoples made an interim rate filing on February 28, 2025 for rates effective March 1, 2025. The reason for the interim filing was a considerable change in projected Nymex commodity pricing due to colder than normal weather, along with a large undercollected balance in January 2025. The commodity rate component increased 24.9% from January 1, 2025 to March 1, 2025.

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

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

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Docket No. R-2025-3053184

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**DIRECT TESTIMONY OF  
STEVEN P. KOLICH**

**On behalf of**

**PEOPLES NATURAL GAS COMPANY LLC**

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DATE SERVED: April 1, 2025  
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 and R-2024-  
16           3045945 and Peoples Gas Company LLC’s 1307(f) filings at Docket Nos. R-2018-  
17           2645296, R-2019-3007613, 2020-3017846, R-2021-3023967 and R-2022-3030664.

18

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

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

- 22                   I.   Gas Procurement Policy and Supply Planning  
23                   II.   Supply Requirements



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

9

10                   Throughout my testimony, I will refer to the “1307(f)-2025 historical period” and

11                   the “1307(f)-2025 projected period.” The “1307(f)-2025 historical period” is the 12-

12                   month period of February 1, 2024, through January 31, 2025. That same 12-month period

13                   was part of the projected period in Peoples’ 1307(f)-2024 proceeding. The projected

14                   period in this proceeding is the 20-month period of February 1, 2025, through September

15                   30, 2026, which is the “1307(f)-2025 projected period.” Peoples will have experienced a

16                   part of that projected period before this case is over.

17

18   **Q. WHICH COMPONENTS OF THE COMPANY’S 1307(f)-2025 FILING ARE**

19   **YOU SPONSORING?**

20   A. I am sponsoring Filing Requirement sections 53.64(c)(3), 53.64(c)(6), 53.64(c)(7),

21   53.64(c)(10), 53.64(c)(14), and 53.65. I am also sponsoring or jointly sponsoring

22   **Peoples Natural Gas Exhibit Nos. 1, 4, 6, 7 and 8.**

1           **I.       PEOPLES' GAS PROCUREMENT POLICY AND SUPPLY PLANNING**  
2

3   **Q.     PLEASE DESCRIBE GENERALLY PEOPLES' GAS PROCUREMENT**  
4           **POLICY.**

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

10  
11   **Q.     PLEASE EXPLAIN HOW PEOPLES NATURAL GAS HAS PURSUED ITS**  
12           **GOAL OF LEAST COST RELIABLE SERVICE.**

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

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

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

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

15 A. Peoples Natural Gas’s goal of safe, reliable, cost-effective gas supply involves two distinct  
16 activities. The first activity is portfolio planning, which involves the assembly of a  
17 portfolio of supply assets including indigenous and contracted storage as well as  
18 transportation services. The second activity is the purchase of natural gas supplies to  
19 satisfy the demands of its customers. The time horizon for this second activity is shorter  
20 than that for portfolio planning. At all times, Peoples Natural Gas strives to minimize gas  
21 costs, while concurrently considering many factors such as safety, reliability, the projected  
22 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  
7 Allegheny Valley Connector (“AVC”) storage gas used for balancing service that will be  
8 made available for purchase by NGSs serving Non-Priority 1 (“NP-1”), or non-essential  
9 human needs customers. Peoples Natural Gas maintains access to and manages the  
10 injections and withdrawals of gas associated with balancing storage capacity on the AVC  
11 system. Peoples recognizes the amount of AVC Storage balancing service purchased by  
12 NGSs throughout the winter and incorporates that amount in the Company’s Gas Supply  
13 Plan.

14

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

19 A. Peoples Natural Gas formulates its supply plan each year for a 20-month period that  
20 corresponds to the projected period in its annual 1307(f) filings. Peoples Natural Gas  
21 formulated the supply plan that included the 1307(f)-2025 historical period – as part of  
22 the then 20-month 1307(f)-2024 projected period – in early 2024 and the supply plan for

1 the 1307(f)-2025 projected period in early 2025. Peoples Natural Gas used the same  
2 analysis in formulating both supply plans.

3 Peoples Natural Gas uses a two-step planning process to review and establish the  
4 natural gas supply requirements of the Company's distribution system. The first step  
5 involves a review of the system's Design Peak Day requirements. The second step  
6 involves using the system flow model to determine where gas must be sourced into the  
7 system to satisfy both supply and pressure requirements. Each of these steps is required  
8 to develop a reliable capacity and supply portfolio. Please refer to Peoples Statement No.  
9 4, the Direct Testimony of Anton Ribich, for further discussion of the first step related to  
10 the Design Day study. I will address the second step.

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

1 the need for reliability into consideration, Peoples Natural Gas selects the lowest cost  
2 blend of gas from all the sources in its portfolio, on a monthly and/or daily basis.

3

4 **II. PEOPLES NATURAL GAS'S SUPPLY REQUIREMENTS**

5

6 **Q. WHAT ARE THE COMPONENTS OF PEOPLES NATURAL GAS'S SUPPLY**  
7 **REQUIREMENTS?**

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

16

17 **Q. WHAT ARE THE TIMEFRAMES USED TO DETERMINE PEOPLES**  
18 **NATURAL GAS'S CUSTOMERS' REQUIREMENTS?**

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

23



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

4    A.    The Company used 1,487.6 MMcf/day as the design day requirements of Peoples Natural  
5       Gas, as discussed in the direct testimony of Peoples Natural Gas witness Anton Ribich  
6       (Peoples Natural Gas Statement No. 4).

7  
8   **Q.    WILL PEOPLES NATURAL GAS SUPPLY THE ENTIRETY OF THAT 1,487.6**  
9       **MMCF FOR ITS CUSTOMERS?**

10   A.    No. Peoples Natural Gas will supply 1,192.1 MMcf of the Company’s customers’ design  
11       day requirements of 1,487.6 MMcf. The supply of 1,192.1 MMcf per day includes the  
12       following components:

- 13       • Projected local gas volumes of 8.9 MMcf. This volume is based on a projection of  
14       the amount of local gas under contract to Peoples Natural Gas and available on a  
15       design day.
- 16       • The on-system storage design day supply of 55.3 MMcf reflects the expected volume  
17       of supplies available from the Company’s on-system storage fields; and
- 18       • Interstate delivered gas of 1,127.9 MMcf projected to be received from Equitrans,  
19       EGTS, TGP, TETCO, TCO and NFG.

20

21   **Q.    WHY DOESN’T PEOPLES NATURAL GAS HAVE TO BE PREPARED TO**  
22       **SUPPLY ALL OF ITS CUSTOMERS’ DESIGN DAY REQUIREMENTS?**

1 A. Many of Peoples Natural Gas’s customers, generally also its largest customers, that  
2 purchase their supplies from NGSs – customers whom the Company refers to as Non-  
3 Priority 1 or NP-1 – are responsible for acquiring their own design day assets at a level  
4 sufficient to deliver their average daily usage during that month. The Company expects  
5 those customers to deliver to the system 294.8 MMcf on a design day during the 1307(f)-  
6 2025 projected period.

7

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

11 A. When a substantial alternative supply market for those smaller Priority 1 (“P-1”), or  
12 essential human needs customers first began to develop on Peoples Natural Gas’s system  
13 in 1997, Peoples Natural Gas addressed the design day requirements of those customers  
14 under a program of mandatory capacity assignment. Peoples Natural Gas’s tariff requires  
15 that the P-1 customers acquire their design day capacity requirements from Peoples  
16 Natural Gas by means of mandatory assignment of capacity and that the P-1 customers  
17 must pay the costs of that assigned capacity through the capacity charge. The P-1 NGSs  
18 are expected to utilize the assigned capacity to deliver to the system sufficient supplies to  
19 meet the projected total usage for their P-1 customers on a design day during the 1307(f)-  
20 2025 projected period.

21

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

4   A.   Peoples Natural Gas must also satisfy the day-to-day supply requirements of Peoples  
5       Natural Gas’s customers who purchase supplies from Peoples Natural Gas, the day-to-  
6       day balancing requirements of NP-1 transportation customers, and the requirements for  
7       gas that either will be used in Peoples Natural Gas’s operations (i.e., company-use gas) or  
8       that will be “lost or unaccounted for” because of various reasons.

9

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

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

20

21   **Q.    HOW DO THE DESIGN DAY SUPPLY ASSETS COMPARE TO THE**  
22       **PROJECTED DESIGN DAY REQUIREMENTS?**

1 A. As shown on **Peoples Natural Gas Exhibit No. 1**, the Company is projecting that its  
2 design day supply assets will be within 0.73 MMcf of its design day requirements.

3

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

6 A. Yes. **Peoples Natural Gas Exhibit No. 6** is a document, prepared jointly by the Gas  
7 Supply and Rates Departments, that illustrates monthly allocations of volumes by the  
8 sources of supply, including storage, that Peoples Natural Gas projects to use to meet the  
9 supply requirements of those of its customers who bought their supplies from Peoples  
10 Natural Gas during the 1307(f)-2025 historical period of February 1, 2024, through  
11 January 31, 2025, and a summary of the natural gas costs associated with those volumes.

12

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

15 A. Yes. **Peoples Natural Gas Exhibit Nos. 7 and 8**, prepared jointly by the Gas Supply and  
16 Rates Departments, illustrate monthly allocations of volumes by the sources of supply,  
17 including storage, that Peoples Natural Gas expects to use to meet the supply requirements  
18 of its customers who likely will buy their supplies from Peoples Natural Gas during the  
19 1307(f)-2025 projected period of February 1, 2025, through September 30, 2026, as well  
20 as a summary of the natural gas costs associated with those volumes. The allocation  
21 displayed there reflects the application of the economic dispatch approach that I have  
22 described. In her direct testimony (**Peoples Natural Gas Statement No. 3**), Dawn Folks

1 explains the pricing of the volumes that appear on these Exhibits, based, in part, on price  
2 projections that I provided.

3

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

7 A. Yes. The projections contained on **Peoples Natural Gas Exhibit Nos. 7 and 8** are  
8 Peoples Natural Gas's best estimates of gas prices and conditions that affect its ability to  
9 acquire gas and, accordingly, are Peoples Natural Gas's best estimates of the lowest cost  
10 supply mix consistent with its need for reliability. However, because projections are based  
11 on factors that change over time, including prices, storage levels and customers'  
12 requirements, each month Peoples Natural Gas fine tunes the plan as it prepares to acquire  
13 gas for the following month to consider actual operational and market conditions and to  
14 assure that its acquisition of gas supplies is based on the most current information. The  
15 Company then makes further daily adjustments as necessary during each month.

16

17 **Q. PLEASE EXPLAIN THE FILING REQUIREMENTS IMPOSED BY SECTION**  
18 **1317(c) OF THE PUBLIC UTILITY CODE.**

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

21

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

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

3

4 **III. INTERSTATE PIPELINE TRANSPORTATION**  
5 **AND STORAGE CAPACITY PORTFOLIO**

6

7 **Q. WHAT COMPRISES PEOPLES NATURAL GAS'S INTERSTATE CAPACITY**  
8 **PORTFOLIO?**

9 A. Over the 1307(f)-2025 historical period, Peoples Natural Gas's natural gas capacity  
10 portfolio included: (1) interstate pipeline transportation and storage services from  
11 Equitrans; (2) interstate pipeline transportation and storage services from EGTS; (3)  
12 interstate pipeline transportation service from TETCO; (4) interstate pipeline  
13 transportation and storage services from NFG; and (5) interstate pipeline transportation  
14 and storage services from TCO. In addition, Peoples Natural Gas purchases winter-only,  
15 city-gate delivered supply via Tennessee and winter-only, city-gate delivered supply via  
16 TETCO. Although these are gas purchase arrangements, Peoples Natural Gas treats them  
17 the same as interstate capacity for planning purposes because the Company requires  
18 deliveries at the respective delivery points and would pursue firm capacity at these points  
19 if reliable city-gate delivered supply was not available.

20

21 **Q. DOES PEOPLES NATURAL GAS ANTICIPATE THAT IT WILL HAVE THE**  
22 **SAME PORTFOLIO THROUGHOUT THE 1307(f)-2025 PROJECTED**  
23 **PERIOD?**

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

4

5 **EQUITRANS**

6 **Q. PLEASE DESCRIBE THE SERVICES THAT EQUITRANS PROVIDES**  
7 **PEOPLES NATURAL GAS.**

8 A. Equitrans provides Peoples Natural Gas firm transportation and firm storage services.  
9 These services vary with the facilities used to provide them. As further explanation, there  
10 are two parts to the Equitrans system: the Mainline system and the Allegheny Valley  
11 Connector (“AVC”). The Mainline System is Equitrans’ traditional system in West  
12 Virginia and Pennsylvania that has historically served Equitable Gas Company, among  
13 other firm customers, and now also includes the Sunrise Pipeline system, which is a newer  
14 pipeline extending from northern West Virginia to Waynesburg, Greene County,  
15 Pennsylvania, that was developed to transport new gas production, primarily Marcellus  
16 Shale production, to market. The AVC consists of the midstream assets – transmission  
17 lines and storage fields – that were transferred by Peoples Natural Gas to Equitrans as part  
18 of the Equitable acquisition.

19 Equitrans has provided Peoples Natural Gas’s former Equitable Division a menu  
20 of unbundled transportation and storage services on the Mainline System since FERC’s  
21 promulgation of Order 636 in the 1990s. These services include firm transportation  
22 service under Equitrans’ Rate Schedule EFT. Under this rate schedule, the customer  
23 transports gas up to the maximum daily quantity stated in the customer’s contract.

1 Equitrans assesses a transportation usage charge for the actual quantities that were  
2 delivered to the customer during the month. In addition, Equitrans assesses a seasonal  
3 demand charge that is different for the winter period (November 1 through March 31)  
4 than for the summer period (April 1 through October 31). Both charges are calculated  
5 by multiplying the appropriate seasonal demand charge by its respective maximum  
6 daily contract quantity.

7 Equitrans also provides no-notice firm transportation service under Equitrans'  
8 Rate Schedule NOFT. No-notice firm transportation allows the Company to receive or  
9 deliver gas on demand up to its firm entitlement on a daily basis without incurring daily  
10 balancing and scheduling penalties. For this service, Equitrans assesses a  
11 transportation usage charge for the actual quantities it delivers to the Company's city-  
12 gates during the month. As with Rate Schedule EFT service, there are winter and  
13 summer demand charges associated with this NOFT contract that are calculated in a  
14 similar fashion.

15 In addition to the firm pipeline transportation and the no-notice firm  
16 transportation services, Equitrans also provides a base load storage service and a  
17 peaking storage service. The base load storage service is provided under the Equitrans  
18 115-SS Rate Schedule. This rate schedule provides for a 115-day storage service, with  
19 a maximum daily withdrawal quantity ("MDWQ") of 110% of 1/115 of the total annual  
20 storage quantity, subject to ratchets as explained below. This service also permits the  
21 Company to withdraw and inject gas year-round on a best-efforts basis.

22 The peaking storage service is provided under the Equitrans 60-SS Rate  
23 Schedule. The MDWQ is based on 110% of 1/60 of the total annual storage quantity,



1 subject to ratchets, as also explained below. This service also permits the Company to  
2 withdraw and inject gas year-round on a best-efforts basis.

3 For each storage service, Equitrans assesses four charges that are applicable the  
4 entire year. These charges consist of the storage demand charge, the storage space  
5 charge, the storage injection charge, and the storage withdrawal charge. The storage  
6 demand charge is equal to the storage demand rate multiplied by the MDWQ. The  
7 storage space charge is equal to the storage space rate multiplied by the total annual  
8 storage quantity. The storage withdrawal and injection charges are variable charges  
9 that are assessed on the actual volumes withdrawn or injected during the month.

10 Beginning December 17, 2013, Equitrans began providing firm transportation and  
11 firm storage services from Equitrans' AVC system to Peoples Natural Gas. The AVC  
12 services consist of transportation service under Rate Schedule EFT, no-notice  
13 transportation service under Rate Schedule FTSS, and Storage Service under Rate  
14 Schedule GSS. The FTSS and GSS service agreements provide Peoples Natural Gas and  
15 its customers with access to AVC storage capacity of 8.6 MMDth annually and maximum  
16 deliverability of 200,000 Dth per day. The EFT service agreement provides Peoples  
17 Natural Gas and its customers up to 251,700 Dth per day of firm transportation capacity.  
18 These service agreements provide for a total of 451,700 Dth per day of firm capacity on  
19 the AVC system.

20 Beginning April 1, 2014, Equitrans began providing Peoples Natural Gas firm  
21 transportation service under Rate Schedule FTS from Equitrans' Mainline system. Gas  
22 transported under this agreement is sourced from receipt points on the Sunrise section of  
23 the Mainline system and delivered to Equitrans' Ginger Hill station, which is the point of

1 interconnection between Equitrans' Mainline and AVC systems. The capacity is seasonal,  
2 and the maximum firm daily quantity is 251,700 Dth during November through March  
3 and 62,000 Dth during April through October.

4 On December 10, 2013, Peoples entered into a firm storage agreement under  
5 Equitrans Rate Schedule 60SS and a no-notice firm transportation agreement under  
6 Equitrans Rate Schedule NOFT. The rates for both the storage and firm transportation  
7 service are negotiated rates that are less than the Equitrans recourse rates for the  
8 services and less than the cost available for this same capacity under the existing TCO  
9 and EGTS agreements. In the Equitable Acquisition proceeding, Peoples received  
10 approval by the Commission for the Equitrans storage and transportation agreements  
11 pursuant to Section 2204(e)(4) of the Public Utility Code, 66 Pa.C.S. § 2204(e)(4).

12 The Equitrans contracts provided peak demand period daily deliverability of  
13 27,500 Dth and storage capacity of 1,500,000 Dth for the storage withdrawal period of  
14 November 1, 2014, through March 31, 2015. The deliverability under these contracts  
15 increased to 33,917 Dth and storage capacity increased to 1,850,000 Dth for the  
16 withdrawal period of November 1, 2015, through March 31, 2016. Effective April 1,  
17 2018, the daily deliverability under these contracts increased to 44,917 Dth and storage  
18 capacity increased to 2,450,000 Dth. Effective April 1, 2022, the daily deliverability  
19 under these contracts increased to 72,417 Dth and storage capacity increased to  
20 4,000,000 Dth.

1 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**  
2 **ARRANGEMENTS WITH EQUITRANS IN PEOPLES NATURAL GAS'S**  
3 **1307(f)-2024 PROCEEDING?**

4 A. Yes. In Peoples' 1307(f)-2024 proceeding, Peoples Natural Gas described the various  
5 service arrangements that would be in effect between Peoples Natural Gas and Equitrans  
6 and the costs associated with them over what is now the 1307(f)-2025 historical period.  
7 In its final order in that proceeding, the Commission approved rates for the collection of  
8 Peoples Natural Gas's natural gas costs that included the costs associated with the  
9 Equitrans service arrangements over what is now the 1307(f)-2025 historical period.

10

11

**EGTS**

12 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S CONTRACTUAL**  
13 **ARRANGEMENTS WITH EGTS OVER THE 1307(f)-2025 HISTORICAL AND**  
14 **PROJECTED PERIODS.**

15 A. For the 1307(f)-2025 historical period, EGTS provides service to Peoples Natural Gas  
16 under four service agreements and three rate schedules which all have an expiration date  
17 of March 31, 2034. EGTS provides year-round Rate FTNN no-notice transportation  
18 service at 40,000 Dth/day, Rate FT firm transportation service of 40,000 Dth/day, and  
19 Rate GSS storage service under two separate service agreements, one with capacity of 4.6  
20 MMDth annually and maximum deliverability of 40,000 Dth/day and the other with  
21 capacity 2.48 MMDth annually and up to 40,000 Dth/day of deliverability. These  
22 agreements promote service reliability in parts of the Peoples Natural Gas distribution  
23 system that are particularly well-suited for gas deliveries from EGTS.

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

4 Peoples Natural Gas additionally has 10,000 Dth/day of FT transportation  
5 service that expires October 31, 2025. The Company plans to renew this 10,000  
6 Dth/day of EGTS FT firm transportation service to ensure adequate supply to meet the  
7 design day requirements of its sales customers. Therefore, Peoples has informed EGTS  
8 of its intention to extend the 10,000 Dth/day FT agreement from November 2025  
9 through October 2028. The reservation cost for the new agreement will remain equal  
10 to EGTS's maximum tariff rate for FT service, just like the current contract.

11

12 **Q. ARE THERE ANY DIFFERENCES IN THE EGTS SUPPLY ASSETS SHOWN**  
13 **IN PEOPLES NATURAL GAS EXHIBIT NO. 1 BETWEEN 1307(f)-2024 AND**  
14 **1307(f)-2025?**

15 A. No. When comparing last year's Peoples Natural Gas Exhibit No. 1 and Exhibit No. 1  
16 of this 1307(f)-2025, the amount of EGTS assets shown is effectively the same.

17

18 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**  
19 **ARRANGEMENTS WITH EGTS IN PEOPLES NATURAL GAS'S 1307(f)-2024**  
20 **PROCEEDING?**

21 A. In Peoples Natural Gas's 1307(f)-2024 proceeding, Peoples Natural Gas described the  
22 various service arrangements that would be in effect between Peoples Natural Gas and  
23 EGTS and the costs associated with them over what is now the 1307(f)-2025 historical

1 period. Under the settlement, the Parties agreed that the Commission should approve the  
2 Company's gas supply, pipeline and storage capacity contracts. In its final order in that  
3 proceeding, the Commission approved the settlement including the rates for the collection  
4 of Peoples Natural Gas's natural gas costs that included the costs associated with the  
5 EGTS service arrangements over what is now the 1307(f)-2025 historical period.  
6

7 **TETCO**

8 **Q. PLEASE DESCRIBE THE SERVICES THAT TETCO PROVIDES TO PEOPLES**  
9 **NATURAL GAS.**

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

15 Peoples Natural Gas purchases gas on TETCO and moves it over TETCO's  
16 facilities under its Rate FT-1 service agreement primarily to the Ebensburg and Delmont  
17 delivery points. Peoples Natural Gas also contracts with gas suppliers for the purchase of  
18 supply that is delivered on TETCO to Peoples Natural Gas's city-gates at the Claysburg  
19 and Rockwood delivery points in addition to occasionally supplementing the firm  
20 transportation deliveries at Ebensburg. TETCO also provides an operational balancing  
21 agreement that helps Peoples Natural Gas manage the unanticipated swings in demand at  
22 its physical interconnections with TETCO.  
23

1    **Q.    PLEASE DESCRIBE PEOPLES NATURAL GAS’S CONTRACTUAL**  
2                    **ARRANGEMENTS WITH TETCO OVER THE 1307(f)-2025 HISTORICAL AND**  
3                    **PROJECTED PERIODS.**

4    A.    Peoples Natural Gas has 15,650 Dth/day of FT-1 firm transportation service under  
5           contract from TETCO for the entire 1307(f)-2025 historical period. Gas supplies under  
6           this transportation contract, which expires on April 30, 2026, are delivered by TETCO  
7           primarily at Peoples Natural Gas’s Ebensburg delivery point located in TETCO’s market  
8           zone M3. This service agreement may also be used to deliver gas supplies at Claysburg,  
9           also in M3, and Rockwood, which is upstream of Ebensburg in TETCO’s market zone  
10          M2. Peoples Natural Gas plans to renew this TETCO FT-1 firm transportation service  
11          agreement during the 1307(f)-2025 projected period.

12                    TETCO also provides Peoples Natural Gas with firm transportation service of  
13          10,000 Dth/day under Rate Schedule FT-1 for the entire 1307(f)-2025 historical period.  
14          Peoples Natural Gas purchases gas on TETCO’s market zone M-2 and moves it over  
15          TETCO’s facilities to an interconnection at Delmont, Westmoreland County, which is  
16          also in market zone M-2. This negotiated rate agreement, which commenced on  
17          November 1, 2015, and expires on October 31, 2030, allows the Company to purchase  
18          gas in a very liquid and competitively low-priced commodity market and deliver it to  
19          the eastern part of the Peoples’ system to support service to the Allegheny Valley.

20

21   **Q.    ARE THE FIRM DELIVERIES OF 25,650 DTH/DAY UNDER THESE**  
22                    **CONTRACTS SUFFICIENT TO MEET THE PEAK DAY SYSTEM NEEDS IN**

1           **THE EASTERN PORTION OF THE PEOPLES NATURAL GAS SERVICE**  
2           **TERRITORY?**

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

15  
16    **Q.    HOW DID PEOPLES SATISFY ITS SYSTEM NEEDS IN THIS PART OF ITS**  
17    **SERVICE TERRITORY AT THAT TIME?**

18    A.    During these near-peak days in February 2015, the combined available supplies from the  
19           Equitrans AVC storage and TETCO FT contracts were insufficient to meet customers'  
20           requirements in this part of the system, necessitating the purchase of additional supplies.  
21           The most operational and cost-effective option at the time was to purchase gas supplies  
22           on the TETCO system for delivery at Ebensburg. During the coldest days of February 15,  
23           19, and 20 of 2015, Peoples purchased and had delivered to the Ebensburg delivery point

1 24,000 Dth per day of supplies in addition to the firm supplies from TETCO to the  
2 Rockwood and Claysburg points under existing supply agreements.

3

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

6 A. Peoples Natural Gas proposed in the 1307(f)-2015 proceeding to put in place an  
7 arrangement for additional firm gas deliveries of up to 25,000 Dth per Day to the  
8 Ebensburg delivery point for the 2015-2016 winter period. In the following year's  
9 1307(f)-2016 proceeding, Peoples recommended seeking proposals for similar  
10 arrangements for the following winter, and this recommendation was accepted.  
11 Subsequent Request for Proposals ("RFP") resulted in additional gas agreements covering  
12 each winter period from 2016-2017 through 2024-2025. This most recent winter included  
13 two days with 59 and 61 HDDs on January 20 and 21, 2025 respectively, when Peoples  
14 used its TETCO agreements to deliver approximately 25,700 Dth each day at Ebensburg,  
15 which assisted effectively in holding up gas service in the eastern portion of the Peoples  
16 service territory.

17

18 **Q. PLEASE DESCRIBE THE MARKET ZONE 2 ("M-2") SERVICES THAT**  
19 **PEOPLES NATURAL GAS RECEIVES VIA TETCO.**

20 A. Peoples Natural Gas can accept up to 11,000 Dth/day at its Rockwood interconnection  
21 with TETCO in TETCO's market zone M-2. Prior to 2007, Peoples Natural Gas satisfied  
22 this requirement with TETCO firm transportation capacity, but the M-2 firm  
23 transportation capacity was not renewed upon its March 31, 2007 expiration. Peoples



1 Natural Gas then entered into a series of annual agreements for either delivered supply or  
2 for the purchase of released capacity that Peoples Natural Gas then matched with spot  
3 purchases that extended through the 2013-2014 winter period. For the next two winter  
4 seasons, Peoples Natural Gas satisfied its needs at this delivery point with delivered gas  
5 purchases. From 2017 through 2025, Peoples Natural Gas issued RFPs and contracted  
6 for delivered gas agreements for up to 10,000 Dth/day for each winter season.  
7

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

9 A. In September 2024, Peoples Natural Gas issued an RFP for firm deliveries of up to  
10 10,000 Dth/day at TETCO M2 Rockwood for the period of November 2024 through  
11 March 2025. Approximately twenty potential suppliers were solicited, and one  
12 proposal was received. Peoples Natural Gas accepted the offer for up to 10,000  
13 Dth/day at Rockwood. The accepted Rockwood proposal included a reservation charge  
14 of \$0.04 per Dth, or approximately \$12,400 per month, or \$60,400 for the term of the  
15 deal. The deal allowed for combinations of baseload and daily calls for supply.  
16 Baseload supply would be priced at the INSIDE FERC's Gas Market Report, Monthly  
17 Bidweek Spot Gas Price Index for Texas Eastern, M-2 Receipts for that month plus  
18 \$0.27. Daily supply would be priced at Gas Daily midpoint pricing for Texas Eastern,  
19 M-2 Receipts reported for the day of flow plus \$0.27. There was no minimum call  
20 provision for baseload or daily supply to Rockwood.

21 In June 2024, Peoples Natural Gas issued an RFP for firm deliveries of up to  
22 31,000 Dth/day at TETCO M3 Ebensburg for the period of November 2024 through  
23 March 2025. Peoples Natural Gas received four proposals from three companies for

1 Ebensburg supply. Peoples accepted the Ebensburg proposal which had no reservation  
2 charge for the term of the deal. The deal allows for combinations of baseload and daily  
3 calls for supply and for different combinations of delivery ranking priority. TETCO  
4 administers a priority delivery ranking system of its capacity consisting of Interruptible,  
5 to P4, P3, P2 and P1. Interruptible is the most likely to be curtailed due to system  
6 conditions, while P1 is the least likely to be curtailed. Peoples expected to request  
7 capacity ranking at a particular ranking level at times when TETCO was likely to curtail  
8 and impose penalties, such as during an Operational Flow Order (“OFO”). Deliveries  
9 that Peoples called at a TETCO P4 ranking, would be priced at GDA TETCO M2  
10 applicable for the date of flow, plus TETCO FT variable charges. Deliveries that  
11 Peoples called at a TETCO P3 ranking, would be priced at GDA TETCO M3 applicable  
12 for the date of flow. Calls for supply at P2 or P1 ranks would be negotiated at the time.  
13 There was no minimum call provision for baseload or daily supply to Peoples’ M3  
14 meters.

15  
16 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS’S**  
17 **ARRANGEMENTS WITH TETCO AND SUPPLIERS IN PEOPLES NATURAL**  
18 **GAS’S 1307(f)-2024 PROCEEDING?**

19 A. Yes. In Peoples’ 1307(f)-2024 proceeding, Peoples described its service arrangements  
20 with TETCO and its intent to enter into arrangements for delivered gas on TETCO that  
21 would be in effect over what is now the 1307(f)-2025 historical period. Peoples also  
22 included estimated costs for these arrangements and described the reasons why Peoples  
23 Natural Gas entered into those firm supply arrangements. Under the settlement, the

1 Parties agreed that the Commission should approve the Company's gas supply, pipeline  
2 and storage capacity contracts. In its final order in that proceeding, the Commission  
3 approved the settlement including the rates for the collection of Peoples Natural Gas's  
4 natural gas costs that included the costs associated with the TETCO service arrangements.  
5

6 **Q. HOW DOES PEOPLES NATURAL GAS INTEND TO SATISFY ITS**  
7 **REQUIREMENTS FOR TETCO DELIVERIES DURING THE 1307(f)-2025**  
8 **PROJECTED PERIOD?**

9 A. Similar to prior years, in addition to utilizing the FT contracts the Company holds with  
10 TETCO, the Company proposes to issue an RFP to potential suppliers for TETCO Zone  
11 M-2 delivered supply but up to 11,000 Dth/day for the winter period November 2025  
12 through March 2026 to assist in balancing out Design Peak Day Requirements as  
13 presented earlier. For the same reason, the Company also proposes to issue a separate  
14 RFP to potential suppliers for TETCO Zone M-3 delivered supply up to 36,000 Dth/day  
15 for the winter period November 2025 through March 2026. Since the higher delivery  
16 ranking for its Zone M3 supply that the Company contracted for during the 2024/2025  
17 winter season worked well at minimizing supply disruptions and overrun penalties, the  
18 Company plans to request this same level of service in its 2025 RFP process. This is  
19 because TETCO has increased the number of OFOs it has normally issued for Zone M-3  
20 deliveries, and the Company believes that this trend will continue due to the large electric  
21 generation load now attached to this part of TETCO's system.

22 Peoples has reached out to TETCO about contracting for additional M-3 FT-1 firm  
23 transportation capacity but has been informed by TETCO that no additional capacity is

1 currently available. Therefore, the Company believes it is prudent to secure a higher-  
2 ranking curtailment priority through delivered deals and expects to pay a reservation fee  
3 of between \$1.0 - \$1.5 million for that reliability, which would be considerably less than  
4 the approximate \$5 million for additional TETCO FT capacity, even if it were available.  
5

## 6 NFG

### 7 **Q. PLEASE DESCRIBE THE SERVICES THAT NFG PROVIDES PNGD.**

8 A. NFG provides Peoples Natural Gas with no-notice storage service and firm transportation  
9 service under rates approved by the Federal Energy Regulatory Commission ("FERC").  
10 Peoples uses NFG's services primarily to serve the isolated Grove City area of its service  
11 territory. Peoples uses its storage service from NFG as a no-notice balancing service to  
12 manage supply to an uncertain demand and to reduce natural gas costs, by buying supplies  
13 when they generally are cheaper during the summer months and injecting them into  
14 storage, and to enhance reliability, by withdrawing the volumes from storage during the  
15 winter when demand is highest. Peoples utilizes its firm transportation service from NFG  
16 both to support the NFG storage service and for deliveries from other supply sources.  
17

### 18 **Q. PLEASE DESCRIBE PEOPLES' CONTRACTUAL ARRANGEMENTS WITH** 19 **NFG OVER THE 1307(f)-2025 HISTORICAL AND PROJECTED PERIODS.**

20 A. During the entire 1307(f)-2025 historical period and for the first two months of the  
21 1307(f)-2025 projected period, NFG provided 9,793 Dth/day of no-notice storage service  
22 to Peoples under its Rate ESS and 15,476 Dth/day of firm transportation service to Peoples  
23 under its Rate EFT. Peoples entered into both of those contracts in the mid-1990s, and

1 the primary terms of those contracts expired on March 31, 2003. However, each of the  
2 contracts contains a one-year notice of termination provision so that if neither party gives  
3 the other one-year's notice of termination, the contracts automatically renew for another  
4 year. The contracts have automatically renewed on April 1 of each year since 2003 but  
5 this year, National Fuel requested that the term of this agreement be extended to March  
6 31, 2030. Since Peoples requires this capacity to meet the needs of its customers in an  
7 operationally isolated portion of its service area and this National Fuel contract has  
8 worked well at fulfilling the supply needs in that area for over 30 years, Peoples plans to  
9 execute an agreement extending this contract through March 31, 2030.

10

11 **Q. DOES THE COMPANY PROPOSE ANY CHANGE TO ITS ARRANGEMENTS**  
12 **WITH NFG?**

13 A. The only change to the Company's arrangements with NFG is the extension of the  
14 agreement to March 31, 2030, as mentioned above.

15 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**  
16 **ARRANGEMENTS WITH NFG IN PEOPLES NATURAL GAS'S 1307(f)-2024**  
17 **PROCEEDING?**

18 A. In Peoples Natural Gas's 1307(f)-2024 proceeding, Peoples Natural Gas described the  
19 arrangements between Peoples Natural Gas and NFG that would be in effect over what is  
20 now the 1307(f)-2025 historical period. Peoples Natural Gas also described the reasons  
21 why Peoples Natural Gas entered into those arrangements and the costs associated with  
22 them. Under the settlement, the Parties agreed that the Commission should approve the  
23 Company's gas supply, pipeline and storage capacity contracts. In its final order in that

1 proceeding, the Commission approved the settlement including the rates for the collection  
2 of Peoples Natural Gas's natural gas costs that included the costs associated with the NFG  
3 service arrangements over what is now the 1307(f)-2025 historical period.

4

5 **TCO**

6 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S CONTRACTUAL**  
7 **ARRANGEMENTS WITH TCO OVER THE 1307(f)-2025 HISTORICAL**  
8 **PERIOD AND PROJECTED PERIOD.**

9 A. For the 1307(f)-2025 historical period, TCO provided Peoples Natural Gas firm  
10 transportation service under Rate FTS of up to 4,000 Dth/day. TCO also provided firm  
11 storage service under Rate GSS and related firm transportation service under Rate SST  
12 of up to 2,000 Dth/day with a total storage capacity of 112,860 Dth with an expiration  
13 date of March 31, 2025. The Company utilizes the TCO services to maintain system  
14 integrity in the Fairview and Hickory Corners area of the system.

15

16 **Q. DOES THE COMPANY PROPOSE ANY CHANGES TO IT**  
17 **ARRANGEMENTS WITH TCO DURING THE PROJECTED PERIOD?**

18 A. As mentioned earlier, the Company's TCO FTS, GSS and SST contracts expire on March  
19 31, 2025. Peoples extended all of the contracts through March 2028 since the Company  
20 continues to have an operational need for this capacity, with regards to maintaining firm  
21 deliverability for that portion of its system currently served by these agreements.

22 Additionally, Peoples plans to seek a 6,000 Dth/day winter-only supply deal  
23 delivered to its Fairview and Hickory Corners interconnects through an RFP process

1 similar to what is planned for its TGP, and TETCO M2 and M3 supplies. During this  
2 most recent winter which included two days with 59 and 61 HDDs on January 20 and 21,  
3 2025 respectively, Peoples required additional supply at its TCO Fairview and Hickory  
4 Corners interconnects and was able to secure 6,000 Dth each day at these points. This  
5 assisted effectively in holding up gas service in the portion of Peoples service territory  
6 and allowed the Company to avoid TCO OFO penalties.

7

8 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**  
9 **ARRANGEMENTS WITH TCO?**

10 A. Yes. In Peoples Natural Gas's 1307(f)-2024 proceeding, Peoples Natural Gas  
11 described the arrangements between Peoples and TCO that would be in effect, over  
12 what is now the 1307(f)-2025 historic period. Peoples Gas Division also described the  
13 reasons why Peoples entered into those arrangements and the costs associated with  
14 them. Under the settlement, the Parties agreed that the Commission should approve  
15 the Company's gas supply pipeline and storage capacity contracts. In the final order in  
16 that proceeding, the Commission approved the settlement including the rates for the  
17 collection of Peoples' natural gas costs that included the costs associated with the TCO  
18 service arrangements over what is now the 1307(f)-2025 historical period.

19

20 **CITY-GATE DELIVERED SUPPLY**  
21 **VIA TENNESSEE**

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

1 A. Peoples Natural Gas annually issues an RFP for city-gate delivered supply for the  
2 upcoming winter season. These delivered supply agreements require the supplier to  
3 utilize Tennessee pipeline delivery points directly into Peoples Natural Gas at  
4 Pittsburgh Terminal and Pulaski. In addition, the agreements also required deliveries  
5 into the Columbia Gas of Pennsylvania, Inc. (“CPA”) natural gas distribution system  
6 at New Castle, PA. This supply supports an exchange agreement under which CPA  
7 delivers gas into the Grove City area of Peoples Natural Gas’s service territory, which  
8 is not physically integrated with the rest of the Peoples Natural Gas system.

9

10 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS’S CONTRACTUAL**  
11 **ARRANGEMENTS FOR DELIVERED GAS ON TENNESSEE OVER THE**  
12 **1307(f)-2025 HISTORICAL PERIOD.**

13 A. In September 2024, Peoples Natural Gas issued an RFP for deliveries to its TGP meters  
14 at Pitt Terminal (meter 420199) and Pittsburgh Terminal (meter 420385), Pulaski and  
15 New Castle, for the period of November 2024 through March 2025. Approximately  
16 twenty potential suppliers were solicited, and three offers were received. PNG entered  
17 into an agreement with the supplier to make deliveries ranging from zero Dth/day to  
18 38,000 Dth/day, across all its TGP meters. The agreement included no reservation fee  
19 for the deal term. The agreement specified baseload supply pricing at the INSIDE  
20 FERC’s Gas Market Report, Monthly Bidweek Spot Gas Price Index for Tennessee,  
21 Zone 4-200 Leg for that month plus \$0.145. For daily requested quantities, the proposal  
22 specified pricing at Gas Daily midpoint pricing for Tennessee, Zone 4-200 Leg reported



1 for the day of flow plus \$0.145. There was no minimum call provision of baseload or  
2 daily supply associated with either of the deals.

3

4 **Q. DID PEOPLES NATURAL GAS ADVISE THE PARTIES OF ITS INTENT TO**  
5 **ENTER INTO ARRANGEMENTS FOR DELIVERED GAS ON TENNESSEE IN**  
6 **PEOPLES NATURAL GAS'S 1307(f)-2024 PROCEEDING?**

7 A. Yes. In Peoples Natural Gas's 1307(f)-2024 proceeding, Peoples Natural Gas described  
8 its intention to issue RFPs for delivered service arrangements on Tennessee that would be  
9 in effect over what is now the 1307(f)-2025 historical period. Peoples Natural Gas also  
10 included estimated costs for these arrangements and described the reasons why Peoples  
11 Natural Gas entered into those supply arrangements. Under the 1307(f)-2024 settlement,  
12 the Parties agreed that the Commission should approve the Company's gas supply,  
13 pipeline and storage capacity contracts. In its final order in that proceeding, the  
14 Commission approved the settlement, including the rates for the collection of Peoples  
15 Natural Gas's natural gas costs that included the costs associated with this arrangement  
16 over what is now the 1307(f)-2025 historical period.

17

18 **Q. HOW DOES PEOPLES NATURAL GAS INTEND TO SATISFY ITS**  
19 **REQUIREMENTS FOR TENNESSEE DELIVERIES DURING THE 1307(f)-2025**  
20 **PROJECTED PERIOD?**

21 A. The Company proposes to issue another RFP for delivered supply on Tennessee that will  
22 provide for delivery of natural gas on a firm basis for up to 45,000 Dth/day delivered to  
23 Peoples Natural Gas with 0 - 29,000 Dth/day delivered to Pittsburgh Terminal (meter

1 420199), 0-10,000 Dth/day delivered to Pittsburgh Terminal (meter 420385), 0-3,000  
2 Dth/day delivered to Pulaski, and 0-3,000 Dth/day delivered to New Castle for the winter  
3 period of November 2025 through March 2026. The Company has not experienced any  
4 supply disruptions for these Tennessee deliveries in the past, and it is confident that, given  
5 the location of its interconnects with Tennessee, entering into comparable winter only  
6 supply deals is a reliable and cost-effective means of meeting its requirements for  
7 Tennessee deliveries during the 1307(f)-2025 Projected Period as well as assisting in  
8 balancing out Design Peak Day requirements as presented earlier.

9

10 **ACTUAL AND PROJECTED COSTS INCURRED**

11 **Q. WHAT COSTS DID PEOPLES NATURAL GAS INCUR FOR SUPPLIES**  
12 **DELIVERED FROM INTERSTATE PIPELINES DURING THE 1307(f)-2025**  
13 **HISTORICAL PERIOD?**

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

16

17 **Q. WERE THE COSTS SHOWN IN EXHIBIT NO. 6 THE SAME COSTS THAT**  
18 **PEOPLES NATURAL GAS PROJECTED TO INCUR DURING THE 1307(f)-**  
19 **2024 PROJECTED PERIOD?**

20 A. Generally, yes. While the actual rates charged for interstate pipeline services may have  
21 varied slightly from projections due to rate changes during the period, the services used  
22 were the same as those projected to be used during the 1307(f)-2024 projected period with  
23 one exception. The exception involves overrun services. Even though Peoples Natural

Gas has utilized overrun services from Equitrans, EGTS and TETCO historically, Peoples Natural Gas's practice is not to project use of overrun service in the projected period. Accordingly, Peoples Natural Gas did not project the use of such services for the 1307(f)-2024 projected period and did not include any projected costs for such services.

During the 1307(f)-2025 historical period, Peoples Natural Gas incurred the following overrun charges for exceeding pipeline conditions:

Month	Pipeline	Type	Dths	Charges	\$/Dth
February 2024	ETRN	Overrun	11,893	\$3,394.26	\$0.2854
April 2024	ETRN	Overrun	20,826	\$5,316.88	\$0.2553
July 2024	EGTS	Overrun	4,172	\$3,106.89	\$0.7447
August 2024	EGTS	Overrun	1,042	\$775.98	\$0.7447
November 2024	TETCO	Overrun	477	\$2,260.98	\$4.7400
January 2025	TCO	Overrun	2,413	\$21,900.25	\$9.0759
January 2025	EGTS	Overrun	5,121	\$3,054.04	\$0.5964
Total			45,944	\$39,789.28	\$0.8660

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

A. Yes. Overrun charges, specifically, are usually the result of exceeding a pipeline's capacity tolerances. Peoples does not routinely intend to exceed its capacity limits, making overrun charges naturally temporary and incident-specific when they are incurred. The temporary aspect of overrun charges always makes them less expensive than the cost

1 of acquiring extra, long-term capacity with higher tolerances. Peoples' alternative to  
2 reducing overrun risk would be to acquire supply and capacity with higher limits and  
3 delivery priorities. However, ratepayers would thus be encumbered with capacity that  
4 may only be needed a few times per decade. It's unlikely that Peoples would "release"  
5 such capacity since that would negate the reason for acquiring the capacity. Even if  
6 releases were executed, by necessity, such capacity would be released as recallable at  
7 Peoples' discretion. This would seriously diminish its value to any other party. The  
8 necessary recallable status would make it very unlikely for Peoples to recover any  
9 substantial amount of the capacity's reservation cost through pipeline capacity release  
10 markets.

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

17

18 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR SUPPLIES**  
19 **DELIVERED FROM INTERSTATE PIPELINES DURING THE 1307(f)-2025**  
20 **PROJECTED PERIOD?**

21 A. Peoples Natural Gas projects to incur the costs that are set forth on **Peoples Natural Gas**  
22 **Exhibit Nos. 7 and 8**, which Ms. Folks will identify and describe. The projected  
23 commodity costs set forth on **Peoples Natural Gas Exhibit Nos. 7 and 8** will vary with

1 the actual purchases that Peoples Natural Gas will make to meet the actual requirements  
2 of Peoples Natural Gas's customers. Amounts shown in **Peoples Natural Gas Exhibit**  
3 **Nos. 7 and 8** are the best estimate the Company can make at this time of Peoples Natural  
4 Gas's projected purchases, based on the assumptions that Peoples Natural Gas's system  
5 will experience "normal" weather customer requirements and system balancing  
6 requirements.

7

8 **ON-SYSTEM STORAGE**

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

11 A. Peoples Natural Gas currently owns and operates five storage fields, which have  
12 2,147,000 Mcf of storage capacity and 55,300 Mcf of maximum design day withdrawal  
13 capacity.

14 **Q. WHAT PURCHASED GAS COSTS DID PEOPLES NATURAL GAS INCUR FOR**  
15 **ITS ON-SYSTEM STORAGE FACILITIES OVER THE 1307(f)-2025**  
16 **HISTORICAL PERIOD?**

17 A. There are two categories of natural gas costs that Peoples Natural Gas incurs to own and  
18 operate its on-system storage facilities. The first of those categories is the portion of  
19 Peoples Natural Gas's requirements for company use and lost and unaccounted for gas  
20 that was attributable to those facilities. The second is the weighted average cost that  
21 Peoples Natural Gas assigns to each Mcf that is injected into and withdrawn from its on-  
22 system (and interstate) storage facilities. For the 1307(f)-2025 historical period, the  
23 weighted average cost was based on the cost of all supplies that Peoples Natural Gas

1       acquired over calendar year 2024. The total weighted average costs that Peoples Natural  
2       Gas assigned to injections into and withdrawals from storage over the historical period are  
3       those set forth on **Peoples Natural Gas Exhibit No. 6**, as described by Ms. Folks.

4

5       **Q.     DID THE COMMISSION APPROVE THE USE OF PEOPLES NATURAL GAS’S**  
6       **ON-SYSTEM STORAGE FACILITIES AND THE COSTS ASSOCIATED WITH**  
7       **THEM IN PEOPLES NATURAL GAS’S 1307(f)-2024 PROCEEDING?**

8       A.     Yes. In Peoples Natural Gas’s 1307(f)-2024 proceeding, Peoples Natural Gas set forth  
9       projections regarding the use of on-system storage over what is now the 1307(f)-2025  
10      historical period. In that proceeding, Peoples Natural Gas described the projected  
11      weighted average costs assigned to the supplies that Peoples Natural Gas anticipated  
12      injecting into and withdrawing from its on-system and interstate storage facilities over  
13      that same period. In its final order in that proceeding, the Commission approved rates for  
14      the collection of Peoples Natural Gas’s natural gas costs that included the weighted  
15      average costs of supplies that Peoples Natural Gas anticipated injecting into and  
16      withdrawing from storage over what is now the 1307(f)-2025 historical period. The rates  
17      approved by the Commission also included the cost of Peoples Natural Gas’s projected  
18      requirements for company use and lost or unaccounted for gas, including the portion of  
19      those requirements attributable to its on-system storage facilities.

20

21      **Q.     WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR THE USE OF**  
22      **ITS ON-SYSTEM STORAGE FACILITIES OVER THE 1307(f)-2025**  
23      **PROJECTED PERIOD?**

1 A. Peoples Natural Gas projects to incur the weighted average costs of supplies injected into  
2 and withdrawn from storage that are set forth on **Peoples Natural Gas Exhibit Nos. 7**  
3 **and 8**, which Ms. Folks will identify and describe. While Peoples Natural Gas has done  
4 its best to anticipate what those weighted average costs will be, when the Company looks  
5 back next year, the weighted average costs likely will be different than what Peoples  
6 Natural Gas is projecting here, again because of the inability to predict the exact price of  
7 market-priced supplies.

8

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

10

11 **LOCAL GAS SUPPLIES**

12 **Q. PLEASE DESCRIBE PEOPLES NATURAL GAS'S USE OF LOCAL GAS**  
13 **SUPPLIES.**

14 A. Peoples and its customers continue to purchase a substantial amount of their gas supply  
15 from Pennsylvania and Appalachian producers. Year-round base load gas supply is  
16 purchased by Peoples from approximately 191 local Pennsylvania producers at  
17 approximately 1050 supply meters. The majority of this gas is produced from  
18 conventional gas wells drilled into shallow upper Devonian formations (approximately  
19 4,000 ft.). Over the last 100 years, Peoples' pipeline system has been designed and  
20 operated to accommodate local supply, which must be delivered at varying pressures.

21 The deliverability of Pennsylvania gas has historically declined as the gas wells  
22 age. Such decline is characteristic of these small-volume local wells and thus, over time,  
23 the deliverability of existing wells will continue to fall as these wells are depleted. Over

1 the last several years, the decline in new shallow well development resulted in production  
2 from the new gas wells failing to offset the production deliverability declines of the  
3 existing Pennsylvania gas wells. Production from Marcellus wells has accounted for  
4 roughly 22% of the total local production into Peoples' system. Adding new Marcellus  
5 gas is limited due to the lower operating pressures of the gathering system and most  
6 Marcellus production is sold to the transport market since its steady, year-round supply  
7 matches up better with the less heat-sensitive large industrial load.

8

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

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

21 A price based on the Inside F.E.R.C.'s Gas Market Report, "Price of Spot Gas  
22 Delivered to Pipelines," for deliveries of Appalachian production into EGTS's dry  
23 transmission system for first of the month (a.k.a. Eastern South Point Index) was first used



1 as a pricing option in 1999 and has become the standard, local gas, purchase price for  
2 Peoples. These contracts are for 1-year terms with a price at 100% of the index. Unless  
3 terminated upon at least thirty (30) days' advance notice by either party prior to the end  
4 of the term, the agreement renews automatically for successive additional one-month  
5 production period terms. Currently, approximately ninety-one percent (92%) of the local  
6 gas purchased by Peoples is priced at this standard index price.

7 For the remaining non-standard index price agreements, of which there are eight,  
8 all but one will either be moved to the standard price index in 2025, be terminated due to  
9 a failure to execute a MIMA, or be permitted to be sold into the transportation program.  
10 The last remaining vintage "life-of-the-well" agreement, which does not have a specific  
11 term date, uses a price based on the Inside F.E.R.C.'s Gas Market Report, specifically the  
12 first-of-the-month Columbia Gas Appalachia Index.

13 Where practicable and reasonable, the Company will endeavor to convert these  
14 non-standard price contracts to standard pricing. This will aid in standardizing the  
15 Company's local gas purchase agreements.

16

17 **Q. WHAT COSTS DID PEOPLES NATURAL GAS INCUR FOR LOCAL GAS**  
18 **SUPPLIES OVER THE 1307(f)-2025 HISTORICAL PERIOD?**

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

21

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

4    A.    Yes. In Peoples Natural Gas's 1307(f)-2024 proceeding, Peoples Natural Gas described  
5       its contracts for local gas supplies that would be in effect over what is now the 1307(f)-  
6       2025 historical period. Under the settlement, the Parties agreed that the Commission  
7       should approve the Company's gas supply, pipeline and storage capacity contracts. In its  
8       final order in that proceeding, the Commission approved the settlement including the rates  
9       for the collection of Peoples Natural Gas's natural gas costs that included the costs  
10      associated with the local gas contracts over what is now the 1307(f)-2025 historical  
11      period.

12

13   **Q.    DID PEOPLES NATURAL GAS'S LOCAL GAS SUPPLY CONTRACTS**  
14       **CHANGE DURING THE 1307(f)-2025 HISTORICAL PERIOD?**

15   A.    Besides the Vintage and Dedicated gas purchase agreements, which only represent a small  
16       percentage of the total local supply purchased, all of Peoples' other local gas supply  
17       contracts are subject to renegotiation due to the evergreen nature of the agreements.  
18       During the 1307(f)-2025 historical period, more local production meters switched from  
19       system supply to transportation agreements then vice versa which resulted in the amount  
20       of local supplies Peoples Natural Gas purchased for its customers being approximately  
21       20% less than the 1307(f)-2024 historical period.

22

1    **Q.     WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR LOCAL GAS**  
2       **SUPPLIES OVER THE 1307(f)-2025 PROJECTED PERIOD?**

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

10

11                                   **SPOT MARKET SUPPLIES**

12   **Q.     PLEASE DESCRIBE PEOPLES NATURAL GAS’S USE OF SPOT MARKET**  
13       **SUPPLIES.**

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

21

22   **Q.     PLEASE DESCRIBE THE MANNER IN WHICH PEOPLES NATURAL GAS**  
23       **ACQUIRES SPOT MARKET SUPPLIES.**

1 A. Peoples Natural Gas continually adjusts its daily supply plan based on actual and projected  
2 daily weather and customer usage. As part of that process, Peoples Natural Gas  
3 determines if additional supply is required at various parts of its system or, during the  
4 storage injection season, at various off-system storage receipt points. Peoples Natural Gas  
5 monitors the New York Mercantile Exchange (“NYMEX”) futures prices and the  
6 Intercontinental Exchange (“ICE”) cash and forward prices and monitors various spot  
7 market gas index prices for areas from which it purchases spot market supplies. With this  
8 information, Peoples Natural Gas will determine the least cost option to serve areas of its  
9 system that requires additional supply. Peoples Natural Gas is in frequent contact with  
10 many gas suppliers who will agree to deliver spot market supplies to pipeline receipt  
11 points from which Peoples Natural Gas is able to secure transportation to its city-gate or  
12 to storage receipt points pursuant to off-system storage contracts.

13

14 **Q. WHAT COSTS DID PEOPLES NATURAL GAS INCUR FOR SPOT MARKET**  
15 **SUPPLIES OVER THE 1307(f)-2025 HISTORICAL PERIOD?**

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

18

19 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS’S SPOT**  
20 **MARKET SUPPLIES IN PEOPLES NATURAL GAS’S 1307(f)-2024**  
21 **PROCEEDING?**

22 A. In Peoples Natural Gas’s 1307(f)-2024 proceeding, Peoples Natural Gas described the  
23 manner in which Peoples Natural Gas expected to acquire and use spot market supplies

1 over what is now the 1307(f)-2025 historical period. Peoples Natural Gas also described  
2 the reasons why Peoples Natural Gas acquires spot market supplies, the factors that affect  
3 the costs of spot market supplies, and the costs for spot market supplies that Peoples  
4 Natural Gas likely would incur over what is now the 1307(f)-2025 historical period.  
5 Under the settlement, the Parties agreed that the Company's rates for purchased gas costs,  
6 as the parties agreed upon in that proceeding, during the relevant time period were just  
7 and reasonable and in compliance with 66 Pa.C.S. § 1318. In its final order in that  
8 proceeding, the Commission approved the settlement including the rates for the collection  
9 of Peoples Natural Gas's natural gas costs, which included the costs associated with  
10 Peoples Natural Gas's acquisition of spot market supplies over what is now the 1307(f)-  
11 2025 historical period.

12  
13 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR SPOT MARKET**  
14 **SUPPLIES OVER THE 1307(f)-2025 PROJECTED PERIOD?**

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

17  
18 **GAS PURCHASE AGREEMENTS WITH EQT ENERGY, LLC**

19 **Q. PLEASE DESCRIBE THE GAS PURCHASES UNDER THE GAS SUPPLY**  
20 **AGREEMENTS WITH EQT ENERGY, LLC OVER THE 1307(f)-2024**  
21 **HISTORICAL PERIOD.**

22 A. The Company purchased gas under two EQT Energy gas purchase agreements during the  
23 1307(f)-2024 historical period. The first agreement matches gas supply with the Equitrans

1 Sunrise/Mainline firm transportation contract of up to 251,700 Dth/day. The annual  
2 quantity is 15 MMDth, and EQT Energy will deliver up to 251,700 Dth/day at active  
3 receipt point interconnects with the Equitrans Sunrise and AVC system. The second  
4 agreement matches a firm gas supply with the Equitrans firm transportation contract of up  
5 to 164,935 Dth/day. The annual quantity is 20 MMDth, and EQT Energy will deliver up  
6 to 164,935 Dth/day at active receipt point interconnects with the Equitrans Sunrise and  
7 Mainline systems.

8 Purchases under both agreements scheduled at the beginning of the month for  
9 steady daily delivery throughout the month are priced at the first of the month Eastern  
10 South Point index price. During the winter season, Peoples Natural Gas is able to swing  
11 between the first of the month scheduled quantity and the maximum daily quantity of the  
12 applicable agreement on 24 hours' notice. Swing purchases scheduled after the first of  
13 the month are priced at the daily Eastern South Point index price.

14

15 **Q. DID THE COMMISSION APPROVE PEOPLES NATURAL GAS'S**  
16 **ACQUISITION OF EQT ENERGY SUPPLIES IN PEOPLES NATURAL GAS'S**  
17 **1307(f)-2024 PROCEEDING?**

18 A. In Peoples Natural Gas's 1307(f)-2024 proceeding, Peoples Natural Gas described the  
19 manner in which it expected to acquire and use EQT Energy supplies, and the costs  
20 associated with them that Peoples Natural Gas likely would incur over what is now the  
21 1307(f)-2025 historical period. Under the settlement, the Parties agreed that the rates for  
22 purchased gas costs, as the parties agreed upon in that proceeding, during the relevant  
23 time period were just and reasonable and in compliance with 66 Pa.C.S. § 1318. In its

1 final order in that consolidated proceeding, the Commission approved the settlement  
2 including the rates for the collection of Peoples Natural Gas's natural gas costs that  
3 included the costs associated with Peoples Natural Gas's acquisition of EQT Energy  
4 supplies over what is now the 1307(f)-2025 historical period.

5

6 **Q. WHAT COSTS WILL PEOPLES NATURAL GAS INCUR FOR EQT ENERGY**  
7 **SUPPLIES OVER THE 1307(f)-2025 PROJECTED PERIOD?**

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

11

12 **HEDGING PROGRAM**

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

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

17

18 **Q. IS PEOPLES NATURAL GAS PROPOSING A HEDGING PROGRAM IN THIS**  
19 **1307(f) PROCEEDING?**

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

1

2 **Q. HAS PEOPLES NATURAL GAS'S COMMODITY RATE REACHED \$5.00 OR**  
3 **MORE FOR AT LEAST TWO CONSECUTIVE QUARTERS SINCE OCTOBER**  
4 **1, 2023?**

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

7

8 **V. CAPACITY RELEASES**

9

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

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



1 demands. Moreover, as a general rule, when Peoples Natural Gas does not need all of the  
2 capacity it holds, the market generally does not need the capacity either, or the Company  
3 can recover only a fraction of its costs through a release.

4

5 **Q. DOES PEOPLES NATURAL GAS HOLD ANY FIRM PIPELINE CAPACITY**  
6 **THAT IS MORE PRACTICABLE FOR RELEASE THAN ITS OTHER**  
7 **CAPACITY?**

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

18

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

21 A. Yes. In July 2024, Peoples Natural Gas solicited proposals for an Asset Management  
22 Agreement ("AMA") of its TETCO capacity for the period of November 2024 through  
23 October 2025. The request stipulated that the asset manager would provide supply to

1 Peoples Natural Gas with the same operational availability of capacity as if Peoples  
2 Natural Gas retained control of the TETCO capacity. Following the RFP, the AMA was  
3 awarded for the entire period at a rate payable to Peoples Natural Gas of \$151,100 per  
4 month, or \$1,813,200 total for the term of the arrangement, less any refunds or credits  
5 received by Peoples Natural Gas as a result of a force majeure, curtailment or other  
6 restriction prohibiting the use of the asset on a primary firm basis by the asset manager.  
7 Peoples Natural Gas's TETCO capacity was then released at zero cost per month for the  
8 same period. The AMA specifies that Peoples Natural Gas may call on the capacity at  
9 specific points at monthly baseload or daily levels, or some combination. For monthly  
10 baseload requested quantities, pricing is INSIDE FERC's Gas Market Report, Monthly  
11 Bidweek Spot Gas Price Index for Texas Eastern, M-2 Receipts plus TETCO variable  
12 costs to the requested meter in effect for the period. For daily requested quantities, pricing  
13 is Gas Daily midpoint pricing for Texas Eastern, M-2 Receipts for the day of flow plus  
14 TETCO variable costs to the requested meter in effect for the period. The arrangement  
15 also provides that at times when TETCO is likely to restrict capacity, such as during  
16 periods when TETCO declares an OFO, Peoples can request delivered supply at a P3 rank,  
17 to be priced at Gas Daily M3. The ability to call for P3 ranked delivered should minimize  
18 Peoples' exposure to TETCO OFO charges.

19  
20 **Q. HOW DOES THIS RELEASE BENEFIT THE 1307(f) CUSTOMERS?**

21 A. 1307(f) customers will receive 75% of the proceeds from this release as a credit against  
22 cost of the capacity. This credit will reduce the capacity charges that customers will pay

1 by approximately \$1,359,900 while maintaining the same level of service that has  
2 historically been available from this capacity.

3

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

6 A. No. In the 1307(f)-2018 proceeding, Peoples Natural Gas proposed to indefinitely  
7 continue the capacity release sharing mechanism wherein 1307(f) customers will  
8 receive 75% and Peoples Natural Gas will receive 25% of these revenues. Under the  
9 Commission-approved settlement, the mechanism has been extended indefinitely, but  
10 parties can propose changes to the mechanism in future proceedings.

11

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

14 A. Yes. Peoples Natural Gas realized \$3,657,636 of capacity release revenue during the  
15 historical period. In addition to our regular contacts with industry participants, potential  
16 replacement shippers can view and inspect all of Peoples Natural Gas's contracted  
17 interstate capacity on each pipeline's Electronic Bulletin Board, or EBB. The Company  
18 responds to any party that expresses interest in our capacity.

19

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

22 A. No.

23

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

2

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

5 A. In the 1307(f)-2018 proceeding, Peoples Natural Gas proposed to indefinitely continue  
6 the sharing mechanism for off-system sales that utilize off-system assets paid for by  
7 1307(f) customers wherein customers will receive 75% and Peoples Natural Gas will  
8 receive 25% of these revenues. Under the Commission-approved settlement in the 2018  
9 proceeding, the mechanism has been extended indefinitely, but parties can propose  
10 changes to the mechanism in future proceedings.

11

12 **Q. DID PEOPLES NATURAL GAS UNDERTAKE ANY OFF-SYSTEM SALES**  
13 **THAT ARE SUBJECT TO THE SHARING MECHANISM IN THE 1307(f)-2025**  
14 **HISTORICAL PERIOD?**

15 A. No. Peoples Natural Gas continually looks for opportunities to make off-system sales.  
16 However, Peoples Natural Gas did not have an opportunity to make off-system sales  
17 during the period where the spread was profitable and its ability to meet its firm  
18 obligations was not compromised. As a result, Peoples Natural Gas did not make any  
19 off-system sales during the 1307(f)-2025 historical period.

20

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

23 A. No.

1

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

3

4 **Q. IS PEOPLES NATURAL GAS AFFILIATED WITH ANY OF THE ENTITIES**  
5 **FROM WHICH IT PURCHASED NATURAL GAS SUPPLIES OR**  
6 **INTERSTATE CAPACITY?**

7 **A. No.**

8

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

10

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

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

18

19 **IX. RENEGOTIATION OF CONTRACTS**

20

21 **Q. TO WHAT EXTENT ARE PEOPLES NATURAL GAS'S EXISTING GAS**  
22 **PURCHASE CONTRACTS ("GPC") WITH LOCAL PRODUCERS SUBJECT**  
23 **TO RENEGOTIATION?**

1 A. Almost all of Peoples Natural Gas's GPCs with local producers are subject to  
2 renegotiation. Roughly 92% of those GPCs are currently based on a standard index  
3 market base price, so Peoples Natural Gas has no need to renegotiate those agreements.  
4 Among the eight non-standard index price agreements, nearly all will either shift to the  
5 standard price index in 2025, be terminated for not executing a MIMA, or be allowed to  
6 sell into the transportation program. The exception is the one vintage "life-of-the-well"  
7 agreement, which has no fixed term; its price is determined by the Inside F.E.R.C.'s Gas  
8 Market Report, first of the month Columbia Gas Appalachia Index.

9

10 **Q. WHAT OPPORTUNITY DOES PEOPLES NATURAL GAS HAVE TO**  
11 **RENEGOTIATE SUPPLY CONTRACTS WITH SUPPLIERS WHO DELIVER**  
12 **VIA INTERSTATE FACILITIES?**

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

22

1   **Q.     WHAT PLANS, IF ANY, DOES PEOPLES NATURAL GAS HAVE TO**  
2       **RENEGOTIATE THE VARIOUS CONTRACTS THAT IT HAS IN PLACE**  
3       **AND WILL HAVE IN PLACE FOR THE DELIVERY AND STORAGE OF**  
4       **INTERSTATE SUPPLIES DURING THE 1307(f)-2025 PROJECTED PERIOD?**

5   A.   Peoples Natural Gas has no such plans.

6

7                               **X. SYSTEM AVERAGE BTU VALUE**

8

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

10  A.   Gas is measured at a customer's meter per thousand cubic feet ("Mcf"), which is a  
11       volumetric measurement. Typically, gas is purchased based on dekatherms ("Dth"), a  
12       thermal measurement equal to 1,000,000 British thermal units ("Btu"), which reflects  
13       the heat content of the gas. An Mcf of gas with a higher heat content – more Btus –  
14       than another Mcf of gas will represent more Dth. The Company uses the system  
15       average Btu value to convert transportation customers' metered Mcf consumption to  
16       Dth. This conversion based on actual Btu values helps to balance receipts of gas on  
17       behalf of General Pooling Service pools with the deliveries of gas to the pool members  
18       (i.e., the transportation customers) and helps to allocate gas costs between purchase gas  
19       cost and transportation customers.

20

21  **Q.     WHAT WAS PEOPLES NATURAL GAS'S SYSTEM AVERAGE BTU VALUE**  
22       **FOR THE MOST RECENT TWELVE-MONTH PERIOD AVAILABLE?**

23  A.   **Peoples Natural Gas Exhibit No. 4** is a calculation of the Company's system average

1 Btu value. For the twelve-month period ended December 31, 2024, Peoples Natural  
2 Gas's system average Btus per Mcf was 1,038,000, which converts to a Btu value of  
3 1.038 MMBtu/Mcf.

4

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

6 A. Yes. I reserve the right to supplement my testimony as additional issues arise during  
7 the course 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-2025-3053184

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**DIRECT TESTIMONY OF  
DAWN M. FOLKS**

**On behalf of**

**PEOPLES NATURAL GAS COMPANY LLC**

---

DATE SERVED: April 1, 2025

DATE ADMITTED: \_\_\_\_\_

Peoples Natural Gas Company Statement No. 3

**PREPARED DIRECT TESTIMONY OF DAWN M. FOLKS**

**I. Witness Background**

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**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 No. R-2024-3045945, Docket No. R-  
13 2023-3037928, Docket No. R-2022-3030661, Peoples Gas’s 1307(f) proceedings at  
14 Docket No. R-2023-3037928, Docket No. R-2022-3030664 and Docket No. R-2014-  
15 2399598 as well as Peoples Natural Gas’s 2023 Rate Case Proceeding Docket No. R-  
16 2023-3044549 and Peoples Gas’s 2013 Rate Case Proceeding Docket No. R-2013-  
17 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:

- Waivers or discounts of retainage;
- Proposed tariff changes as shown in **Peoples Natural Gas Exhibit No. 5**;
- The compilation and presentation of all the purchased gas cost information that appears in **Peoples Natural Gas Exhibit Nos. 6, 7, 8, 9, 10, 11, 12**;
- Over/Under collections of purchased gas costs; and
- The calculation of the projected purchased gas cost rates, including the roll-in of AVC Capacity Charges with Peoples' other capacity charges and the calculation of Balancing Charges to become effective October 1, 2025.

### **III. Retainage Waivers and Discounts**

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

A. Yes, in certain circumstances the Company discounts or waives retainage.

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

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

1   **Q.    DID ANY OF THE CONTRACTS FOR THE CUSTOMERS THAT HAVE A**  
2       **FULL OR PARTIAL WAIVER OF RETAINAGE EXPIRE, OR DO ANY**  
3       **EXPIRE BEFORE SEPTEMBER 30, 2025?**

4    A.    Yes. One customer contract expired on December 31, 2024, and the Company was  
5       successfully able to negotiate recovery of full tariff rates from this customer.

6

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

9    A.    No.

10

11                                   **IV. Pro Forma Tariff Changes**

12

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

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

21

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

23

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

3   **A.     Yes. Peoples Natural Gas Exhibit No. 6** presents the actual gas costs for the 1307(f)-  
4       2025 historical period of February 1, 2024, through January 31, 2025. **Peoples Natural**  
5       **Gas Exhibit No. 7** presents the projected gas costs for the interim period of February  
6       2025 – September 2025. **Peoples Natural Gas Exhibit No. 8** presents the gas costs  
7       for the projected period of October 2025 – September 2026. **Peoples Natural Gas**  
8       **Exhibit Nos. 7 and 8** break out the 20-month period from February 1, 2025, through  
9       September 30, 2026, into the interim period and the projected period, respectively. I  
10      and Peoples Natural Gas’s other witnesses may sometimes refer in our direct testimony  
11      to this combined 20-month period as the projected period.

12  
13   **Q.     PLEASE DESCRIBE PEOPLES NATURAL GAS EXHIBIT NOS. 7 AND 8 IN**  
14       **MORE DETAIL.**

15   **A.     Peoples Natural Gas Exhibit Nos. 7 and 8** reflect Peoples Natural Gas’s projected: (1)  
16       costs and volumes of locally purchased Pennsylvania supplies; (2) cost and volumes of  
17       interstate supplies delivered through interstate pipelines or purchased at the city-gate; (3)  
18       costs of storage services contracted for with interstate pipelines; (4) costs related to  
19       storage injections and withdrawals; (5) purchased gas costs consisting of costs related to  
20       supply/risk management, imbalance buyback costs, transportation costs associated with  
21       certain local gas supplies, and exchange gas costs; and (6) capacity costs related to  
22       Peoples Natural Gas’ service on Equitrans’ AVC system. Peoples Natural Gas witness  
23       Steven P. Kolich describes in his direct testimony (**Peoples Natural Gas Statement No.**

1           2) how Peoples utilizes the underlying natural gas supply assets and the bases for the  
2           costs that I have incorporated into these exhibits.

3

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

6   A.   The projected natural gas costs are \$173,476,955 for the 8-month interim period, as  
7       shown on page 1 of **Peoples Natural Gas Exhibit No. 7**, and \$390,607,118 for the 12-  
8       month projected period, as detailed on page 1 of **Peoples Natural Gas Exhibit No. 8**,  
9       for a total of \$564,084,073 for the combined 20-month period. This cost projection  
10      includes the costs projected for service on AVC, which I am proposing in this  
11      proceeding to combine with Peoples' other interstate pipeline capacity charges.

12

13   **VI. Consolidation of Allegheny Valley Connector ("AVC") Capacity Charge with Other**  
14                                   **Capacity Charges**

15

16   **Q.   PLEASE DESCRIBE HOW AVC CAPCAITY COSTS HAVE BEEN**  
17   **CALCULATED AND RECOVERED.**

18   A.   The AVC facilities consist of transmission and storage facilities that are used to provide  
19       service to customers. The AVC facilities were historically owned by the Peoples and  
20       during that time, AVC costs were recovered in base rates from both sales and  
21       transportation customers in accordance with the cost allocation approved in Peoples'  
22       then most recent base rate case. The AVC facilities were transferred to EQT  
23       Corporation ("EQT") as part of Peoples acquisition of the Equitable Gas distribution

1 system in December 2013. When that happened, the AVC costs were removed from  
2 base rates and included in purchased gas costs as a stand-alone capacity charge. In other  
3 words, the AVC costs were not rolled into Peoples traditional capacity charges for  
4 recovery. Currently, AVC costs are recovered via a separate surcharge applicable to all  
5 Peoples customers. Additionally, AVC capacity is not included in the Price to Compare  
6 (“PTC”) because it is charged to all customers and therefore shopping customers would  
7 not shed this cost if choosing to purchase commodity through a third-party supplier.

8

9 **Q. IS THE COMPANY PROPOSING TO CHANGE THIS COST RECOVERY**  
10 **METHOD?**

11 A. Yes, the Company is now proposing to include the AVC capacity costs with other  
12 purchased gas capacity costs and to recover all of those costs in a single capacity  
13 charge.

14

15 **Q. WHY ARE YOU PROPOSING TO COMBINE THE AVC CAPACITY COSTS**  
16 **WITH PEOPLES NATURAL GAS’ OTHER INTERSTATE PIPELINE**  
17 **CAPACITY COSTS?**

18 A. Primarily because AVC capacity costs are interstate pipeline costs and are no different  
19 than other interstate pipeline capacity costs. There is no need to continue charging AVC  
20 capacity as a separate surcharge applicable to all Peoples customers.

21 Further, it simplifies Peoples’ purchased gas cost recovery procedure and makes  
22 it easier for customers and other stakeholders to understand. The Company combined gas  
23 costs for the former Peoples Natural Gas Division and the former Peoples Gas Division



1 effective October 1, 2022. Since that time, both divisions have had the same PGC rate  
2 components (with the exception of AVC), balancing charges and retainage rates. In  
3 Peoples 2024-1307(f) proceeding at Docket No. R-2024-3045945, and in conjunction  
4 with the base rate case proceeding at Docket No. R-2023-3044549, Peoples obtained  
5 approval to blend the AVC rate, such that it applies to both its former Peoples Natural  
6 Gas Division and its former Peoples Gas Division. The base rate case proceeding also  
7 produced unified base rates and tariffs for the former Peoples Natural Gas Division and  
8 the former Peoples Gas Division. The next step in the process of simplifying and unifying  
9 the rates for these legacy entities is to incorporate the AVC capacity costs with traditional  
10 interstate pipeline capacity costs and charge a single rate for recovery.

11  
12 **Q. HOW DOES THE COMPANY PROPOSE TO CHARGE SALES AND**  
13 **TRANSPORTATION CUSTOMERS FOR AVC CAPACITY CHARGES?**

14 A. The Company's proposal would eliminate the separate AVC Capacity Charge and  
15 recover AVC capacity charges from sales and Priority-One transportation customers  
16 through the Capacity Charge along with all other interstate capacity charges. Refer to  
17 **Peoples Natural Gas Company Exhibit No. 10**, Line Nos. 1-9 for the detailed  
18 calculation. Non-Priority One transportation customers would pay for a portion of the  
19 AVC storage capacity and related storage transportation charges through the Balancing  
20 Charge as shown in **Peoples Natural Gas Company Exhibit No. 11** and as explained  
21 later in my testimony.

1   **Q.    HOW WERE THE PROJECTED COSTS FOR SERVICE FROM THE AVC**  
2   **DERIVED?**

3   A.    They were derived by the application of FERC-approved AVC capacity and  
4   commodity rates to the daily demand entitlement levels and projected commodity  
5   volumes.

6

7

## **VII. Historical Period**

8

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

11   A.    Yes. **Peoples Natural Gas Exhibit No. 9** is a document that demonstrates and illustrates  
12   the derivation of the experienced net collection or “E” factor for the projected prior period  
13   over/under collection through September 30, 2025.

14

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

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

19

20   **Q.    ON PEOPLES NATURAL GAS EXHIBIT NO. 9, CAN YOU DESCRIBE THE**  
21   **2019-2022 PUC PURCHASE GAS AUDIT REFUND ON PAGE 1?**

22   A.    Yes. Peoples is refunding an additional \$28,799 associated with the most recent Public  
23   Utility Commission audits of the former Peoples Natural Gas Division and the former  
24   Peoples Gas Division purchased gas costs for the years ended January 31, 2020, 2021

1 and 2022. Details of the \$28,799 can be found on page 21 of **Peoples Natural Gas**  
2 **Exhibit No. 9**. Further explanation of certain audit findings can be found in the direct  
3 testimony of Carol Scanlon (**Peoples Natural Gas Statement No. 1**).  
4

5 **VIII. Proposed Rates for October 1, 2025**

6  
7 **Q. CAN YOU IDENTIFY AND DESCRIBE THE DOCUMENT THAT HAS BEEN**  
8 **MARKED AS PEOPLES NATURAL GAS EXHIBIT NO. 10?**

9 A. Yes. **Peoples Natural Gas Exhibit No. 10** is a one-page document that illustrates the  
10 development of the natural gas supply rates that the Company proposes to charge as of  
11 October 1, 2025. Those supply rates include a commodity charge that will apply to all  
12 sales and standby customers, a capacity charge, inclusive of AVC capacity charges that  
13 will apply to all sales and Priority One customers, a GCA charge that will apply to all  
14 sales customers, and the balancing charge, inclusive of AVC capacity charges that are  
15 used to provide balancing services, that will apply to Peoples Natural Gas's Non-Priority  
16 One customers who buy their supplies from someone other than Peoples.  
17

18 **Q. ARE THESE THE ACTUAL RATES THAT PEOPLES INTENDS TO PUT**  
19 **INTO EFFECT ON OCTOBER 1, 2025?**

20 A. Generally yes, but not exactly. The 1307(f)-2025 gas cost calculations are based on  
21 natural gas price projections provided by Peoples' witness Steven P. Kolich. These  
22 price projections are based, in part, on the latest available New York Mercantile  
23 Exchange ("NYMEX") projections. As the Company has done in the last several  
24 1307(f) proceedings, for Peoples' quarterly filings up to and including the

1 implementation filing, the Company will update the gas cost calculations, and the rates  
2 based on those costs, for the 1307(f)-2025 projected period based on the latest available  
3 NYMEX price projections for the remaining 1307(f)-2025 projected period.

4

5 **IX. Balancing Charges**

6

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

8 A. The assets used to provide balancing services for Peoples' transportation customers  
9 consist of AVC storage, non-AVC upstream pipeline storage that Peoples currently has  
10 under contract, and on-system storage. The non-AVC assets include storage services  
11 provided by Eastern Gas Transmission and Storage, Inc. ("EGTS"), Equitrans LP  
12 ("ETRN"), National Fuel Gas Supply Corporation ("NFG") and Columbia Gas  
13 Transmission, LLC ("TCO"). The Peoples Natural Gas on-system storage is the Dice  
14 storage facility along with the Kinter, Hughes, Portman and Vardy pools. However,  
15 since the costs for these facilities are included in Peoples base rates, the cost of on-  
16 system storage is not reflected in the balancing charge.

17 The AVC storage assets are also used to provide balancing service. The  
18 capacity cost of these storage and transmission assets was historically recovered from  
19 Peoples' ratepayers through a separate capacity charge ("AVC Capacity Charge") that  
20 I described earlier in my testimony. As a result, none of the capacity costs for use of  
21 AVC storage have historically been included in the balancing charges. However,  
22 Peoples has historically included the AVC GSS variable storage injection and  
23 withdrawal charges in the balancing charge calculation because it included variable  
24 storage injection and withdrawal charges for other storage systems.

1

2 **Q. IS THE COMPANY PROPOSING ANY CHANGES TO THE BALANCING**  
3 **CHARGE IN LIGHT OF ITS PROPOSAL FOR AVC CAPACITY CHARGES**  
4 **AS PREVIOUSLY DESCRIBED?**

5 A. Under the Company's proposal to combine the AVC interstate pipeline capacity  
6 charges with Peoples' other interstate pipeline capacity charges, AVC storage costs  
7 would no longer be recovered from NP-1 transportation customers through the AVC  
8 Capacity Charge but would instead be recovered through the Balancing Charge.  
9 **Peoples Natural Gas Exhibit No. 11** provides the details of the calculation of the  
10 balancing charges proposed in this proceeding.

11

12 **Q. WHY IS IT APPROPRIATE TO CHANGE HOW NP-1 TRANSPORTATION**  
13 **CUSTOMERS ARE CHARGED FOR AVC CAPACITY COSTS?**

14 A. The amount of AVC capacity allocated to NP-1 transportation customers through the  
15 Balancing Charge is based on the level of volumetric requirements needed to meet the  
16 operational balancing needs of NP-1 transportation customers under design day  
17 conditions. Since this AVC capacity covers NP-1 design day balancing requirements,  
18 it is well in excess of what is needed to cover the transportation balancing needs of NP-  
19 1 customers during non-peak conditions. For this reason, this excess AVC capacity is  
20 also made available to and used by NP-1 customers and their suppliers throughout the  
21 year to transport natural gas supplies on the AVC system for delivery to Peoples' city  
22 gate points. Therefore, all of the year-round AVC capacity needs of NP-1 customers  
23 are appropriately recovered through the proposed NP-1 balancing charge.

1

2

## **X. Capacity Release/Off-System Sales Sharing Mechanism**

3

4

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

5

6

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

7

8

9

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12

13

## **XI. Revenues and Expenses**

14

15

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

16

17

A. Yes. It is a one-page document that shows Peoples' gas cost revenues and expenses for the 1307(f)-2025 historical period. When Peoples made its 1307(f) pre-filing on March 1, 2025, the Company included estimates for the month of January 2025. **Peoples Natural Gas Exhibit No. 12** updates the information provided in the pre-filing to include January 2025 actuals.

18

19

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23

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

1     A.     Yes, it does. I reserve the right to submit supplemental testimony if other issues arise  
2           during the course 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-2025-3053184

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**DIRECT TESTIMONY OF  
ANTON RIBICH**

**On behalf of**

**PEOPLES NATURAL GAS COMPANY LLC**

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DATE SERVED: April 1, 2025

DATE ADMITTED: \_\_\_\_\_

Peoples Natural Gas Company Statement No. 4



## **PREPARED DIRECT TESTIMONY OF ANTON RIBICH**

### **I. Witness Background**

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**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 - 2024. As a Regulatory Analyst, I assisted in the coordination of regulatory activity, including rates and tariffs, before the Pennsylvania Public Utility Commission (“Commission”) and the Public

1 Service Commission of Maryland. In March 2024, I joined Peoples in my current role as  
2 a Finance and Rates Analyst.

3

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

6 A. My general responsibilities include analyses, computations, and support of the rates and  
7 regulatory functions for Peoples.

8

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

11 A. Yes. I have previously submitted testimony before the Maryland Public Service  
12 Commission in regulatory proceedings, supporting Columbia Gas of Maryland's  
13 Purchased Gas Adjustment in Case No. 9510(r). However, this will be my first  
14 presentation of testimony before this Commission.

15

16 **II. Purpose of Testimony**

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

18 A. My testimony will support Peoples' Design Day planning that appears in **Peoples**  
19 **Natural Gas Exhibit No. 1**. Additionally, I am sponsoring Standard Filing Requirement  
20 sections 53.64(c)(12), 53.64(c)(13), and 53.64(c)(14)<sup>1</sup>.

21

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

1 **III. Design Day**

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

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

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

14  
15 **Q. FOR WHAT CONDITIONS DOES PEOPLES PREPARE?**

16 A. Peoples' Design Day is described as a late January weekday reaching 74 Heating Degree-  
17 Days ("HDDs"), which equates to an average daily temperature of minus 9 degrees  
18 Fahrenheit. The time in January is relevant because it requires assumptions of how full  
19 storage assets must be through the end of January.

20  
21 **Q. HOW DOES PEOPLES FORECAST DESIGN DAY REQUIREMENTS?**

22 A. Peoples uses a regression analysis based upon daily sendout for the most recent four-year  
23 period ending May 31<sup>st</sup> as the dependent variable. Temperature, winter month of the

1 year, binary cold weather variables for prior days' weather, and a binary weekend  
2 variable (1 for weekend and 0 for weekday) are then tested for correlation.

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

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

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

20

21 **Q. WHAT IS SENDOUT?**

22 A. Sendout is the total amount of gas received into the Company's pipeline system. Daily  
23 sendout is the amount of gas received during a given 24-hour period, usually from 10

1 a.m. to 10 a.m. Eastern Time, the industry standard gas day. Interstate pipelines report  
2 and track daily measurement in this way. Local production, which is not typically  
3 measured daily, especially for older production wells, must be estimated from monthly  
4 meter readings.

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

7

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

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

14

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

16 A. The analysis produced Design Day requirements of 1,487.6 MMcf for Peoples. This is  
17 presented in Peoples Natural Gas Exhibit No. 1.

18

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

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

Peoples Natural Gas Company Statement No. 5

**PREPARED DIRECT TESTIMONY OF  
LYNDA W. PETRICHEVICH**

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

A. My name is Lynda W. Petrichevich, and my business address is 375 North Shore Drive, Pittsburgh, Pennsylvania 15212.

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

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

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

A. I am a graduate of the University of Pittsburgh, with a Bachelor of Arts Degree in Economics. In addition, I have attended in-house training courses on economic evaluation and the ratemaking process, the American Gas Association (“AGA”) Gas Distribution Course, and the AGA courses on gas rate fundamentals, as well as the AGA Advanced Gas Rates and Regulatory Issues. I have also attended various gas supply seminars, as well as benchmarking and process improvement courses.

I have been employed with Peoples (including its predecessor, The Peoples Natural Gas Company) since 1977, and held positions in various departments including corporate planning, operations, process improvement, gas measurement, gas supply, and regulatory.

1           Upon the 2010 acquisition of The Peoples Natural Gas Company by PNG Companies,  
2           I was assigned general responsibility for the Rates Department. In early 2017, I was promoted  
3           to Vice President and my responsibilities included all regulatory affairs, the customer  
4           transportation programs and requirements forecasting. In the fall of 2018, I took my current  
5           position which includes the responsibility for Process Operations for Peoples.  
6

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

8   A.   Yes, I have testified in numerous regulatory proceedings including Peoples Gas’s most recent  
9           general rate case at Docket No. R-2013-2355886 and Peoples Natural Gas’s general rate cases  
10          at Docket Nos. R-2012-2285985 and R-2010-2201702 before the Pennsylvania Public Utility  
11          Commission (“Commission”). I have also testified in Peoples’ most recent 1307(f) proceedings  
12          from 2018 through and including the 2024 1307(f) proceeding at R-2024-3045945 before the  
13          Commission.  
14

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

16   A.   I am the witness with general responsibility for the activities related to reducing UFG and  
17          producer retainage charges.  
18

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

20   A.   I am sponsoring **Peoples Natural Gas Exhibit Nos. 13 and 14**. A brief explanation of these  
21          exhibits is provided immediately below.  
22

23   **Q.   PLEASE EXPLAIN PEOPLES NATURAL GAS EXHIBIT NO. 13.**



1 A. **Peoples Natural Gas Exhibit No. 13** displays the continuing results of the original 2018  
2 Combined Four Year UFG Mitigation Plan for the Peoples Companies, which is provided for  
3 reference from the 2023 proceedings and includes the actual 2022 through 2024 activity for  
4 comparison.

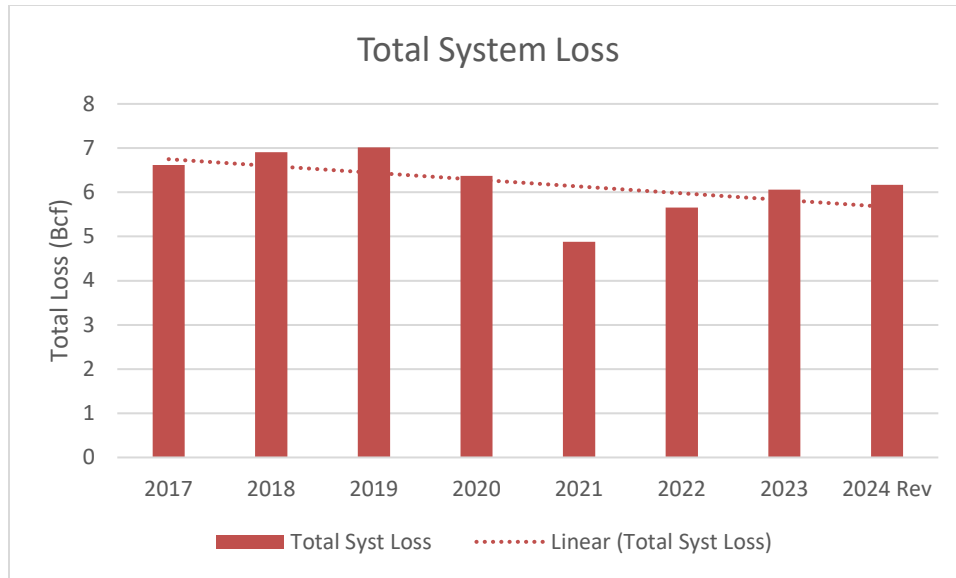
5  
6 **Q. PLEASE EXPLAIN THE INFORMATION PRESENTED IN PEOPLES NATURAL**  
7 **GAS EXHIBIT NO. 14.**

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

10 **UFG LEVELS**

11  
12 **Q. PLEASE PROVIDE SOME HISTORY REGARDING UFG AT PEOPLES.**

13 A. Since 2010, Peoples has been working to reduce UFG. The Company's UFG volume was 7.0  
14 Bcf in 2019, which resulted in a loss rate of 4.46%. For the period ending August 31, 2024,  
15 the overall Company system amount was 6.18 Bcf, which resulted in an overall system loss  
16 rate of 4.57%. This is a volumetric reduction of 12% during this recent 5-year period as shown  
17 in the table below. The throughput during this period dropped from 157 Bcf in 2019 and was  
18 only 135 Bcf in 2024 which explains why the percentage didn't change as significantly. As the  
19 graph shows below the total system loss is on a downward trend.



The change in throughput has also impacted the most recent year. In 2024 the throughput was 10 BCF lower than 2022, just two years ago. Had the throughput been the same in 2024 as it was in 2022, the loss rate would have been 4.26%.

The two main components of the Company's overall UFG are Distribution UFG and Gathering UFG. Distribution UFG for the last reporting period is 3.99 Bcf which results in a loss rate of 3.05 % which is right at the Commission's targeted loss rate for Distribution UFG. Although this volume is less than the volumetric loss in 2019 and 2020, the percentage is higher due to a more than 20 BCF decrease in system throughput which raises the loss rate. One quarter of that throughput reduction occurred in the last year. Had the same current year volumetric loss occurred with the 2023 throughput, the loss percentage would have been only 2.83%.

1 The Gathering UFG for the 2024 reporting period is 2.2 Bcf<sup>1</sup> and equates to a loss rate  
2 of 7.03%, down from 9.83% in 2017 when the Company began its most recent mitigation plan  
3 focusing on gathering loss.

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

13  
14 **Q. WERE PROSPECTIVE GATHERING LOSS RATE TARGETS ESTABLISHED IN**  
15 **THE COMPANY’S 1307(f)-2018 PURCHASED GAS COST (“PGC”) PROCEEDING?**

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

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%

---

<sup>1</sup> This includes the impact of producer retainage.

1  
2 The 2018 settlement states that exceedance of the Gathering Target would create a rebuttable  
3 presumption that the excess is unreasonable. It further provides as follows:

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

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

14 A. The historic gathering loss rates are shown in the following table. During this 4-year period,  
15 Peoples has continued to execute and improve its UFG Mitigation Plan. The Company has  
16 seen less and less local gas delivered into the Company's lines in recent years due to normal  
17 production declines and decreased new drilling in these systems. As the total amount of gas  
18 entering the gathering system is reduced, the same volumetric loss would result in a higher  
19 UFG rate. In fact, a lower volumetric loss can still result in an increased UFG rate because  
20 there is less gas flowing through the system. The production has declined 11.5 BCF since 2017  
21 and by 2.0 BCF or 5.8% during the latest period, so the decreased production loss has impacted  
22 UFG rates. Had the 2024 production stayed at the same rate as it was in 2023, the 2024 loss  
23 rate would have been 6.61%.

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%

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

A. If the Distribution loss tolerance rate of 3% was applied to the current year’s Distribution throughput and the prior loss target for gathering of 7.5% was applied to the current year’s gathering throughput, the total targeted loss volume would be 6.26 Bcf. The current year total system loss of 6.17 Bcf is below that threshold.

### **UFG MITIGATION PLAN PROGRESS**

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

A. Peoples began working on its UFG mitigation plan even before it was filed in Docket Nos. R-2018-2645278 and R-2018-3000236. **Peoples Natural Gas Exhibit No. 13** is a summary of

1 the specific actions taken since the 2018 plan inception and an update of ongoing activities  
2 though the current PGC period.

3  
4 **Q. DID PEOPLES TAKE OTHER ACTIONS DURING THE HISTORIC PERIOD OF**  
5 **THIS CASE TO ADDRESS UFG?**

6 A. Yes. The Company continues to focus on its major gathering systems as contributors to UFG.  
7 Additionally, the Company has installed upgraded measurement on two measuring projects.  
8 The Company will complete two more projects at storage stations for 2025.

9  
10 **Q. ARE THERE SPECIFIC ACCOMPLISHMENTS OF THE UFG MITIGATION PLAN**  
11 **THAT YOU WANT TO MENTION?**

12 A. Yes. As displayed in **Exhibit 13**, the Company has abandoned and replaced a total of more  
13 than 28 miles of gathering mains during 2024, compared to a plan of 23 miles. As the  
14 abandonment opportunities reduce, the replacements become the focus of the mitigation efforts  
15 and the level of planned mileage reflects that shift of effort.

16 In addition, Peoples continued its audit process of producer meters and, as a result,  
17 found several wells that were operating outside of the Company's standards and, in some cases,  
18 contributing to UFG. Peoples worked in each of these cases to have the issues remedied, which  
19 in many cases resulted in shutting in the production. This audit process is continuing in 2025.

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

- 21 1. Expired and removed 80 Zero flow production meters.
- 22 2. Corrected 88 standards issues.
- 23 3. Conducted 1263 Meter Service/Repair Orders.

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

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

Mitigation Effort	Distribution	Gathering	Goodwin/Tombaugh
At risk Pipe Replacement	LTiIP	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	

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

1 removal of 23 miles by either abandonment or replacement for 2025. These potential reductions  
2 in legacy pipelines will be targeted, along with all other mitigation efforts, to continue reducing  
3 overall lost volume on the system.

4 In addition, Peoples will be using aerial laser technology in the fall of 2025 to quickly  
5 identify loss issues in the gathering areas. This technology allows the accelerated surveys of all  
6 gathering segmentation areas in days and provides results that allow for prioritized investigation  
7 and remediation, as necessary.

8 Because the gathering loss rate is higher than the distribution rate, most UFG reduction  
9 efforts have been targeted to control that loss. Additional efforts targeted to improve Distribution  
10 measurement have also been initiated. Specifically, we have installed 30,503 Intelis meters in  
11 2024 on residential accounts which should improve the accuracy of that measurement. These  
12 meters have pressure sensing technology that allows automatic shutoff in the event of a houseline  
13 leak. This improves safety as well as measurement accuracy. The Company has targeted 60,000  
14 meters to be installed in 2025. This is a complement to the significant activity in Peoples' LTIP  
15 program and overall reduction to the Class 2 leak backlog from 539 in 2021 to 133 in 2024.  
16 Additional efforts targeting quicker repair times are also being evaluated.

## 17 **PRODUCER RETAINAGE PROPOSALS**

18  
19  
20 **Q. PLEASE DESCRIBE THE COMPANY'S PROPOSALS FOR PRODUCER**  
21 **RETAINAGE DURING THE PROJECTED PERIOD.**

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



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

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

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

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

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

3 A. Based on the current producer retainage rates, 681,855 Mcf would be contributed to recovery  
4 of UFG.  
5

6 **GOODWIN TOMBAUGH RETAINAGE RECOVERY**  
7

8 **Q. ARE THERE ANY CHANGES EXPECTED FOR THE PRODUCER RETAINAGE**  
9 **COLLECTED FROM THE GOODWIN TOMBAUGH SYSTEM DURING THE**  
10 **PROJECTED PERIOD?**

11 A. Yes. As part of the settlement in the acquisition of the Peoples Companies by Aqua, Peoples  
12 Natural Gas agreed to annually adjust the Goodwin system retainage rate to reflect the lower  
13 of: 1) a retainage rate calculated by reducing the then-effective annual retainage rate by a  
14 percentage (percentage rate of decline) that is equal to the annual rate of pipeline replacement  
15 on the Goodwin system, either by abandonment or replacement, or 2) the actual level of loss.  
16 As reflected in the Company's 2023 1307(f) Commission-approved joint settlement, the  
17 current level of retainage on the Goodwin system is 56.4% which went into effect October 1,  
18 2024.  
19

20 **Q. PLEASE DESCRIBE THE COMPARATIVE CALCULATION FOR RETAINAGE**  
21 **AND THE RESULTING LEVEL OF GOODWIN SYSTEM RETAINAGE THAT**  
22 **PEOPLES PROPOSES FOR THE PROJECTED PERIOD.**

1 A. The Goodwin system's actual loss rate as of August 2022 was 94.1%. The original retainage  
2 rate for the Goodwin System was 85%. At the end of 2024, approximately 50.3% of the system  
3 had been replaced or abandoned, which would forecast a corresponding reduction to the  
4 original 85% retainage rate of 49.7%, or to 42.3%<sup>2</sup>. The lower of the two rates is 42.3% and is  
5 the rate that will be applied beginning in October of 2025. Peoples has also committed to  
6 reviewing the actual loss rate at 6-month intervals. Since most of the construction work on the  
7 system is completed during late summer, we do not expect to see the full impacts of such  
8 construction to be reflected in the rolling twelve-month loss rate until some time has passed.  
9 Also, since little additional work is completed during the winter, the rate is likely to remain  
10 relatively stable until the next construction cycle is completed and sufficient time has passed  
11 for the results to be fully reflected in the UFG calculation.

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

15 A. Based on the updated Goodwin retainage rate of 42.3% and the existing Tombaugh system rate  
16 of 9.5%, Goodwin-Tombaugh producers would contribute an estimated 30,131Mcf to recovery  
17 of UFG, and total, system-wide, producer contribution to recovery of UFG is projected to be  
18 711,986 Mcf.

19  
20 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

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

---

<sup>2</sup> 85% \* (1-.503) = 42.3%

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

<b><u>REQUIREMENTS</u></b>	<b><u>Jan Design</u></b> <b><i>2026</i></b>
<b><u>Peoples Supplied Customers</u></b>	
Residential	689.4
Small General Service	108.5
Medium General Service	48.1
Large General Service	1.0
Subtotal	846.9
<b><u>P-1 NGS Supplied Customers (Standby)</u></b>	
Priority One - Residential	101.9
Priority One - Small General Service	7.7
Priority One - Medium General Service	17.4
Priority One - Large General Service	0.7
	127.7
<b><u>Balancing</u></b>	
Residential	0.0
Small General Service	19.0
Medium General Service	76.2
Large General Service	42.0
Subtotal	137.2
<b><u>NP-1 NGS Supplied Customers</u></b>	
Residential	0.0
Small General Service	18.5
Medium General Service	79.3
Large General Service	182.5
Subtotal	280.2
<b>Company Use</b>	8.9
<b>Unaccounted</b>	86.6
	95.5
<b><u>TOTAL REQUIREMENTS</u></b>	<b><u>1,487.6</u></b>
<b><u>SUPPLY ASSETS</u></b>	
	<b><i>2026</i></b>
<b><u>Peoples' Supply Assets</u></b>	
Local Purchases	8.9
On-System Storage	55.3
Columbia FSS Storage	1.9
Columbia FT Capacity	9.4
EGTS FT	9.5
EGTS FT/FTNN GSS Storage	66.7
Tennessee Delivered Supply	43.6
TETCO - Delivered Supply M2	10.5
TETCO - Delivered Supply M3	34.4
TETCO - FT	24.5
National Fuel EFT	5.5
National Fuel ESS Storage	9.4
Tennessee - Columbia of PA	2.9
Equitrans AVC Storage	193.2
Equitrans Sunrise/AVC FT	229.0
Equitrans 60ss Storage	202.3
Equitrans 115ss Storage	48.8
Equitrans FT	159.4
Equitrans NOFT	76.9
Subtotal	1,192.1
<b>NP-1 Customer Supply Assets</b>	294.8
<b><u>TOTAL SUPPLIES</u></b>	<b><u>1,486.9</u></b>
<b>Supply (Deficiency) / Surplus</b>	<b><i>(0.73)</i></b>

**Peoples Natural Gas Company LLC**  
**Docket No. R-2025-3053184**  
**Annual 1307(f)-2025**

For the Twelve Months Ending December 31, 2024

Section 53.64(c)(4):

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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 2024. 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. On August 25, 2022, the Pennsylvania Public Utility Commission ("Commission") entered an Order approving the merger of Peoples Gas Company LLC with and into Peoples Natural Gas Company LLC at Docket Nos. A-2021-3029831 and A-2021-3029833. The merger of Peoples Natural Gas Company LLC and Peoples Gas Company LLC into the single surviving entity, Peoples Natural Gas Company LLC, was effectuated on January 1, 2023. The merged entity operated two separately tariffed rate divisions at the state level: Peoples Natural Gas Company LLC – Peoples Natural Gas Division and Peoples Natural Gas Company LLC – Peoples Gas Division through September 26, 2024. Effective September 27, 2024, with the approval of Peoples base rate case filing at Docket No. R-2023-3044549, the previous separately tariffed rate divisions were merged into one tariffed rate entity, Peoples Natural Gas Company LLC.

Peoples monitors proceedings before the FERC. This Exhibit contains an annotated listing of FERC proceedings affecting Peoples for the period January 1, 2024 through December 31, 2024, 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 local energy companies that deliver clean natural gas throughout the United States. The AGA reports that there are more than 74 million residential, commercial, and industrial natural gas customers in the U.S., of which 95 percent – more than 71 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 2024, 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”)<sup>1</sup>, Equitrans (“Equitrans” or “ETRN”), National Fuel Gas Supply Corporation (“National Fuel” or “NFG”), Texas Eastern Transmission, LP (“Texas Eastern” or “TETCO”), and Columbia Gas Transmission, LLC (“Columbia” or “TCO”) 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., Tennessee Gas Pipeline Company, LLC (“Tennessee” or “TGP”) and 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, 2024, through December 31, 2024.

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<sup>1</sup> EGTS was formerly known as Dominion Energy Transmission, Inc. (“DETI”). DETI changed its name to EGTS in late 2020.

# SCHEDULE A

## PIPELINE PROCEEDINGS

### Calendar Year 2024

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

### COLUMBIA GAS TRANSMISSION, LLC

#### Tariff Revisions

**RP24-257**

##### **Summary:**

On December 20, 2023, Columbia submitted proposed revisions to Section 46 of the General Terms and Conditions of its FERC Gas Tariff, Fourth Revised Volume No. 1. Revised Section 46 was submitted to identify the circumstances in which Columbia may seek a discount-type adjustment in a negotiated rate agreement with a shipper on its system.

On January 2, 2024, Peoples intervened.

On January 11, 2024, the FERC accepted the filing via Letter Order.

#### Penalty Crediting Revenue Report

**RP24-284**

##### **Summary:**

On December 29, 2023, TCO submitted its penalty crediting revenue report for calendar year 2023.

On January 8, 2024, Peoples intervened.

On February 29, 2024, the FERC accepted the filing via Letter Order.

#### Operational Transaction Rate Adjustment

**RP24-595**

##### **Summary:**

On March 28, 2024, Columbia submitted certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1. Columbia submitted the tariff sections to adjust its Operational Transaction Rate Adjustment (OTRA) for the 2024 summer season, pursuant to Part VII.49.4 of Columbia's tariff. Columbia's OTRA mechanism allows Columbia to adjust its OTRA rates for



both a summer season and a winter season each year. Columbia proposed an OTRA monthly reservation rate for 2024 summer season of \$0.053 per Dth compared to \$0.091 per Dth for 2023 winter season.

On April 9, 2024, Peoples intervened.

On April 24, 2024, the FERC accepted the filing via Letter Order.

### **Tariff Clean-up Filing**

**RP24-784**

#### **Summary:**

On May 30, 2024, Columbia submitted certain tariff sections to become part of its FERC Gas Tariff, Fourth Revised Volume No. 1 and its FERC Gas Tariff, Original Volume No. 1.1. Columbia's revisions are administrative in nature and involve "housekeeping" updates to Section VIII.12 regarding Service Agreement Forms and Non-Conforming Service Agreements, included in its Tariff No. 1, Table of Contents within its Tariff No. 1.1, modifications to its Tariff No. 1 Section VI.16 Rate Schedules, Rate Schedule AS to update the Uniform Resource Locator (URL) where the maps may be viewed and downloaded and its General Terms and Conditions Section VII.2, Electronic Bulletin Board (EBB), and Section VII.5, Service Agreement and Electronic Contracting to reflect the implementation of TC eConnects. Finally, Columbia made minor clarifications to its Section VII.30, Complaint Resolution Procedure to indicate the correct personnel for shippers to address complaints to.

On June 11, 2024, Peoples intervened.

On June 24, 2024, the FERC accepted the filing via Letter Order.

### **Tariff Revisions – ROFR Notice**

**RP24-896**

#### **Summary:**

On July 5, 2024, Columbia filed revised tariff records to its FERC Gas Tariff, Fourth Revised Volume No. 1, Section 4.1(a). Revisions to Section 4.1(a) were submitted to extend the deadline by which a shipper must provide written notice to Columbia of its intent to exercise its Right of First Refusal ("ROFR") from six (6) months to eleven (11) months prior to the termination of its Long-Term Service Agreement ("ROFR Notice").

On July 22, 2024, Peoples intervened.

On August 1, 2024, FERC accepted the proposed tariff records without modification.

## **Antero v. Columbia Complaint**

### **RP24-911**

#### **Summary:**

On July 23, 2024, Antero Resources Corporation (“Antero”) and MU Marketing LLC (“MU,” and collectively with Antero, “Antero Parties” or “Complainants”) filed a Complaint against Columbia. The Complainants alleged that Columbia’s FERC Gas Tariff, Fourth Revised Volume No. 1 (“Tariff”) had an unjust and unreasonable methodology for calculating penalty revenue credits that unduly discriminates against shippers that release their capacity, including to asset managers. The Antero Parties requested that FERC require Columbia to revise its Tariff to allow either the releasing shipper or the replacement shipper to receive penalty revenue credits.

On August 13, 2024, Peoples intervened.

On August 22, 2024, Columbia filed its Answer. Answers were also filed by the Indicated Shippers group and Easton Utilities.

On August 28, 2024, the Antero Parties filed a Motion for Leave to Answer and an Answer.

On October 28, 2024, FERC issued an Order granting the Complaint. FERC found that complainants demonstrated that Columbia’s tariff provision was unduly discriminatory, and pursuant to section 5 of the Natural Gas Act (NGA), FERC directed Columbia to revise its tariff.

On November 13, 2024, Columbia filed revised tariffs in accordance with FERC’s Order.

On December 10, 2024, FERC accepted the tariff provisions by Letter Order.

## **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).

As of February 21, 2024, settlement negotiations are ongoing with upcoming settlement conferences scheduled for February 27-28.

### **Operational Transaction Rate Adjustment - Winter**

#### **RP25-160**

##### **Summary:**

On November 1, 2024, Columbia submitted its tariff filing to adjust its Operational Transaction Rate Adjustment (“OTRA”) for the 2024 winter season. Through this filing, Columbia proposed an OTRA monthly reservation rate for Rate Schedules FTS/NTS, TPS, and SST service for the 2024 winter season of \$0.084 per dekatherm.

On November 15, 2024, Peoples intervened.

On November 15, 2024, FERC accepted the filing via Letter Order.

### **Penalty Revenue Crediting Report**

#### **RP25-278**

##### **Summary:**

On December 12, 2024, TCO submitted its penalty crediting revenue report for calendar year 2024.

On December 31, 2024, Peoples intervened.

No further FERC action is anticipated.

## **EASTERN GAS TRANSMISSION AND STORAGE COMPANY**

### **Tariff Filing – Administrative Change**

**RP24-678**

#### **Summary:**

On April 22, 2024, EGTS submitted certain administrative changes for inclusion in its FERC Gas Tariff, Sixth Revised Volume No. 1. The proposed change was to update the uniform resource locator (“URL”) link to the internet location of EGTS’ system on Tariff Record No. 3.

On May 7, 2024, Peoples intervened.

On May 8, 2024, the FERC accepted the filing via Letter Order.

### **Prior Notice Request**

**CP224-113**

#### **Summary:**

**CP23-507**

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. EGTS’ most recent report was filed on February 14, 2025.

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

### **Tariff Filing – Overrun and Penalty Revenue Distribution**

**RP24-846**

#### **Summary:**

On June 26, 2024, EGTS submitted its annual report of overrun/penalty revenue distribution pursuant to its FERC Gas Tariff. The purpose of this filing was to report the 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, 2024. EGTS did not reduce the collected unauthorized overrun charged and penalty revenues by any related costs.

On July 8, 2024, Peoples intervened.

To date, no resolution in this proceeding has been reached. Peoples will continue to monitor the proceeding and participate as necessary to protect the interests of its customers.

### **Application of Electric Power Costs Adjustment**

#### **RP24-926**

##### **Summary:**

On July 31, 2024, EGTS submitted certain tariff sections to be part of its FERC Gas Tariff, Sixth Revised Volume No. 1. Pursuant to Section 17 of the EGTS Tariff, the tariff sections are being submitted to clarify how EGTS will apply its Electric Power Costs Adjustment (EPCA) mechanism on a going-forward basis for incremental electric projects.

On August 12, 2024, Peoples intervened.

On August 30, 2024, the FERC rejected EGTS tariff revisions via Letter Order.

### **Electric Power Costs Adjustment**

#### **RP24-1104**

##### **Summary:**

On September 30, 2024, EGTS submitted certain tariff sections to be part of its FERC Gas Tariff, Sixth Revised Volume No. 1. Pursuant to Section 17 of the EGTS Tariff. The Section 17 revisions are being submitted to update EGTS' current Electric Power Costs Adjustment (EPCA) mechanism.

On October 15, 2024, Peoples intervened.

On October 23, 2024, the FERC accepted the tariff record revisions via Letter Order.

### **Transportation Cost Rate Adjustment**

#### **RP23-1111**

##### **Summary:**

On September 30, 2024, EGTS submitted certain tariff sections to be part of its FERC Gas Tariff, Sixth Revised Volume No. 1. Pursuant to Section 17 of the EGTS Tariff. The Section 17 revisions are being submitted to update EGTS' current Transportation Cost Rate Adjustment ("TCRA") mechanism.

On October 15, 2024, Peoples intervened.

On October 23, 2024, the FERC accepted the tariff record revisions via Letter Order.

### **Clarification to Electric Power Costs Adjustment Filing**

#### **RP25-119**

#### **Summary:**

On October 31, 2024, EGTS submitted certain tariff sections to be part of its FERC Gas Tariff, Sixth Revised Volume No. 1. Pursuant to Section 17.3 of the EGTS Tariff, the tariff sections are being submitted to clarify how EGTS will apply its Electric Power Costs Adjustment (EPCA) mechanism on a going-forward basis for incremental electric projects.

On November 15, 2024, Peoples intervened.

On November 29, 2024, the FERC accepted the tariff records subject to condition that EGTS accepted.

## **EQUITRANS, L.P.**

### **Penalty Credit Report**

#### **RP24-325**

##### **Summary:**

On January 16, 2024, Equitrans submitted its penalty credit report for calendar year 2023 pursuant to Section 6.33 of its tariff.

On January 29, 2024, Peoples intervened.

### **Crediting of Penalty Revenue**

#### **RP24-363**

##### **Summary:**

On January 31, 2024, Equitrans submitted updates to Section 6.33 of its Tariff to establish a threshold under which Equitrans will not distribute the Eligible Penalty Revenues but retain the Eligible Penalty Revenues for distribution to the Eligible Customers following the end of the annual period during which the cumulative undistributed Eligible Penalty Revenues collected exceeds the threshold.

On February 9, 2024, Peoples intervened.

On February 29, 2024, FERC accepted the tariff revisions via Letter Order.

### **AVC Storage Loss Retainage Factor**

#### **RP23-490**

##### **Summary:**

On February 29, 2024, 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 had been calculated at 5.08% for 2023.

On March 19, 2024, Peoples intervened.

On March 20, 2024, the FERC accepted the filing via Letter Order.

### **Initial Retainage Rate**

#### **RP24-564**

##### **Summary:**

On March 25, 2024, Equitrans submitted tariff revisions to its Original Volume No. 1A of its Tariff, establishing the Retainage Factor for the period commencing April 1, 2024, for certain negotiated rate agreements.

On April 9, 2024, Peoples intervened.

On April 11, 2024, the FERC accepted the filing via Letter Order.

### **Price Indices and OFO Penalty Update**

#### **RP25-2**

##### **Summary:**

On October 1, 2024, Equitrans submitted certain tariff revisions to its First Revised Volume No. 1 of its FERC Gas Tariff to replace its subscription to Natural Gas Intelligence for price indices for penalty charges with comparable indices as published in Platts Gas Daily (“Gas Daily”).

Equitrans also submitted tariff modifications to revise the penalty for violation of an Operational Flow Order (“OFO”) from a flat \$25 per Dth to three (3) times the Midpoint price reported for Texas Eastern, M-2 receipts or Eastern Gas, South, whichever is greater, times the quantity of gas by which the Customer deviated from an OFO.

On October 15, 2024, Peoples intervened.

On October 16, 2024, the FERC accepted Equitrans’ filing via Letter Order.

### **Initial Retainage Rate**

#### **RP25-111**

##### **Summary:**

On October 31, 2024, Equitrans submitted tariff revisions to its Original Volume No. 1A of its Tariff, establishing the Retainage Factor for the period commencing November 1, 2024, for certain negotiated rate agreements.

On November 15, 2024, Peoples intervened.

On November 22, 2024, the FERC accepted the filing via Letter Order.



## **TEXAS EASTERN TRANSMISSION, L.P.**

### **Electric Power Charge Adjustment**

**RP24-271**

#### **Summary:**

On December 28, 2023, 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 was to include the revised Current Unit EPC Changes and revised EPC Surcharge.

On January 8, 2024, Peoples intervened.

On January 23, 2024, the FERC accepted the filing via Letter Order.

### **Penalty Disbursement Report**

**RP24-779**

#### **Summary:**

On May 29, 2024, Texas Eastern submitted its penalty disbursement report pursuant to Section 4.3(A)(7) of the General Terms and Conditions of its FERC Gas Tariff. The penalty disbursement report set forth the total of the penalties collected and the proposed credits for each non-offending customer. The penalty amount was collected for production months ranging from May 2020 to January 2024.

On June 11, 2024, Peoples intervened.

On June 11, 2024, the FERC accepted the filing via Letter Order.

### **Petition for Approval of Stipulation and Settlement**

**RP24-815**

#### **Summary:**

On June 3, 2024, TETCO filed a Petition for Approval of a Stipulation and Settlement in lieu of a litigated Section 4 rate proceeding. Texas Eastern's currently effective natural gas transportation and storage rates were established pursuant to a rate settlement that was filed in FERC Docket Nos. RP21-1188, et al. and RP21-1001, et al. and approved by the Commission on

November 30, 2022 (“2022 Settlement”). The 2022 Settlement contained a moratorium preventing Texas Eastern from filing a general Section 4 rate case before January 1, 2024. Texas Eastern and its customers and interested stakeholders began engaging in discussions regarding a prepackaged settlement in December 2023, including meaningful settlement discovery regarding Texas Eastern’s costs, revenues, and capital cost projections, and reached a settlement-in-principle on May 3, 2024.

The Parties reached an agreement to increase the effective reservation base rates with a two-step increase resulting in rate increases taking effect on October 1, 2024, and January 1, 2026, respectively, and to extend the moratorium and comeback provisions set forth in the 2022 Settlement. The Parties reached agreement on related terms, as more fully described herein. As compared to a litigated rate proceeding, the Settlement provides Texas Eastern and its customers rate certainty and lessens the burden on all Parties and the Commission of a general Section 4 rate case proceeding and reflects agreement or non-opposition regarding the terms of the Settlement based on the Parties’ assessment of settlement discovery provided by Texas Eastern, among other factors.

Peoples, as part of a customer LDC group, was a party to the settlement.

On June 17, 2024, Peoples intervened.

On July 31, 2024, FERC approved the Stipulation and Settlement via Letter Order.

On September 18, 2024, FERC accepted the tariff records implementing the terms of the Stipulation and Settlement via Letter Order.

### **Tariff Modifications**

#### **RP24-832**

##### **Summary:**

On June 18, 2024, EGTS submitted certain tariff modifications to its FERC Gas Tariff, Eighth Revised Volume No. 1 Section 14.3(A)(4). The modifications were submitted so that a customer who has executed a service agreement with firm transportation path entitlements to an accounting meter representing a physical junction location on Texas Eastern's system without a physical meter, that is designated for natural gas in-line transfer, where a compressor station is constructed in connection with an expansion project designed to provide service under a Part 284 Service Agreement, will be able to effectuate a primary firm nomination for delivery to or receipt from such point.

On July 1, 2024, Peoples intervened.

On July 9, 2024, the FERC accepted the filing via Letter Order.

## **Electric Power Charge Adjustment**

### **RP24-849**

#### **Summary:**

On June 27, 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 July 8, 2024, Peoples intervened.

On July 24, 2024, the FERC accepted the filing via Letter Order.

## **Operational Entitlements**

### **RP24-991**

#### **Summary:**

On August 26, 2024, Texas Eastern submitted its report of recalculated Operational Segment Capacity Entitlements (“2024 Operational Entitlements”), along with supporting documentation explaining the basis for changes. Texas Eastern’s 2024 Operational Entitlements were based on the 2023 Operational Entitlements adjusted to reflect the changes in allocation of capacity in certain locations as a result of contract terminations, as well as remarketing of unsubscribed capacity.

On September 11, 2024, Peoples intervened.

On September 25, 2024, the FERC accepted the filing via Letter Order.

## **Penalty Disbursement Report**

### **RP25-61**

#### **Summary:**

On October 11, 2024, Texas Eastern submitted its penalty disbursement report pursuant to Section 4.3(A)(7) of the General Terms and Conditions of its FERC Gas Tariff. The penalty disbursement report set forth the total of the penalties collected and the proposed credits for each non-offending customer. Penalty amount was collected for production months ranging from May 2023 to June 2024.

On October 28, 2024, Peoples intervened.

On November 20, 2024, the FERC accepted the filing via Letter Order.

**Applicable Shrinkage Adjustment**

**RP25-134**

On October 31, 2024, 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 12 months ended June 30, 2024, under Rate Schedules IT-1, LLIT, ISS-1, and PAL, as well as separate reconciliation for Rate Schedule VKIT and interruptible revenues under Rate Schedule MLS-1.

On November 15, 2024, Peoples intervened.

On November 20, 2024, the FERC accepted the filing via Letter Order.

## **NATIONAL FUEL GAS SUPPLY CORPORATION**

### **2023 Rate Case**

#### **RP23-929**

On July 31, 2023, NFGS filed for a general rate increase at Docket No. RP23-929. Various parties filed Motions to Intervene, and/or Protests. On August 14, 2023, Peoples filed a Motion to Intervene, protest, and Request for Investigation of the proposed rate increase.

Peoples joined an informal local distribution company customer group (“NFLDC”) for purposes of consultant retention, settlement discussions, and potential litigation.

Peoples, as part of the NFLDC group, participated in the proceeding at RP23-929 in an effort to protect the interests of its customers. As part of that proceeding, the NFLDC group substantively participated in settlement negotiations with NFGS and worked with various other intervenors and FERC Staff in an effort to parse NFGS’s various requests as part of the general rate increase filing. Several settlement conferences were held between NFGS, FERC Staff, and the various intervenors (including the NFLDC group of which Peoples is a member of).

On February 1, 2024, interim settlement rates were placed into effect.

On March 27, 2024, NFGS filed an uncontested Stipulation and Settlement Agreement in this proceeding.

On May 2, 2024, the presiding ALJ issued a Certification of Uncontested Settlement recommending that the Settlement be approved without modification or condition.

On June 11, 2024, FERC approved NFGS’ stipulation and agreement via Letter Order.

On July 17, 2024, NFGS filed its settlement compliance filing.

On August 2, 2024, FERC accepted the revised tariff records via Letter Order.

### **Fuel Tracker Filing**

#### **RP24-403**

##### **Summary:**

On February 16, 2024, National Fuel filed revised tariff records to adjust its Company Use Retention (“TFUR”), Transportation LAUF Retention (“TLAUFR”) and Storage Operating and LAUF Retention (“SOLR”) pursuant to GT&C §41 of its tariff.

On March 1, 2024, Peoples intervened.

On March 5, 2024, FERC accepted the filing by Letter Order

**Pipeline Safety and Greenhouse Gas Cost Adjustment True-Up Report**

**RP24-616**

On March 29, 2024, NFGS submitted an updated tariff filing reflecting the recovery of pipeline safety and greenhouse gas cost surcharges pursuant to section 42 of the General Terms and Conditions of its tariff. The filing reflected proposed recovery of certain costs for the period of November 1, 2023, through January 31, 2024, effective November 1, 2023.

On April 9, 2024, Peoples intervened.

On May 31, 2024, the FERC issued a Letter Order accepting the filing.

**Transportation and Storage Cost Adjustment Informational Filing**

**RP25-187**

**Summary:**

On November 14, 2024, NFGS submitted an informational filing to reflect the current rate for its TSCA mechanism – which is \$0.000.

On December 4, 2024, Peoples intervened.

On December 4, 2024, the FERC issued a Letter Order accepting the filing.

## **TENNESSEE GAS PIPELINE COMPANY, LLC**

### **PCB Adjustment**

**RP24-788**

#### **Summary:**

On May 31, 2024, Tennessee filed revised tariff record to its FERC Gas Tariff, Sixth Revised Volume No. 1. As pursuant to its PCB Settlement in Docket Nos. RP91-203 and RP92-132, Tennessee continues to incur Eligible Costs for PCB related remediation activities and expects to continue to incur additional costs. As a result, Tennessee is requesting an extension of its PCB Adjustment Period for an additional 24 months through June 30, 2026.

On June 17, 2024, Peoples intervened.

On June 24, 2024, the FERC issued a Letter Order accepting Tennessee's filing.

### **Cashout Report**

**RP25-215**

#### **Summary:**

On November 26, 2024, Tennessee submitted its cashout report for the 12 months ended August 31, 2023.

On December 9, 2024, Peoples intervened.

Peoples does not expect a FERC order on this matter as it was an informational filing.

## **RAGER MOUNTAIN STORAGE COMPANY LLC**

### **ILPS FOSA Update**

**RP24-646**

#### **Summary:**

On April 1, 2024, Rager filed revised tariff records updating its Form of Service Agreement for Rate Schedule ILPS regarding the fuel reimbursement applicable for the transaction.

On April 9, 2024, Peoples intervened.

On April 25, 2024, the FERC issued a Letter Order accepting Rager's revised tariff.



**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, 2022</u>	<u>12 Mths Ended August 31, 2023</u>	<u>12 Mths Ended August 31, 2024</u>	<u>3-Year Average</u>
	Volumes in MCF				
1	<u>Overall System - Retainage Recovery Requirement</u>				
2	Unaccounted for Gas	7,396,720	8,158,973	8,023,628	7,859,774
3	Company Use	<u>774,400</u>	<u>817,868</u>	<u>797,006</u>	<u>796,425</u>
4	Recovery Requirement	8,171,120	8,976,841	8,820,634	8,656,198
5	Total System Supplies 1/	145,112,847	139,796,475	135,282,159	140,063,827
6	Unaccounted for Gas Percentage	5.1%	5.8%	5.9%	5.6%
7	Company Use Percentage	0.5%	0.6%	0.6%	0.6%
8	<b>Percent to Recover</b>	<b>5.6%</b>	<b>6.4%</b>	<b>6.5%</b>	<b>6.2%</b>
9	2025 Proposed Retainage Rate				
10	Target Retainage to be Recovered	143,040,371	6.2%	8,840,154	
11	less: Retainage from Discounted Transport			(324,677)	
12	less: Retainage from Producers			(836,338)	
13	less: Retainage from Goodwin/Tombaugh 2/			(30,131)	
14	less: Imputed Retainage on Storage Gas			<u>(82,339)</u>	
15	Net Retainage to be Recovered			7,566,670	
16	<b>Proposed Retainage Rate</b>	116,320,597	<b>6.5%</b>		

1/ Historical intercompany volumes removed.

2/ Adjusted for new Goodwin retainage rate effective October 1, 2025. Further explanation can be found in Statement 5 - Direct Testimony of Lynda Petrichevich.

**Peoples Natural Gas Btu Calculation**

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

**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)-2025 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

REVISED PAGE NO. 2

CANCELLING PAGE NO. 2

LIST OF CHANGES

<u>RATE CHANGES</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase/ (Decrease)</u>
<b><u>Rate GS-SB</u></b>			
Rate RS, SGS, MGS, LGS	\$1.2446	\$1.7860	\$0.5414
<b><u>Rider PGC</u></b>			
<b><u>Rate RS, SGS, MGS, LGS, NGPV</u></b>			
Capacity Charge	\$1.2446	\$1.7860	\$0.5414
Gas Cost Adjustment Charge	(\$0.0358)	\$0.5208	\$0.5566
Natural Gas Supply Charge	\$3.5884	\$4.1439	\$0.5555
<b><u>Rider MFC – Merchant Function Charge</u></b>			
RS	\$0.1055	\$0.1419	\$0.0364
SGS, MGS, LGS	\$0.0159	\$0.0214	\$0.0055
RS-T	\$0.0274	\$0.0393	\$0.0119
<b><u>Balancing Charges</u></b>			
SGS, MGS	\$0.4199	\$0.8300	\$0.4101
LGS	\$0.1048	\$0.1740	\$0.0692
<b><u>Retainage Charges</u></b>	5.8%	6.5%	0.7%

OTHER CHANGES

Page	Page Description	Revision Description
5	Table of Contents	Removed AVC language
33	Rules and Regulations	Removed AVC language
58	Rate GS-T	Removed AVC language
62	Rate MLS – Mainline Service	Retainage language added
68/69	Rider Purchased Gas Costs	Removed AVC language. Added Supplier Refund Language.
70/71	Rider AVC Capacity Charge	Removed pages
82	DSIC	Removed AVC language.

ISSUED: \_\_\_\_\_

EFFECTIVE: \_\_\_\_\_

Rider Purchased Gas Costs				Base Rate	Rider	Rider	Rider Supplier	Rider	Rider	Rider	Rider	Former Peoples	Former Peoples	Former Peoples
Capacity	AVC Capacity	GCA	Commodity	Charges	STAS	MFC	Choice	USR	GPC	DSIC Charge	TRS	Gas Customers	Customers	Customers
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	RIDER TCJA 3/	(13)	(14=SUM 1 to 12)
														(15=SUM 1 to 13)
<b>Residential Sales</b>														
Customer Charge				\$ 16.80	0.00%		\$ 0.0080		\$ -	\$ (0.1131)	\$ (0.0686)	\$ 16.6949	\$ 16.6264	
Capacity	\$ 1.7860	\$ -				\$ 0.0393						\$ 1.8253	\$ 1.8253	
Price to Compare - PTC		\$ 0.5208	\$ 4.1439			\$ 0.1026		\$ 0.0865				\$ 4.8538	\$ 4.8538	
Delivery Charge				\$ 5.3537			\$ 0.8571	\$ -	\$ (0.0360)	\$ (0.0219)	\$ 6.1748	\$ 6.1529		
State Tax Surcharge				\$ -								\$ -	\$ -	
Total per MCF						\$ 0.1419						\$ 12.8539	\$ 12.8320	
<b>Small General Service (SGS)</b>														
Customer Charge				\$ 22.00		\$ 0.0080		\$ -	\$ (0.1481)	\$ (0.0898)	\$ 21.8599	\$ 21.7701		
0 to 499 MCF/Yr				\$ 44.00		\$ 0.0080		\$ -	\$ (0.2961)	\$ (0.1796)	\$ 43.7119	\$ 43.5323		
500 to 999 MCF/Yr														
1/ Capacity	\$ 0.8300	\$ -										\$ 0.8300	\$ 0.8300	
Price to Compare - PTC	\$ 0.9560	\$ 0.5208	\$ 4.1439			\$ 0.0214		\$ 0.0865				\$ 5.7286	\$ 5.7286	
Delivery Charge				\$ 3.9844				\$ -	\$ (0.0268)	\$ (0.0163)	\$ 3.9576	\$ 3.9413		
State Tax Surcharge				\$ -								\$ -	\$ -	
Total per MCF	\$ 1.7860											\$ 10.5162	\$ 10.4999	
<b>Medium General Service (MGS)</b>														
Customer Charge				\$ 101.00				\$ -	\$ (0.6797)	\$ (0.4122)	\$ 100.3203	\$ 99.9080		
1,000 to 2,499 MCF/Yr				\$ 145.00				\$ -	\$ (0.9759)	\$ (0.5918)	\$ 144.0242	\$ 143.4323		
2,500 to 24,999 MCF/Yr														
1/ Capacity	\$ 0.8300	\$ -										\$ 0.8300	\$ 0.8300	
Price to Compare - PTC	\$ 0.9560	\$ 0.5208	\$ 4.1439			\$ 0.0214		\$ 0.0865				\$ 5.7286	\$ 5.7286	
Delivery Charge				\$ 3.6941				\$ -	\$ (0.0249)	\$ (0.0151)	\$ 3.6692	\$ 3.6541		
State Tax Surcharge				\$ -								\$ -	\$ -	
Total per MCF	\$ 1.7860											\$ 10.2278	\$ 10.2127	
<b>Large General Service (LGS)</b>														
Customer Charge				\$ 940.00				\$ -	\$ (6.3262)	\$ (3.8366)	\$ 933.6738	\$ 929.8372		
25,000 to 49,999 MCF/Yr				\$ 1,465.00				\$ -	\$ (9.8595)	\$ (5.9793)	\$ 1,455.1406	\$ 1,449.1612		
50,000 to 99,999 MCF/Yr				\$ 2,130.00				\$ -	\$ (14.3349)	\$ (8.6935)	\$ 2,115.6651	\$ 2,106.9716		
100,000 to 199,999 MCF/Yr				\$ 5,630.00				\$ -	\$ (37.8899)	\$ (22.9785)	\$ 5,592.1101	\$ 5,569.1316		
Over 200,000 MCF/Yr														
1/ Capacity	\$ 0.1740	\$ -										\$ 0.1740	\$ 0.1740	
Price to Compare - PTC	\$ 1.6120	\$ 0.5208	\$ 4.1439			\$ 0.0214		\$ 0.0865				\$ 6.3846	\$ 6.3846	
Delivery Charge				\$ 2.6360	\$ -			\$ -	\$ (0.0177)	\$ (0.0108)	\$ 2.6183	\$ 2.6075		
25,000 - 49,999 MCF/Yr				\$ 2.5519	\$ -			\$ -	\$ (0.0172)	\$ (0.0104)	\$ 2.5347	\$ 2.5243		
50,000 - 99,999 MCF/Yr				\$ 2.4335	\$ -			\$ -	\$ (0.0164)	\$ (0.0099)	\$ 2.4171	\$ 2.4072		
100,000 - 199,999 MCF/Yr				\$ 2.1937	\$ -			\$ -	\$ (0.0148)	\$ (0.0090)	\$ 2.1789	\$ 2.1699		
200,000 to 749,999 MCF/Yr				\$ 1.9097	\$ -			\$ -	\$ (0.0129)	\$ (0.0078)	\$ 1.8968	\$ 1.8890		
750,000 to 1,999,999 MCF/Yr				\$ 1.4431	\$ -			\$ -	\$ (0.0097)	\$ (0.0059)	\$ 1.4334	\$ 1.4275		
Over 2,000,000 MCF/Yr												\$ 9.1769	\$ 9.1661	
2/ Total per MCF	\$ 1.7860													
<b>Mainline Service (MLS)</b>														
Customer Charge				\$ 5,630.00				\$ (37.8899)	\$ (22.9785)	\$ 5,592.1101	\$ 5,569.1316			
Over 200,000 MCF/Yr														
1/ Capacity	\$ 0.1740	\$ -										\$ 0.1740	\$ 0.1740	
Price to Compare - PTC	\$ 1.6120	\$ 0.5208	\$ 4.1439			\$ 0.0214		\$ 0.0865				\$ 6.3846	\$ 6.3846	
Delivery Charge				\$ 0.7430				\$ (0.0050)	\$ (0.0030)	\$ 0.7380	\$ 0.7350			
PNG transmission line				\$ 0.4422				\$ (0.0030)	\$ (0.0018)	\$ 0.4392	\$ 0.4374			
Interstate pipeline												\$ 7.2966	\$ 7.2936	
Total per MCF														

- 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/ The Rider TJCA Temporary Surcharge applies to former Peoples Gas Division customers.
- 4/ In addition to the above listed rates the Weather Normalization Adjustment applies during October through May billing months.
- 5/ 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. 4

CANCELLING REVISED PAGE NO. 4

Former Peoples Gas Customers

Former Peoples Gas Customers

	Base Rate Charges	Rider STAS	Rider MFC	Rider USR	Rider Purchased Gas Costs		Balancing Charge	Rider Supplier Choice	Rider DSIC Charge	Rider TRS	Former Peoples Gas Customers RIDER TCJA 3/	Natural Gas Total Rate	Former Peoples Gas Customers Total Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12=SUM 1 to 10)	(13=SUM 1 to 11)
<b>Rate GS-T Residential</b>		0.00%							0.00%	-0.6730%	-0.4081%		
Customer Charge	\$ 16.8000							\$ 0.0080	\$ -	\$ (0.1131)	\$ (0.0686)	\$ 16.6949	\$ 16.6264
Capacity			\$ 0.0393		\$ 1.7860	\$ -						\$ 1.8253	\$ 1.8253
Delivery Charge	\$ 5.3537			\$ 0.8571					\$ -	\$ (0.0360)	\$ (0.0219)	\$ 6.1748	\$ 6.1529
State Tax Surcharge		\$ -										\$ -	\$ -
Total per MCF												\$ 8.0001	\$ 7.9782
<b>Rate GS-Transportation SGS</b>													
Customer Charge													
0 to 499 MCF/Yr	\$ 22.0000							\$ 0.0080	\$ -	\$ (0.1481)	\$ (0.0898)	\$ 21.8599	\$ 21.7701
500 to 999 MCF/Yr	\$ 44.0000							\$ 0.0080	\$ -	\$ (0.2961)	\$ (0.1796)	\$ 43.7119	\$ 43.5323
1/ Capacity/BB&A					\$ -	\$ 0.8300						\$ 0.8300	\$ 0.8300
Delivery Charge	\$ 3.9844								\$ -	\$ (0.0268)	\$ (0.0163)	\$ 3.9576	\$ 3.9413
State Tax Surcharge		\$ -										\$ -	\$ -
Total per MCF												\$ 4.7876	\$ 4.7713
<b>Rate GS-Transportation MGS</b>													
Customer Charge													
1,000 to 2,499 MCF/Yr	\$ 101.0000								\$ -	\$ (0.6797)	\$ (0.4122)	\$ 100.3203	\$ 99.9080
2,500 to 24,999 MCF/Yr	\$ 145.0000								\$ -	\$ (0.9759)	\$ (0.5918)	\$ 144.0242	\$ 143.4323
1/ Capacity/BB&A					\$ -	\$ 0.8300						\$ 0.8300	\$ 0.8300
Delivery Charge	\$ 3.6941								\$ -	\$ (0.0249)	\$ (0.0151)	\$ 3.6692	\$ 3.6541
State Tax Surcharge		\$ -										\$ -	\$ -
Total per MCF												\$ 4.4992	\$ 4.4841
<b>Rate GS-Transportation LGS</b>													
Customer Charge													
25,000 to 49,999 MCF/Yr	\$ 940.0000								\$ -	\$ (6.3262)	\$ (3.8366)	\$ 933.6738	\$ 929.8372
50,000 to 99,999 MCF/Yr	\$ 1,465.0000								\$ -	\$ (9.8595)	\$ (5.9793)	\$ 1,455.1406	\$ 1,449.1612
100,000 to 199,999 MCF/Yr	\$ 2,130.0000								\$ -	\$ (14.3349)	\$ (8.6935)	\$ 2,115.6651	\$ 2,106.9716
Over 200,000 MCF/Yr	\$ 5,630.0000								\$ -	\$ (37.8899)	\$ (22.9785)	\$ 5,592.1101	\$ 5,569.1316
1/ Capacity/BB&A					\$ -	\$ 0.1740						\$ 0.1740	\$ 0.1740
Delivery Charge													
25,000 - 49,999 MCF/Yr	\$ 2.6360	\$ -							\$ -	\$ (0.0177)	\$ (0.0108)	\$ 2.6183	\$ 2.6075
50,000 - 99,999 MCF/Yr	\$ 2.5519	\$ -							\$ -	\$ (0.0172)	\$ (0.0104)	\$ 2.5347	\$ 2.5243
100,000 - 199,999 MCF/Yr	\$ 2.4335	\$ -							\$ -	\$ (0.0164)	\$ (0.0099)	\$ 2.4171	\$ 2.4072
200,000 to 749,999 MCF/Yr	\$ 2.1937	\$ -							\$ -	\$ (0.0148)	\$ (0.0090)	\$ 2.1789	\$ 2.1699
750,000 to 1,999,999 MCF/Yr	\$ 1.9097	\$ -							\$ -	\$ (0.0129)	\$ (0.0078)	\$ 1.8968	\$ 1.8890
Over 2,000,000 MCF/Yr	\$ 1.4431	\$ -							\$ -	\$ (0.0097)	\$ (0.0059)	\$ 1.4334	\$ 1.4275
2/ Total per MCF												\$ 2.7923	\$ 2.7815
<b>Mainline Service (MLS)</b>													
Customer Charge													
Over 200,000 MCF/Yr	\$ 5,630.0000								\$ (37.8899)	\$ (22.9785)		\$ 5,592.1101	\$ 5,569.1316
1/ Capacity/BB&A					\$ -	\$ 0.1740						\$ 0.1740	\$ 0.1740
Delivery Charge													
Delivery Charge													
PNG transmission line	\$ 0.7430	\$ -							\$ (0.0050)	\$ (0.0030)		\$ 0.7380	\$ 0.7350
Interstate pipeline	\$ 0.4422	\$ -							\$ (0.0030)	\$ (0.0018)		\$ 0.4392	\$ 0.4374
Total per MCF												\$ 0.9120	\$ 0.9090

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/ The Rider TJCA Temporary Surcharge applies to former Peoples Gas Division customers.

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

5/ 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. 5  
CANCELLING PAGE NO. 5TABLE OF CONTENTS

List of Changes .....	2
Summary of Rates.....	3-4
Table of Contents .....	5
Definition of Terms .....	6-7
Classification of Customers .....	8-9
Rates Available Under This Tariff .....	10
Description of Territory .....	11-17
Rules and Regulations .....	18-39
Rate RS .....	40
Rate CAP .....	41-43
Rate E-CAP .....	44
Rate SGS .....	45-46
Rate MGS.....	47-48
Rate LGS.....	49-50
Rate GS-T .....	51-58
Rate GS-SB .....	59-60
Rate MLS.....	61-62
Rate NGPV .....	63
Rate Appalachian Gathering Service .....	64
Rate GL.....	65
Rate CER .....	66
Rider STAS .....	67
Rider Purchased Gas Cost.....	68-71
Rider Transition Cost Mechanism .....	72-73
Rider Supplier Choice .....	74
Rider Merchant Function Charge .....	75
Rider Universal Service .....	76
Rider Gas Procurement Charge .....	77
Rider Tax Repairs Surcredit .....	78
Rider Weather Normalization Adjustment .....	79-80
Rider DSIC .....	81-83
Rider TCJA – TCJA Surcharge .....	84

ISSUED: \_\_\_\_\_

EFFECTIVE: \_\_\_\_\_

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 33

CANCELLING PAGE NO. 33

**RULES AND REGULATIONS****18. PRIORITY OF SERVICE CURTAILMENT**

Upon issuance of an order to initiate priority-based curtailments, the available gas supplies to the Company shall be allocated among its customers in accordance with the priorities of use listed below. Customers in higher priority will not be curtailed until all customers falling into the lower classifications have been completely curtailed; where only partial curtailment of any one classification is required, the implementation of curtailment shall be prorated, to the extent possible under the circumstances, based upon recent consumption data. The ability to curtail a Priority-One customer is not affected by whether the customer pays for standby service under Rate GS-SB. Following are the priority categories and subcategories listed in descending order. Small commercial and industrial customers as described below are those customers that use less than 25,000 Mcf per year. Large commercial and industrial customers as described below are those customers that use 25,000 Mcf per year or more:

1. a. Residential.
1. b. Firm critical commercial essential human needs.
2. a. Firm small commercial requirements, excluding critical essential human needs requirements in category 1., firm large commercial and industrial requirements for plant protection, and operational facilities of electric distribution companies.
- 2.b. Firm small industrial requirements.
- 2.c. Firm large critical commercial and industrial requirements, excluding firm critical commercial essential human needs requirements in category 1 and excluding firm large commercial and industrial requirements for plant protection in category 2.
- 2.d. Firm large noncritical commercial and industrial requirements other than requirements for boiler fuel use.
- 2.e. Firm large noncritical commercial and industrial requirements for boiler fuel use.
- 2.f. Contractually interruptible use.

**19. SALES OF GAS FOR RESALE**

All gas sales to residential customers are to the ultimate purchaser and are not to be resold for profit.

**20. SERVICE AGREEMENT & FLEXIBLE RATES**

Service agreements for delivery services are not required unless the customer has negotiated a delivery rate less than the maximum rate. When a service agreement is required, an agreement for a minimum of one year must be executed by each Applicant as a condition to receiving delivery service, unless the Company agrees to a shorter term. The Service Agreement, when required, shall include but not be limited to: 1) the point(s) at which the Company will receive customer's gas; 2) the points at which the Company will deliver customer's gas to customer's facilities; 3) maximum daily volumes and annual delivery service volumes. Delivery of gas will not begin until a Service Agreement is fully executed. Specific components of a customer's rate may be lowered or waived if such an adjustment is required to meet competition from an alternative fuel source (including electricity), for economic development purposes, for service to new facilities, or for existing customers that install new technologies utilizing natural gas such as but not limited to: fuel cells, gas heat pumps and cooling, and Combined Heat and Power (CHP) project(s). Determination of eligibility for a flexible rate will be made by the Company and execution of a contract by the customer. When the discount is based on competition from an alternative fuel source, the customer will be required to certify the existence of the alternative fuel source. Electricity delivered by an electric distribution company shall constitute a competitive alternative. Prior to flexing distribution charges for distribution service customers, the Company may reduce charges that are for recovery of balancing charges, and/or the retainage percentage applied to the gas received on behalf of the distribution service customer. (C)

(C) – Indicates Change  
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 6.5 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. 58****CANCELLING PAGE NO. 58**

**RATE GS-T**  
**GENERAL SERVICE - TRANSPORTATION**

**SURCHARGES**

All applicable riders to this tariff.

**CURTAILMENT**

Service under this rate may be curtailed when gas supply shortages force the Company to invoke emergency curtailment provisions pursuant to Tariff Rule No. 17 because gas supply to Priority-One customers is threatened. Under this circumstance, the transportation customer must agree to sell its gas supply to the Company at either the customer's city gate price or at the Company's average gas cost contained in the prevailing 1307(f) rate applicable to that class of customer, whichever is greater, to be used to supply the needs of Priority-One customers.

**LIABILITY**

1. The Company shall not be liable for disruption of service under this rate or loss of gas of the customer as a result of any steps taken to comply with any law, regulation, or order of any governmental agency with jurisdiction to regulate, allocate, or control gas supplies or the rendition of service hereunder, and regardless of any defect in such law, regulation, or order.
2. Gas shall be and remain the property of the customer while transported and delivered by the Company. The customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.
3. The Company shall not be liable for any loss to the customer arising from or out of service under this rate, including loss of gas in the possession of the Company or any other cause, except upon gross negligence or willful misconduct of the Company's own employees or agents. The Company reserves the right to commingle gas of the customer with that of other suppliers and customers.
4. The Company will not be liable for disruption along upstream pipelines, or disruption caused by the Company's inability to physically receive the gas.
5. If service furnished pursuant to this rate is disrupted, the Company will notify the customer as soon as it is reasonably practicable. If delivery of volumes is disrupted for any of the above reasons, the Company shall not be liable for delivering said volumes at a later date.

**ARRANGEMENT OF INTERSTATE TRANSPORTATION**

At the request of a customer, other than an NGDC, the Company will act as its agent for arranging transportation of customer-owned gas by an interstate pipeline(s). The Company will bill the customer the applicable pipeline tariff rate(s) for any interstate transportation billed to the Company in its role as customer's agent for arranging interstate transportation.

**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	\$1.7860 (I)
SGS Capacity Charge per Mcf	\$1.7860 (I)
MGS Capacity Charge per Mcf	\$1.7860 (I)
LGS Capacity Charge per Mcf	\$1.7860 (I)

**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 NGSSs. However, such additional terms with respect to capacity assignment requirements shall be subject to review in the Company's annual Section 1307(f) proceeding.

(I) – Indicates increase.

**ISSUED: \_\_\_\_\_****EFFECTIVE: \_\_\_\_\_**

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 62

CANCELLING PAGE NO. 62

**RATE MLS**  
**MAINLINE SERVICE RATE**

**MINIMUM CHARGE**

The minimum charge shall be the Customer Charge. In the event of curtailment in the delivery of gas by the Company or complete or partial suspension of operation by the customer due to strikes, fires, floods, explosions or other similar casualties, the Customer Charge shall be reduced in direct proportion to the ratio which the number of days of curtailed service or complete or partial suspension of operation bears to the number of days in the billing period.

**STATE TAX ADJUSTMENT SURCHARGE**

The charges described in this rate schedule are subject to a State Tax Adjustment Surcharge as set forth in the tariff.

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**

Rate MLS is subject to a Distribution System Improvement Charge as specified within Rider DSIC of this Tariff.

**RIDER PGC**

The Pass-through Charge and Gas Supply Charge in this rate schedule include recovery of purchased gas costs pursuant to the Purchased Gas Cost Rider as set forth in this Tariff.

**RETAINAGE**

The retainage rate for MLS customers shall be the greater of the actual lost and unaccounted for gas percentage on the facilities used by each MLS customer (if available) or 1%. If the actual lost and unaccounted for gas percentage on the facilities used by each MLS customer is not available, the retainage rate shall be the Distribution UFG percentage per the most recently filed UFG report with the PA Public Utility Commission. **(C)**

**TERMS OF PAYMENT**

Bills for sales service will be rendered monthly and are due and payable upon presentation. All bills shall be paid on or before the final date of payment shown on the bill, which date shall not be less than twenty (20) days after presentation (date of postmark).

If the customer fails to pay the full amount of any bill, a delayed payment penalty charge of one and one half percent (1 1/2%) per billing cycle shall accrue on the portion of the bill that is unpaid on the due date.

**SPECIAL PROVISIONS APPLICABLE TO ALL MLS CUSTOMERS**

1. Customers desiring to transfer to or from this rate schedule must notify the Company in writing. Transfers to or from this rate schedule will be allowed only if:
  - a) the Company can obtain any increase or decrease in its gas supplies, pipeline capacity and storage capacity, or any combination thereof that is required to accommodate such change; or
  - b) the Company, in its sole judgment, concludes that no increase or decrease is required. The Company shall establish the date any transfer is to be effective.
2. Energy usage eligibility for this rate schedule shall be determined annually. In the event Customer's annual purchases are less than or equal to 500,000 mcf, the customer shall be transferred to either Rate LGS effective the immediately succeeding January billing cycle.
3. New customers or existing customers requesting a transfer to this Rate Schedule shall be permitted to take service under this Rate Schedule only if:
  - a) the Company can obtain an increase in its firm pipeline capacity with an interstate pipeline having delivery points on the Company's system where the customer's facility is located, that is required to accommodate such transfer; or
  - b) the Company, in its sole judgment, concludes that no increase in the Company's pipeline capacity under an interstate pipeline firm rate schedule or any successor rate schedule is required. The Company shall establish the date any transfer is to be effective.

**RULES AND REGULATIONS**

The Rules and Regulations Governing the Distribution and Sale of Gas of this Tariff, which are not inconsistent with the provisions of this rate schedule, shall govern, where applicable, the supply of distribution service under this rate schedule.

**WAIVER**

The Company reserves the right to waive the customer charge per meter for additional meters. An example of when this charge may be waived is if the Company determines that such meters have been installed principally and primarily for the Company's convenience and not due to the load characteristics of the customer.

**(C) – Indicates Change**

ISSUED: \_\_\_\_\_

EFFECTIVE: \_\_\_\_\_

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 68

CANCELLING PAGE NO. 68

**RIDER**  
**PURCHASED GAS COST (1307(f) RATES)**

**COMPUTATION OF PURCHASED GAS COSTS**

The purchased gas cost rates for Residential, Commercial, and Industrial Service customers shall be computed to the nearest one-hundredth cent (0.01¢) in accordance with the formula set forth below:

$$\text{Demand} = \frac{\text{DC} - \text{B} - \text{R} - \text{DOU}}{\text{S} + \text{P1AC} + \text{SBC}}$$

$$\text{Commodity} = \frac{\text{CC}}{\text{S} + \text{SBR}}$$

$$\text{Over/Under Collection} = \frac{\text{E}}{\text{S} + \text{SBR}}$$

(For definitions of "DC", "CC", "E", "S", "SBC", "SBR", "NP1", "P1AC", "R", "B", and "DOU" refer to Section below this rider).

The currently effective purchased gas cost rates are reflected on Tariff Pages 3 and 4.

ISSUED: \_\_\_\_\_

EFFECTIVE: \_\_\_\_\_

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 69

CANCELLING PAGE NO. 69

**RIDER**  
**PURCHASED GAS COST (1307(f) RATES)**

**DEFINITIONS**

"DC":	The projected demand or capacity cost of purchased gas.
"CC":	The projected commodity cost of purchased gas.
"DOU":	Experienced net overcollection or undercollection of the demand or capacity cost of purchased gas, including any interstate pipeline refunds of demand costs. Any changes in demand costs will be reflected in this calculation. <sup>1</sup>
"E":	Experienced net overcollection or undercollection of the commodity cost of purchased gas <sup>1</sup> .
"S":	Projected retail sales in Mcf during the application period.
"NP1":	Projected volumes in Mcf for NP-1 transportation customers and any customer served by a NP-1 Supplier.
"P1AC":	Projected volumes in Mcf for P-1 transportation customers who are assigned capacity.
"SBC":	Projected contracted standby volumes in Mcf by NP-1 transportation customers.
"SBR":	Projected retail commodity standby volumes in Mcf.
"R":	Shared (savings) or costs for demand charge recovery from the capacity-release program.
"B":	Balancing recovery.

"Projected" refers to the twelve-month period beginning with October 1 of the year that the calculation is made.

**ADJUSTMENT TO BASE RATES**

Whenever a change occurs in the calculation rates for collection of purchased gas costs, a corresponding change will occur in the base rates of applicable rate schedules.

**SUPPLIER REFUND**

Supplier refunds will be included in the calculation of current period gas costs and will be reflected in the month such refund is received by the Company. Interest beyond that included from the supplier is not applicable.

**FILING WITH THE COMMISSION**

The Company shall meet all the filing requirements set forth in the regulations implementing Section 1307(f) of the Public Utility Code.

**REPORTING REQUIREMENTS**

The Company shall file quarterly reports within thirty (30) days following the conclusion of each computation year quarter. These reports will be in such form as the Commission shall have prescribed.

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<sup>1</sup>Interest will be applied in accordance with the applicable law.

ISSUED: \_\_\_\_\_

EFFECTIVE: \_\_\_\_\_

**PEOPLES NATURAL GAS COMPANY LLC**

**PRO FORMA TO GAS—PA PUC NO. 48**

**REVISED PAGE NO. 70**

**CANCELLING PAGE NO. 70**

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**EFFECTIVE: \_\_\_\_\_**

**PEOPLES NATURAL GAS COMPANY LLC**

**PRO FORMA TO GAS—PA PUC NO. 48**

**\_\_\_\_\_ REVISED PAGE NO. 71**

**CANCELLING \_\_\_\_\_ PAGE NO. 71**

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**EFFECTIVE: \_\_\_\_\_**



PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 82

CANCELLING PAGE NO. 82

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

**2. Pre-tax return:** The pre-tax return shall be calculated using the statutory state and federal income tax rates, the Company's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day for the three-month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Company's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission in the most recent Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

**Application of DSIC:** The DSIC will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for distribution service under the Company's otherwise applicable rates and charges, excluding amounts billed for Rider State Tax Adjustment and Rider Purchased Gas Cost. To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by one-fourth of the Company's annual projected revenue for distribution service (including all applicable clauses and riders), exclusive of Rider State Tax Adjustment Surcharge and Rider Purchased Gas Cost.

**Formula:** The formula for calculation of the DSIC is as follows

$$\text{DSIC} = \frac{(\text{DSI} \times \text{PTRR}) + \text{STFT} + \text{Dep} + \text{S}}{\text{PQR}} + \frac{e}{\text{PQR}}$$

Where:

**DSI** = Original cost of eligible distribution system improvement projects net of accrued depreciation and associated accumulated deferred income taxes pertaining to property-related book/tax depreciation timing differences resulting from the use of accelerated depreciation per Internal Revenue Code, 26 U.S. Code § 168.

**PTRR** = Pre-tax return rate applicable to DSIC-eligible property.

**STFT** = (State Tax Flow Through) Pre-tax flow through calculated on book-tax timing differences between accelerated tax depreciation and book depreciation net of federal tax. **[NOTE: UTILITY MAY ELECT TO INCLUDE THE STFT IN THE PTRR COMPONENT.]**

**Dep** = Depreciation expense related to DSIC-eligible property.

**e** = Amount calculated under the annual reconciliation feature or Commission audit, as described below.

**S** = Synergy fees/(revenues); cost assessed (revenue received) for serving customers of another legal entity approved at G-2014-2448803.

**PQR** = Projected annual revenues for distribution service (excluding Rider State Tax Adjustment and Rider Purchased Gas Cost) from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period will be divided by four to arrive at a quarterly revenue figure.

**Quarterly Updates:** Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, Office of Small Business Advocate, and Commission's Bureau of Audits at least (10) days prior to the effective date of the update.

**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**

1307(f)-2025 ANNUAL GAS COST FILING

**ISSUED:** \_\_\_\_\_

**EFFECTIVE:** \_\_\_\_\_

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

### **NOTICE**

**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**

<b>Page</b>	<b>Page Description</b>	<b>Revision Description</b>
23	Rate P-1 – Assignment of Other Supplies	Language change from “shall” to “may”
26	Rate P-1 – Load Forecasting	Updated load forecasting schedule

**ISSUED:** \_\_\_\_\_

**EFFECTIVE:** \_\_\_\_\_

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. S-4

REVISED PAGE NO. 23

CANCELING PAGE NO. 23

**RATE P-1**  
**PRIORITY ONE POOLING SERVICE**

**1. Assignment of Capacity (continued)**

Consistent with FERC rules and regulations for capacity releases under state retail choice programs, upstream pipeline firm transportation capacity held by the Company shall be assigned to the NGS as agent for the Customers of the NGS's Priority-One Pool. The assignment shall be structured as a zero cost release of capacity provided, however, that the NGS should be responsible for paying all usage based pipeline charges. The term of the release shall be on a monthly basis, commencing with the first month in which the NGS rendered commodity service to the Customer to the earlier of the end of the seasonal period (Winter releases shall terminate March 31 and summer releases shall terminate October 31) or the termination date of the contract(s) between the Company and the upstream pipeline or the last month in which the NGS renders commodity service to the Customer on whose behalf the capacity had been assigned; provided however, the Company may in its discretion release such capacity on a monthly basis. The NGS must comply with all upstream pipeline requirements to become an eligible shipper on the upstream pipeline system. The NGS is responsible for paying all upstream pipeline variable charges incurred on the upstream pipeline.

The firm transportation capacity released pursuant to the previous section shall be recallable by the Company only under the following circumstances:

- a. the Customer on whose behalf the capacity has been assigned is no longer served by the NGS; or
- b. the NGS has failed to comply with the terms and conditions set forth herein.

Consistent with FERC rules and regulations for capacity releases under state retail choice programs, upstream pipeline storage capacity held by the Company shall be assigned to the NGS as agent for the Customers of the NGS's Priority-One Pool. The assignment shall be structured as a release of capacity at zero cost and may be subject to conditions of release (including, but not limited to, injection and withdrawal rights) that differ from the applicable upstream pipeline storage service. The release shall terminate at the end of the then-current storage season pursuant to the applicable upstream pipeline rate schedule terms and conditions; provided, however, the Company may in its discretion release such capacity on a monthly basis.

Capacity released pursuant to this section shall be recallable by the Company only upon failure of the NGS to comply with the terms and conditions set forth herein or in connection with a buyback of gas by the Company as set forth in paragraph 2 of this rate schedule.

**Assignment of Other Supplies**

The Company reserves the right to assign or sell other gas supplies that are under contract with the Company and used to satisfy its Supplier of last resort obligation to Priority-One Customers. To the extent that a Priority-One Supplier receives an assignment of the Company's capacity it holds on the Equitrans System, the Company may provide Priority-One suppliers with an option to purchase (C) from the Company a pro-rata share of the firm gas supplies available to the Company under its gas supply agreement with EQT Energy, LLC. Such purchase shall also occur if the Company determines that, as a result of the Priority One Customer's migration from supply service provided by the Company to supply service provided by P-1 NGSs, the amount of gas supplies under long term firm purchase contracts are in excess of the usage requirements of Supplier of last resort Customers currently served by the Company.

(C)- Indicates Change

ISSUED: \_\_\_\_\_

EFFECTIVE: \_\_\_\_\_

PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. S-4

REVISED PAGE NO. 26

CANCELING \_\_\_\_\_ PAGE NO. 26

**RATE P-1**  
**PRIORITY ONE POOLING SERVICE**

**3. Storage Gas Transfers (Cont.)**

To the extent this provision is invoked and the NGS's storage gas in inventory is below the minimum inventory levels required by these procedures and the Company is required to purchase additional gas supplies on the open market, the NGS agrees to pay the Company an amount equal to the deficiency in volumes from the required inventory levels multiplied by the difference between the price the Company paid and the buyback rate.

**4. Load Forecasting**

The Company will provide the Pool Operator with a daily projection of the amount of gas to be delivered to the Company to satisfy the estimated daily consumption of all the Customers in the pool (Aggregate Daily Consumption Volume) at least two days in advance of when Pool Operators must deliver volumes to the Company. The Company may issue OFOs consistent with the terms of the Company's tariff and, as a result, may provide the Pool Operator with daily projections less than two days in advance.

In a format suitable to the Company, the Pool Operator will provide sufficient information about the Priority-One transportation Customers, whose natural gas requirements shall be supplied by the Pool, for the Company to identify them in the Company's billing system. In the event that those Customers shall vary during the term of the Priority One Agreement, Pool Operator shall provide an updated list of Customers to the Company as soon as reasonably possible.

Each of the Customers of Pool Operator's Priority-One Pool must have all of their natural gas consumption over the entire Customer Billing Cycle supplied by Priority-One Pool volumes nominated by Pool Operator. Seven business days prior to the first nomination period, the Company shall provide Pool Operator an initial listing of the end-use Customer accounts to be served by the Pool Operator's Priority-One Pool during the period to which the nominations apply and one week prior to the nomination period for each subsequent month, a listing with additions and deletions from the initial list.

Each Monday through Friday before 10:00 a.m., the Company will provide a projection of the Aggregate Daily Consumption Volume of the Customers of the Pool Operator's Priority-One Pool for the current and subsequent two days. During periods in which no Operational Flow Orders have been issued, the Company will use the following schedule to establish the Aggregate Daily Consumption Volume for which the Pool Operator will be held accountable:

<u>The Projection Provided On:</u>	<u>Will Be Used to Establish the Aggregate Daily Consumption Volume Accountability for the Following:</u>
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday
Thursday	Saturday, Sunday, and Monday (C)
Friday	Tuesday (C)

- a. During periods in which an OFO is in effect, the Company shall establish the Aggregate Daily Consumption Volume no later than 10:00 a.m. of the same Day; or
- b. During periods when the mean average temperature is projected to be below 20 degrees Fahrenheit and the mean average temperature projection changes to be colder by at least 4 degrees Fahrenheit, the Company may establish the Aggregate Daily Consumption Volume for a particular day by giving 24 hour notice to the Pool Operator.

**(C)- Indicates Change****ISSUED:** \_\_\_\_\_**EFFECTIVE:** \_\_\_\_\_

**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)-2025 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

REVISED PAGE NO. 2

CANCELLING PAGE NO. 2

LIST OF CHANGES

<u>RATE CHANGES</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase/ (Decrease)</u>
<b><u>Rate GS-SB</u></b>			
Rate RS, SGS, MGS, LGS	\$1.2446	\$1.7860	\$0.5414
<b><u>Rider PGC</u></b>			
<b><u>Rate RS, SGS, MGS, LGS, NGPV</u></b>			
Capacity Charge	\$1.2446	\$1.7860	\$0.5414
Gas Cost Adjustment Charge	(\$0.0358)	\$0.5208	\$0.5566
Natural Gas Supply Charge	\$3.5884	\$4.1439	\$0.5555
<b><u>Rider MFC – Merchant Function Charge</u></b>			
RS	\$0.1055	\$0.1419	\$0.0364
SGS, MGS, LGS	\$0.0159	\$0.0214	\$0.0055
RS-T	\$0.0274	\$0.0393	\$0.0119
<b><u>Balancing Charges</u></b>			
SGS, MGS	\$0.4199	\$0.8300	\$0.4101
LGS	\$0.1048	\$0.1740	\$0.0692
<b><u>Retainage Charges</u></b>	5.8%	6.5%	0.7%

OTHER CHANGES

Page	Page Description	Revision Description
5	Table of Contents	Removed AVC language
33	Rules and Regulations	Removed AVC language
58	Rate GS-T	Removed AVC language
62	Rate MLS – Mainline Service	Retainage language added
68/69	Rider Purchased Gas Costs	Removed AVC language. Added Supplier Refund Language.
70/71	Rider AVC Capacity Charge	Removed pages
82	DSIC	Removed AVC language.

ISSUED: \_\_\_\_\_

EFFECTIVE: \_\_\_\_\_

Rider Purchased Gas Costs				Base Rate	Rider	Rider	Rider Supplier	Rider	Rider	Rider	Rider	Former Peoples	Former Peoples	Former Peoples
Capacity	AVC Capacity	GCA	Commodity	Charges	STAS	MFC	Choice	USR	GPC	DSIC Charge	TRS	Gas Customers	Customers	Customers
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	RIDER TCJA 3/	(13)	(14=SUM 1 to 12)
					0.00%					0.00%	-0.6730%	-0.4081%		(15=SUM 1 to 13)
<b>Residential Sales</b>														
Customer Charge				\$ 16.80			\$ 0.0080			\$ -	\$ (0.1131)	\$ (0.0686)	\$ 16.6949	\$ 16.6264
Capacity				\$ 1.7860			\$ 0.0393						\$ 1.8253	\$ 1.8253
Price to Compare - PTC				\$ 0.5208		\$ 4.1439	\$ 0.1026		\$ 0.0865				\$ 4.8538	\$ 4.8538
Delivery Charge				\$ 5.3537				\$ 0.8571		\$ -	\$ (0.0360)	\$ (0.0219)	\$ 6.1748	\$ 6.1529
State Tax Surcharge					\$ -								\$ -	\$ -
Total per MCF							\$ 0.1419						\$ 12.8539	\$ 12.8320
<b>Small General Service (SGS)</b>														
Customer Charge														
0 to 499 MCF/Yr				\$ 22.00			\$ 0.0080			\$ -	\$ (0.1481)	\$ (0.0898)	\$ 21.8599	\$ 21.7701
500 to 999 MCF/Yr				\$ 44.00			\$ 0.0080			\$ -	\$ (0.2961)	\$ (0.1796)	\$ 43.7119	\$ 43.5323
1/ Capacity				\$ 0.8300									\$ 0.8300	\$ 0.8300
Price to Compare - PTC				\$ 0.9560		\$ 0.5208	\$ 4.1439	\$ 0.0214		\$ 0.0865			\$ 5.7286	\$ 5.7286
Delivery Charge				\$ 3.9844						\$ -	\$ (0.0268)	\$ (0.0163)	\$ 3.9576	\$ 3.9413
State Tax Surcharge					\$ -								\$ -	\$ -
Total per MCF				\$ 1.7860									\$ 10.5162	\$ 10.4999
<b>Medium General Service (MGS)</b>														
Customer Charge														
1,000 to 2,499 MCF/Yr				\$ 101.00						\$ -	\$ (0.6797)	\$ (0.4122)	\$ 100.3203	\$ 99.9080
2,500 to 24,999 MCF/Yr				\$ 145.00						\$ -	\$ (0.9759)	\$ (0.5918)	\$ 144.0242	\$ 143.4323
1/ Capacity				\$ 0.8300									\$ 0.8300	\$ 0.8300
Price to Compare - PTC				\$ 0.9560		\$ 0.5208	\$ 4.1439	\$ 0.0214		\$ 0.0865			\$ 5.7286	\$ 5.7286
Delivery Charge				\$ 3.6941						\$ -	\$ (0.0249)	\$ (0.0151)	\$ 3.6692	\$ 3.6541
State Tax Surcharge					\$ -								\$ -	\$ -
Total per MCF				\$ 1.7860									\$ 10.2278	\$ 10.2127
<b>Large General Service (LGS)</b>														
Customer Charge														
25,000 to 49,999 MCF/Yr				\$ 940.00						\$ -	\$ (6.3262)	\$ (3.8366)	\$ 933.6738	\$ 929.8372
50,000 to 99,999 MCF/Yr				\$ 1,465.00						\$ -	\$ (9.8595)	\$ (5.9793)	\$ 1,455.1406	\$ 1,449.1612
100,000 to 199,999 MCF/Yr				\$ 2,130.00						\$ -	\$ (14.3349)	\$ (8.6935)	\$ 2,115.6651	\$ 2,106.9716
Over 200,000 MCF/Yr				\$ 5,630.00						\$ -	\$ (37.8899)	\$ (22.9785)	\$ 5,592.1101	\$ 5,569.1316
1/ Capacity				\$ 0.1740									\$ 0.1740	\$ 0.1740
Price to Compare - PTC				\$ 1.6120		\$ 0.5208	\$ 4.1439	\$ 0.0214		\$ 0.0865			\$ 6.3846	\$ 6.3846
Delivery Charge														
25,000 - 49,999 MCF/Yr				\$ 2.6360	\$ -					\$ -	\$ (0.0177)	\$ (0.0108)	\$ 2.6183	\$ 2.6075
50,000 - 99,999 MCF/Yr				\$ 2.5519	\$ -					\$ -	\$ (0.0172)	\$ (0.0104)	\$ 2.5347	\$ 2.5243
100,000 - 199,999 MCF/Yr				\$ 2.4335	\$ -					\$ -	\$ (0.0164)	\$ (0.0099)	\$ 2.4171	\$ 2.4072
200,000 to 749,999 MCF/Yr				\$ 2.1937	\$ -					\$ -	\$ (0.0148)	\$ (0.0090)	\$ 2.1789	\$ 2.1699
750,000 to 1,999,999 MCF/Yr				\$ 1.9097	\$ -					\$ -	\$ (0.0129)	\$ (0.0078)	\$ 1.8968	\$ 1.8890
Over 2,000,000 MCF/Yr				\$ 1.4431	\$ -					\$ -	\$ (0.0097)	\$ (0.0059)	\$ 1.4334	\$ 1.4275
2/ Total per MCF				\$ 1.7860									\$ 9.1769	\$ 9.1661
<b>Mainline Service (MLS)</b>														
Customer Charge														
Over 200,000 MCF/Yr				\$ 5,630.00						\$ (37.8899)	\$ (22.9785)	\$ 5,592.1101	\$ 5,569.1316	
1/ Capacity				\$ 0.1740									\$ 0.1740	\$ 0.1740
Price to Compare - PTC				\$ 1.6120		\$ 0.5208	\$ 4.1439	\$ 0.0214		\$ 0.0865			\$ 6.3846	\$ 6.3846
Delivery Charge														
PNG transmission line				\$ 0.7430						\$ (0.0050)	\$ (0.0030)	\$ 0.7380	\$ 0.7350	
Interstate pipeline				\$ 0.4422						\$ (0.0030)	\$ (0.0018)	\$ 0.4392	\$ 0.4374	
Total per MCF													\$ 7.2966	\$ 7.2936

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/ The Rider TJCA Temporary Surcharge applies to former Peoples Gas Division customers.

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

5/ 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.



## PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 4

CANCELLING REVISED PAGE NO. 4

Former Peoples Gas Customers

Former Peoples Gas Customers

	Base Rate Charges	Rider STAS	Rider MFC	Rider USR	Rider Purchased Gas Costs		Balancing Charge	Rider Supplier Choice	Rider DSIC Charge	Rider TRS	Former Peoples Gas Customers RIDER TCJA 3/	Natural Gas Total Rate	Former Peoples Gas Customers Total Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12=SUM 1 to 10)	(13=SUM 1 to 11)
<b>Rate GS-T Residential</b>		0.00%							0.00%	-0.6730%	-0.4081%		
Customer Charge	\$ 16.8000							\$ 0.0080	\$ -	\$ (0.1131)	\$ (0.0686)	\$ 16.6949	\$ 16.6264
Capacity			\$ 0.0393		\$ 1.7860	\$ -						\$ 1.8253	\$ 1.8253
Delivery Charge	\$ 5.3537			\$ 0.8571					\$ -	\$ (0.0360)	\$ (0.0219)	\$ 6.1748	\$ 6.1529
State Tax Surcharge		\$ -										\$ -	\$ -
Total per MCF												\$ 8.0001	\$ 7.9782
<b>Rate GS-Transportation SGS</b>													
Customer Charge													
0 to 499 MCF/Yr	\$ 22.0000							\$ 0.0080	\$ -	\$ (0.1481)	\$ (0.0898)	\$ 21.8599	\$ 21.7701
500 to 999 MCF/Yr	\$ 44.0000							\$ 0.0080	\$ -	\$ (0.2961)	\$ (0.1796)	\$ 43.7119	\$ 43.5323
1/ Capacity/BB&A					\$ -	\$ 0.8300						\$ 0.8300	\$ 0.8300
Delivery Charge	\$ 3.9844								\$ -	\$ (0.0268)	\$ (0.0163)	\$ 3.9576	\$ 3.9413
State Tax Surcharge		\$ -										\$ -	\$ -
Total per MCF												\$ 4.7876	\$ 4.7713
<b>Rate GS-Transportation MGS</b>													
Customer Charge													
1,000 to 2,499 MCF/Yr	\$ 101.0000								\$ -	\$ (0.6797)	\$ (0.4122)	\$ 100.3203	\$ 99.9080
2,500 to 24,999 MCF/Yr	\$ 145.0000								\$ -	\$ (0.9759)	\$ (0.5918)	\$ 144.0242	\$ 143.4323
1/ Capacity/BB&A					\$ -	\$ 0.8300						\$ 0.8300	\$ 0.8300
Delivery Charge	\$ 3.6941								\$ -	\$ (0.0249)	\$ (0.0151)	\$ 3.6692	\$ 3.6541
State Tax Surcharge		\$ -										\$ -	\$ -
Total per MCF												\$ 4.4992	\$ 4.4841
<b>Rate GS-Transportation LGS</b>													
Customer Charge													
25,000 to 49,999 MCF/Yr	\$ 940.0000								\$ -	\$ (6.3262)	\$ (3.8366)	\$ 933.6738	\$ 929.8372
50,000 to 99,999 MCF/Yr	\$ 1,465.0000								\$ -	\$ (9.8595)	\$ (5.9793)	\$ 1,455.1406	\$ 1,449.1612
100,000 to 199,999 MCF/Yr	\$ 2,130.0000								\$ -	\$ (14.3349)	\$ (8.6935)	\$ 2,115.6651	\$ 2,106.9716
Over 200,000 MCF/Yr	\$ 5,630.0000								\$ -	\$ (37.8899)	\$ (22.9785)	\$ 5,592.1101	\$ 5,569.1316
1/ Capacity/BB&A					\$ -	\$ 0.1740						\$ 0.1740	\$ 0.1740
Delivery Charge													
25,000 - 49,999 MCF/Yr	\$ 2.6360	\$ -							\$ -	\$ (0.0177)	\$ (0.0108)	\$ 2.6183	\$ 2.6075
50,000 - 99,999 MCF/Yr	\$ 2.5519	\$ -							\$ -	\$ (0.0172)	\$ (0.0104)	\$ 2.5347	\$ 2.5243
100,000 - 199,999 MCF/Yr	\$ 2.4335	\$ -							\$ -	\$ (0.0164)	\$ (0.0099)	\$ 2.4171	\$ 2.4072
200,000 to 749,999 MCF/Yr	\$ 2.1937	\$ -							\$ -	\$ (0.0148)	\$ (0.0090)	\$ 2.1789	\$ 2.1699
750,000 to 1,999,999 MCF/Yr	\$ 1.9097	\$ -							\$ -	\$ (0.0129)	\$ (0.0078)	\$ 1.8968	\$ 1.8890
Over 2,000,000 MCF/Yr	\$ 1.4431	\$ -							\$ -	\$ (0.0097)	\$ (0.0059)	\$ 1.4334	\$ 1.4275
2/ Total per MCF												\$ 2.7923	\$ 2.7815
<b>Mainline Service (MLS)</b>													
Customer Charge													
Over 200,000 MCF/Yr	\$ 5,630.0000									\$ (37.8899)	\$ (22.9785)	\$ 5,592.1101	\$ 5,569.1316
1/ Capacity/BB&A					\$ -	\$ 0.1740						\$ 0.1740	\$ 0.1740
Delivery Charge													
Delivery Charge													
PNG transmission line	\$ 0.7430	\$ -								\$ (0.0050)	\$ (0.0030)	\$ 0.7380	\$ 0.7350
Interstate pipeline	\$ 0.4422	\$ -								\$ (0.0030)	\$ (0.0018)	\$ 0.4392	\$ 0.4374
Total per MCF												\$ 0.9120	\$ 0.9090

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/ The Rider TJCA Temporary Surcharge applies to former Peoples Gas Division customers.

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

5/ 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. 5****CANCELLING PAGE NO. 5****TABLE OF CONTENTS**

List of Changes .....	2
Summary of Rates.....	3-4
Table of Contents .....	5
Definition of Terms .....	6-7
Classification of Customers .....	8-9
Rates Available Under This Tariff .....	10
Description of Territory .....	11-17
Rules and Regulations .....	18-39
Rate RS .....	40
Rate CAP .....	41-43
Rate E-CAP .....	44
Rate SGS .....	45-46
Rate MGS.....	47-48
Rate LGS.....	49-50
Rate GS-T .....	51-58
Rate GS-SB .....	59-60
Rate MLS.....	61-62
Rate NGPV .....	63
Rate Appalachian Gathering Service .....	64
Rate GL.....	65
Rate CER .....	66
Rider STAS .....	67
Rider Purchased Gas Cost <del>and Rider AVC Capacity Charge</del> .....	68-71
Rider Transition Cost Mechanism .....	72-73
Rider Supplier Choice .....	74
Rider Merchant Function Charge .....	75
Rider Universal Service .....	76
Rider Gas Procurement Charge .....	77
Rider Tax Repairs Surcredit .....	78
Rider Weather Normalization Adjustment .....	79-80
Rider DSIC .....	81-83
Rider TCJA – TCJA Surcharge .....	84

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PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 33

CANCELLING PAGE NO. 33

**RULES AND REGULATIONS****18. PRIORITY OF SERVICE CURTAILMENT**

Upon issuance of an order to initiate priority-based curtailments, the available gas supplies to the Company shall be allocated among its customers in accordance with the priorities of use listed below. Customers in higher priority will not be curtailed until all customers falling into the lower classifications have been completely curtailed; where only partial curtailment of any one classification is required, the implementation of curtailment shall be prorated, to the extent possible under the circumstances, based upon recent consumption data. The ability to curtail a Priority-One customer is not affected by whether the customer pays for standby service under Rate GS-SB. Following are the priority categories and subcategories listed in descending order. Small commercial and industrial customers as described below are those customers that use less than 25,000 Mcf per year. Large commercial and industrial customers as described below are those customers that use 25,000 Mcf per year or more:

1. a. Residential.
1. b. Firm critical commercial essential human needs.
2. a. Firm small commercial requirements, excluding critical essential human needs requirements in category 1., firm large commercial and industrial requirements for plant protection, and operational facilities of electric distribution companies.
- 2.b. Firm small industrial requirements.
- 2.c. Firm large critical commercial and industrial requirements, excluding firm critical commercial essential human needs requirements in category 1 and excluding firm large commercial and industrial requirements for plant protection in category 2.
- 2.d. Firm large noncritical commercial and industrial requirements other than requirements for boiler fuel use.
- 2.e. Firm large noncritical commercial and industrial requirements for boiler fuel use.
- 2.f. Contractually interruptible use.

**19. SALES OF GAS FOR RESALE**

All gas sales to residential customers are to the ultimate purchaser and are not to be resold for profit.

**20. SERVICE AGREEMENT & FLEXIBLE RATES**

Service agreements for delivery services are not required unless the customer has negotiated a delivery rate less than the maximum rate. When a service agreement is required, an agreement for a minimum of one year must be executed by each Applicant as a condition to receiving delivery service, unless the Company agrees to a shorter term. The Service Agreement, when required, shall include but not be limited to: 1) the point(s) at which the Company will receive customer's gas; 2) the points at which the Company will deliver customer's gas to customer's facilities; 3) maximum daily volumes and annual delivery service volumes. Delivery of gas will not begin until a Service Agreement is fully executed. Specific components of a customer's rate may be lowered or waived if such an adjustment is required to meet competition from an alternative fuel source (including electricity), for economic development purposes, for service to new facilities, or for existing customers that install new technologies utilizing natural gas such as but not limited to: fuel cells, gas heat pumps and cooling, and Combined Heat and Power (CHP) project(s). Determination of eligibility for a flexible rate will be made by the Company and execution of a contract by the customer. When the discount is based on competition from an alternative fuel source, the customer will be required to certify the existence of the alternative fuel source. Electricity delivered by an electric distribution company shall constitute a competitive alternative. Prior to flexing distribution charges for distribution service customers, the Company may reduce charges that are for recovery of balancing charges, ~~AVG-capacity-charges~~ and/or the retainage percentage applied to the gas received on behalf of the distribution service customer. (C)

(C) – Indicates Change

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 6.5 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. 58****CANCELLING PAGE NO. 58****RATE GS-T  
GENERAL SERVICE - TRANSPORTATION****SURCHARGES**

All applicable riders to this tariff.

**CURTAILMENT**

Service under this rate may be curtailed when gas supply shortages force the Company to invoke emergency curtailment provisions pursuant to Tariff Rule No. 17 because gas supply to Priority-One customers is threatened. Under this circumstance, the transportation customer must agree to sell its gas supply to the Company at either the customer's city gate price or at the Company's average gas cost contained in the prevailing 1307(f) rate applicable to that class of customer, whichever is greater, to be used to supply the needs of Priority-One customers.

**LIABILITY**

1. The Company shall not be liable for disruption of service under this rate or loss of gas of the customer as a result of any steps taken to comply with any law, regulation, or order of any governmental agency with jurisdiction to regulate, allocate, or control gas supplies or the rendition of service hereunder, and regardless of any defect in such law, regulation, or order.
2. Gas shall be and remain the property of the customer while transported and delivered by the Company. The customer shall be responsible for maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.
3. The Company shall not be liable for any loss to the customer arising from or out of service under this rate, including loss of gas in the possession of the Company or any other cause, except upon gross negligence or willful misconduct of the Company's own employees or agents. The Company reserves the right to commingle gas of the customer with that of other suppliers and customers.
4. The Company will not be liable for disruption along upstream pipelines, or disruption caused by the Company's inability to physically receive the gas.
5. If service furnished pursuant to this rate is disrupted, the Company will notify the customer as soon as it is reasonably practicable. If delivery of volumes is disrupted for any of the above reasons, the Company shall not be liable for delivering said volumes at a later date.

**ARRANGEMENT OF INTERSTATE TRANSPORTATION**

At the request of a customer, other than an NGDC, the Company will act as its agent for arranging transportation of customer-owned gas by an interstate pipeline(s). The Company will bill the customer the applicable pipeline tariff rate(s) for any interstate transportation billed to the Company in its role as customer's agent for arranging interstate transportation.

**ACCESS TO STORAGE SERVICE**

~~The Company shall provide Non-Priority One customers and suppliers with access to storage capacity held by the Company on the Allegheny Valley Connector ("AVC") system, an interstate pipeline system subject to the regulation of the FERC, that was previously provided under Rate ST and ST-SW. Non-Priority One customers and suppliers shall have the annual option to accept all or a portion of such access to storage capacity offered by the Company. Unless Company and customer agree otherwise, Company shall not release more than 1/12<sup>th</sup> of the customer's annual usage. Company's release of such capacity shall, in all respects, be in accordance with the FERC Gas Tariff governing service on the AVC system and the applicable rules and regulations of FERC regarding the release of capacity, including FERC's posting and bidding requirements. The Non-Priority One customer or supplier is responsible for paying the pipeline for the capacity assigned under these provisions, which payments shall include all applicable surcharges for service on the AVC system. The Company shall not reimburse the Non-Priority One customer or supplier for these pipeline capacity charges.~~

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PEOPLES NATURAL GAS COMPANY LLCEFFECTIVE: \_\_\_\_\_  
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	\$1.7860 (I)
SGS Capacity Charge per Mcf	\$1.7860 (I)
MGS Capacity Charge per Mcf	\$1.7860 (I)
LGS Capacity Charge per Mcf	\$1.7860 (I)

**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 NGSSs. However, such additional terms with respect to capacity assignment requirements shall be subject to review in the Company's annual Section 1307(f) proceeding.

(I) – Indicates increase.

ISSUED: \_\_\_\_\_

EFFECTIVE: \_\_\_\_\_

**ISSUED: September 26, 2024**  
**PEOPLES NATURAL GAS COMPANY LLC**

**EFFECTIVE: September 27, 2024**  
**PRO FORMA TO GAS—PA PUC NO. 48**  
**REVISED PAGE NO. 62**  
**CANCELLING PAGE NO. 62**

**RATE MLS**  
**MAINLINE SERVICE RATE**

**MINIMUM CHARGE**

The minimum charge shall be the Customer Charge. In the event of curtailment in the delivery of gas by the Company or complete or partial suspension of operation by the customer due to strikes, fires, floods, explosions or other similar casualties, the Customer Charge shall be reduced in direct proportion to the ratio which the number of days of curtailed service or complete or partial suspension of operation bears to the number of days in the billing period.

**STATE TAX ADJUSTMENT SURCHARGE**

The charges described in this rate schedule are subject to a State Tax Adjustment Surcharge as set forth in the tariff.

**DISTRIBUTION SYSTEM IMPROVEMENT CHARGE**

Rate MLS is subject to a Distribution System Improvement Charge as specified within Rider DSIC of this Tariff.

**RIDER PGC**

The Pass-through Charge and Gas Supply Charge in this rate schedule include recovery of purchased gas costs pursuant to the Purchased Gas Cost Rider as set forth in this Tariff.

**RETAINAGE**

The retainage rate for MLS customers shall be the greater of the actual lost and unaccounted for gas percentage on the facilities used by each MLS customer (if available) or 1%. If the actual lost and unaccounted for gas percentage on the facilities used by each MLS customer is not available, the retainage rate shall be the Distribution UFG percentage per the most recently filed UFG report with the PA Public Utility Commission. (C)

**TERMS OF PAYMENT**

Bills for sales service will be rendered monthly and are due and payable upon presentation. All bills shall be paid on or before the final date of payment shown on the bill, which date shall not be less than twenty (20) days after presentation (date of postmark).

If the customer fails to pay the full amount of any bill, a delayed payment penalty charge of one and one half percent (1 1/2%) per billing cycle shall accrue on the portion of the bill that is unpaid on the due date.

**SPECIAL PROVISIONS APPLICABLE TO ALL MLS CUSTOMERS**

1. Customers desiring to transfer to or from this rate schedule must notify the Company in writing. Transfers to or from this rate schedule will be allowed only if:
  - a) the Company can obtain any increase or decrease in its gas supplies, pipeline capacity and storage capacity, or any combination thereof that is required to accommodate such change; or
  - b) the Company, in its sole judgment, concludes that no increase or decrease is required. The Company shall establish the date any transfer is to be effective.
2. Energy usage eligibility for this rate schedule shall be determined annually. In the event Customer's annual purchases are less than or equal to 500,000 mcf, the customer shall be transferred to either Rate LGS effective the immediately succeeding January billing cycle.
3. New customers or existing customers requesting a transfer to this Rate Schedule shall be permitted to take service under this Rate Schedule only if:
  - a) the Company can obtain an increase in its firm pipeline capacity with an interstate pipeline having delivery points on the Company's system where the customer's facility is located, that is required to accommodate such transfer; or
  - b) the Company, in its sole judgment, concludes that no increase in the Company's pipeline capacity under an interstate pipeline firm rate schedule or any successor rate schedule is required. The Company shall establish the date any transfer is to be effective.

**RULES AND REGULATIONS**

The Rules and Regulations Governing the Distribution and Sale of Gas of this Tariff, which are not inconsistent with the provisions of this rate schedule, shall govern, where applicable, the supply of distribution service under this rate schedule.

**WAIVER**

The Company reserves the right to waive the customer charge per meter for additional meters. An example of when this charge may be waived is if the Company determines that such meters have been installed principally and primarily for the Company's convenience and not due to the load characteristics of the customer.

**(C) – Indicates Change**

ISSUED: September 26, 2024  
PEOPLES NATURAL GAS COMPANY LLC

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PRO FORMA TO GAS—PA PUC NO. 48  
REVISÉD PAGE NO. 68  
CANCELLING \_\_\_\_\_ PAGE NO. 68

**RIDER**  
**PURCHASED GAS COST (1307(f) RATES)**

**COMPUTATION OF PURCHASED GAS COSTS**

The purchased gas cost rates for Residential, Commercial, and Industrial Service customers shall be computed to the nearest one-hundredth cent (0.01¢) in accordance with the formula set forth below:

$$\text{Demand} = \frac{\text{DC} - \text{B} - \text{R} - \text{DOU}}{\text{S} + \text{P1AC} + \text{SBC}}$$

$$\text{Commodity} = \frac{\text{CC}}{\text{S} + \text{SBR}}$$

$$\text{Over/Under Collection} = \frac{\text{E}}{\text{S} + \text{SBR}}$$

~~$$\text{AVC Capacity 1/} = \frac{\text{AVC} - \text{AVCOU}}{\text{S} + \text{P1AC} + \text{NP1}}$$~~

(For definitions of "DC", "CC", "E", "S", "~~AVC~~", "~~AVCOU~~", "SBC", "SBR", "NP1", "P1AC", "R", "B", and "DOU" refer to Section below this rider).

The currently effective purchased gas cost rates are reflected on Tariff Pages 3 and 4.

~~1/ The AVC Capacity Charge will be subject to adjustment through the ongoing 1307(f) mechanism as a result of a modernization and compliance tracker for system improvements on the AVC system.~~



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PRO FORMA TO GAS—PA PUC NO. 48  
\_\_\_\_\_  
REVISED PAGE NO. 69  
CANCELLING \_\_\_\_\_ PAGE NO. 69

**RIDER**  
**PURCHASED GAS COST (1307(f) RATES)**

**DEFINITIONS**

~~"AVC": The projected capacity costs associated with the Allegheny Valley Connector Interstate Pipeline System.~~

~~"AVCOU": Experienced net overcollection or undercollection of the AVC Capacity costs.~~

"DC": The projected demand or capacity cost of purchased gas ~~(excluding AVC Capacity Charges.~~

"CC": The projected commodity cost of purchased gas.

"DOU": Experienced net overcollection or undercollection of the demand or capacity cost ~~(excluding the AVC Capacity Charges)~~ of purchased gas, including any interstate pipeline refunds of demand costs. Any changes in demand costs will be reflected in this calculation.<sup>1</sup>

"E": Experienced net overcollection or undercollection of the commodity cost of purchased gas<sup>1</sup>.

"S": Projected retail sales in Mcf during the application period.

"NP1": Projected volumes in Mcf for NP-1 transportation customers and any customer served by a NP-1 Supplier.

"P1AC": Projected volumes in Mcf for P-1 transportation customers who are assigned capacity.

"SBC": Projected contracted standby volumes in Mcf by NP-1 transportation customers.

"SBR": Projected retail commodity standby volumes in Mcf.

"R": Shared (savings) or costs for demand charge recovery from the capacity-release program.

"B": Balancing recovery.

"Projected" refers to the twelve-month period beginning with October 1 of the year that the calculation is made.

**ADJUSTMENT TO BASE RATES**

Whenever a change occurs in the calculation rates for collection of purchased gas costs, a corresponding change will occur in the base rates of applicable rate schedules.

#### SUPPLIER REFUND

Supplier refunds will be included in the calculation of current period gas costs and will be reflected in the month such refund is received by the Company. Interest beyond that included from the supplier is not applicable.

#### FILING WITH THE COMMISSION

The Company shall meet all the filing requirements set forth in the regulations implementing Section 1307(f) of the Public Utility Code.

#### REPORTING REQUIREMENTS

The Company shall file quarterly reports within thirty (30) days following the conclusion of each computation year quarter. These reports will be in such form as the Commission shall have prescribed.

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Interest will be applied in accordance with the applicable law.

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PRO FORMA TO GAS—PA PUC NO. 48  
\_\_\_\_\_  
REVISED PAGE NO. 70  
CANCELLING \_\_\_\_\_ PAGE NO. 70

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**RIDER**  
**AVC CAPACITY CHARGE**

~~The AVC Capacity Charge is applicable to all customers with the exceptions defined below under Discounted Rate Customers and relates to the recovery of capacity costs incurred by the Company for firm transportation and storage service provided on the Allegheny Valley Connector ("AVC") System. The AVC system represents certain transmission and storage assets formerly owned and operated by the Company that are necessary to provide services by the Company to its customers.~~

~~The AVC Capacity Charge shall recover fixed demand charges and applicable surcharges assessed to the Company under the FERC Gas Tariff for firm transportation and storage services on the AVC System. The AVC Capacity Charge shall be adjusted to reflect ongoing changes in charges assessed to the Company. The AVC Capacity Charge shall not recover fixed demand charges related to storage capacity on the AVC system that is released to and paid for by Non-Priority One customers or suppliers. Applicable volumetric and fuel charges for service on the AVC System shall not be recovered through the AVC charge and such charges shall be paid for by the shipper utilizing the AVC capacity.~~

**RATES**

~~Refer to Tariff Page Nos. 3 and 4 for the currently effective AVC Capacity Charge rates.~~

~~These rates will be recalculated on an annual basis in conjunction with the other Rider Purchase Gas costs and reported on as applicable in the annual filing as required in the regulations implementing Section 1307(f) of the Public Utility Code. The rates shall be calculated by customer class based on the results of the allocation factors set forth below and applicable billing determinants for each class.~~

**ALLOCATION OF AVC CAPACITY COSTS**

~~The fixed demand and applicable surcharges assessed to the Company for services on the AVC system shall be allocated to customer classes based on the allocation factors below.~~

~~The AVC Capacity Charge allocation factors are as follows:~~

<b><u>Rate Class</u></b>	<b><u>Allocation</u></b>
<del>Residential</del>	<del>66.25%</del>
<del>SGS</del>	<del>11.94%</del>
<del>MGS</del>	<del>12.99%</del>
<del>LGS</del>	<del>8.82%</del>

~~The Company will review the appropriateness of the AVC Capacity Charge allocation factors on an annual basis and such factors will be subject to review in the Company's 1307(f) gas cost proceeding.~~

#### **ANNUAL RECONCILIATION**

~~The AVC Capacity Charge costs will be subject to over/undercollection tracking and reconciled annually.~~

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CANCELLING \_\_\_\_\_ REVISED PAGE NO. 71  
PAGE NO. 71

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**RIDER**  
**AVC CAPACITY CHARGE**

**DISCOUNTED RATE CUSTOMERS**

~~Upon Commission approval and implementation of the AVC Capacity Charge, all customers receiving a negotiated discount delivery charge under Rate GS-T shall: 1) receive an initial and one-time delivery charge reduction equal to the reduction applicable to all customers within its rate class; and 2) be assessed an initial AVC Capacity Charge equal to the AVC charges set forth immediately below. To the extent that a customer is receiving a discounted delivery rate that is less than the initial AVC charge set for below, such customer shall receive a delivery charge reduction that is equal to its discounted delivery charge and be assessed an initial AVC charge that is equal to its discounted delivery charge.~~

<u>Rate Class</u>	<u>Initial AVC Charge</u>
Residential	\$0.5063
SGS	\$0.5032
MGS	\$0.3306
LGS	\$0.0996

~~To the extent permitted under the customer's discounted rate contract, the Company may recover ongoing increases to the initial AVC charge from such customers.~~

## PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. 48

REVISED PAGE NO. 82

CANCELLING PAGE NO. 82

## RIDER

Distribution System Improvement Charge (DSIC)

**2. Pre-tax return:** The pre-tax return shall be calculated using the statutory state and federal income tax rates, the Company's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day for the three-month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Company's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission in the most recent Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

**Application of DSIC:** The DSIC will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for distribution service under the Company's otherwise applicable rates and charges, excluding amounts billed for Rider State Tax Adjustment ~~and~~, Rider Purchased Gas Cost ~~and Rider AVC Capacity Charge~~. To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by one-fourth of the Company's annual projected revenue for distribution service (including all applicable clauses and riders), exclusive of Rider State Tax Adjustment Surcharge ~~and~~, Rider Purchased Gas Cost ~~and Rider AVC Capacity Charge~~.

**Formula:** The formula for calculation of the DSIC is as follows

$$\text{DSIC} = \frac{(\text{DSI} \times \text{PTRR}) + \text{STFT} + \text{Dep} + \text{S}}{\text{PQR}} + \frac{e}{\text{PQR}}$$

Where:

**DSI** = Original cost of eligible distribution system improvement projects net of accrued depreciation and associated accumulated deferred income taxes pertaining to property-related book/tax depreciation timing differences resulting from the use of accelerated depreciation per Internal Revenue Code, 26 U.S. Code § 168.

**PTRR** = Pre-tax return rate applicable to DSIC-eligible property.

**STFT** = (State Tax Flow Through) Pre-tax flow through calculated on book-tax timing differences between accelerated tax depreciation and book depreciation net of federal tax. **[NOTE: UTILITY MAY ELECT TO INCLUDE THE STFT IN THE PTRR COMPONENT.]**

**Dep** = Depreciation expense related to DSIC-eligible property.

**e** = Amount calculated under the annual reconciliation feature or Commission audit, as described below.

**S** = Synergy fees/(revenues); cost assessed (revenue received) for serving customers of another legal entity approved at G-2014-2448803.

**PQR** = Projected annual revenues for distribution service (excluding Rider State Tax Adjustment ~~and~~, Rider Purchased Gas Cost ~~and Rider AVC Capacity Charge~~) from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period will be divided by four to arrive at a quarterly revenue figure.

**Quarterly Updates:** Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, Office of Small Business Advocate, and Commission's Bureau of Audits at least (10) days prior to the effective date of the update.

**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**

1307(f)-2025 ANNUAL GAS COST FILING

**ISSUED:** \_\_\_\_\_

**EFFECTIVE:** \_\_\_\_\_

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

## **NOTICE**

**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**

<b>Page</b>	<b>Page Description</b>	<b>Revision Description</b>
23	Rate P-1 – Assignment of Other Supplies	Language change from “shall” to “may”
26	Rate P-1 – Load Forecasting	Updated load forecasting schedule

**ISSUED:** \_\_\_\_\_

**EFFECTIVE:** \_\_\_\_\_



PEOPLES NATURAL GAS COMPANY LLC

PRO FORMA TO GAS—PA PUC NO. S-4

REVISED PAGE NO. 23

CANCELING PAGE NO. 23

**RATE P-1**  
**PRIORITY ONE POOLING SERVICE**

**1. Assignment of Capacity (continued)**

Consistent with FERC rules and regulations for capacity releases under state retail choice programs, upstream pipeline firm transportation capacity held by the Company shall be assigned to the NGS as agent for the Customers of the NGS's Priority-One Pool. The assignment shall be structured as a zero cost release of capacity provided, however, that the NGS should be responsible for paying all usage based pipeline charges. The term of the release shall be on a monthly basis, commencing with the first month in which the NGS rendered commodity service to the Customer to the earlier of the end of the seasonal period (Winter releases shall terminate March 31 and summer releases shall terminate October 31) or the termination date of the contract(s) between the Company and the upstream pipeline or the last month in which the NGS renders commodity service to the Customer on whose behalf the capacity had been assigned; provided however, the Company may in its discretion release such capacity on a monthly basis. The NGS must comply with all upstream pipeline requirements to become an eligible shipper on the upstream pipeline system. The NGS is responsible for paying all upstream pipeline variable charges incurred on the upstream pipeline.

The firm transportation capacity released pursuant to the previous section shall be recallable by the Company only under the following circumstances:

- a. the Customer on whose behalf the capacity has been assigned is no longer served by the NGS; or
- b. the NGS has failed to comply with the terms and conditions set forth herein.

Consistent with FERC rules and regulations for capacity releases under state retail choice programs, upstream pipeline storage capacity held by the Company shall be assigned to the NGS as agent for the Customers of the NGS's Priority-One Pool. The assignment shall be structured as a release of capacity at zero cost and may be subject to conditions of release (including, but not limited to, injection and withdrawal rights) that differ from the applicable upstream pipeline storage service. The release shall terminate at the end of the then-current storage season pursuant to the applicable upstream pipeline rate schedule terms and conditions; provided, however, the Company may in its discretion release such capacity on a monthly basis.

Capacity released pursuant to this section shall be recallable by the Company only upon failure of the NGS to comply with the terms and conditions set forth herein or in connection with a buyback of gas by the Company as set forth in paragraph 2 of this rate schedule.

**Assignment of Other Supplies**

The Company reserves the right to assign or sell other gas supplies that are under contract with the Company and used to satisfy its Supplier of last resort obligation to Priority-One Customers. To the extent that a Priority-One Supplier receives an assignment of the Company's capacity it holds on the Equitrans System, the Company ~~shall may~~ provide Priority-One suppliers with an option to purchase (C)

from the Company a pro-rata share of the firm gas supplies available to the Company under its gas supply agreement with EQT Energy, LLC. Such purchase shall also occur if the Company determines that, as a result of the Priority One Customer's migration from supply service provided by the Company to supply service provided by P-1 NGSs, the amount of gas supplies under long term firm purchase contracts are in excess of the usage requirements of Supplier of last resort Customers currently served by the Company.

**(C)- Indicates Change**

**ISSUED: September 26, 2024**  
**PEOPLES NATURAL GAS COMPANY LLC**

**EFFECTIVE: September 27, 2024**  
**PRO FORMA TO GAS—PA PUC NO. S-4**  
**REVISED PAGE NO. 26**  
**CANCELING \_\_\_\_\_ PAGE NO. 26**

**RATE P-1**  
**PRIORITY ONE POOLING SERVICE**

**3. Storage Gas Transfers (Cont.)**

To the extent this provision is invoked and the NGS's storage gas in inventory is below the minimum inventory levels required by these procedures and the Company is required to purchase additional gas supplies on the open market, the NGS agrees to pay the Company an amount equal to the deficiency in volumes from the required inventory levels multiplied by the difference between the price the Company paid and the buyback rate.

**4. Load Forecasting**

The Company will provide the Pool Operator with a daily projection of the amount of gas to be delivered to the Company to satisfy the estimated daily consumption of all the Customers in the pool (Aggregate Daily Consumption Volume) at least two days in advance of when Pool Operators must deliver volumes to the Company. The Company may issue OFOs consistent with the terms of the Company's tariff and, as a result, may provide the Pool Operator with daily projections less than two days in advance.

In a format suitable to the Company, the Pool Operator will provide sufficient information about the Priority-One transportation Customers, whose natural gas requirements shall be supplied by the Pool, for the Company to identify them in the Company's billing system. In the event that those Customers shall vary during the term of the Priority One Agreement, Pool Operator shall provide an updated list of Customers to the Company as soon as reasonably possible.

Each of the Customers of Pool Operator's Priority-One Pool must have all of their natural gas consumption over the entire Customer Billing Cycle supplied by Priority-One Pool volumes nominated by Pool Operator. Seven business days prior to the first nomination period, the Company shall provide Pool Operator an initial listing of the end-use Customer accounts to be served by the Pool Operator's Priority-One Pool during the period to which the nominations apply and one week prior to the nomination period for each subsequent month, a listing with additions and deletions from the initial list.

Each Monday through Friday before 10:00 a.m., the Company will provide a projection of the Aggregate Daily Consumption Volume of the Customers of the Pool Operator's Priority-One Pool for the current and subsequent two days. During periods in which no Operational Flow Orders have been issued, the Company will use the following schedule to establish the Aggregate Daily Consumption Volume for which the Pool Operator will be held accountable:

<u>The Projection Provided On:</u>	<u>Will Be Used to Establish the Aggregate Daily Consumption Volume Accountability for the Following:</u>	
Monday	Wednesday	
Tuesday	Thursday	
Wednesday	Friday	
Thursday	Saturday, <del>Sunday, and Monday</del>	(C)
Friday	<del>Sunday, Monday and</del> Tuesday	
(C)		

- a. During periods in which an OFO is in effect, the Company shall establish the Aggregate Daily Consumption Volume no later than 10:00 a.m. of the same Day; or
- b. During periods when the mean average temperature is projected to be below 20 degrees Fahrenheit and the mean average temperature projection changes to be colder by at least 4 degrees Fahrenheit, the Company may establish the Aggregate Daily Consumption Volume for a particular day by giving 24 hour notice to the Pool Operator.

Peoples Natural Gas Company LLC  
Actual Purchased Gas Costs  
1307(f)-2025

	<u>2024</u> <u>February</u> ACTUAL	<u>2024</u> <u>March</u> ACTUAL	<u>2024</u> <u>April</u> ACTUAL	<u>2024</u> <u>May</u> ACTUAL	<u>2024</u> <u>June</u> ACTUAL	<u>2024</u> <u>July</u> ACTUAL	<u>2024</u> <u>August</u> ACTUAL	<u>2024</u> <u>September</u> ACTUAL	<u>2024</u> <u>October</u> ACTUAL	<u>2024</u> <u>November</u> ACTUAL	<u>2024</u> <u>December</u> ACTUAL	<u>2025</u> <u>January</u> ACTUAL	12-Mth <u>Total</u>
<b><u>Local / Gathered Purchases</u></b>													
Quantity - Mcf	372,419	354,875	400,046	406,107	400,128	428,472	420,834	364,082	405,612	361,636	317,687	238,132	4,470,030
Rate per Mcf	\$1.8462	\$1.3278	\$1.3900	\$1.3983	\$1.6378	\$1.9761	\$1.3470	\$1.4036	\$1.6992	\$1.8203	\$3.0797	\$3.1767	\$1.7774
Cost	\$687,566	\$471,210	\$556,060	\$567,847	\$655,334	\$846,724	\$566,882	\$511,032	\$689,232	\$658,297	\$978,381	\$756,477	\$ 7,945,042
<b><u>Interstate Pipeline Purchases</u></b>													
Quantity - Mcf	2,611,114	1,491,315	4,774,335	6,005,423	4,229,452	4,711,936	4,561,975	4,661,983	5,336,364	3,323,754	6,863,571	8,535,024	57,106,246
Rate per Mcf	\$1.5404	\$1.4700	\$1.3593	\$1.3627	\$1.5940	\$1.8367	\$1.2952	\$1.4029	\$1.6626	\$2.5220	\$2.9348	\$5.3337	\$2.3054
Cost	\$4,022,107	\$2,192,275	\$6,489,851	\$8,183,582	\$6,741,585	\$8,654,596	\$5,908,727	\$6,540,185	\$8,872,005	\$8,382,435	\$20,143,342	\$45,522,943	\$ 131,653,634
<b><u>Total Commodity Purchases</u></b>													
Quantity - Mcf	2,983,533	1,846,190	5,174,381	6,411,530	4,629,580	5,140,408	4,982,809	5,026,065	5,741,976	3,685,390	7,181,258	8,773,156	61,576,276
Rate per Mcf	\$1.5786	\$1.4427	\$1.3617	\$1.3650	\$1.5978	\$1.8484	\$1.2996	\$1.4029	\$1.6651	\$2.4531	\$2.9412	\$5.2751	\$2.2671
Cost	\$4,709,673	\$2,663,485	\$7,045,911	\$8,751,430	\$7,396,919	\$9,501,320	\$6,475,609	\$7,051,217	\$9,561,236	\$9,040,733	\$21,121,722	\$46,279,420	\$ 139,598,676
<b><u>Storage (Injection)/Withdrawals - WACCOG</u></b>													
Quantity - Mcf	4,799,706	3,891,034	(1,008,701)	(4,628,450)	(3,511,660)	(3,861,536)	(3,602,012)	(3,562,056)	(2,493,335)	2,316,307	2,947,508	6,485,804	(2,227,391)
WACCOG Rate per Mcf	\$2.8747	\$2.8048	\$1.4349	\$1.4785	\$1.6931	\$1.8944	\$1.5182	\$1.4977	\$1.7579	\$1.6153	\$1.5222	\$1.7335	
Cost	\$13,797,558	\$10,913,699	(\$1,447,404)	(\$6,843,081)	(\$5,945,642)	(\$7,315,257)	(\$5,468,553)	(\$5,334,961)	(\$4,383,063)	\$3,741,601	\$4,486,563	\$11,243,405	\$ 7,444,866
Injection/Withdrawal Costs	\$51,030	\$49,682	\$33,133	\$62,634	\$67,135	\$47,450	\$57,262	\$48,734	\$35,129	\$35,464	\$52,420	\$112,575	\$ 652,646
Pipeline Transportation Charges	\$478,223	\$360,792	\$491,502	\$632,932	\$449,391	\$465,149	\$468,040	\$446,616	\$626,096	\$413,445	\$625,097	\$822,668	\$ 6,279,951
<b><u>Other Purchased Gas Costs</u></b>													
Other Gas Costs - Mcf	196,293	315,442	268,056	76,342	335,693	406,669	129,320	316,001	195,749	195,856	11,559	606,064	3,053,044
Gas Admin Costs	\$14,446	\$14,446	\$13,036	\$13,036	\$17,266	\$13,036	\$15,856	\$13,344	\$15,250	\$16,660	\$15,250	\$15,320	\$ 176,946
Imbalance Buyback Costs	\$592,179	\$552,013	\$190,405	\$178,936	\$425,338	\$520,922	\$473,597	\$392,520	\$165,968	\$655,415	\$192,369	\$1,039,099	\$ 5,378,760
Exchange Costs	(\$73,584)	\$2,753	\$130,915	(\$81,015)	\$104,131	\$154,679	(\$99,715)	\$57,469	\$190,679	(\$232,176)	(\$197,043)	\$912,359	\$ 869,452
Compressed Natural Gas	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$ -</u>
Subtotal	\$533,041	\$569,212	\$334,356	\$110,958	\$546,736	\$688,637	389,738	463,333	\$371,897	439,899	10,576	1,966,778	\$ 6,425,159
<b>Capacity Costs - Firm Transportation</b>	\$7,734,971	\$7,910,430	\$3,416,246	\$3,408,546	\$3,390,231	\$3,415,776	\$3,415,089	\$3,444,237	\$3,438,014	\$8,271,483	\$8,027,643	\$8,026,713	\$ 63,899,380
<b>Capacity Costs - Firm Storage</b>	\$1,633,727	\$1,651,104	\$1,634,054	\$1,634,054	\$1,634,054	\$1,634,054	\$1,634,054	\$1,634,054	\$1,634,054	\$1,329,407	\$1,634,351	\$1,634,351	\$ 19,321,321
<b>AVC Capacity Costs</b>	<u>\$6,591,566</u>	<u>\$6,608,366</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$2,958,116</u>	<u>\$6,608,366</u>	<u>\$6,608,366</u>	<u>\$6,608,366</u>	<u>\$ 53,731,844</u>
	\$15,960,265	\$16,169,900	\$8,008,417	\$8,000,717	\$7,982,402	\$8,007,946	\$8,007,259	\$8,036,407	\$8,030,184	\$16,209,257	\$16,270,361	\$16,269,431	\$ 136,952,544
<b><u>Total 1307(f) Gas Costs</u></b>	<b><u>\$ 35,529,790</u></b>	<b><u>\$ 30,726,770</u></b>	<b><u>\$ 14,465,915</u></b>	<b><u>\$ 10,715,588</u></b>	<b><u>\$ 10,496,940</u></b>	<b><u>\$ 11,395,244</u></b>	<b><u>\$ 9,929,356</u></b>	<b><u>\$ 10,711,347</u></b>	<b><u>\$ 14,241,480</u></b>	<b><u>\$ 29,880,399</u></b>	<b><u>\$ 42,566,740</u></b>	<b><u>\$ 76,694,275</u></b>	<b><u>\$ 297,353,842</u></b>
Total - w/o AVC	\$ 28,938,224	\$ 24,118,403	\$ 11,507,799	\$ 7,757,472	\$ 7,538,824	\$ 8,437,128	\$ 6,971,240	\$ 7,753,231	\$24,673,376	\$43,199,823	\$60,815,940	\$49,103,888	\$ 280,815,347
Capacity	\$ 9,368,699	\$ 9,561,534	\$ 5,050,301	\$ 5,042,601	\$ 5,024,286	\$ 5,049,830	\$ 5,049,143	\$ 5,078,291	\$4,744,923	\$8,827,103	\$8,792,846	\$8,555,471	\$ 80,145,026
Commodity	\$ 19,569,525	\$ 14,556,870	\$ 6,457,499	\$ 2,714,871	\$ 2,514,538	\$ 3,387,298	\$ 1,922,096	\$ 2,674,939	\$19,928,453	\$34,372,720	\$52,023,094	\$40,548,417	\$ 200,670,320
1307(f) Mcf	7,979,532	6,052,666	4,433,736	1,859,422	1,453,613	1,685,541	1,510,117	1,780,010	3,444,390	6,197,553	10,140,325	15,865,024	62,401,929

Peoples Natural Gas Company LLC  
Annual 1307(f)-2025  
Interim Period Projected Gas Costs  
**SUMMARY**

	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>	
<b><u>Local / Gathered Purchases</u></b>									
Quantity - Mcf	347,998	353,403	342,524	339,227	334,445	335,359	334,173	331,017	
Rate per Mcf	\$3.1930	\$3.6050	\$3.6586	\$3.4979	\$3.5602	\$3.7317	\$3.6859	\$3.3073	
Cost	\$1,111,158	\$1,274,018	\$1,253,145	\$1,186,575	\$1,190,689	\$1,251,456	\$1,231,713	\$1,094,782	
<b><u>Interstate Pipeline Purchases</u></b>									
Quantity - Mcf	4,903,858	2,326,823	6,527,169	5,745,989	4,655,987	4,638,647	4,691,785	4,468,043	
Rate per Mcf	\$3.3596	\$3.7618	\$3.8010	\$3.6342	\$3.7025	\$3.8809	\$3.8336	\$3.4440	
Cost	\$16,474,978	\$8,753,074	\$24,809,999	\$20,882,104	\$17,238,679	\$18,001,968	\$17,986,206	\$15,387,828	
<b><u>Total Commodity Purchases</u></b>									
Quantity - Mcf	5,251,856	2,680,226	6,869,693	6,085,216	4,990,432	4,974,006	5,025,958	4,799,060	
Rate per Mcf	\$3.3486	\$3.7411	\$3.7939	\$3.6266	\$3.6929	\$3.8708	\$3.8237	\$3.4345	
Cost	\$17,586,136	\$10,027,091	\$26,063,143	\$22,068,679	\$18,429,368	\$19,253,424	\$19,217,919	\$16,482,611	
<b><u>Storage (Injection)/Withdrawals</u></b>									
Quantity - Mcf	5,849,454	5,662,787	(2,650,214)	(3,789,453)	(3,704,204)	(3,888,626)	(3,945,853)	(3,482,450)	
WACCOG Rate per Mcf	\$1.8323	\$1.8323	\$3.8337	\$3.6785	\$3.7542	\$3.9368	\$3.8882	\$3.4906	
Cost	\$10,717,955	\$10,375,924	(\$10,160,083)	(\$13,939,674)	(\$13,906,359)	(\$15,308,673)	(\$15,342,327)	(\$12,155,970)	
Injection/Withdrawal Costs	\$52,805	\$43,793	\$257,769	\$300,744	\$290,440	\$312,834	\$308,770	\$253,847	
<b><u>Other Purchased Gas Costs</u></b>									
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	
<b>Capacity Costs - Firm Transportation</b>	\$6,585,140	\$6,803,373	\$2,932,616	\$2,932,616	\$2,932,616	\$2,932,616	\$2,932,616	\$2,932,616	
<b>Capacity Costs - Firm Storage</b>	\$2,862,961	\$2,862,961	\$2,276,638	\$2,276,638	\$2,276,638	\$2,276,638	\$2,276,638	\$2,276,638	
<b>AVC Capacity Costs</b>	<u>\$6,608,366</u>	<u>\$6,721,059</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	
	\$16,056,467	\$16,387,393	\$8,280,062	\$8,280,062	\$8,280,062	\$8,280,062	\$8,280,062	\$8,280,062	
<b><u>Total 1307(f) Gas Costs</u></b>	<b><u>\$ 44,428,683</u></b>	<b><u>\$ 36,849,521</u></b>	<b><u>\$ 24,456,211</u></b>	<b><u>\$ 16,725,130</u></b>	<b><u>\$ 13,108,831</u></b>	<b><u>\$ 12,552,966</u></b>	<b><u>\$ 12,479,743</u></b>	<b><u>\$ 12,875,869</u></b>	<b><u>\$ 173,476,955</u></b>
Total - no AVC	\$37,820,317	\$30,128,463	\$21,385,403	\$13,654,322	\$10,038,023	\$9,482,158	\$9,408,935	\$9,805,061	\$141,722,681
Commodity	\$28,372,216	\$20,462,129	\$16,176,149	\$8,445,069	\$4,828,770	\$4,272,904	\$4,199,681	\$4,595,808	\$91,352,726
Capacity (excludes AVC)	\$9,448,101	\$9,666,334	\$5,209,253	\$5,209,253	\$5,209,253	\$5,209,253	\$5,209,253	\$5,209,253	\$50,369,955
1307(f) Mcf	11,101,310	8,343,013	4,219,479	2,295,763	1,286,228	1,085,380	1,080,105	1,316,610	

Peoples Natural Gas Company LLC  
Annual 1307(f)-2025  
Interim Period Projected Gas Costs

**Local Purchases**

	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>
<b><u>Local / Gathered Purchases</u></b>									
Quantity - Mcf	347,998	353,403	342,524	339,227	334,445	335,359	334,173	331,017	2,718,146
Rate per Mcf	\$ 3.193	\$ 3.605	\$ 3.659	\$ 3.498	\$ 3.560	\$ 3.732	\$ 3.686	\$ 3.307	\$ 3.529
Cost	\$ 1,111,158	\$ 1,274,018	\$ 1,253,145	\$ 1,186,575	\$ 1,190,689	\$ 1,251,456	\$ 1,231,713	\$ 1,094,782	\$ 9,593,536

Peoples Natural Gas Company LLC  
Annual 1307(f)-2025  
Interim Period Projected Gas Costs  
**Interstate Pipeline Purchases**

	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>
<b><u>City-Gate MCF</u></b>									
EQT - NAESB	4,361,758	1,971,823	6,106,669	5,222,489	4,021,487	3,998,047	4,056,185	3,873,043	33,611,502
EGT&S SP	0	0	100,000	305,000	320,000	320,000	315,000	280,000	1,640,000
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	25,000	10,000	23,500	22,000	21,500	21,500	21,500	22,000	167,000
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>
<b>TOTAL MCF</b>	4,903,858	2,326,823	6,527,169	5,745,989	4,655,987	4,638,647	4,691,785	4,468,043	37,958,302
<b><u>Interstate Pricing</u></b>									
EQT - NAESB	\$3.3043	\$3.7276	\$3.8016	\$3.6439	\$3.7132	\$3.8957	\$3.8480	\$3.4503	
EGT&S SP	\$3.2644	\$3.6838	\$3.7383	\$3.5747	\$3.6382	\$3.8127	\$3.7661	\$3.3808	
Tennessee Gas Pipeline	\$3.5152	\$3.8584	\$4.0113	\$3.8724	\$3.8470	\$4.0929	\$4.0726	\$3.6020	
Texas Eastern Transmission	\$4.6800	\$3.8376	\$3.8293	\$3.6540	\$3.7430	\$4.0461	\$3.9894	\$3.4486	
National Fuel Gas Supply	\$3.2613	\$3.6807	\$3.7352	\$3.5717	\$3.6351	\$3.8096	\$3.7630	\$3.3777	
Columbia Gas Transmission	\$3.5211	\$3.7442	\$3.9323	\$3.8569	\$3.9397	\$4.0662	\$4.0030	\$3.6842	
Tennessee into Columbia	\$3.5152	\$3.8584	\$4.0113	\$3.8724	\$3.8470	\$4.0929	\$4.0726	\$3.6020	
<b><u>Interstate Purchase Cost</u></b>									
EQT - NAESB	\$14,412,746	\$7,350,215	\$23,215,129	\$19,030,084	\$14,932,509	\$15,575,073	\$15,608,351	\$13,363,032	\$123,487,138
EGT&S SP	0	0	373,829	1,090,290	1,164,210	1,220,073	1,186,313	946,610	5,981,324
Tennessee Gas Pipeline	989,880	598,052	120,338	60,023	57,704	63,440	63,126	54,031	2,006,595
Texas Eastern Transmission	772,200	498,888	459,514	21,924	336,866	364,151	359,050	310,378	3,122,970
National Fuel Gas Supply	47,289	0	380,991	553,607	610,694	661,354	653,255	567,455	3,474,646
Columbia Gas Transmission	88,027	37,442	92,409	84,851	84,705	87,423	86,064	81,052	641,973
EQT NOFT Delivery Costs	(32,015)	36,973	(12,718)	(36,124)	(24,948)	(51,405)	(51,405)	(6,770)	(178,415)
Tennessee into Columbia	<u>196,851</u>	<u>231,504</u>	<u>180,508</u>	<u>77,449</u>	<u>76,939</u>	<u>81,858</u>	<u>81,453</u>	<u>72,041</u>	<u>998,603</u>
<b>TOTAL COST</b>	\$16,474,978	\$8,753,074	\$24,809,999	\$20,882,104	\$17,238,679	\$18,001,968	\$17,986,206	\$15,387,828	\$139,534,835

Peoples Natural Gas Company  
Annual 1307(f)-2025  
Interim Period Projected Gas Costs  
**WACCOG Storage Inventory Pricing**

	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>
<b><u>WACCOG Storage Inventory Pricing</u></b>									
(Injection)/Withdrawal Mcf									
60SS/115SS - 863/865	2,150,000	2,312,751	(1,700,000)	(1,700,000)	(1,525,000)	(1,475,000)	(1,475,000)	(1,475,000)	(4,887,249)
EGT&S GSS - 300196	465,000	383,902	(285,000)	(341,000)	(345,000)	(356,500)	(356,500)	(330,000)	(1,165,098)
EQT AVC GSS	1,390,000	1,680,000	(475,000)	(525,000)	(525,000)	(525,000)	(525,000)	(525,000)	(30,000)
EGT&S GSS - PNG	285,000	151,000	-	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)	(689,000)
NFGS ESS	135,000	118,000	(40,000)	(100,000)	(100,000)	(105,000)	(105,000)	(100,000)	(297,000)
On-System - PNG	220,000	195,000	280,000	(195,000)	(230,000)	(248,000)	(310,000)	(240,000)	(528,000)
Columbia Gas - PG	18,864	14,516	(10,483)	(17,216)	(18,104)	(18,707)	(13,934)	(11,030)	(56,094)
EGT&S - PG	135,850	102,772	(86,622)	(89,509)	(86,622)	(89,509)	(89,509)	(72,185)	(275,334)
EQT - PG	929,740	594,846	(433,109)	(596,728)	(577,478)	(745,910)	(745,910)	(404,235)	(1,978,785)
On-System - PG	120,000	110,000	100,000	-	(72,000)	(100,000)	(100,000)	(100,000)	(42,000)
TOTAL	5,849,454	5,662,787	(2,650,214)	(3,789,453)	(3,704,204)	(3,888,626)	(3,945,853)	(3,482,450)	(9,948,560)
WACCOG Storage Inventory Rate	\$ 1.8323	\$ 1.8323	\$ 3.8337	\$ 3.6785	\$ 3.7542	\$ 3.9368	\$ 3.8882	\$ 3.4906	
WACCOG Storage Inventory Cost	\$ 10,717,955	\$ 10,375,924	\$ (10,160,083)	\$ (13,939,674)	\$ (13,906,359)	\$ (15,308,673)	\$ (15,342,327)	\$ (12,155,970)	\$ (59,719,207)

	2025 <u>April</u>	2025 <u>May</u>	2025 <u>June</u>	2025 <u>July</u>	2025 <u>August</u>	2025 <u>September</u>	2025 <u>October</u>	
Local Purchases - Mcf	342,524	339,227	334,445	335,359	334,173	331,017	332,212	
Interstate Purchases - Mcf	<u>6,527,169</u>	<u>5,745,989</u>	<u>4,655,987</u>	<u>4,638,647</u>	<u>4,691,785</u>	<u>4,468,043</u>	<u>5,846,703</u>	
	6,869,693	6,085,216	4,990,432	4,974,006	5,025,958	4,799,060	6,178,915	38,923,280
Local Purchases - Cost	\$1,253,145	\$1,186,575	\$1,190,689	\$1,251,456	\$1,231,713	\$1,094,782	\$1,068,452	
Interstate Purchases - Cost	\$24,809,999	\$20,882,104	\$17,238,679	\$18,001,968	\$17,986,206	\$15,387,828	\$19,568,917	
Injection/Withdrawal Costs	\$257,769	\$300,744	\$290,440	\$312,834	\$308,770	\$253,847	\$226,811	
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>	
	\$26,336,232	\$22,384,743	\$18,735,128	\$19,581,577	\$19,542,008	\$16,751,777	\$20,879,500	\$144,210,967
WACCOG Inventory Pricing	\$ 3.8337	\$ 3.6785	\$ 3.7542	\$ 3.9368	\$ 3.8882	\$ 3.4906	\$ 3.3792	\$ 3.7050

Peoples Natural Gas Company  
Annual 1307(f)-2025  
Interim Period Projected Gas Costs  
**Storage Injection / Withhdrawal Costs**

		2025	2025	2025	2025	2025	2025	2025	2025		
		February	March	April	May	June	July	August	September	Total	
<b><u>Storage Injection/Withdrawal Costs</u></b>											
<b><u>EQT AVC GSS</u></b>											
(Injection)/Withdrawal Mcf		1,390,000	1,680,000	(475,000)	(525,000)	(525,000)	(525,000)	(525,000)	(525,000)	(30,000)	
Fuel on Injection	4.28%	\$ -	\$ -	\$ 0.1617	\$ 0.1547	\$ 0.1574	\$ 0.1649	\$ 0.1629	\$ 0.1463		
Injection Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Withdrawal Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		\$ -	\$ -	\$ 0.1617	\$ 0.1547	\$ 0.1574	\$ 0.1649	\$ 0.1629	\$ 0.1463		
EQT AVC GSS Cost		\$ -	\$ -	\$ 76,817	\$ 81,197	\$ 82,634	\$ 86,589	\$ 85,532	\$ 76,803	\$ 489,572	
<b><u>EQT 60SS/115SS</u></b>											
(Injection)/Withdrawal Mcf		2,150,000	2,312,751	(1,700,000)	(1,700,000)	(1,525,000)	(1,475,000)	(1,475,000)	(1,475,000)	(4,887,249)	
Fuel on Injection	1.88%	\$ -	\$ -	\$ 0.0738	\$ 0.0707	\$ 0.0719	\$ 0.0752	\$ 0.0743	\$ 0.0670		
Injection Charge		\$ -	\$ -	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069		
Withdrawal Charge		\$ 0.0069	\$ 0.0069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		\$ 0.0069	\$ 0.0069	\$ 0.0807	\$ 0.0776	\$ 0.0788	\$ 0.0821	\$ 0.0812	\$ 0.0739		
EQT 60SS/115SS Cost		\$ 14,835	\$ 15,958	\$ 137,152	\$ 131,863	\$ 120,129	\$ 121,089	\$ 119,779	\$ 108,968	\$ 769,772	
<b><u>EGT&amp;S GSS - PNG</u></b>											
(Injection)/Withdrawal Mcf		285,000	151,000	-	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)	(689,000)	
Fuel on Injection	1.31%	\$ -	\$ -	\$ 0.0489	\$ 0.0467	\$ 0.0475	\$ 0.0498	\$ 0.0492	\$ 0.0442		
Injection Charge		\$ -	\$ -	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039		
Withdrawal Charge		\$ 0.0272	\$ 0.0272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		\$ 0.0272	\$ 0.0272	\$ 0.0528	\$ 0.0506	\$ 0.0515	\$ 0.0538	\$ 0.0531	\$ 0.0481		
DTI GSS COSTS - PNG		\$ 7,752	\$ 4,107	\$ -	\$ 11,395	\$ 11,582	\$ 12,095	\$ 11,958	\$ 10,825	\$ 69,715	
<b><u>EGT&amp;S GSS - EGC</u></b>											
(Injection)/Withdrawal Mcf		465,000	383,902	(285,000)	(341,000)	(345,000)	(356,500)	(356,500)	(330,000)	(1,165,098)	
Fuel on Injection	1.31%	\$ -	\$ -	\$ 0.0489	\$ 0.0467	\$ 0.0475	\$ 0.0498	\$ 0.0492	\$ 0.0442		
Injection Charge		\$ -	\$ -	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039		
Withdrawal Charge		\$ 0.0272	\$ 0.0272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		\$ 0.0272	\$ 0.0272	\$ 0.0528	\$ 0.0506	\$ 0.0515	\$ 0.0538	\$ 0.0531	\$ 0.0481		
DTI GSS COSTS - EGC		\$ 12,648	\$ 10,442	\$ 15,043	\$ 17,270	\$ 17,759	\$ 19,164	\$ 18,947	\$ 15,877	\$ 127,151	
<b><u>NFGS ESS</u></b>											
(Injection)/Withdrawal Mcf		135,000	118,000	(40,000)	(100,000)	(100,000)	(105,000)	(105,000)	(100,000)	(297,000)	
Fuel on Injection	0.85%	\$ -	\$ -	\$ 0.0316	\$ 0.0303	\$ 0.0308	\$ 0.0323	\$ 0.0319	\$ 0.0286		
Injection Charge		\$ -	\$ -	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410		
Withdrawal Charge		\$ 0.0410	\$ 0.0410	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		\$ 0.0410	\$ 0.0410	\$ 0.0726	\$ 0.0713	\$ 0.0718	\$ 0.0733	\$ 0.0729	\$ 0.0696		
NFGS ESS Cost		\$ 5,535	\$ 4,838	\$ 2,906	\$ 7,126	\$ 7,179	\$ 7,694	\$ 7,652	\$ 6,961	\$ 49,891	
<b><u>Storage Injection/Withdrawal Costs</u></b>											
		2025	2025	2025	2025	2025	2025	2025	2025		
		February	March	April	May	June	July	August	September		
<b><u>Columbia Gas Transmission - FSS</u></b>											
(Injection)/Withdrawal Mcf		18,864	14,516	(10,483)	(17,216)	(18,104)	(18,707)	(13,934)	(11,030)	(56,094)	
SST Delivery to FSS Charge		\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132		
SST Fuel Charge	2.15%	\$0.0711	\$0.0756	\$0.0794	\$0.0778	\$0.0795	\$0.0821	\$0.0808	\$0.0744		
FSS Injection Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153		
FSS Fuel Charge	0.40%	\$0.0137	\$0.0145	\$0.0152	\$0.0149	\$0.0153	\$0.0158	\$0.0155	\$0.0143		
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	2.15%	\$0.0735	\$0.0782	\$0.0821	\$0.0805	\$0.0822	\$0.0848	\$0.0835	\$0.0769		
SST Delivery to City-Gate		<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>		
		\$0.1020	\$0.1067	\$0.1231	\$0.1213	\$0.1233	\$0.1263	\$0.1248	\$0.1171		
CGT FSS Cost		\$ 1,925	\$ 1,548	\$ 1,291	\$ 2,088	\$ 2,232	\$ 2,363	\$ 1,739	\$ 1,292	\$ 14,479	
<b><u>Eastern Gas Storage and Transmission GSS</u></b>											
(Injection)/Withdrawal Mcf		135,850	102,772	(86,622)	(89,509)	(86,622)	(89,509)	(89,509)	(72,185)	(275,334)	
Fuel on Injection	1.31%	\$ 0.0405	\$ 0.0457	\$ 0.0464	\$ 0.0444	\$ 0.0452	\$ 0.0473	\$ 0.0468	\$ 0.0420		
Injection Charge		\$ 0.0393	\$ 0.0393	\$ 0.0393	\$ 0.0393	\$ 0.0393	\$ 0.0393	\$ 0.0393	\$ 0.0393		
Withdrawal Charge		\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272		
		\$ 0.0272	\$ 0.0272	\$ 0.0857	\$ 0.0837	\$ 0.0845	\$ 0.0866	\$ 0.0861	\$ 0.0813		
DTI GSS Cost		\$ 3,695	\$ 2,795	\$ (7,425)	\$ 7,490	\$ 7,317	\$ 7,756	\$ 7,704	\$ 5,866	\$ 35,198	
<b><u>Equitrans, LP 60SS</u></b>											
(Injection)/Withdrawal Mcf		929,740	594,846	(433,109)	(596,728)	(577,478)	(745,910)	(745,910)	(404,235)	(1,978,785)	
Fuel on Injection	1.88%	\$ 0.0584	\$ 0.0660	\$ 0.0670	\$ 0.0640	\$ 0.0652	\$ 0.0683	\$ 0.0675	\$ 0.0605		
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	\$ 0.0739	\$ 0.0709	\$ 0.0721	\$ 0.0752	\$ 0.0744	\$ 0.0674		
EQT 60SS Cost		\$ 6,415	\$ 4,104	\$ 31,985	\$ 42,314	\$ 41,608	\$ 56,084	\$ 55,458	\$ 27,255	\$ 265,224	
TOTAL STORAGE INJ/WD COST		\$ 52,805	\$ 43,793	\$ 257,769	\$ 300,744	\$ 290,440	\$ 312,834	\$ 308,770	\$ 253,847	\$ 1,821,002	



[illegible]

Peoples Natural Gas Company  
Annual 1307(f)-2025  
Interim Period Projected Gas Costs  
**Interstate Pipeline Demand and Capacity Costs**

	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>
<b><u>Interstate Transportation</u></b>									
<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	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	
Demand Cost - \$	\$ 1,934,315	\$ 1,934,315	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 6,727,449
 <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>Eastern GT&amp;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	\$ 5.962	\$ 5.962	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$ 1/	\$ 242,884	\$ 242,884	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 242,368	\$ 1,939,975
 <u>Eastern GT&amp;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	\$ 5.962	\$ 5.962	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 238,488	\$ 238,488	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 1,904,808
 <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	\$ 17.437	\$ 17.437	\$ 17.343	\$ 17.343	\$ 17.343	\$ 17.343	\$ 17.343	\$ 17.343	
Demand Cost - \$	\$ 272,889	\$ 272,889	\$ 271,418	\$ 271,418	\$ 271,418	\$ 271,418	\$ 271,418	\$ 271,418	\$ 2,174,286
 <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	\$ 10.6660	\$ 10.6660	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	
Demand Cost - \$	\$ 42,664	\$ 42,664	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 340,568
 <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	\$ 9.3628	\$ 9.3628	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	
Demand Cost - \$	\$ 93,628	\$ 93,628	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 745,844
 <u>Eastern GT&amp;S</u>									
FT-200782									
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 5.9622	\$ 5.9622	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	\$ 5.9493	
Demand Cost - \$	\$ 59,622	\$ 59,622	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 476,202
 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 2/									
	\$ (113,325)	\$ (113,325)	\$ (113,325)	\$ (113,325)	\$ (113,325)	\$ (113,325)	\$ (113,325)	\$ (113,325)	\$ (906,600)
 <u>Total Demand and Capacity Costs</u>									
Demand Determinant - Dth	621,307	621,307	431,607	431,607	431,607	431,607	431,607	431,607	
Demand Cost - \$	\$ 6,585,140	\$ 6,803,373	\$ 2,932,616	\$ 2,932,616	\$ 2,932,616	\$ 2,932,616	\$ 2,932,616	\$ 2,932,616	\$ 30,984,207

1/ EGT&S Contract 100119 Capacity Charges include additional costs for HUB III project.  
2/ Reflects 75% of the AMA capacity release revenues.

	2025 February	2025 March	2025 April	2025 May	2025 June	2025 July	2025 August	2025 September	Total
<b><u>Interstate Storage</u></b>									
<b><u>Eastern GT&amp;S</u></b>									
GSS -300181									
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 2.6782	\$ 2.6782	\$ 2.6749	\$ 2.6749	\$ 2.6749	\$ 2.6749	\$ 2.6749	\$ 2.6749	
Demand Cost - \$	\$ 107,128	\$ 107,128	\$ 106,996	\$ 106,996	\$ 106,996	\$ 106,996	\$ 106,996	\$ 106,996	
Capacity Determinant - Dth	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	
Capacity Rate - \$/Dth	\$ 0.0258	\$ 0.0258	\$ 0.0258	\$ 0.0258	\$ 0.0258	\$ 0.0258	\$ 0.0258	\$ 0.0258	
Capacity Cost - \$	\$ 118,680	\$ 118,680	\$ 118,680	\$ 118,680	\$ 118,680	\$ 118,680	\$ 118,680	\$ 118,680	
<b><u>Eastern GT&amp;S</u></b>									
GSS -300196									
Demand Determinant - Dth	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	
Demand Rate - \$/Dth	\$ 5.1191	\$ 5.1191	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	
Demand Cost - \$	\$ 204,764	\$ 204,764	\$ 204,632	\$ 204,632	\$ 204,632	\$ 204,632	\$ 204,632	\$ 204,632	
Capacity Determinant - Dth	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	
Capacity Rate - \$/Dth	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	
Capacity Cost - \$	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	
<b><u>Equitrans</u></b>									
60SS - 863									
Demand Determinant - Dth	137,010	137,010	137,010	137,010	137,010	137,010	137,010	137,010	
Demand Rate - \$/Dth	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	
Demand Cost - \$	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	
Capacity Determinant - Dth	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	
Capacity Rate - \$/Dth	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	
Capacity Cost - \$	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	
<b><u>Equitrans</u></b>									
115SS - 865									
Demand Determinant - Dth	50,536	50,536	50,536	50,536	50,536	50,536	50,536	50,536	
Demand Rate - \$/Dth	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	
Demand Cost - \$	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	
Capacity Determinant - Dth	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	
Capacity Rate - \$/Dth	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	
Capacity Cost - \$	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	
<b><u>National Fuel Gas Supply</u></b>									
ESS									
Demand Determinant - Dth	9,793	9,793	9,793	9,793	9,793	9,793	9,793	9,793	
Demand Rate - \$/Dth	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	
Demand Cost - \$	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	
Capacity Determinant - Dth	748,611	748,611	748,611	748,611	748,611	748,611	748,611	748,611	
Capacity Rate - \$/Dth	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	
Capacity Cost - \$	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	
<b><u>Columbia Gas Transmission</u></b>									
FSS - 307788									
Demand Determinant - Dth	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
Demand Rate - \$/Dth	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	
Demand Cost - \$	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	
Capacity Determinant - Dth	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860	
Capacity Rate - \$/Dth	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	
Capacity Cost - \$	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	
<b><u>Eastern Gas Transmission and Storage</u></b>									
GSS - 300192									
Demand Determinant - Dth	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Demand Rate - \$/Dth	\$ 5.1191	\$ 5.1191	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	
Demand Cost - \$	\$ 51,191	\$ 51,191	\$ 51,158	\$ 51,158	\$ 51,158	\$ 51,158	\$ 51,158	\$ 51,158	
Capacity Determinant - Dth	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	
Capacity Rate - \$/Dth	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	
Capacity Cost - \$	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	
<b><u>Equitrans</u></b>									
60SS - 772									
Demand Determinant - Dth	72,417	72,417	72,417	72,417	72,417	72,417	72,417	72,417	
Demand Rate - \$/Dth	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	
Demand Cost - \$	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	
Capacity Determinant - Dth	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	
Capacity Rate - \$/Dth	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	
Capacity Cost - \$	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	
<b><u>Total Storage Demand/Capacity Costs</u></b>									
Demand Determinant - Dth	361,756	361,756	361,756	361,756	361,756	361,756	361,756	361,756	
Capacity Determinant - Dth	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	
Total Cost - \$	\$ 1,634,351	\$ 1,634,351	\$ 1,634,054	\$ 1,634,054	\$ 1,634,054	\$ 1,634,054	\$ 1,634,054	\$ 1,634,054	\$ 13,073,028

[illegible]

[illegible]

Peoples Natural Gas Company LLC  
Annual 1307(f)-2025  
Projected Period Gas Costs  
**SUMMARY**

	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>	12-Mth <u>Total</u>
<b><u>Local / Gathered Purchases</u></b>													
Quantity - Mcf	332,212	331,625	344,037	346,734	336,173	341,578	330,699	327,402	322,620	323,534	322,348	319,192	3,978,154
Rate per Mcf	\$3.2162	\$3.6539	\$4.2992	\$4.6129	\$4.3147	\$3.8084	\$3.1611	\$2.9314	\$2.9206	\$2.9726	\$2.9530	\$2.6785	\$3.4755
Cost	\$1,068,452	\$1,211,733	\$1,479,091	\$1,599,434	\$1,450,476	\$1,300,874	\$1,045,363	\$959,740	\$942,233	\$961,731	\$951,897	\$854,961	\$13,825,982
<b><u>Interstate Pipeline Purchases</u></b>													
Quantity - Mcf	5,846,703	3,743,328	6,129,416	5,574,172	5,189,900	2,329,970	6,461,192	5,719,436	4,783,849	4,833,829	4,892,963	4,524,752	60,029,510
Rate per Mcf	\$3.3470	\$3.8158	\$4.5390	\$4.9606	\$4.5651	\$3.9659	\$3.2896	\$3.0526	\$3.0464	\$3.1014	\$3.0806	\$2.7996	\$3.6362
Cost	\$19,568,917	\$14,283,886	\$27,821,347	\$27,651,279	\$23,692,663	\$9,240,453	\$21,254,521	\$17,459,290	\$14,573,385	\$14,991,437	\$15,073,300	\$12,667,554	\$218,278,033
<b><u>Total Commodity Purchases</u></b>													
Quantity - Mcf	6,178,915	4,074,953	6,473,453	5,920,906	5,526,073	2,671,548	6,791,891	6,046,838	5,106,469	5,157,363	5,215,311	4,843,944	64,007,664
Rate per Mcf	\$3.3400	\$3.8026	\$4.5262	\$4.9402	\$4.5499	\$3.9458	\$3.2833	\$3.0461	\$3.0384	\$3.0933	\$3.0727	\$2.7916	\$3.6262
Cost	\$20,637,369	\$15,495,619	\$29,300,437	\$29,250,712	\$25,143,138	\$10,541,328	\$22,299,883	\$18,419,030	\$15,515,618	\$15,953,168	\$16,025,197	\$13,522,514	\$232,104,015
<b><u>Storage (Injection)/Withdrawals - WACCOG</u></b>													
Quantity - Mcf	(2,931,539)	2,607,537	4,208,257	6,345,313	5,594,232	5,688,000	(2,565,214)	(3,741,453)	(3,809,945)	(4,069,126)	(4,129,353)	(3,532,450)	(335,741)
WACCOG Rate per Mcf	\$3.3792	\$3.7050	\$3.7050	\$3.7050	\$3.7050	\$3.7050	\$3.3199	\$3.0939	\$3.0945	\$3.1532	\$3.1314	\$2.8428	
Cost	(\$9,906,119)	\$9,660,939	\$15,591,615	\$23,509,419	\$20,726,660	\$21,074,071	(\$8,516,157)	(\$11,575,636)	(\$11,789,739)	(\$12,830,684)	(\$12,930,651)	(\$10,042,182)	\$12,971,536
Injection/Withdrawal Costs	\$226,811	\$30,465	\$52,551	\$73,682	\$50,070	\$42,747	\$232,941	\$273,890	\$270,849	\$293,601	\$290,701	\$232,712	\$2,071,020
Pipeline Transportation Charges													\$0
<b><u>Other Purchased Gas Costs</u></b>													
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<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	\$15,320	\$15,320	\$15,320	\$15,320	\$183,840
<b>Capacity Costs - Firm Transportation</b>	\$2,932,616	\$6,843,300	\$6,916,044	\$6,916,044	\$6,697,811	\$6,916,044	\$3,046,457	\$3,046,457	\$3,046,457	\$3,046,457	\$3,046,457	\$3,046,457	\$55,500,599
<b>Capacity Costs - Firm Storage</b>	\$2,287,249	\$2,862,697	\$2,862,697	\$3,131,141	\$3,131,141	\$3,131,141	\$2,544,849	\$2,544,849	\$2,544,849	\$2,544,849	\$2,544,849	\$2,544,849	\$32,675,158
<b>AVC Capacity Costs</b>	<u>\$3,070,808</u>	<u>\$6,721,059</u>	<u>\$6,721,059</u>	<u>\$6,721,059</u>	<u>\$6,721,059</u>	<u>\$6,721,059</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$3,070,808</u>	<u>\$55,100,950</u>
	\$8,290,673	\$16,427,055	\$16,499,800	\$16,768,244	\$16,550,010	\$16,768,244	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$8,662,114	\$143,276,708
<b><u>Total 1307(f) Gas Costs</u></b>	<u>\$ 19,264,053</u>	<u>\$ 41,629,398</u>	<u>\$ 61,459,723</u>	<u>\$ 69,617,378</u>	<u>\$ 62,485,199</u>	<u>\$ 48,441,709</u>	<u>\$ 22,694,100</u>	<u>\$ 15,794,718</u>	<u>\$ 12,674,162</u>	<u>\$ 12,093,518</u>	<u>\$ 12,062,681</u>	<u>\$ 12,390,478</u>	<u>\$ 390,607,118</u>
Total - w/o AVC	\$ 16,193,245	\$ 34,908,340	\$ 54,738,664	\$ 62,896,319	\$ 55,764,141	\$ 41,720,651	\$ 19,623,292	\$ 12,723,909	\$ 9,603,354	\$ 9,022,710	\$ 8,991,873	\$ 9,319,670	\$ 335,506,168
Capacity (excludes AVC)	\$ 5,219,864	\$ 9,705,997	\$ 9,778,741	\$ 10,047,185	\$ 9,828,952	\$ 10,047,185	\$ 5,591,305	\$ 5,591,305	\$ 5,591,305	\$ 5,591,305	\$ 5,591,305	\$ 5,591,305	\$ 88,175,757
Commodity	<b>\$ 10,973,381</b>	<b>\$ 25,202,343</b>	<b>\$ 44,959,923</b>	<b>\$ 52,849,134</b>	<b>\$ 45,935,189</b>	<b>\$ 31,673,465</b>	<b>\$ 14,031,987</b>	<b>\$ 7,132,604</b>	<b>\$ 4,012,048</b>	<b>\$ 3,431,405</b>	<b>\$ 3,400,568</b>	<b>\$ 3,728,365</b>	<b>\$ 247,330,411</b>
1307(f) Mcf	3,247,376	6,682,490	10,681,710	12,266,219	11,120,305	8,359,548	4,226,677	2,305,385	1,296,524	1,088,237	1,085,958	1,311,494	63,671,923

Peoples Natural Gas Company LLC  
Annual 1307(f)-2025  
Projected Period Gas Costs  
**Local Purchases**

	2025	2025	2025	2026	2026	2026	2026	2026	2026	2026	2026	2026	12-Mth
	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<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>Collection</u>
<b><u>Local / Gathered Purchases</u></b>													
Quantity - Mcf	332,212	331,625	344,037	346,734	336,173	341,578	330,699	327,402	322,620	323,534	322,348	319,192	3,978,154
Rate per Mcf	\$ 3.216	\$ 3.654	\$ 4.299	\$ 4.613	\$ 4.315	\$ 3.808	\$ 3.161	\$ 2.931	\$ 2.921	\$ 2.973	\$ 2.953	\$ 2.679	\$ 3.475
Cost	\$ 1,068,452	\$ 1,211,733	\$ 1,479,091	\$ 1,599,434	\$ 1,450,476	\$ 1,300,874	\$ 1,045,363	\$ 959,740	\$ 942,233	\$ 961,731	\$ 951,897	\$ 854,961	\$ 13,825,982

Peoples Natural Gas Company LLC  
Annual 1307(f)-2025  
Projected Period Gas Costs  
**Interstate Pipeline Purchases**

	<u>2025 October</u>	<u>2025 November</u>	<u>2025 December</u>	<u>2026 January</u>	<u>2026 February</u>	<u>2026 March</u>	<u>2026 April</u>	<u>2026 May</u>	<u>2026 June</u>	<u>2026 July</u>	<u>2026 August</u>	<u>2026 September</u>	<u>12-Mth Collection</u>
<b><u>City-Gate Mcf</u></b>													
EQT - NAESB	5,367,203	3,336,328	5,287,916	4,831,672	4,779,400	2,129,970	6,070,692	5,211,436	4,164,349	4,208,729	4,272,863	3,929,752	53,590,310
EGT&S SP	125,000	0	0	0	0	0	100,000	305,000	320,000	320,000	315,000	280,000	1,765,000
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	325,000	165,000	130,000	120,000	6,000	90,000	90,000	90,000	90,000	1,646,000
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	17,000	38,000	50,000	25,000	10,000	23,500	22,000	21,500	21,500	21,500	22,000	295,500
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>
<b>TOTAL MCF</b>	5,846,703	3,743,328	6,129,416	5,574,172	5,189,900	2,329,970	6,461,192	5,719,436	4,783,849	4,833,829	4,892,963	4,524,752	60,029,510
<b><u>Interstate Pricing</u></b>													
EQT - NAESB	\$3.3442	\$3.7779	\$4.4409	\$4.7631	\$4.4567	\$3.9366	\$3.2906	\$3.0619	\$3.0550	\$3.1139	\$3.0932	\$2.8038	
EGT&S SP	\$3.2880	\$3.7336	\$4.3904	\$4.7097	\$4.4062	\$3.8908	\$3.2319	\$2.9981	\$2.9870	\$3.0400	\$3.0201	\$2.7406	
Tennessee Gas Pipeline	\$3.5178	\$4.1314	\$4.7622	\$5.0398	\$4.7388	\$4.2380	\$3.6598	\$3.4538	\$3.3337	\$3.4304	\$3.4471	\$3.0763	
Texas Eastern Transmission	\$3.3488	\$4.0066	\$6.0492	\$8.3392	\$7.4454	\$4.0898	\$3.2828	\$3.1002	\$3.1335	\$3.3160	\$3.2625	\$2.8215	
National Fuel Gas Supply	\$3.2849	\$3.7305	\$4.3873	\$4.7065	\$4.4030	\$3.8877	\$3.2288	\$2.9950	\$2.9840	\$3.0370	\$3.0171	\$2.7377	
Columbia Gas Transmission	\$3.5636	\$4.0789	\$4.7022	\$5.1984	\$4.7845	\$4.0869	\$3.3978	\$3.2777	\$3.2825	\$3.2698	\$3.2602	\$3.0487	
Tennessee into Columbia	\$3.5178	\$4.1314	\$4.7622	\$5.0398	\$4.7388	\$4.2380	\$3.6598	\$3.4538	\$3.3337	\$3.4304	\$3.4471	\$3.0763	
<b><u>Interstate Purchase Cost</u></b>													
EQT - NAESB	\$17,949,203	\$12,604,274	\$23,482,848	\$23,013,610	\$21,300,468	\$8,384,877	\$19,976,242	\$15,956,988	\$12,721,897	\$13,105,474	\$13,216,963	\$11,018,335	\$192,731,179
EGT&S SP	410,995	0	0	0	0	0	323,186	914,405	955,853	972,797	951,322	767,381	5,295,939
Tennessee Gas Pipeline	70,356	619,710	1,476,270	1,058,366	710,814	0	0	0	0	0	0	46,145	3,981,661
Texas Eastern Transmission	301,392	560,924	1,875,240	2,576,316	1,228,484	531,674	393,931	18,601	282,017	298,444	293,623	253,937	8,614,583
National Fuel Gas Supply	610,996	223,829	476,022	364,757	63,844	0	329,341	464,232	501,318	527,220	523,762	459,928	4,545,250
Columbia Gas Transmission	83,744	69,342	178,682	259,921	119,613	40,869	79,849	72,110	70,574	70,300	70,094	67,072	1,182,171
EQT NOFT Delivery Costs	19,109	40,550	(24,878)	(24,878)	4,069	28,753	(12,718)	(36,124)	(24,948)	(51,405)	(51,405)	(6,770)	(140,646)
Tennessee into Columbia	<u>123,123</u>	<u>165,256</u>	<u>357,162</u>	<u>403,187</u>	<u>265,371</u>	<u>254,280</u>	<u>164,689</u>	<u>69,077</u>	<u>66,674</u>	<u>68,609</u>	<u>68,942</u>	<u>61,526</u>	<u>2,067,896</u>
<b>TOTAL COST</b>	\$19,568,917	\$14,283,886	\$27,821,347	\$27,651,279	\$23,692,663	\$9,240,453	\$21,254,521	\$17,459,290	\$14,573,385	\$14,991,437	\$15,073,300	\$12,667,554	\$218,278,033



Peoples Natural Gas Company  
Annual 1307(f)-2025  
Projected Period Gas Costs  
**WACCOG Storage Inventory Pricing**

	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>	12-Mth <u>Collection</u>
<b><u>WACCOG Storage Inventory Pricing</u></b>													
(Injection)/Withdrawal Mcf													
60SS/115SS - 863/865	(1,425,000)	1,400,000	2,000,000	2,950,000	2,125,000	2,300,000	(1,620,000)	(1,620,000)	(1,567,741)	(1,620,000)	(1,620,000)	(1,455,000)	(152,741)
EGT&S GSS - 300196	(295,000)	250,000	460,000	750,000	470,000	379,000	(285,000)	(330,000)	(350,000)	(350,000)	(350,000)	(350,000)	(1,000)
EQT AVC GSS	(525,000)	-	-	570,000	1,378,000	1,690,000	(450,000)	(570,000)	(570,000)	(570,000)	(570,000)	(570,000)	(187,000)
EGT&S GSS - PNG	(195,000)	125,000	300,000	470,000	275,000	150,000	-	(225,000)	(225,000)	(225,000)	(225,000)	(230,000)	(5,000)
NFGS ESS	(80,000)	64,000	146,000	165,000	140,000	115,000	(40,000)	(100,000)	(100,000)	(105,000)	(105,000)	(100,000)	-
On-System - PNG	(35,000)	65,000	230,000	275,000	215,000	195,000	280,000	(193,000)	(235,000)	(245,000)	(310,000)	(240,000)	2,000
Columbia Gas - PG	(3,192)	14,437	17,902	25,958	18,864	15,505	(10,483)	(17,216)	(18,104)	(18,707)	(13,934)	(11,030)	-
EGT&S - PG	(47,738)	86,622	134,264	134,264	107,796	98,748	(86,622)	(89,509)	(86,622)	(89,509)	(89,509)	(72,185)	-
EQT - PG	(253,609)	577,478	895,091	895,091	754,572	634,747	(433,109)	(596,728)	(577,478)	(745,910)	(745,910)	(404,235)	-
On-System - PG	<u>(72,000)</u>	<u>25,000</u>	<u>25,000</u>	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>8,000</u>
TOTAL	(2,931,539)	2,607,537	4,208,257	6,345,313	5,594,232	5,688,000	(2,565,214)	(3,741,453)	(3,809,945)	(4,069,126)	(4,129,353)	(3,532,450)	(335,741)
WACCOG Storage Inventory Rate	\$ 3.3792	\$ 3.7050	\$ 3.7050	\$ 3.7050	\$ 3.7050	\$ 3.7050	\$ 3.3199	\$ 3.0939	\$ 3.0945	\$ 3.1532	\$ 3.1314	\$ 2.8428	
WACCOG Storage Inventory Cost	\$ (9,906,119)	\$ 9,660,939	\$ 15,591,615	\$ 23,509,419	\$ 20,726,660	\$ 21,074,071	\$ (8,516,157)	\$ (11,575,636)	\$ (11,789,739)	\$ (12,830,684)	\$ (12,930,651)	\$ (10,042,182)	\$ 12,971,536
	2026 April	2026 May	2026 June	2026 July	2026 August	2026 September							
Local Purchases - Mcf	330,699	327,402	322,620	323,534	322,348	319,192							
Interstate Purchases - Mcf	<u>6,461,192</u>	<u>5,719,436</u>	<u>4,783,849</u>	<u>4,833,829</u>	<u>4,892,963</u>	<u>4,524,752</u>							
	6,791,891	6,046,838	5,106,469	5,157,363	5,215,311	4,843,944							
Local Purchases - Cost	\$1,045,363	\$959,740	\$942,233	\$961,731	\$951,897	\$854,961							
Interstate Purchases - Cost	\$21,254,521	\$17,459,290	\$14,573,385	\$14,991,437	\$15,073,300	\$12,667,554							
Injection/Withdrawal Costs	\$232,941	\$273,890	\$270,849	\$293,601	\$290,701	\$232,712							
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>							
	\$22,548,144	\$18,708,240	\$15,801,787	\$16,262,089	\$16,331,219	\$13,770,547							
WACCOG Inventory Pricing	\$ 3.3199	\$ 3.0939	\$ 3.0945	\$ 3.1532	\$ 3.1314	\$ 2.8428							

Peoples Natural Gas Company  
Annual 1307(f)-2025  
Projected Period Gas Costs  
**Storage Injection / Withdral Costs**

		2025	2025	2025	2026	2026	2026	2026	2026	2026	2026	2026	2026	12-Mth
		October	November	December	January	February	March	April	May	June	July	August	September	Collection
<b><u>Storage Injection/Withdrawal Costs</u></b>														
<b><u>EQT AVC GSS</u></b>														
(Injection)/Withdrawal Mcf		(525,000)	-	-	570,000	1,378,000	1,690,000	(450,000)	(570,000)	(570,000)	(570,000)	(570,000)	(570,000)	(187,000)
Fuel on Injection	4.28%	\$ 0.1423	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1399	\$ 0.1298	\$ 0.1293	\$ 0.1316	\$ 0.1307	\$ 0.1187	
Injection Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Withdrawal Charge		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.1423	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1399	\$ 0.1298	\$ 0.1293	\$ 0.1316	\$ 0.1307	\$ 0.1187	
EQT AVC GSS Cost		\$ 74,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,940	\$ 73,974	\$ 73,703	\$ 75,005	\$ 74,516	\$ 67,643	\$ 502,483
<b><u>EQT 60SS/115SS</u></b>														
(Injection)/Withdrawal Mcf		(1,425,000)	1,400,000	2,000,000	2,950,000	2,125,000	2,300,000	(1,620,000)	(1,620,000)	(1,567,741)	(1,620,000)	(1,620,000)	(1,455,000)	(152,741)
Fuel on Injection	1.88%	\$ 0.0652	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0738	\$ 0.0707	\$ 0.0719	\$ 0.0752	\$ 0.0743	\$ 0.0670	
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0721	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0807	\$ 0.0776	\$ 0.0788	\$ 0.0821	\$ 0.0812	\$ 0.0739	
EQT 60SS/115SS Cost		\$ 102,758	\$ 9,660	\$ 13,800	\$ 20,355	\$ 14,663	\$ 15,870	\$ 130,698	\$ 125,657	\$ 123,496	\$ 132,992	\$ 131,554	\$ 107,490	\$ 928,993
<b><u>EGT&amp;S GSS - PNG</u></b>														
(Injection)/Withdrawal Mcf		(195,000)	125,000	300,000	470,000	275,000	150,000	-	(225,000)	(225,000)	(225,000)	(225,000)	(230,000)	(5,000)
Fuel on Injection	1.31%	\$ 0.0430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0422	\$ 0.0392	\$ 0.0390	\$ 0.0397	\$ 0.0395	\$ 0.0358	
Injection Charge		\$ 0.0039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	
Withdrawal Charge		\$ -	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0469	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0462	\$ 0.0431	\$ 0.0430	\$ 0.0437	\$ 0.0434	\$ 0.0397	
DTI GSS COSTS - PNG		\$ 9,145	\$ 3,400	\$ 8,160	\$ 12,784	\$ 7,480	\$ 4,080	\$ -	\$ 9,700	\$ 9,667	\$ 9,823	\$ 9,765	\$ 9,142	\$ 93,146
<b><u>EGT&amp;S GSS - EGC</u></b>														
(Injection)/Withdrawal Mcf		(295,000)	250,000	460,000	750,000	470,000	379,000	(285,000)	(330,000)	(350,000)	(350,000)	(350,000)	(350,000)	(1,000)
Fuel on Injection	1.31%	\$ 0.0430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0422	\$ 0.0392	\$ 0.0390	\$ 0.0397	\$ 0.0395	\$ 0.0358	
Injection Charge		\$ 0.0039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	\$ 0.0039	
Withdrawal Charge		\$ -	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0469	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0462	\$ 0.0431	\$ 0.0430	\$ 0.0437	\$ 0.0434	\$ 0.0397	
DTI GSS COSTS - EGC		\$ 13,835	\$ 6,800	\$ 12,512	\$ 20,400	\$ 12,784	\$ 10,309	\$ 13,157	\$ 14,226	\$ 15,038	\$ 15,280	\$ 15,189	\$ 13,911	\$ 163,443
<b><u>NFGS ESS</u></b>														
(Injection)/Withdrawal Mcf		(80,000)	64,000	146,000	165,000	140,000	115,000	(40,000)	(100,000)	(100,000)	(105,000)	(105,000)	(100,000)	-
Fuel on Injection	0.85%	\$ 0.0278	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0274	\$ 0.0254	\$ 0.0253	\$ 0.0257	\$ 0.0256	\$ 0.0232	
Injection Charge		\$ 0.0410	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	
Withdrawal Charge		\$ -	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
		\$ 0.0688	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0410	\$ 0.0684	\$ 0.0664	\$ 0.0663	\$ 0.0667	\$ 0.0666	\$ 0.0642	
NFGS ESS Cost		\$ 5,506	\$ 2,624	\$ 5,986	\$ 6,765	\$ 5,740	\$ 4,715	\$ 2,734	\$ 6,637	\$ 6,628	\$ 7,006	\$ 6,989	\$ 6,419	\$ 67,749
		\$ 205,946	\$ 22,484	\$ 40,458	\$ 60,304	\$ 40,667	\$ 34,974	\$ 209,530	\$ 230,195	\$ 228,532	\$ 240,107	\$ 238,012	\$ 204,605	\$ 1,755,814

**Storage Injection/Withdrawal Costs**

		2025	2025	2025	2026	2026	2026	2026	2026	2026	2026	2026	2026	
		October	November	December	January	February	March	April	May	June	July	August	September	
<b><u>Columbia Gas Transmission - FSS</u></b>														
(Injection)/Withdrawal Mcf		(3,192)	14,437	17,902	25,958	18,864	15,505	(10,483)	(17,216)	(18,104)	(18,707)	(13,934)	(11,030)	-
SST Delivery to FSS Charge		\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	\$0.0132	
SST Fuel Charge	2.15%	\$0.0719	\$0.0823	\$0.0949	\$0.1049	\$0.0966	\$0.0825	\$0.0686	\$0.0662	\$0.0663	\$0.0660	\$0.0658	\$0.0615	
FSS Injection Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
FSS Fuel Charge	0.40%	\$0.0138	\$0.0158	\$0.0182	\$0.0201	\$0.0185	\$0.0158	\$0.0132	\$0.0127	\$0.0127	\$0.0127	\$0.0126	\$0.0118	
FSS Withdrawal Charge		\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	
SST Fuel Charge to City-Gate	2.15%	\$0.0744	\$0.0851	\$0.0980	\$0.1083	\$0.0997	\$0.0853	\$0.0710	\$0.0685	\$0.0686	\$0.0683	\$0.0681	\$0.0638	
SST Delivery to City-Gate		<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	<u>\$0.0132</u>	
		\$0.1142	\$0.1136	\$0.1265	\$0.1368	\$0.1282	\$0.1138	\$0.1103	\$0.1074	\$0.1075	\$0.1072	\$0.1069	\$0.1019	
CGT FSS Cost		\$ 365	\$ 1,640	\$ 2,265	\$ 3,550	\$ 2,418	\$ 1,764	\$ 1,156	\$ 1,848	\$ 1,946	\$ 2,005	\$ 1,490	\$ 1,124	\$ 21,571
<b><u>Eastern Gas Storage and Transmission GSS</u></b>														
(Injection)/Withdrawal Mcf		(47,738)	86,622	134,264	134,264	107,796	98,748	(86,622)	(89,509)	(86,622)	(89,509)	(89,509)	(72,185)	-
Fuel on Injection	1.31%	\$ 0.0408	\$ 0.0464	\$ 0.0545	\$ 0.0585	\$ 0.0547	\$ 0.0483	\$ 0.0401	\$ 0.0372	\$ 0.0371	\$ 0.0377	\$ 0.0375	\$ 0.0340	
Injection Charge		\$ 0.0393	\$ 0.0393	\$ 0.0393	\$ 0.0393	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	\$ 0.0267	
Withdrawal Charge		\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0272	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	\$ 0.0165	
		\$0.0801	\$0.0272	\$0.0272	\$0.0272	\$0.0165	\$0.0165	\$0.0668	\$0.0639	\$0.0638	\$0.0644	\$0.0642	\$0.0607	
DTI GSS Cost		\$ 3,824	\$ 2,356	\$ 3,652	\$ 3,652	\$ 1,779	\$ 1,629	\$ (5,787)	\$ 5,719	\$ 5,523	\$ 5,766	\$ 5,744	\$ 4,381	\$ 38,237
<b><u>Equitrans, LP 60SS</u></b>														
(Injection)/Withdrawal Mcf		(253,609)	577,478	895,091	895,091	754,572	634,747	(433,109)	(596,728)	(577,478)	(745,910)	(745,910)	(404,235)	-
Fuel on Injection	1.88%	\$ 0.0589	\$ 0.0669	\$ 0.0787	\$ 0.0844	\$ 0.0790	\$ 0.0697	\$ 0.0578	\$ 0.0536	\$ 0.0534	\$ 0.0544	\$ 0.0540	\$ 0.0490	
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	
		\$0.0658	\$0.0069	\$0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0069	\$ 0.0647	\$ 0.0605	\$ 0.0603	\$ 0.0613	\$ 0.0609	\$ 0.0559	
EQT 60SS Cost		\$ 16,676	\$ 3,985	\$ 6,176	\$ 6,176	\$ 5,207	\$ 4,380	\$ 28,042	\$ 36,128	\$ 34,848	\$ 45,722	\$ 45,455	\$ 22,603	\$ 255,398
		\$ 20,865	\$ 7,981	\$ 12,093	\$ 13,378	\$ 9,404	\$ 7,773	\$ 23,411	\$ 43,695	\$ 42,317	\$ 53,493	\$ 52,689	\$ 28,107	\$ 315,206
TOTAL STORAGE INJ/WD COST		\$ 226,811	\$ 30,465	\$ 52,551	\$ 73,682	\$ 50,070	\$ 42,747	\$ 232,941	\$ 273,890	\$ 270,849	\$ 293,601	\$ 290,701	\$ 232,712	\$ 2,071,020

### Other Gas Costs

[illegible]

Peoples Natural Gas Company  
Annual 1307(f)-2025  
Projected Period Gas Costs  
**Interstate Pipeline Demand and Capacity Costs**

	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>	12-Mth <u>Collection</u>
<b>Interstate Transportation</b>													
<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	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	\$ 7.685	
Demand Cost - \$	\$ 476,470	\$ 1,934,315	\$ 1,934,315	\$ 1,934,315	\$ 1,934,315	\$ 1,934,315	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 476,470	\$ 13,006,863
 <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>Eastern GT&amp;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	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 242,368	\$ 242,884	\$ 242,884	\$ 242,884	\$ 242,884	\$ 242,884	\$ 242,884	\$ 242,884	\$ 242,884	\$ 242,884	\$ 242,884	\$ 242,884	\$ 2,914,091
 <u>Eastern GT&amp;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	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 237,972	\$ 238,488	\$ 238,488	\$ 238,488	\$ 238,488	\$ 238,488	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 237,972	\$ 2,858,244
 <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	\$ 17.343	\$ 17.437	\$ 17.437	\$ 17.437	\$ 17.437	\$ 17.437	\$ 17.343	\$ 17.343	\$ 17.343	\$ 17.343	\$ 17.343	\$ 17.343	
Demand Cost - \$	\$ 271,418	\$ 272,889	\$ 272,889	\$ 272,889	\$ 272,889	\$ 272,889	\$ 271,418	\$ 271,418	\$ 271,418	\$ 271,418	\$ 271,418	\$ 271,418	\$ 3,264,371
 <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	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	\$ 10.6350	
Demand Cost - \$	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 42,540	\$ 510,480
 <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	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	\$ 9.3098	
Demand Cost - \$	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 93,098	\$ 1,117,176
 <u>Eastern GT&amp;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	\$ 5.949	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.962	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	\$ 5.949	
Demand Cost - \$	\$ 59,493	\$ 59,622	\$ 59,622	\$ 59,622	\$ 59,622	\$ 59,622	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 59,493	\$ 714,561
 Equitable Energy - NAESB													
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/	\$ (113,325)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (113,325)
 <u>Total Demand and Capacity Costs</u>													
Demand Determinant - Dth	441,607	631,307	631,307	631,307	631,307	631,307	441,607	441,607	441,607	441,607	441,607	441,607	
Demand Cost - \$	\$ 2,932,616	\$ 6,843,300	\$ 6,916,044	\$ 6,916,044	\$ 6,697,811	\$ 6,916,044	\$ 3,046,457	\$ 3,046,457	\$ 3,046,457	\$ 3,046,457	\$ 3,046,457	\$ 3,046,457	\$ 55,500,599

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  
Annual 1307(f)-2025  
Projected Period Gas Costs

### Interstate Pipeline Demand and Capacity Costs

	2025	2025	2025	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	12-Mth
Interstate Storage	October	November	December	January	February	March	April	May	June	July	August	September	Collection	
<u>Eastern GT&amp;S</u>														
GSS -300181														
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	\$ 2.6749	\$ 2.6749	\$ 2.6749	\$ 2.6782	\$ 2.6782	\$ 2.6782	\$ 2.6749	\$ 2.6749	\$ 2.6749	\$ 2.6749	\$ 2.6749	\$ 2.6749		
Demand Cost - \$	\$ 106,996	\$ 106,996	\$ 106,996	\$ 107,128	\$ 107,128	\$ 107,128	\$ 106,996	\$ 106,996	\$ 106,996	\$ 106,996	\$ 106,996	\$ 106,996	\$ 1,284,348	
Capacity Determinant - Dth	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000		
Capacity Rate - \$/Dth	\$ 0.0258	\$ 0.0258	\$ 0.0258	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841		
Capacity Cost - \$	\$ 118,680	\$ 118,680	\$ 118,680	\$ 386,860	\$ 386,860	\$ 386,860	\$ 386,860	\$ 386,860	\$ 386,860	\$ 386,860	\$ 386,860	\$ 386,860	\$ 3,837,780	
<u>Eastern GT&amp;S</u>														
GSS -300196														
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	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1191	\$ 5.1191	\$ 5.1191	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158		
Demand Cost - \$	\$ 204,632	\$ 204,632	\$ 204,632	\$ 204,764	\$ 204,764	\$ 204,764	\$ 204,632	\$ 204,632	\$ 204,632	\$ 204,632	\$ 204,632	\$ 204,632	\$ 2,455,980	
Capacity Determinant - Dth	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000	2,480,000		
Capacity Rate - \$/Dth	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841		
Capacity Cost - \$	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 208,568	\$ 2,502,816	
<u>Equitrans</u>														
60SS - 863														
Demand Determinant - Dth	137,010	137,010	137,010	137,010	137,010	137,010	137,010	137,010	137,010	137,010	137,010	137,010		
Demand Rate - \$/Dth	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949		
Demand Cost - \$	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 204,816	\$ 2,457,795	
Capacity Determinant - Dth	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296	7,473,296		
Capacity Rate - \$/Dth	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262		
Capacity Cost - \$	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 195,800	\$ 2,349,604	
<u>Equitrans</u>														
115SS - 865														
Demand Determinant - Dth	50,536	50,536	50,536	50,536	50,536	50,536	50,536	50,536	50,536	50,536	50,536	50,536		
Demand Rate - \$/Dth	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949	\$ 1.4949		
Demand Cost - \$	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 75,546	\$ 906,555	
Capacity Determinant - Dth	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357	5,283,357		
Capacity Rate - \$/Dth	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262	\$ 0.0262		
Capacity Cost - \$	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 138,424	\$ 1,661,087	
<u>National Fuel Gas Supply</u>														
ESS														
Demand Determinant - Dth	9,793	9,793	9,793	9,793	9,793	9,793	9,793	9,793	9,793	9,793	9,793	9,793		
Demand Rate - \$/Dth	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263	\$ 3.2263		
Demand Cost - \$	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 31,595	\$ 379,142	
Capacity Determinant - Dth	748,611	748,611	748,611	748,611	748,611	748,611	748,611	748,611	748,611	748,611	748,611	748,611		
Capacity Rate - \$/Dth	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589	\$ 0.0589		
Capacity Cost - \$	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 44,093	\$ 529,118	
Columbia Gas Transmission														
FSS - 307788														
Demand Determinant - Dth	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000		
Demand Rate - \$/Dth	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300	\$ 2.9300		
Demand Cost - \$	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 5,860	\$ 70,320	
Capacity Determinant - Dth	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860	112,860		
Capacity Rate - \$/Dth	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523	\$ 0.0523		
Capacity Cost - \$	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 5,903	\$ 70,831	
Eastern Gas Transmission and Storage														
GSS - 300192														
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	\$ 5.1191	\$ 5.1191	\$ 5.1191	\$ 5.1191	\$ 5.1191	\$ 5.1191	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158	\$ 5.1158		
Demand Cost - \$	\$ 51,191	\$ 51,191	\$ 51,191	\$ 51,191	\$ 51,191	\$ 51,191	\$ 51,158	\$ 51,158	\$ 51,158	\$ 51,158	\$ 51,158	\$ 51,158	\$ 614,094	
Capacity Determinant - Dth	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000		
Capacity Rate - \$/Dth	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841	\$ 0.0841		
Capacity Cost - \$	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 50,460	\$ 605,520	
Equitrans														
60SS - 772														
Demand Determinant - Dth	72,417	72,417	72,417	72,417	72,417	72,417	72,417	72,417	72,417	72,417	72,417	72,417		
Demand Rate - \$/Dth	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438	\$ 1.8438		
Demand Cost - \$	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 133,522	\$ 1,602,270	
Capacity Determinant - Dth	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000		
Capacity Rate - \$/Dth	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145	\$ 0.0145		
Capacity Cost - \$	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 696,000	
<u>Total Storage Demand/Capacity Costs</u>														
Demand Determinant - Dth	361,756	361,756	361,756	361,756	361,756	361,756	361,756	361,756	361,756	361,756	361,756	361,756		
Capacity Determinant - Dth	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124	25,298,124		
Total Cost - \$	\$ 1,634,087	\$ 1,634,087	\$ 1,634,087	\$ 1,902,531	\$ 1,902,531	\$ 1,902,531	\$ 1,902,234	\$ 1,902,234	\$ 1,902,234	\$ 1,902,234	\$ 1,902,234	\$ 1,902,234	\$ 22,023,261	

[illegible]

[illegible]

Peoples Natural Gas Company LLC

Annual 1307(f)-2025

'E' Factor Calculation - COMBINED

Line		TOTAL	CAPACITY	COMMODITY
1	Actual Over/ (Under) Balance Through September 30, 2024	\$ (9,527,518)	\$ (11,658,885)	\$ 2,131,368
2	PLUS: Over/ (Under) Commodity October 2024 - January 2025	\$ (29,648,808)		\$ (29,648,808)
3	PLUS: Over/ (Under) Commodity February 2025 - September 2025	\$ 557,829		\$ 557,829
4	PLUS: Over/ (Under) Capacity October 2024 - January 2025	\$ 10,902,021	\$ 10,902,021	
5	PLUS: Over/ (Under) Capacity February 2025 - September 2025	\$ (9,150,446)	\$ (9,150,446)	
6	PLUS: Over/ (Under) Capacity GCA Revenue October 2024 - January 2025	\$ 5,358,179	\$ 5,358,179	
7	PLUS: Over/ (Under) Capacity GCA Revenue February 2025 - September 2025	\$ 5,636,230	\$ 5,636,230	
8	PLUS: Over/ (Under) GCA Revenue October 2024 - January 2025	\$ (1,792,995)		\$ (1,792,995)
9	PLUS: Over/ (Under) GCA Revenue February 2025 - September 2025	\$ 1,031,212		\$ 1,031,212
10	PLUS: AVC Over/(Under) Balance through Sep 2025 including interest	\$ 145,392	\$ 145,392	
11	PLUS: Projected Interest October 2024 - September 2025	\$ (2,035,963)	\$ 688,194	\$ (2,724,156)
12	PLUS: Proposed Wagner Adjustment 1/	\$ (665,183)		\$ (665,183)
13	PLUS: 2019-2022 PUC Purchase Gas Audits (D-2023-3041985 and D-2023-3037510) 2/	\$ 28,799	\$ 3,849	\$ 24,950
14	Total Projected Prior Period Over/(Under) Collection through September 30, 2025	\$ (29,161,253)	\$ 1,924,533	\$ (31,085,785)

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 for more information.

2/ Findings and interest per the PUC purchase gas audit reports at Docket Nos. D-2023-3041985 and D-2023-3037510. Refer to Statement No. 1 – Direct Testimony of Carol Scanlon for more information. See page 21 for details.



Peoples Natural Gas Company LLC  
Actual and Projected Gas Costs  
for the Period October 2023 through September 2024

Annual 1307(f)  
October 1, 2025

	2023 <u>October</u> ACT	2023 <u>November</u> ACT	2023 <u>December</u> ACT	2024 <u>January</u> ACT	2024 <u>February</u> ACT	2024 <u>March</u> ACT	2024 <u>April</u> ACT	2024 <u>May</u> ACT	2024 <u>June</u> ACT	2024 <u>July</u> ACT	2024 <u>August</u> ACT	2024 <u>September</u> ACT	<u>TOTAL</u>
<b><u>Local / Gathered Purchases</u></b>													
Quantity - Mcf	473,271	394,812	416,487	395,908	372,419	354,875	400,046	406,107	400,128	428,472	420,834	364,082	4,827,441
Rate per Mcf	\$1.4264	\$1.8761	\$2.0960	\$2.1112	\$1.8462	\$1.3278	\$1.3900	\$1.3983	\$1.6378	\$1.9761	\$1.3470	\$1.4036	\$1.6546
Cost	675,093	740,725	872,960	835,838	687,566	471,210	556,060	567,847	655,334	846,724	566,882	511,032	\$7,987,271
<b><u>Interstate Pipeline Purchases</u></b>													
Quantity - Mcf	4,955,219	4,970,080	4,089,401	5,194,410	2,611,114	1,491,315	4,774,335	6,005,423	4,229,452	4,711,936	4,561,975	4,661,983	52,256,643
Rate per Mcf	\$1.3221	\$2.0923	\$1.9271	\$3.7647	\$1.5404	\$1.4700	\$1.3593	\$1.3627	\$1.5940	\$1.8367	\$1.2952	\$1.4029	\$1.7820
Cost	6,551,064	10,399,004	7,880,586	19,555,196	4,022,107	2,192,275	6,489,851	8,183,582	6,741,585	8,654,596	5,908,727	6,540,185	\$93,118,759
<b><u>Total Commodity Purchases</u></b>													
Quantity - Mcf	5,428,490	5,364,892	4,505,888	5,590,318	2,983,533	1,846,190	5,174,381	6,411,530	4,629,580	5,140,408	4,982,809	5,026,065	57,084,084
Rate per Mcf	\$1.3312	\$2.0764	\$1.9427	\$3.6476	\$1.5786	\$1.4427	\$1.3617	\$1.3650	\$1.5978	\$1.8484	\$1.2996	\$1.4029	\$1.7712
Cost	7,226,157	11,139,728	8,753,546	20,391,034	4,709,673	2,663,485	7,045,911	8,751,430	7,396,919	9,501,320	6,475,609	7,051,217	\$101,106,030
<b><u>Storage (Injection)/Withdrawals - WACCOG</u></b>													
Quantity - Mcf	(2,602,723)	2,131,710	2,819,480	6,008,574	4,799,706	3,891,034	(1,008,701)	(4,628,450)	(3,511,660)	(3,861,536)	(3,602,012)	(3,562,056)	(3,126,634)
WACCOG Rate per Mcf	\$1.4228	\$2.7683	\$2.8177	\$2.8504	\$2.8747	\$2.8048	\$1.4349	\$1.4785	\$1.6931	\$1.8944	\$1.5182	\$1.4977	
Cost	(3,703,028)	5,901,253	7,944,412	17,126,875	13,797,558	10,913,699	(1,447,404)	(6,843,081)	(5,945,642)	(7,315,257)	(5,468,553)	(5,334,961)	\$19,625,872
Injection/Withdrawal Costs	35,447	36,286	51,057	81,049	51,030	49,682	33,133	62,634	67,135	47,450	57,262	48,734	\$620,898
Pipeline Transportation Charges	485,256	447,243	469,111	568,914	478,223	360,792	491,502	632,932	449,391	465,149	468,040	446,616	\$5,763,169
<b><u>Other Purchased Gas Costs</u></b>													
Other Gas Costs - Mcf	234,534	410,710	(123)	313,808	196,293	315,442	268,056	76,342	335,693	406,669	129,320	316,001	3,002,745
Gas Admin Costs	15,836	14,436	14,436	14,446	14,446	14,446	13,036	13,036	17,266	13,036	15,856	13,344	\$173,621
Imbalance Buyback Costs	260,428	581,540	(171,459)	(152,883)	592,179	552,013	190,405	178,936	425,338	520,922	473,597	392,520	\$3,843,536
Exchange Costs	14,434	128,685	197,792	953,594	(73,584)	2,753	130,915	(81,015)	104,131	154,679	(99,715)	57,469	\$1,490,139
Compressed Natural Gas	0	0	0	0	0	0	0	0	0	0	0	0	<u>\$0</u>
Subtotal	\$290,698	\$724,661	\$40,770	\$815,157	\$533,041	\$569,212	\$334,356	\$110,958	\$546,736	\$688,637	\$389,738	\$463,333	\$5,507,296
<b>Capacity Costs - Firm Transportation</b>	3,040,914	7,802,182	7,878,159	7,872,393	7,734,971	7,910,430	3,416,246	3,408,546	3,390,231	3,415,776	3,415,089	3,444,237	\$62,729,176
<b>Capacity Costs - Firm Storage</b>	1,622,865	1,622,690	1,622,690	1,622,690	1,633,727	1,651,104	1,634,054	1,634,054	1,634,054	1,634,054	1,634,054	1,634,054	\$19,580,092
<b>AVC Capacity Costs</b>	<u>2,941,316</u>	<u>6,591,566</u>	<u>6,591,566</u>	<u>6,591,566</u>	<u>6,591,566</u>	<u>6,608,366</u>	<u>2,958,116</u>	<u>2,958,116</u>	<u>2,958,116</u>	<u>2,958,116</u>	<u>2,958,116</u>	<u>2,958,116</u>	<u>\$53,664,644</u>
	\$7,605,094	\$16,016,439	\$16,092,416	\$16,086,650	\$15,960,265	\$16,169,900	\$8,008,417	\$8,000,717	\$7,982,402	\$8,007,946	\$8,007,259	\$8,036,407	\$135,973,911
<b><u>Total 1307(f) Gas Costs</u></b>	<u>\$ 11,939,625</u>	<u>\$ 34,265,610</u>	<u>\$ 33,351,312</u>	<u>\$ 55,069,679</u>	<u>\$ 35,529,790</u>	<u>\$ 30,726,770</u>	<u>\$ 14,465,915</u>	<u>\$ 10,715,588</u>	<u>\$ 10,496,940</u>	<u>\$ 11,395,244</u>	<u>\$ 9,929,356</u>	<u>\$ 10,711,347</u>	<u>\$ 268,597,175</u>
Total - w/o AVC	\$8,998,309	\$27,674,044	\$26,759,746	\$48,478,112	\$28,938,224	\$24,118,403	\$11,507,799	\$7,757,472	\$7,538,824	\$8,437,128	\$6,971,240	\$7,753,231	\$214,932,532
Capacity	\$4,663,778	\$9,424,873	\$9,500,849	\$9,495,083	\$9,368,699	\$9,561,534	\$5,050,301	\$5,042,601	\$5,024,286	\$5,049,830	\$5,049,143	\$5,078,291	\$82,309,267
Commodity	\$4,334,531	\$18,249,172	\$17,258,897	\$38,983,029	\$19,569,525	\$14,556,870	\$6,457,499	\$2,714,871	\$2,514,538	\$3,387,298	\$1,922,096	\$2,674,939	\$132,623,265
1307(f) Mcf	3,060,301	7,907,312	7,325,245	11,912,700	7,979,532	6,052,666	4,433,736	1,859,422	1,453,613	1,685,541	1,510,117	1,780,010	56,960,195

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

Annual 1307(f)  
October 1, 2025

	2024 <u>October</u> ACT	2024 <u>November</u> ACT	2024 <u>December</u> ACT	2025 <u>January</u> ACT	2025 <u>February</u> PROJECTED	2025 <u>March</u> PROJECTED	2025 <u>April</u> PROJECTED	2025 <u>May</u> PROJECTED	2025 <u>June</u> PROJECTED	2025 <u>July</u> PROJECTED	2025 <u>August</u> PROJECTED	2025 <u>September</u> PROJECTED	<u>TOTAL</u>
<b><u>Local / Gathered Purchases</u></b>													
Quantity - Mcf	405,612	361,636	317,687	238,132	347,998	353,403	342,524	339,227	334,445	335,359	334,173	331,017	4,041,213
Rate per Mcf	\$1.6992	\$1.8203	\$3.0797	\$3.1767	\$3.1930	\$3.6050	\$3.6586	\$3.4979	\$3.5602	\$3.7317	\$3.6859	\$3.3073	\$3.1367
Cost	689,232	658,297	978,381	756,477	1,111,158	1,274,018	1,253,145	1,186,575	1,190,689	1,251,456	1,231,713	1,094,782	\$12,675,923
<b><u>Interstate Pipeline Purchases</u></b>													
Quantity - Mcf	5,336,364	3,323,754	6,863,571	8,535,024	4,903,858	2,326,823	6,527,169	5,745,989	4,655,987	4,638,647	4,691,785	4,468,043	62,017,015
Rate per Mcf	\$1.6626	\$2.5220	\$2.9348	\$5.3337	\$3.3596	\$3.7618	\$3.8010	\$3.6342	\$3.7025	\$3.8809	\$3.8336	\$3.4440	\$3.5870
Cost	8,872,005	8,382,435	20,143,342	45,522,943	16,474,978	8,753,074	24,809,999	20,882,104	17,238,679	18,001,968	17,986,206	15,387,828	\$222,455,559
<b><u>Total Commodity Purchases</u></b>													
Quantity - Mcf	5,741,976	3,685,390	7,181,258	8,773,156	5,251,856	2,680,226	6,869,693	6,085,216	4,990,432	4,974,006	5,025,958	4,799,060	66,058,228
Rate per Mcf	\$1.6651	\$2.4531	\$2.9412	\$5.2751	\$3.3486	\$3.7411	\$3.7939	\$3.6266	\$3.6929	\$3.8708	\$3.8237	\$3.4345	\$3.5595
Cost	9,561,236	9,040,733	21,121,722	46,279,420	17,586,136	10,027,091	26,063,143	22,068,679	18,429,368	19,253,424	19,217,919	16,482,611	\$235,131,482
<b><u>Storage (Injection)/Withdrawals - WACCOG</u></b>													
Quantity - Mcf	(2,493,335)	2,316,307	2,947,508	6,485,804	5,849,454	5,662,787	(2,650,214)	(3,789,453)	(3,704,204)	(3,888,626)	(3,945,853)	(3,482,450)	(692,276)
WACCOG Rate per Mcf	\$1.7579	\$1.6153	\$1.5222	\$1.7335	\$1.8323	\$1.8323	\$3.8337	\$3.6785	\$3.7542	\$3.9368	\$3.8882	\$3.4906	
Cost	(4,383,063)	3,741,601	4,486,563	11,243,405	10,717,955	10,375,924	(10,160,083)	(13,939,674)	(13,906,359)	(15,308,673)	(15,342,327)	(12,155,970)	(\$44,630,701)
Injection/Withdrawal Costs	35,129	35,464	52,420	112,575	52,805	43,793	257,769	300,744	290,440	312,834	308,770	253,847	\$2,056,590
Pipeline Transportation Charges	626,096	413,445	625,097	822,668									\$2,487,306
<b><u>Other Purchased Gas Costs</u></b>													
Other Gas Costs - Mcf	195,749	195,856	11,559	606,064	0	0	0	0	0	0	0	0	1,009,228
Gas Admin Costs	15,250	16,660	15,250	15,320	15,320	15,320	15,320	15,320	15,320	15,320	15,320	15,320	\$185,040
Imbalance Buyback Costs	165,968	655,415	192,369	1,039,099	0	0	0	0	0	0	0	0	\$2,052,851
Exchange Costs	190,679	(232,176)	(197,043)	912,359	0	0	0	0	0	0	0	0	\$673,819
Compressed Natural Gas	0	0	0	0	0	0	0	0	0	0	0	0	<u>\$0</u>
Subtotal	\$371,897	\$439,899	\$10,576	\$1,966,778	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$15,320	\$2,911,710
<b>Capacity Costs - Firm Transportation</b>	3,438,014	8,271,483	\$8,027,643	\$8,026,713	\$6,585,140	6,803,373	2,932,616	2,932,616	2,932,616	2,932,616	2,932,616	2,932,616	\$58,748,061
<b>Capacity Costs - Firm Storage</b>	1,634,054	1,329,407	\$1,634,351	\$1,634,351	\$2,862,961	2,862,961	2,276,638	2,276,638	2,276,638	2,276,638	2,276,638	2,276,638	\$25,617,912
<b>AVC Capacity Costs</b>	<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>6,721,059</u>	<u>3,070,808</u>	<u>3,070,808</u>	<u>3,070,808</u>	<u>3,070,808</u>	<u>3,070,808</u>	<u>3,070,808</u>	<u>\$54,537,489</u>
	\$8,030,184	\$16,209,257	\$16,270,361	\$16,269,431	\$16,056,467	\$16,387,393	\$8,280,062	\$8,280,062	\$8,280,062	\$8,280,062	\$8,280,062	\$8,280,062	\$138,903,462
<b><u>Total 1307(f) Gas Costs</u></b>	<u>\$ 14,241,480</u>	<u>\$ 29,880,399</u>	<u>\$ 42,566,740</u>	<u>\$ 76,694,275</u>	<u>\$ 44,428,683</u>	<u>\$ 36,849,521</u>	<u>\$ 24,456,211</u>	<u>\$ 16,725,130</u>	<u>\$ 13,108,831</u>	<u>\$ 12,552,966</u>	<u>\$ 12,479,743</u>	<u>\$ 12,875,869</u>	<u>\$ 336,859,849</u>
Total - w/o AVC	\$11,283,364	\$23,272,033	\$ 35,958,373	\$ 70,085,909	\$ 37,820,317	\$ 30,128,463	\$ 21,385,403	\$ 13,654,322	\$ 10,038,023	\$ 9,482,158	\$ 9,408,935	\$ 9,805,061	\$282,322,359
Capacity	\$5,072,068	\$9,600,890	\$ 9,661,994	\$ 9,661,064	\$ 9,448,101	\$ 9,666,334	\$ 5,209,253	\$ 5,209,253	\$ 5,209,253	\$ 5,209,253	\$ 5,209,253	\$ 5,209,253	\$84,365,973
Commodity	\$6,211,295	\$13,671,142	\$ 26,296,379	\$ 60,424,844	\$ 28,372,216	\$ 20,462,129	\$ 16,176,149	\$ 8,445,069	\$ 4,828,770	\$ 4,272,904	\$ 4,199,681	\$ 4,595,808	\$197,956,387
1307(f) Mcf	3,444,390	6,197,553	10,140,325	15,865,024	11,101,310	8,343,013	4,219,479	2,295,763	1,286,228	1,085,380	1,080,105	1,316,610	66,375,180

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

Line No.	Description	Sales (1) Mcf	Revenue (2) \$	Purchased Gas Cost (3) \$	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 2023 *	2,886,449	\$8,104,642	\$4,334,531	\$ 3,770,111
2	November 2023*	6,507,536	\$19,195,213	\$18,249,172	\$ 946,042
3	December 2023*	8,090,558	\$23,959,763	\$17,258,897	\$ 6,700,866
4	January 2024*	10,938,657	\$26,844,991	\$38,983,029	\$ (12,138,038)
5	February 2024*	8,520,680	\$20,556,718	\$19,569,525	\$ 987,193
6	March 2024*	6,124,459	\$14,789,583	\$14,556,870	\$ 232,714
7	April 2024*	3,517,903	\$7,347,158	\$6,457,499	\$ 889,659
8	May 2024*	1,769,828	\$3,953,239	\$2,714,871	\$ 1,238,367
9	June 2024*	1,106,013	\$2,347,151	\$2,514,538	\$ (167,387)
10	July 2024*	996,453	\$2,550,478	\$3,387,298	\$ (836,821)
11	August 2024*	962,691	\$2,365,536	\$1,922,096	\$ 443,439
12	September 2024*	1,101,165	\$2,866,102	\$2,674,939	\$ 191,162
		52,522,392	\$ 134,880,573	\$ 132,623,265	\$ 2,257,308

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

Line No.	Description	Sales (1) Mcf	Revenue (2) \$	Purchased Gas Cost (3) \$	Commodity Over/(Under) Collection (4)=(2)-(3) \$
1	October 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	-	\$0	\$0	\$ -
6	March 2025	-	\$0	\$0	\$ -
7	April 2025	-	\$0	\$0	\$ -
8	May 2025	-	\$0	\$0	\$ -
9	June 2025	-	\$0	\$0	\$ -
10	July 2025	-	\$0	\$0	\$ -
11	August 2025	-	\$0	\$0	\$ -
12	September 2025	-	\$0	\$0	\$ -
		32,539,611	\$ 76,954,853	\$ 106,603,661	\$ (29,648,808)

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

<u>Month</u> (1)	<u>Sales</u> <u>MCF</u> (2)	<u>Average Gas</u> <u>Cost Rate</u> (3)	<u>Gas Cost</u> <u>Revenue</u> (4)
<b><u>October 2023 *</u></b>			
Oct 2023 Quarterly 1307(f) Rate	1,949,549	2.9220	\$ 5,696,583
Prior Quarters and Adjustments	881,467		\$ 2,130,132
Imbalance Sales	55,433		\$ 275,477
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ 2,449
Rider H- Ratepayer Credit	-		\$ -
<b>Total</b>	<b><u>2,886,449</u></b>		<b><u>\$ 8,104,642</u></b>
<b><u>November 2023 *</u></b>			
Oct 2023 Quarterly 1307(f) Rate	6,476,432	2.9220	\$ 18,924,133
Prior Quarters and Adjustments	30,461		\$ 108,867
Imbalance Sales	643		\$ 166,795
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ (4,582)
Rider H- Ratepayer Credit	-		\$ -
<b>Total</b>	<b><u>6,507,536</u></b>		<b><u>\$ 19,195,213</u></b>
<b><u>December 2023 *</u></b>			
Oct 2023 Quarterly 1307(f) Rate	7,253,953	2.9220	\$ 23,632,448
Prior Quarters and Adjustments	812		\$ 1,096
Imbalance Sales	835,794		\$ 325,003
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ 1,216
Rider H- Ratepayer Credit	-		\$ -
<b>Total</b>	<b><u>8,090,558</u></b>		<b><u>\$ 23,959,763</u></b>
<b><u>January 2024 *</u></b>			
Jan 2024 Quarterly 1307(f) Rate	5,778,466	2.4567	\$ 14,195,956
Prior Quarters and Adjustments	5,157,215		\$ 12,180,337
Imbalance Sales	2,976		\$ 467,904
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ 794
Rider H- Ratepayer Credit	-		\$ -
<b>Total</b>	<b><u>10,938,657</u></b>		<b><u>\$ 26,844,991</u></b>
<b><u>February 2024 *</u></b>			
Jan 2024 Quarterly 1307(f) Rate	8,514,089	2.4567	\$ 20,916,563
Prior Quarters and Adjustments	1,787		\$ (766,158)
Imbalance Sales	4,804		\$ 402,222
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ 4,090
Rider H- Ratepayer Credit	-		\$ -
<b>Total</b>	<b><u>8,520,680</u></b>		<b><u>\$ 20,556,718</u></b>

Peoples Natural Gas Company LLC			
<u>PURCHASED GAS COST REVENUE - COMMODITY</u>			
*Actuals			
Month	Sales	Average Gas	Gas Cost
(1)	MCF	Cost Rate	Revenue
(1)	(2)	(3)	(4)
<u>March 2024 *</u>			
Jan 2024 Quarterly 1307(f) Rate	6,033,895	2.4567	\$ 14,823,469
Prior Quarters and Adjustments	2,663		\$ (534,413)
Imbalance Sales	87,901		\$ 498,341
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ 2,186
Rider H- Ratepayer Credit			\$ -
Total	<u>6,124,459</u>		<u>\$ 14,789,583</u>
<u>April 2024 *</u>			
April 2024 Quarterly 1307(f) Rate	368,090	1.9978	\$ 735,369
Prior Quarters and Adjustments	3,147,213		\$ 6,299,361
Imbalance Sales	2,600		\$ 311,405
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ 1,023
Rider H- Ratepayer Credit			\$ -
Total	<u>3,517,903</u>		<u>\$ 7,347,158</u>
<u>May 2024 *</u>			
April 2024 Quarterly 1307(f) Rate	1,681,965	1.9978	\$ 3,360,230
Prior Quarters and Adjustments	85,678		\$ 258,834
Imbalance Sales	2,185		\$ 334,358
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ (184)
Rider H- Ratepayer Credit			\$ -
Total	<u>1,769,828</u>		<u>\$ 3,953,239</u>
<u>June 2024 *</u>			
April 2024 Quarterly 1307(f) Rate	1,041,729	1.9978	\$ 2,081,166
Prior Quarters and Adjustments	23,250		\$ 70,185
Imbalance Sales	41,034		\$ 191,168
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ 4,632
Rider H- Ratepayer Credit			\$ -
Total	<u>1,106,013</u>		<u>\$ 2,347,151</u>
<u>July 2024 *</u>			
July 2024 Quarterly 1307(f) Rate	437,925	2.3200	\$ 1,015,987
Prior Quarters and Adjustments	557,900		\$ 1,277,942
Imbalance Sales	628		\$ 251,943
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	-		\$ 4,605
Rider H- Ratepayer Credit			\$ 1
Total	<u>996,453</u>		<u>\$ 2,550,478</u>
<u>August 2024 *</u>			
July 2024 Quarterly 1307(f) Rate	960,750	2.3200	\$ 2,228,940
Prior Quarters and Adjustments	1,245		\$ 1,326
Imbalance Sales	291		\$ 128,478
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	405		\$ 6,791
Rider H- Ratepayer Credit			\$ -
Total	<u>962,691</u>		<u>\$ 2,365,536</u>
<u>September 2024 *</u>			
July 2024 Quarterly 1307(f) Rate	1,101,598	2.3200	\$ 2,555,707
Prior Quarters and Adjustments	(702)		\$ (1,690)
Imbalance Sales	242		\$ 302,743
Off-System Sales, Parks & Loans	-		\$ -
Gas Sale-in-Place	-		\$ -
Line Hit Recoveries	27		\$ 9,342
Rider H- Ratepayer Credit			
Total	<u>1,101,165</u>		<u>\$ 2,866,102</u>

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

<b><u>October 2024 *</u></b>			
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			
<b>Total</b>	<b><u>2,667,371</u></b>		<b><u>\$ 6,143,532</u></b>
<b><u>November 2024 *</u></b>			
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			
<b>Total</b>	<b><u>5,559,442</u></b>		<b><u>\$ 12,373,578</u></b>
<b><u>December 2024 *</u></b>			
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			
<b>Total</b>	<b><u>10,037,877</u></b>		<b><u>\$ 22,352,517</u></b>
<b><u>January 2025 *</u></b>			
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			
<b>Total</b>	<b><u>14,274,921</u></b>		<b><u>\$ 36,085,226</u></b>

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 2023 *	2,831,016	\$3,363,618	\$639,207	\$4,663,778	\$ (660,953)
2	November 2023*	6,506,893	\$7,654,153	\$1,112,433	\$9,424,873	\$ (658,287)
3	December 2023*	8,088,631	\$9,613,309	\$1,129,613	\$9,500,849	\$ 1,242,073
4	January 2024*	10,935,681	\$12,926,008	\$1,460,319	\$9,495,083	\$ 4,891,244
5	February 2024*	8,515,876	\$10,137,186	\$1,164,442	\$9,368,699	\$ 1,932,930
6	March 2024*	6,036,558	\$7,212,904	\$918,221	\$9,561,534	\$ (1,430,409)
7	April 2024*	3,515,303	\$4,307,383	\$618,242	\$5,050,301	\$ (124,675)
8	May 2024*	1,767,643	\$2,162,000	\$486,838	\$5,042,601	\$ (2,393,763)
9	June 2024*	1,064,979	\$1,298,353	\$404,851	\$5,024,286	\$ (3,321,081)
10	July 2024*	995,825	\$1,210,344	\$406,707	\$5,049,830	\$ (3,432,779)
11	August 2024*	961,995	\$1,167,059	\$401,573	\$5,049,143	\$ (3,480,511)
12	September 2024*	1,100,896	\$1,324,690	\$431,468	\$5,078,291	\$ (3,322,133)
		52,321,296	\$ 62,377,008	\$ 9,173,914	\$ 82,309,267	\$ (10,758,345)



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	-	\$0	\$0	\$0	\$ -
6	March 2025	-	\$0	\$0	\$0	\$ -
7	April 2025	-	\$0	\$0	\$0	\$ -
8	May 2025	-	\$0	\$0	\$0	\$ -
9	June 2025	-	\$0	\$0	\$0	\$ -
10	July 2025	-	\$0	\$0	\$0	\$ -
11	August 2025	-	\$0	\$0	\$0	\$ -
12	September 2025	-	\$0	\$0	\$0	\$ -
		32,525,609	\$ 40,538,800	\$ 4,359,238	\$ 33,996,017	\$ 10,902,021

Peoples Natural Gas Company LLC  
**PURCHASED GAS COST REVENUE - CAPACITY**

	* Actuals		
Month	Sales	Average Gas	Gas Cost
(1)	MCF	Cost Rate	Revenue
	(2)	(3)	(4)
<b>October 2023 *</b>			
Oct 2023 Quarterly 1307(f) Rate	1,949,549	\$1.0221	\$1,992,634
Prior Quarters and Adjustments	881,467		\$900,592
Priority One Standby			\$466,716
Standby Service			\$3,676
Balancing			\$639,207
<b>Total</b>	<b><u>2,831,016</u></b>		<b><u>\$4,002,826</u></b>
<b>November 2023 *</b>			
Oct 2023 Quarterly 1307(f) Rate	6,476,432	\$1.0221	\$6,619,561
Prior Quarters and Adjustments	30,461		\$31,184
Priority One Standby			\$1,000,573
Standby Service			\$2,836
Balancing			\$1,112,433
<b>Total</b>	<b><u>6,506,893</u></b>		<b><u>\$8,766,585</u></b>
<b>December 2023 *</b>			
Oct 2023 Quarterly 1307(f) Rate	8,087,764	\$1.0221	\$8,266,504
Prior Quarters and Adjustments	867		(\$486)
Priority One Standby			\$1,343,950
Standby Service			\$3,341
Balancing			\$1,129,613
<b>Total</b>	<b><u>8,088,631</u></b>		<b><u>\$10,742,923</u></b>
<b>January 2024 *</b>			
Jan 2024 Quarterly 1307(f) Rate	5,778,466	\$1.0221	\$5,906,170
Prior Quarters and Adjustments	5,157,215		\$5,262,022
Priority One Standby			\$1,754,404
Standby Service			\$3,413
Balancing			\$1,460,319
<b>Total</b>	<b><u>10,935,681</u></b>		<b><u>\$14,386,327</u></b>
<b>February 2024 *</b>			
Jan 2024 Quarterly 1307(f) Rate	8,514,089	\$1.0221	\$8,702,251
Prior Quarters and Adjustments	1,787		\$371
Priority One Standby			\$1,431,128
Standby Service			\$3,437
Balancing			\$1,164,442
<b>Total</b>	<b><u>8,515,876</u></b>		<b><u>\$11,301,629</u></b>

Peoples Natural Gas Company LLC  
**PURCHASED GAS COST REVENUE - CAPACITY**

	* Actuals		
Month	Sales	Average Gas	Gas Cost
(1)	MCF	Cost Rate	Revenue
(2)	(3)	(4)	
<b>March 2024 *</b>			
Jan 2024 Quarterly 1307(f) Rate	6,033,895	\$1.0221	\$6,167,244
Prior Quarters and Adjustments	2,663		\$1,840
Priority One Standby			\$1,040,444
Standby Service			\$3,377
Balancing			\$918,221
<b>Total</b>	<b>6,036,558</b>		<b>\$8,131,125</b>
<b>April 2024 *</b>			
April 2024 Quarterly 1307(f) Rate	368,090	\$1.0221	\$376,224
Prior Quarters and Adjustments	3,147,213		\$3,214,879
Priority One Standby			\$712,820
Standby Service			\$3,460
Balancing			\$618,242
<b>Total</b>	<b>3,515,303</b>		<b>\$4,925,626</b>
<b>May 2024 *</b>			
April 2024 Quarterly 1307(f) Rate	1,681,965	\$1.0221	\$1,719,137
Prior Quarters and Adjustments	85,678		\$86,457
Priority One Standby			\$352,705
Standby Service			\$3,701
Balancing			\$486,838
<b>Total</b>	<b>1,767,643</b>		<b>\$2,648,838</b>
<b>June 2024 *</b>			
April 2024 Quarterly 1307(f) Rate	1,041,729	\$1.0221	\$1,064,751
Prior Quarters and Adjustments	23,250		\$23,394
Priority One Standby			\$207,131
Standby Service			\$3,077
Balancing			\$404,851
<b>Total</b>	<b>1,064,979</b>		<b>\$1,703,204</b>
<b>July 2024 *</b>			
July 2024 Quarterly 1307(f) Rate	437,925	\$1.0221	\$447,603
Prior Quarters and Adjustments	557,900		\$569,387
Priority One Standby			\$189,726
Standby Service			\$3,627
Balancing			\$406,707
<b>Total</b>	<b>995,825</b>		<b>\$1,617,051</b>
<b>August 2024 *</b>			
July 2024 Quarterly 1307(f) Rate	960,750	\$1.0221	\$981,983
Prior Quarters and Adjustments	1,245		\$770
Priority One Standby			\$180,677
Standby Service			\$3,630
Balancing			\$401,573
<b>Total</b>	<b>961,995</b>		<b>\$1,568,632</b>
<b>September 2024 *</b>			
July 2024 Quarterly 1307(f) Rate	1,101,598	\$1.0221	\$1,125,943
Prior Quarters and Adjustments	(702)		(\$767)
Priority One Standby			\$196,260
Standby Service			\$3,253
Balancing			\$431,468
<b>Total</b>	<b>1,100,896</b>		<b>\$1,756,158</b>

Peoples Natural Gas Company LLC  
**PURCHASED GAS COST REVENUE - CAPACITY**

<b><u>October 2024 *</u></b>			
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
<b>Total</b>	<b><u>2,663,340</u></b>		<b><u>\$3,954,637</u></b>
<b><u>November 2024 *</u></b>			
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
<b>Total</b>	<b><u>5,557,264</u></b>		<b><u>\$7,836,122</u></b>
<b><u>December 2024 *</u></b>			
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
<b>Total</b>	<b><u>10,030,085</u></b>		<b><u>\$13,876,538</u></b>
<b><u>January 2025 *</u></b>			
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
<b>Total</b>	<b><u>14,274,921</u></b>		<b><u>\$19,230,741</u></b>

Peoples Natural Gas Company LLC

**"E" FACTOR REVENUE**

(\* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u>	<u>GCA</u>
(1)	(2)
October 2023 *	\$ (9,882,005)
November 2023 *	\$ (24,536,584)
December 2023*	\$ (30,655,524)
January 2024*	\$ (3,279,230)
February 2024*	\$ 89,076
March 2024*	\$ 57,687
April 2024*	\$ 16,951
May 2024*	\$ (21,106)
June 2024*	\$ 6,211
July 2024*	\$ 6,371
August 2024*	\$ 9,003
September 2024*	\$ 10,384
	<u><u>\$ (68,178,767)</u></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	\$ -
March 2025	\$ -
April 2025	\$ -
May 2025	\$ -
June 2025	\$ -
July 2025	\$ -
August 2025	\$ -
September 2025	\$ -
	<u><u>\$ (1,792,995)</u></u>

Peoples Natural Gas Company LLC  
**CAPACITY "E" FACTOR REVENUE**  
FOR THE PERIOD OCTOBER 2023 THROUGH SEPTEMBER 2024  
(\* Actuals)

Actual Recoveries/ (Refunds)

<u>Month</u> (1)	<u>Amount</u> (2)
October 2023 *	\$22,914
November 2023 *	\$50,255
December 2023*	\$64,604
January 2024*	\$180,000
February 2024*	\$146,543
March 2024*	\$104,066
April 2024*	\$62,960
May 2024*	\$30,979
June 2024*	\$18,478
July 2024*	\$16,947
August 2024*	\$16,367
September 2024*	<u>\$18,578</u>
Total	<u><u>\$732,692</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	\$0
March 2025	\$0
April 2025	\$0
May 2025	\$0
June 2025	\$0
July 2025	\$0
August 2025	\$0
September 2025	<u>\$0</u>
Total	<u>\$5,358,179</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)	
Feb 2025	10,387,814	\$2.4859	\$25,823,067	\$28,372,216	(\$2,549,149)	
Mar	7,786,122	\$3.5884	\$27,939,720	\$20,462,129	\$7,477,591	
Apr	3,979,785	\$3.5884	\$14,281,059	\$16,176,149	(\$1,895,090)	
May	2,167,361	\$3.5884	\$7,777,357	\$8,445,069	(\$667,711)	
Jun	1,211,945	\$3.5884	\$4,348,944	\$4,828,770	(\$479,825)	
Jul	1,024,606	\$3.5884	\$3,676,697	\$4,272,904	(\$596,208)	
Aug	1,020,286	\$3.5884	\$3,661,193	\$4,199,681	(\$538,488)	
Sep 2025	1,226,875	\$3.5884	\$4,402,517	\$4,595,808	(\$193,291)	
	28,804,793		\$91,910,554	\$91,352,726	\$557,829	

Capacity							
	Projected Volumes	Capacity Rate	Projected Capacity Revenue	Projected BB&A Capacity Revenue	Projected Capacity Cost	Projected Capacity Over/(Under)	
Feb 2025	11,952,147	\$1.0764	\$12,865,291	\$1,192,217	\$9,448,101	\$4,609,408	
Mar	9,008,174	\$1.0764	\$9,696,399	\$1,031,202	\$9,666,334	\$1,061,267	
Apr	4,625,611	\$1.0764	\$4,979,008	\$735,288	\$5,209,253	\$505,043	
May	2,560,926	\$1.0764	\$2,756,580	\$545,490	\$5,209,253	(\$1,907,183)	
Jun	1,445,995	\$1.0764	\$1,556,469	\$418,682	\$5,209,253	(\$3,234,102)	
Jul	1,215,480	\$1.0764	\$1,308,342	\$372,157	\$5,209,253	(\$3,528,754)	
Aug	1,224,812	\$1.0764	\$1,318,388	\$423,193	\$5,209,253	(\$3,467,672)	
Sep 2025	1,475,949	\$1.0764	\$1,588,712	\$432,089	\$5,209,253	(\$3,188,452)	
	33,509,095		\$36,069,190	\$5,150,320	\$50,369,955	(\$9,150,446)	

Gas Cost Adjustment				
	Projected Volumes	Gas Cost Adjustment Rate	Projected Gas Cost Adjustment Revenue	
Feb 2025	10,387,814	\$0.0358	\$371,884	
Mar	7,786,122	\$0.0358	\$278,743	
Apr	3,979,785	\$0.0358	\$142,476	
May	2,167,361	\$0.0358	\$77,592	
Jun	1,211,945	\$0.0358	\$43,388	
Jul	1,024,606	\$0.0358	\$36,681	
Aug	1,020,286	\$0.0358	\$36,526	
Sep 2025	1,226,875	\$0.0358	\$43,922	
	28,804,793		\$1,031,212	

Capacity E-Factor			
	Projected Volumes	Capacity E-Factor	Projected Capacity E-Factor Revenue
Feb 2025	11,952,147	\$0.1682	\$2,010,351
Mar	9,008,174	\$0.1682	\$1,515,175
Apr	4,625,611	\$0.1682	\$778,028
May	2,560,926	\$0.1682	\$430,748
Jun	1,445,995	\$0.1682	\$243,216
Jul	1,215,480	\$0.1682	\$204,444
Aug	1,224,812	\$0.1682	\$206,013
Sep 2025	1,475,949	\$0.1682	\$248,255
	33,509,095		\$5,636,230

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 2024*	\$ (1,185,194)	1.5000	7.50%	\$ (133,334)	1	October 2024*	\$ (1,117,431)	1.5000	7.50%	\$ (125,711)	1	October 2024*	\$ (67,763)	1.5000	7.50%	\$ (7,623)
2	November 2024*	\$ (3,062,332)	1.4167	7.50%	\$ (325,373)	2	November 2024*	\$ (1,764,768)	1.4167	7.50%	\$ (187,507)	2	November 2024*	\$ (1,297,564)	1.4167	7.50%	\$ (137,866)
3	December 2024*	\$ 270,682	1.3333	7.50%	\$ 27,068	3	December 2024*	\$ 4,214,544	1.3333	7.50%	\$ 421,454	3	December 2024*	\$ (3,943,862)	1.3333	7.50%	\$ (394,386)
4	January 2025*	\$ (14,769,942)	1.2500	7.50%	\$ (1,384,682)	4	January 2025*	\$ 9,569,676	1.2500	7.50%	\$ 897,157	4	January 2025*	\$ (24,339,619)	1.2500	7.50%	\$ (2,281,839)
5	Total	\$ (18,746,788)			\$ (1,816,321)	5	Total	\$ 10,902,021			\$ 1,005,394	5	Total	\$ (29,648,808)			\$ (2,821,715)
Interim Period						Interim Period						Interim Period					
6	February 2025	\$ 2,060,260	1.1667	7.50%	\$ 180,273	6	February 2025	\$ 4,609,408	1.1667	7.50%	\$ 403,323	6	February 2025	\$ (2,549,149)	1.1667	7.50%	\$ (223,050)
7	March 2025	\$ 8,538,858	1.0833	7.50%	\$ 693,782	7	March 2025	\$ 1,061,267	1.0833	7.50%	\$ 86,228	7	March 2025	\$ 7,477,591	1.0833	7.50%	\$ 607,554
8	April 2025	\$ (1,390,048)	1.0000	7.50%	\$ (104,254)	8	April 2025	\$ 505,043	1.0000	7.50%	\$ 37,878	8	April 2025	\$ (1,895,090)	1.0000	7.50%	\$ (142,132)
9	May 2025	\$ (2,574,894)	0.9167	7.50%	\$ (177,024)	9	May 2025	\$ (1,907,183)	0.9167	7.50%	\$ (131,119)	9	May 2025	\$ (667,711)	0.9167	7.50%	\$ (45,905)
10	June 2025	\$ (3,713,928)	0.8333	7.50%	\$ (232,120)	10	June 2025	\$ (3,234,102)	0.8333	7.50%	\$ (202,131)	10	June 2025	\$ (479,825)	0.8333	7.50%	\$ (29,989)
11	July 2025	\$ (4,124,962)	0.7500	7.50%	\$ (232,029)	11	July 2025	\$ (3,528,754)	0.7500	7.50%	\$ (198,492)	11	July 2025	\$ (596,208)	0.7500	7.50%	\$ (33,537)
12	August 2025	\$ (4,006,160)	0.6667	7.50%	\$ (200,318)	12	August 2025	\$ (3,467,672)	0.6667	7.50%	\$ (173,392)	12	August 2025	\$ (538,488)	0.6667	7.50%	\$ (26,926)
13	September 2025	\$ (3,381,743)	0.5833	7.50%	\$ (147,951)	13	September 2025	\$ (3,188,452)	0.5833	7.50%	\$ (139,495)	13	September 2025	\$ (193,291)	0.5833	7.50%	\$ (8,456)
14	Total Interim	(8,592,617)			\$ (219,641)	14	Total Interim	(9,150,446)			\$ (317,200)	14	Total Interim	557,829			\$ 97,559
15	Total Interest Due (PNG) or Customer				\$ (2,035,963)	15	Total Interest				\$ 688,194	15	Total Interest				\$ (2,724,156)

1/ Prime Rate in effect 60 days prior to the annual filing made on April 1, 2025.

Peoples Natural Gas Company LLC

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

Peoples Natural Gas Company LLC  
February 2019 - January 2022 Purchased Gas Cost Audit Findings

Summary of Finding and Interest Adjustments for Audit Findings Nos. PNG-Prior Disposition, PNG #4, PG #1, PG #3		Customer Refund / (Company Recovery)
1	<b><u>PNG Prior Audit Disposition - Adjustment calculation for ECG gathering charges</u></b>	
2	Refund Amount	\$53,435
3	Applicable Interest	\$14,175
4	<b>Total PNG-Prior Audit Disposition</b>	<b>\$67,610</b>
5	<b><u>PNG Finding # 4 - Understated interest due to incorrect reconciliation of the P1 capacity</u></b>	
6	Refund Interest Amount	\$3,849
7	<b>Total PNG-Finding # 4</b>	<b>\$3,849</b>
8	<b><u>PG Finding # 1 - Storage methodology change correction</u></b>	
9	Refund Amount	\$12,273
10	Interest Correction	(\$59,907)
11	<b>Total PG-Finding # 1</b>	<b>(\$47,635)</b>
12	<b><u>PG Finding # 3 - Peoples Gas included Texas Eastern adjustment with the current period gas costs instead of including it in the E Factor</u></b>	
13	Refund Amount	\$4,974
14	<b>Total PG-Finding # 3</b>	<b>\$4,974</b>
15	<b>GRAND TOTAL OF ALL ADJUSTMENTS INCLUDING INTEREST BEING MADE OCTOBER 1, 2025</b>	<b>\$28,799</b>

Note/ Findings and interest per the PUC purchase gas audit reports at Docket Nos. D-2023-3041985 and D-2023-3037510. Refer to Statement No. 1 – Direct Testimony of Carol Scanlon for more information.

Peoples Natural Gas Company LLC  
AVC Capacity (Over)/Under Collection

Annual 1307(f)  
October 1, 2025

	Balance at September 30, 2024	October <u>2024</u> act	November <u>2024</u> act	December <u>2024</u> act	January <u>2025</u> act	February <u>2025</u> act	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>2025</u>
Total AVC Capacity Costs		\$ 2,958,116	\$ 6,608,366	\$ 6,608,366	\$ 6,608,366	\$ 6,608,366	\$ 6,721,059	\$ 3,070,808	\$ 3,070,808	\$ 3,070,808	\$ 3,070,808	\$ 3,070,808	\$ 3,070,808
Total AVC Revenues		\$ 2,789,817	\$ 5,413,158	\$ 9,481,526	\$ 13,300,595	\$ 9,808,679	\$ 7,478,700	\$ 4,059,723	\$ 2,392,730	\$ 1,472,921	\$ 1,248,321	\$ 1,315,080	\$ 1,481,880
RS Costs (66.25%)		\$ 1,959,752	\$ 4,378,043	\$ 4,378,043	\$ 4,378,043	\$ 4,378,043	\$ 4,452,701	\$ 2,034,410	\$ 2,034,410	\$ 2,034,410	\$ 2,034,410	\$ 2,034,410	\$ 2,034,410
RS Revenues		\$ 1,776,098	\$ 3,765,425	\$ 6,778,097	\$ 9,670,772	\$ 6,885,857	\$ 5,293,460	\$ 2,720,615	\$ 1,497,721	\$ 841,960	\$ 675,463	\$ 674,795	\$ 786,757
Over/(Under)		\$ (183,654)	\$ (612,618)	\$ 2,400,054	\$ 5,292,729	\$ 2,507,814	\$ 840,759	\$ 686,205	\$ (536,690)	\$ (1,192,450)	\$ (1,358,947)	\$ (1,359,616)	\$ (1,247,654)
SGS Costs (11.94%)		\$ 353,199	\$ 789,039	\$ 789,039	\$ 789,039	\$ 789,039	\$ 802,494	\$ 366,655	\$ 366,655	\$ 366,655	\$ 366,655	\$ 366,655	\$ 366,655
SGS Revenues		\$ 279,923	\$ 664,378	\$ 1,230,389	\$ 1,755,725	\$ 1,398,226	\$ 945,971	\$ 457,828	\$ 245,023	\$ 129,694	\$ 120,061	\$ 118,989	\$ 157,114
Over/(Under)		\$ (73,276)	\$ (124,660)	\$ 441,350	\$ 966,686	\$ 609,187	\$ 143,477	\$ 91,173	\$ (121,632)	\$ (236,961)	\$ (246,594)	\$ (247,666)	\$ (209,541)
MGS Costs (12.99%)		\$ 384,259	\$ 858,427	\$ 858,427	\$ 858,427	\$ 858,427	\$ 873,066	\$ 398,898	\$ 398,898	\$ 398,898	\$ 398,898	\$ 398,898	\$ 398,898
MGS Revenues		\$ 409,782	\$ 670,102	\$ 1,105,236	\$ 1,415,033	\$ 1,137,538	\$ 882,858	\$ 522,800	\$ 334,164	\$ 197,524	\$ 195,840	\$ 205,736	\$ 246,441
Over/(Under)		\$ 25,523	\$ (188,324)	\$ 246,809	\$ 556,606	\$ 279,111	\$ 9,792	\$ 123,902	\$ (64,734)	\$ (201,374)	\$ (203,058)	\$ (193,162)	\$ (152,457)
LGS Costs (8.82%)		\$ 260,906	\$ 582,858	\$ 582,858	\$ 582,858	\$ 582,858	\$ 592,797	\$ 270,845	\$ 270,845	\$ 270,845	\$ 270,845	\$ 270,845	\$ 270,845
LGS Revenues		\$ 324,014	\$ 313,253	\$ 367,804	\$ 459,065	\$ 387,058	\$ 356,411	\$ 358,480	\$ 315,823	\$ 303,744	\$ 256,958	\$ 315,560	\$ 291,568
Over/(Under)		\$ 63,108	\$ (269,605)	\$ (215,054)	\$ (123,793)	\$ (195,800)	\$ (236,386)	\$ 87,635	\$ 44,977	\$ 32,898	\$ (13,887)	\$ 44,715	\$ 20,723
Cumulative Over/(Under)													
RS	\$ (5,617,341)	\$ (5,858,624)	\$ (6,617,292)	\$ (4,072,256)	\$ 1,596,512	\$ 4,236,611	\$ 5,088,488	\$ 5,795,878	\$ 5,209,070	\$ 3,934,726	\$ 2,493,102	\$ 1,060,078	\$ (247,556)
SGS	\$ (623,925)	\$ (709,607)	\$ (856,736)	\$ (382,058)	\$ 661,058	\$ 1,313,215	\$ 1,461,753	\$ 1,556,206	\$ 1,424,472	\$ 1,171,719	\$ 910,526	\$ 649,821	\$ 430,326
MGS	\$ (548,790)	\$ (525,313)	\$ (742,732)	\$ (481,219)	\$ 115,574	\$ 410,204	\$ 414,603	\$ 543,554	\$ 472,221	\$ 256,862	\$ 41,227	\$ (162,617)	\$ (322,732)
LGS	\$ 1,052,864	\$ 1,130,511	\$ 842,848	\$ 614,046	\$ 487,970	\$ 281,931	\$ 32,410	\$ 131,939	\$ 184,333	\$ 222,680	\$ 211,503	\$ 261,294	\$ 285,354
	\$ (5,737,193)	\$ (5,963,032)	\$ (7,373,912)	\$ (4,321,487)	\$ 2,861,114	\$ 6,241,960	\$ 6,997,255	\$ 8,027,576	\$ 7,290,096	\$ 5,585,987	\$ 3,656,358	\$ 1,808,576	\$ 145,392

## Page 23 of 23

Annual 1307(f)  
October 1, 2025

Line		October 2023 actual	November 2023 actual	December 2023 actual	January 2024 actual	February 2024 actual	March 2024 actual	April 2024 actual	May 2024 actual	June 2024 actual	July 2024 actual	August 2024 actual	September 2024 actual	Total
1	Prior Period Over/(Under)													
2	RS	\$ (402,235)	\$ (619,803)	\$ 129,719	\$ 1,992,725	\$ 544,276	\$ (1,051,136)	\$ (14,554)	\$ (1,059,641)	\$ (1,431,994)	\$ (1,423,130)	\$ (1,431,059)	\$ (1,359,092)	\$ (6,078,924)
3	SGS	\$ (62,623)	\$ (87,099)	\$ 53,116	\$ 438,301	\$ 164,773	\$ (158,158)	\$ 20,609	\$ (150,022)	\$ (226,219)	\$ (250,434)	\$ (248,960)	\$ (208,368)	\$ (715,084)
4	MGS	\$ (339)	\$ (94,311)	\$ 17,044	\$ 283,253	\$ 47,951	\$ (192,263)	\$ 117,533	\$ (110,087)	\$ (186,661)	\$ (202,898)	\$ (203,432)	\$ (184,458)	\$ (708,669)
5	LGS	\$ 170,742	\$ 69,164	\$ (77,618)	\$ 66,435	\$ (68,390)	\$ (97,058)	\$ 201,130	\$ 148,677	\$ 92,221	\$ 143,710	\$ 108,646	\$ 101,210	\$ 858,866
														\$ (6,643,811)
6	Oct 23-Sep 24 O/U Allocation													
7	RS	\$ (328,602)	\$ (761,974)	\$ (950,240)	\$ (1,281,650)	\$ (995,994)	\$ (703,920)	\$ (403,730)	\$ (192,298)	\$ (117,855)	\$ (110,860)	\$ (108,463)	\$ (123,339)	\$ (6,078,924)
8	SGS	\$ (37,003)	\$ (86,809)	\$ (108,067)	\$ (151,431)	\$ (118,097)	\$ (81,180)	\$ (47,450)	\$ (25,307)	\$ (15,711)	\$ (12,950)	\$ (13,108)	\$ (17,972)	\$ (715,084)
9	MGS	\$ (43,701)	\$ (85,506)	\$ (99,775)	\$ (127,949)	\$ (101,761)	\$ (76,161)	\$ (56,594)	\$ (31,243)	\$ (22,375)	\$ (20,538)	\$ (20,469)	\$ (22,597)	\$ (708,669)
10	LGS	\$ 66,131	\$ 99,644	\$ 77,576	\$ 99,440	\$ 78,778	\$ 74,730	\$ 70,954	\$ 62,896	\$ 54,277	\$ 62,081	\$ 56,788	\$ 55,573	\$ 858,866
														\$ (6,643,811)
		October 2024	November 2024	December 2024	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025	July 2025	August 2025	September 2025	Total
11	Total AVC Capacity Costs	\$ 2,958,116	\$ 6,608,366	\$ 6,608,366	\$ 6,608,366	\$ 6,608,366	\$ 6,721,059	\$ 3,070,808	\$ 3,070,808	\$ 3,070,808	\$ 3,070,808	\$ 3,070,808	\$ 3,070,808	\$ 54,537,489
12	Total AVC Revenues	\$ 2,789,817	\$ 5,413,158	\$ 9,481,526	\$ 13,300,595	\$ 9,808,679	\$ 7,478,700	\$ 4,059,723	\$ 2,392,730	\$ 1,472,921	\$ 1,248,321	\$ 1,315,080	\$ 1,481,880	\$ 60,243,131
13	RS Costs (Line 1 x 66.25%)	\$ 1,959,752	\$ 4,378,043	\$ 4,378,043	\$ 4,378,043	\$ 4,378,043	\$ 4,452,701	\$ 2,034,410	\$ 2,034,410	\$ 2,034,410	\$ 2,034,410	\$ 2,034,410	\$ 2,034,410	\$ 36,131,087
14	Total RS Revenues	\$ 1,776,098	\$ 3,765,425	\$ 6,778,097	\$ 9,670,772	\$ 6,885,857	\$ 5,293,460	\$ 2,720,615	\$ 1,497,721	\$ 871,766	\$ 756,463	\$ 674,795	\$ 786,757	\$ 41,367,020
15	Prior Period (Line 7)	\$ (328,602)	\$ (761,974)	\$ (950,240)	\$ (1,281,650)	\$ (995,994)	\$ (703,920)	\$ (403,730)	\$ (192,298)	\$ (117,855)	\$ (110,860)	\$ (108,463)	\$ (123,339)	\$ (6,078,924)
16	Current RS Revenues (Line 14 + Line 15)	\$ 1,447,496	\$ 3,003,451	\$ 5,827,857	\$ 8,389,122	\$ 5,889,863	\$ 4,589,540	\$ 2,316,885	\$ 1,305,423	\$ 724,105	\$ 564,603	\$ 566,332	\$ 663,418	\$ 35,288,096
17	Current Period Over/(Under) (Line 16 - Line 13)	\$ (512,256)	\$ (1,374,592)	\$ 1,449,815	\$ 4,011,080	\$ 1,511,820	\$ 136,839	\$ 282,475	\$ (728,987)	\$ (1,310,305)	\$ (1,469,807)	\$ (1,468,079)	\$ (1,370,992)	\$ (842,991)
18	SGS Costs (Line 1 x 11.94%)	\$ 353,199	\$ 789,039	\$ 789,039	\$ 789,039	\$ 789,039	\$ 802,494	\$ 366,655	\$ 366,655	\$ 366,655	\$ 366,655	\$ 366,655	\$ 366,655	\$ 6,511,776
19	Total SGS Revenues	\$ 279,923	\$ 664,378	\$ 1,230,389	\$ 1,755,725	\$ 1,398,226	\$ 945,971	\$ 457,828	\$ 245,023	\$ 129,694	\$ 120,061	\$ 118,989	\$ 157,114	\$ 7,323,320
20	Prior Period (Line 8)	\$ (37,003)	\$ (86,809)	\$ (108,067)	\$ (151,431)	\$ (118,097)	\$ (81,180)	\$ (47,450)	\$ (25,307)	\$ (15,711)	\$ (12,950)	\$ (13,108)	\$ (17,972)	\$ (715,084)
21	Current SGS Revenues (Line 19 + Line 20)	\$ 242,920	\$ 577,570	\$ 1,122,322	\$ 1,604,294	\$ 1,280,129	\$ 864,791	\$ 410,377	\$ 219,716	\$ 113,983	\$ 107,111	\$ 105,881	\$ 139,142	\$ 6,788,236
22	Current Period Over/(Under) (Line 21 - Line 18)	\$ (110,279)	\$ (211,469)	\$ 333,283	\$ 815,255	\$ 491,090	\$ 62,297	\$ 43,723	\$ (146,939)	\$ (252,672)	\$ (259,543)	\$ (260,774)	\$ (227,513)	\$ 276,460
23	MGS Costs (Line 1 x 12.99%)	\$ 384,259	\$ 858,427	\$ 858,427	\$ 858,427	\$ 858,427	\$ 873,066	\$ 398,898	\$ 398,898	\$ 398,898	\$ 398,898	\$ 398,898	\$ 398,898	\$ 7,084,420
24	Total MGS Revenues	\$ 409,782	\$ 670,102	\$ 1,105,236	\$ 1,415,033	\$ 1,137,538	\$ 882,858	\$ 522,800	\$ 334,164	\$ 197,524	\$ 195,840	\$ 205,736	\$ 246,441	\$ 7,323,055
25	Prior Period (Line 9)	\$ (43,701)	\$ (85,506)	\$ (99,775)	\$ (127,949)	\$ (101,761)	\$ (76,161)	\$ (56,594)	\$ (31,243)	\$ (22,375)	\$ (20,538)	\$ (20,469)	\$ (22,597)	\$ (708,669)
26	Current MGS Revenues (Line 24 + Line 25)	\$ 366,081	\$ 584,596	\$ 1,005,461	\$ 1,287,084	\$ 1,035,777	\$ 806,697	\$ 466,206	\$ 302,921	\$ 175,149	\$ 175,302	\$ 185,267	\$ 223,844	\$ 6,614,385
27	Current Period Over/(Under) (Line 26 - Line 23)	\$ (18,178)	\$ (273,830)	\$ 147,034	\$ 428,658	\$ 177,351	\$ (66,369)	\$ 67,308	\$ (95,977)	\$ (223,749)	\$ (223,596)	\$ (213,631)	\$ (175,054)	\$ (470,034)
28	LGS Costs (Line 1 x 8.82%)	\$ 260,906	\$ 582,858	\$ 582,858	\$ 582,858	\$ 582,858	\$ 592,797	\$ 270,845	\$ 270,845	\$ 270,845	\$ 270,845	\$ 270,845	\$ 270,845	\$ 4,810,207
29	Total LGS Revenues	\$ 324,014	\$ 313,253	\$ 367,804	\$ 459,065	\$ 387,058	\$ 356,411	\$ 358,480	\$ 315,823	\$ 303,744	\$ 256,958	\$ 315,560	\$ 291,568	\$ 4,049,738
30	Prior Period (Line 10)	\$ 66,131	\$ 99,644	\$ 77,576	\$ 99,440	\$ 78,778	\$ 74,730	\$ 70,954	\$ 62,896	\$ 54,277	\$ 62,081	\$ 56,788	\$ 55,573	\$ 858,866
31	Current LGS Revenues (Line 29 + Line 30)	\$ 390,145	\$ 412,896	\$ 445,380	\$ 558,505	\$ 465,836	\$ 431,141	\$ 429,434	\$ 378,719	\$ 358,021	\$ 319,039	\$ 372,348	\$ 347,141	\$ 4,908,604
32	Current Period Over/(Under) (Line 31 - Line 28)	\$ 129,239	\$ (169,962)	\$ (137,478)	\$ (24,353)	\$ (117,022)	\$ (161,656)	\$ 158,588	\$ 107,873	\$ 87,176	\$ 48,194	\$ 101,503	\$ 76,296	\$ 98,397
33	October 2022 - September 2023													
34	Current Period Over/(Under) by Class													
35	RS (Line 17)	\$ (512,256)	\$ (1,374,592)	\$ 1,449,815	\$ 4,011,080	\$ 1,511,820	\$ 136,839	\$ 282,475	\$ (728,987)	\$ (1,310,305)	\$ (1,469,807)	\$ (1,468,079)	\$ (1,370,992)	\$ (842,991)
36	SGS (Line 22)	\$ (110,279)	\$ (211,469)	\$ 333,283	\$ 815,255	\$ 491,090	\$ 62,297	\$ 43,723	\$ (146,939)	\$ (252,672)	\$ (259,543)	\$ (260,774)	\$ (227,513)	\$ 276,460
37	MGS (Line 27)	\$ (18,178)	\$ (273,830)	\$ 147,034	\$ 428,658	\$ 177,351	\$ (66,369)	\$ 67,308	\$ (95,977)	\$ (223,749)	\$ (223,596)	\$ (213,631)	\$ (175,054)	\$ (470,034)
38	LGS (Line 32)	\$ 129,239	\$ (169,962)	\$ (137,478)	\$ (24,353)	\$ (117,022)	\$ (161,656)	\$ 158,588	\$ 107,873	\$ 87,176	\$ 48,194	\$ 101,503	\$ 76,296	\$ 98,397
														\$ (938,168)
39	Time Factor	1.5000	1.4167	\$ 1.333	1.2500	1.1667	1.0833	1.0000	0.9167	0.8333	0.7500	0.6667	0.5833	
40	Interest Rate	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	
41	Interest													
42	RS (Line 35 x Line 39 x Line 40)	\$ (57,629)	\$ (146,050)	\$ 144,981	\$ 376,039	\$ 132,284	\$ 11,118	\$ 21,186	\$ (50,118)	\$ (81,894)	\$ (82,677)	\$ (73,408)	\$ (59,981)	\$ 133,851
43	SGS (Line 36 x Line 39 x Line 40)	\$ (12,406)	\$ (22,469)	\$ 33,328	\$ 76,430	\$ 42,970	\$ 5,062	\$ 3,279	\$ (10,102)	\$ (15,792)	\$ (14,599)	\$ (13,039)	\$ (9,954)	\$ 62,708
44	MGS (Line 37 x Line 39 x Line 40)	\$ (2,045)	\$ (29,094)	\$ 14,703	\$ 40,187	\$ 15,518	\$ (5,392)	\$ 5,048	\$ (13,984)	\$ (15,518)	\$ (12,577)	\$ (10,682)	\$ (7,659)	\$ (12,576)
45	LGS (Line 38 x Line 39 x Line 40)	\$ 14,539	\$ (18,058)	\$ (13,748)	\$ (2,283)	\$ (10,239)	\$ (13,135)	\$ 11,894	\$ 7,416	\$ 5,448	\$ 2,711	\$ 5,075	\$ 3,338	\$ (7,041)
														\$ 176,943

Peoples Natural Gas Company LLC  
ANNUAL 1307(f) Rate Calculation  
Effective: OCTOBER 1, 2025

**Annual 1307(f)**  
**October 1, 2025**

Line No.		Costs and Volumes	\$/Mcf Rates
1	DC = Projected Annual Capacity Costs (Including AVC Capacity)	\$143,276,708	
2	MINUS: Projected Balancing Revenue Credits	<u>\$17,451,960</u>	
3	Projected Annual "Current" Period Capacity Costs (line 1 - line 2)	\$125,824,748	
4	S + SBAC = Projected Annual Sales and Standby Volumes - October 2025 through September 2026 (Mcf)	<u>69,373,007</u>	
5	Projected "Current" Period Capacity Costs per Mcf (line 3 / line 4)		\$1.8137
6	Capacity Over/(Under) "E-Factor" Collection	\$1,924,533	
7	S + SBAC = Projected Annual Sales and Standby Volumes - October 2025 through September 2026 (Mcf)	<u>69,373,007</u>	
8	Capacity "E-Factor" Cost per Mcf (line 6 / line 7)		<u>\$0.0277</u>
9	Projected Total Capacity Cost of Gas per Mcf (line 5 - line 8)		<b>\$1.7860</b>
10	CC = Projected Commodity Costs	\$247,330,411	
11	S = Projected Sales Volumes October 2025 through September 2026 (Mcf)	<u>59,685,608</u>	
12	Projected Commodity Cost of Gas per Mcf (line 10 / line 11)		\$4.1439
13	MINUS: Current Commodity Over/(Under) Collection	\$0	
14	S = Projected Annual Sales Volumes (Mcf)	<u>59,685,608</u>	
15	Current Commodity Over/(Under) Collection Commodity Cost of Gas per Mcf (line 13 / line 14)		<u>\$0.0000</u>
16	Projected Commodity Cost of Gas per Mcf (line 12 - line 15)		<b>\$4.1439</b>
17	Total Projected Cost of Gas per Mcf (line 9 + line 16)		<b><u>\$5.9299</u></b>
18	Total Prior Period Over/(Under) Collection Balance	<u>(\$31,085,785)</u>	
19	S = Projected Annual Sales Volumes (Mcf)	<u>59,685,608</u>	
20	MINUS: E = Prior Period Over/(Under) Collection Rate per Mcf (line 18 / line 19)		<b><u>(\$0.5208)</u></b>
21	Overall Gas Cost Rate per Mcf (line 17 - line 20 - line 21)		<b>\$6.4507</b>

Peoples Natural Gas Company Calculation Of Balancing Charge			
I. Balancing Recoverable Costs			
A. Total Storage Costs	Annual Amount		
EGTS GSS	\$11,300,538		
EGTS FTNN	\$6,486,896		
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	\$2,071,020		
TCO FS	\$141,151		
TCO SST	\$189,846		
AVC GSS	\$20,274,867		
AVC FTGSS	<u>\$15,973,326</u>		
Total	\$85,548,318		
Annualized Storage Demand (Mcf)	7,406,749		
Average Storage Charge (\$/Mcf)	\$11.5500		
B. PNG System Storage/Contract Storage Split	MDWQ Volumes (Mcf)	Percent To Total	
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>	
C. Balancing Recovery Of Contract Storage Costs			
Balancing Peak Day Requirements (Mcf)		137,198	
Contract Storage Percentage		<u>91.78%</u>	
Contract Storage Related Balancing Requirements (Mcf)		125,916	
Average Storage Charge (\$/Mcf)		<u>\$11.5500</u>	
Monthly Balancing Storage Cost Recovery		\$1,454,330	
Annual Balancing Storage Cost Recovery		<u>\$17,451,960</u>	
II. Balancing Peak Day Requirements/Balancing Charge Development			
A. Balancing Peak Day Requirements		Volumes (Mcf)	
SGS & MGS		95,194	
LGS		<u>42,004</u>	
Total Balancing Peak Day Requirements		<u>137,198</u>	
B. Balancing Peak Day Requirements Allocated To Customer Classes			
	Balancing Requirements (Mcf)	Percent To Total	
NGS Supplied Customer Class			
SGS & MGS	95,194	69.38%	
LGS	<u>42,004</u>	<u>30.62%</u>	
Total	<u>137,198</u>	<u>100.00%</u>	
C. Balancing Charge Development		NGS Supplied Volumes (Mcf)	Balancing Unit Rate (\$/Mcf)
NGS Supplied Customer Class	Contract Storage Costs		
SGS & MGS	\$12,104,198	14,582,587	\$0.8300
LGS	<u>\$4,833,475</u>	<u>27,773,114</u>	<u>\$0.1740</u>
Total	<u>\$16,937,673</u>	<u>42,355,701</u>	<u>\$0.3999</u>



PEOPLES NATURAL GAS  
Gas Cost Revenues and Expenses  
February 2024 through January 2025

		Purchased Gas Revenues 1/	Purchased Gas Expenses 1/	Over / (Under) Collections
February	2024	\$39,138,522	\$35,529,790	\$3,608,732
March		\$28,030,458	\$30,726,770	(\$2,696,311)
April		\$15,555,618	\$14,465,915	\$1,089,703
May		\$8,389,119	\$10,715,588	(\$2,326,469)
June		\$5,302,819	\$10,496,940	(\$5,194,121)
July		\$5,392,893	\$11,395,244	(\$6,002,352)
August		\$5,117,478	\$9,929,356	(\$4,811,878)
September		\$5,929,667	\$10,711,347	(\$4,781,680)
October		\$12,544,811	\$14,241,480	(\$1,696,669)
November		\$24,788,213	\$29,880,399	(\$5,092,186)
December		\$44,630,075	\$42,566,740	\$2,063,335
January	2025	\$67,154,972	\$76,694,275	(\$9,539,303)
		<b><u>\$261,974,645</u></b>	<b><u>\$297,353,842</u></b>	<b><u>(\$35,379,197)</u></b>

1/ Purchased gas revenues include AVC revenues and do not include GCA or Capacity "E" factor revenues; purchased gas expenses include AVC expenses.

## PEOPLES' UFG MITIGATION PLAN

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

January 1, 2018 through December 31, 2024

	<u>Historic Performance</u>				
	Actual				
	Performance to Date (2018- 2021)	Original 4 year Plan	2022 Actual	2023 Actual	2024 Actual
<b><u>Gathering Lines - Miles Abandoned</u></b>					
Total	122.1	115.2	36.5	18.5	21.72
<b><u>Gathering Lines - Miles Repaired/Replaced</u></b>					
Total	50.7	20.0	12.2	10.8	6.62
<hr/>					
<b><u>Gathering Lines (Abandoned)- \$millions</u></b>					
Total	\$ 1.08	\$ 3.77	\$ 0.17	\$ 0.19	\$ 0.22
<b><u>Gathering Lines (Repaired/Replaced) - \$millions</u></b>					
Total	\$ 16.48	\$ 16.15	\$ 5.13	\$ 4.83	\$ 2.21
<b><u>Gathering Lines - TOTAL - \$millions</u></b>					
Total	\$ 17.55	\$ 19.92	\$ 5.30	\$ 5.02	\$ 2.43

Row	1307(f) Reporting Year	2023	2024	2025 REV
<b>A. Gas Received</b>				
1	From Production Facilities	34,735,324	32,703,916	35,871,557
2	From Transmission Facilities	-	-	-
3	From Storage Facilities	1,570,566	1,497,678	1,523,248
4	From Interstate Pipeline directly into the Distribution System	108,170,909	104,939,692	97,312,471
5	From Other Sources (i.e. propane etc.)	636,048	655,189	574,883
6	<b>Total Gas Received</b>	<b>145,112,847</b>	<b>139,796,475</b>	<b>135,282,159</b>
<b>B. Gas Delivered</b>				
	To Customers (i.e. transportation, residential, commercial, industrial etc.)			
7	Total To Customers	133,136,713	126,547,322	122,530,816
8	To Storage	-	-	-
9	Storage injection	1,719,255	1,445,136	1,155,028
10	Total To Storage	-	-	-
	Total To Transmission system/Off system			
11		863,125	1,742,567	1,797,899
12	Other exchanges	289,353	351,979	281,052
13	<b>Total Gas Delivered</b>	<b>136,008,446</b>	<b>130,087,004</b>	<b>125,764,795</b>
<b>C. Adjustments</b>				
14	Company use	774,400	817,868	797,006
15	Storage loss	141,131	141,810	136,119
16	Other Adjustments	2,531,989	2,693,115	2,397,247
17	<b>Total Adjustments</b>	<b>3,447,520</b>	<b>3,652,793</b>	<b>3,330,372</b>
<b>D. Total UFG ( = A-B-C )</b>				
18	<b>Total</b>	<b>5,656,881</b>	<b>6,056,678</b>	<b>6,186,992</b>
<b>E. Total Percent UFG ( = D/A )</b>				
19	<b>Percentage</b>	<b>3.90%</b>	<b>4.33%</b>	<b>4.57%</b>

**APPENDIX A**  
**Peoples Natural Gas Company LLC**  
**Docket Nos. R-2025-3053184, *et al.***  
**Rate Effects of 2025 1307(f) Filing**

<b>Peoples Natural Gas Company</b>			As-Filed		Percent				Percent
<u>Rate Schedule</u>	<u>Average Annual Usage (Mcf)</u>	<u>Existing Tariff Rates 1/</u>	<u>Gas Cost Change</u>	<u>As-Filed Tariff Rates</u>	<u>Change in Rates</u>	<u>Current Annual Bill</u>	<u>As-Filed Annual Bill</u>	<u>Difference Annual Bill</u>	<u>Change Annual Bill</u>
-									
RS	80	\$11.8985	\$0.9554	\$12.8539	8.0%	\$1,152	\$1,229	\$76	6.6%
SGS	250	\$9.5255	\$0.9907	\$10.5162	10.4%	\$2,644	\$2,891	\$248	9.4%
MGS	1,750	\$8.9897	\$1.2381	\$10.2278	13.8%	\$16,936	\$19,103	\$2,167	12.8%
LGS	50,000	\$7.5640	\$1.5293	\$9.0933	20.2%	\$395,663	\$472,128	\$76,465	19.3%

1/ Peoples Natural Gas net billing rate effective March 1, 2025.